

BPS (SUISSE) – Results for the 2024 financial year**Positive trend, with new RECORD results (profit +4%)****Significant increases in all benchmark aggregates**

Operational activities yielded positive results despite the challenges, difficulties and uncertainties that shaped the economy and the financial system as a whole.

In the context of *universal banking services*, the variety of dynamics saw the different trends balance each other out in the various markets, highlighting the flexibility of the structure.

Aggregates achieved significant increases, exceeding targets in several areas.

Monetary policy influenced operations with regard to both loans and deposits. An effective approach to treasury management allowed the Bank to better respond to rapidly changing market conditions.

With the increasing use of information technology in banking operations, investments in IT procedures and systems have become crucial to the Bank's development. These interventions aim both to improve internal efficiency and to meet customers' expectations by offering them remote, fast and secure access to all the necessary services. In this context, *cybersecurity* is essential to protecting sensitive data and ensuring operational continuity.

The development of new features in *GoBanking*, the Bank's home banking application, has been constant.

The choice of the most ideal way of interacting with the Bank is left to the customer. From simply viewing their account to conducting transactions, the use of digital channels is fast and convenient.

Establishing relationships and *advising on specialised matters (investments, savings, loans, etc.)* are examples where the physical channel is still the best way for the Bank to get to know its customers, interpret their needs, set objectives and create a basis of mutual trust.

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Staff

The workforce grew to 378, an increase of 9 people compared to the previous year. This was necessary in order to respond to the increase in customers and volumes traded and to cope with increased regulatory complexity. Particular attention is paid to the generational shift in an effort to preserve knowledge and experience within the Bank and to attract new talents to be nurtured by and integrated into BPS (SUISSE).

Sales network

The branch network consists of 21 operational branches, including one in the Principality of Monaco, the direct banking virtual branch and a representative office in Verbier (VS).

In the first few months of the financial year, the building that has housed the Bellinzona (TI) branch since 2002 was purchased. Work was also completed on the extension and renovation of the building in St. Moritz (GR), which has been in operation since 1996. We would like to highlight the high energy autonomy of this building, in line with the Bank's ESG policy.

25th anniversary of Popso (Suisse) Investment Fund SICAV

2024 marked the 25th anniversary of *Popso (Suisse) Investment Fund SICAV*, an investment fund company set up under Luxembourg law and managed by the Bank.

This important milestone is testament to the strength and continuity of the results achieved over the years, as well as the Bank's ongoing commitment to *asset management*.

Thanks to the diversified range of solutions offered, *Popso (Suisse) Investment Fund SICAV* has been able to respond effectively to the needs of both private and institutional investors. In line with this growth and innovation strategy, the fund is set to be expanded in 2025 with the launch of two new sub-funds.

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BALANCE SHEET DATA

Numbers in customer activities

Customer deposits reached CHF 5,897,000,000 (+5% compared to the previous year). Direct deposits amounted to CHF 3,416,000,000 (=), while indirect deposits increased to CHF 2,481,000,000 (+12%). The contribution of new funds from customers, *net new money*, was significant. The markets had a positive effect on portfolios thanks to the rise in share prices. The Swiss franc exchange rate had a largely neutral impact.

The asset management component grew considerably, as did subscriptions to *Advisory Professional mandates for Private Banking* customers.

Customer loans reached CHF 5,645,000,000 (+2%). CHF 5,143,000,000 (+3%) of this amount consisted of mortgage loans, while CHF 502,000,000 (-9%) was attributable to other loans. The increase in the mortgage portfolio related almost exclusively to homeowner loans, in line with our lending policy. When granting credit lines, we followed prudent parameters to ensure a low degree of risk.

RESULTS – INCOME STATEMENT

In the *Income statement*, the excellent results achieved in the previous year were improved upon.

Regarding the individual items, the *Net result from interest operations* decreased to CHF 21,860,000 (-36%), despite the increase in the customer loan portfolio. This decline is attributable to the higher cost of refinancing in euros compared to the income from loans granted almost exclusively in Swiss francs.

This impact was positively offset in the item *Result from trading activities and the fair value option* due to the conversion between EUR and CHF, with no exchange rate risk (*currency swap* transactions).

Net commission and service income amounted to CHF 25,508,000 (+2%). Within this, income from *securities trading and investment activities* grew significantly, in line with the expansion of the customer securities portfolio. Income from other services fell slightly.

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The *Result from trading activities and the fair value option* increased to CHF 75,293,000 (+20%), thanks in particular to the impact of the aforementioned *currency swap* transactions. *The operating result from trading activities* increased in proportion to the volumes traded.

Operating expenses grew to CHF 82,398,000 (+3%), of which CHF 55,843,000 (+1%) related to personnel expenses, following the increase in staff, and CHF 26,555,000 (+7%) to other general and administrative expenses, due to the impact of IT and property renovation developments.

The *Operating result*, net of amortisation and provisions, totalled CHF 37,080,000 (+3%), while the *Profit (result for the period)* amounted to CHF 29,349,000 (+4%).

Both figures are the best results achieved by BPS (SUISSE), ultimately exceeding the records set in the previous financial year.

PROPOSAL FOR THE GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON 28 FEBRUARY 2025

The Board of Directors will propose to the General Meeting of Shareholders the payment to shareholders of a dividend of CHF 4,050,000 and the payment of the difference, amounting to CHF 25,299,000, to the *Statutory retained earnings reserve*, to strengthen the Bank's capital structure in view of new projects and developments.

Cultural Section 2024

The 2024 Annual Report features a cultural insert dedicated to MAX HUBER (1919 – 1992), Swiss designer, lecturer and outstanding figure in international graphic design.