

# Key regulatory information 2021



## DISCLOSURE ON CAPITAL ADEQUACY, LIQUIDITY AND INTEREST RATE RISK FOR THE YEAR ENDING 31 DECEMBER 2021

### Information on capital adequacy

#### A. Eligible capital

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Gross common equity Tier 1 capital (after mandatory deduction of own participating instruments)	48'055	56'741
of which non-controlling interests	-	-
of which innovative capital instruments	-	-
./. regulatory deduction	-	-
./. other elements to be deducted from common equity Tier 1 capital	-18'459	-4'711
of which own shares	-312	-251
of which result of the period	-4'965	-2'337
of which Goodwill	-13'182	-2'123
<b>Eligible common equity Tier 1 capital (net CET1)</b>	<b>29'596</b>	<b>52'030</b>
+ complementary and additional equity	1'555	2'579
./. other deductions from complementary and additional equity and other deductions from capital	-	-
<b>Total eligible capital</b>	<b>31'151</b>	<b>54'609</b>

#### B. Capital required

(in thousands of Swiss francs)	Approach used	31.12.2021 Equity requirement
Credit risk	AS-BRI	9'440
• of which price-related risk related to investments in the Bank's portfolio		-
Risk not related to counterparties	AS-BRI	62
Market risk	Min.	290
• of which on interest-rate instruments (general and specific market risk)		-
• of which on equity securities		-
• of which on currencies and precious metals		-
• of which on commodities		243
Operational risk	Base indicator	4'206
Participation risk	Base indicator	701
<b>Total</b>		<b>14'699</b>
<b>Ratio of eligible capital to capital required under Swiss law</b>		<b>212%</b>

## C. Capital ratios

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Common equity Tier-one capital (net CET1)	29'596	52'030
Total regulatory capital (net T1 & T2)	31'151	54'609
Minimum capital required	14'699	7'146
Sum of risk weighted positions	183'738	89'325
Capital ratios (in % of risk weighted positions)		
Ratio CET1	16.1%	58.3%
Ratio T1	16.1%	58.3%
Ratio T2	0.9%	2.9%
Total regulatory capital ratio	17.0%	61.1%
Countercyclical capital buffers		
CET1 objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	7.0%	7.0%
T1 objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	9.0%	9.0%
Regulatory capital objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	10.5%	10.5%

### Information on leverage ratio

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Tier-one equity (tier 1)	29'596	52'031
Global exposure	872'783	321'615
Leverage ratio	3.4%	16.2%

### Information on short term liquidity coverage ratio (LCR)

(in thousands of Swiss francs)	Average Q1.2021	Average Q2.2021	Average Q3.2021	Average Q4.2021
Sum of high-quality liquid assets (HQLA)	265'560	299'555	367'184	338'080
Sum of net cash outflows	42'541	74'183	66'963	64'759
Short term liquidity coverage ratio LCR (in %)	509%	404%	548%	522%
LCR ratio objective for the Bank (in %)	100%	100%	100%	100%

### Information on net stable funding ratio (NSFR)

(in %)	31.12.2021	31.12.2020
Net stable funding ratio	281.4%	187.7%

## Information on interest rate risk (IRRBB)

<i>Definition</i>	IRRBB as the risk to which the Bank's own funds and profits are exposed as a result of adverse movements in interest rates. To this end, the Bank monitors two indicators: i) the change in the economic value of equity (or EVE), which corresponds to the change in the net present value of all cash flows from assets, liabilities and off-balance sheet of the banking book resulting from a change in interest rates; and ii) the change in net interest income (NII) resulting from interest rate movements.
<i>Strategy, structure and organization</i>	The target appetite and limits, defined from an economic value perspective, are reviewed at least annually. The Executive Committee in charge of organizing and implementing IRRBB management, delegates this responsibility to the Risk Committee, which is held on a monthly basis. The Bank does not hedge the interest rate risk with derivative financial instrument.
<i>Scenarios</i>	In accordance with cm 32 of Circ. FINMA 2019/02, the Bank applies the 6 rate shock scenarios defined in Appendix 2 of this circular. Assumptions and scenario data are based on Appendix 2 Circ. FINMA 2019/02. Concerning the base case scenario, the Bank uses forward curves.
<i>Assumptions and parameters</i>	For the EVE calculation purpose, cash flows are discounted with market rates. Nominal and interests are considered in the cash flows. For NII calculation purpose, transactions are renewed according to observed average renewal repricing maturities, with respect to positions with determined repricing maturity. With respect to positions with undetermined repricing maturity, the Bank applies a statistical approach (with a replication key). The Bank does not grant medium- and long-term loans. The longest maturity is one year. For customer loans with a fixed maturity, the remaining term is used. Concerning current accounts and sight liabilities, a short-term period is used. For subordinated notes, the maturity date is the first redemption date. The maturity buckets and the maturity buckets medians (in years) are those documented in the Appendix 2 of Circ. FINMA 2019/02 (19 maturity buckets from overnight to >20 years). Positions with early repayment options are not material. Concerning aggregation across currencies, the total in each scenarios the sum of the results for each currency. The main currencies are CHF, USD, EUR and some other currencies if each one individually represents more than 2% of the balance sheet.

### Quantitative information on the structure and on the repricing renewal

		31.12.2021			Average renewal repricing maturities (in years)	
		Volumes in thousands of CHF				
		Total	Of which CHF	Of which other significant currencies*	Total	Of which CHF
Determined repricing maturity	Receivables from banks	85'001	20'000	60'664	0.08	0.13
	Receivables from clients	158'060	13'414	139'401	0.09	0.12
	Mortgage loans	16'738	16'738	-	0.61	0.61
	Financial investments	67'416	-	67'416	2.16	-
	Receivables from interest derivatives	-	-	-	-	-
	Liabilities from client deposits	-	-	-	-	-
	Liabilities from interest derivatives	-	-	-	-	-
Undetermined repricing maturity	Receivables from banks	138'660	18'867	105'007	0.08	0.08
	Receivables from clients	30'362	7'013	21'587	0.22	0.22
	Sight liabilities in personal and current account	776'222	49'919	677'598	0.22	0.22
	Other liabilities	10'669	5	10'629	0.08	0.08
<b>Total</b>	<b>1'283'128</b>	<b>125'956</b>	<b>1'082'302</b>	<b>-</b>	<b>-</b>	

\* Representing more than 10% of the total balance sheet.

Quantitative information on economic value of equity and net interest income

in thousands of CHF	Change in net present value		Change in net interest income	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Parallel upward shift	410	1'244	4'296	3'167
Parallel downward shift	2'399	1'329	4'224	56
Steepened shock	1'644	424	-	-
Flattener shock	1'897	465	-	-
Upward short-term interest rate shock	2'183	978	-	-
Downward short-term interest rate shock	2'203	998	-	-
Maximum	2'399	1'329	4'296	3'167
Tier 1 capital	29'596	52'030	29'596	52'030