

# 2021 Full-Year Results

Analysts' presentation  
17 February 2022



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**Introduction**  
**Pascal Kiener, CEO**

FY 2021 financial results  
Thomas W. Paulsen, CFO

Conclusion  
Pascal Kiener, CEO

# Key messages



Stronger economic growth and buoyant financial markets in 2021 helped boost business volumes

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Revenues up 6%, surpassing the CHF 1bn mark

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Net profit up 14% to a record CHF 379m

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Proposal to increase the dividend to CHF 3.70 per share

# FY 2021 key figures

CHF (rounded)



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Revenues

1.0bn

+6%

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Operating profit

429m

+15%

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Net profit

379m

+14%

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Total assets

56.0bn

+5%

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AuM

112.9bn

+9%

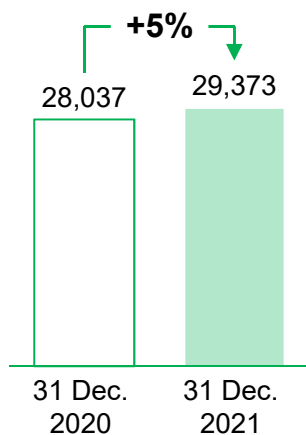
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# Main business trends

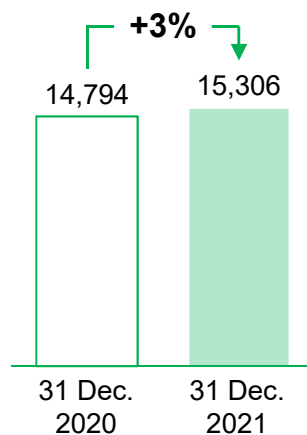


CHF millions (rounded)

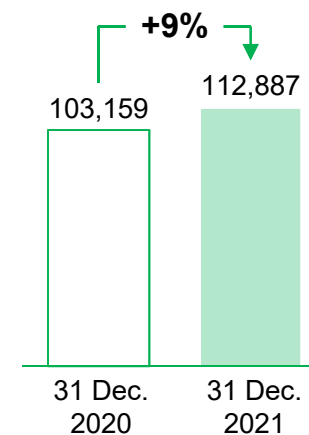
## Mortgage loans



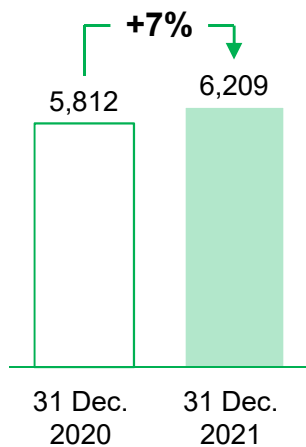
## Sight deposits<sup>1,2</sup>



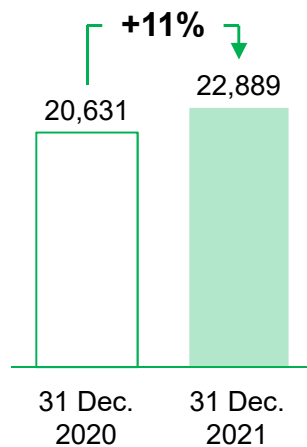
## AuM



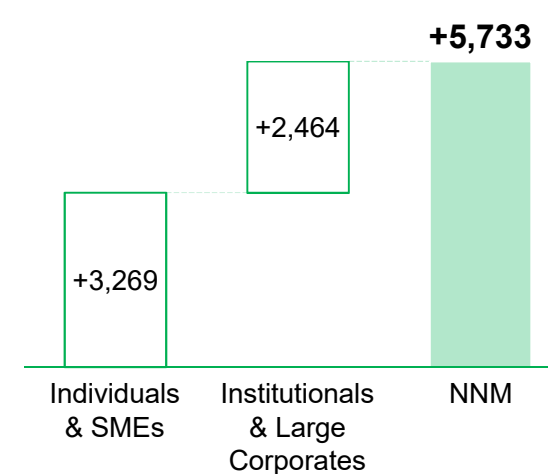
## Other loans



## Other client deposits<sup>2</sup>



## Net new money



Note

(1) Including savings deposits

(2) Aggregate change in the sum of the items Sight deposits and Other client deposits: +CHF 2,771m (+8%)

# Other highlights



AA rating from S&P with a stable outlook



Aa2 rating from Moody's with a stable outlook



“Most recommended bank” in Vaud Canton for the third year in a row, according to the LINK research institute



CHF 310m distributed to shareholders in May for the 2020 fiscal year; i.e., CHF 3.60 per share or a dividend yield of 3.7%<sup>1</sup>

Piguet Galland named best private bank in Switzerland by the British magazine, *International Banker*



Note

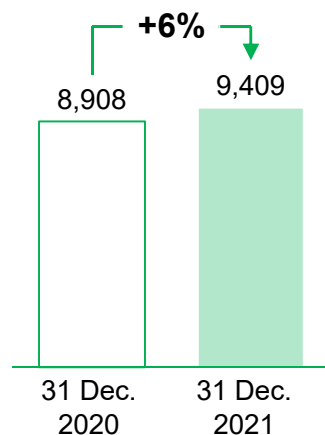
(1) Based on closing price at 31 December 2020

# Retail Banking

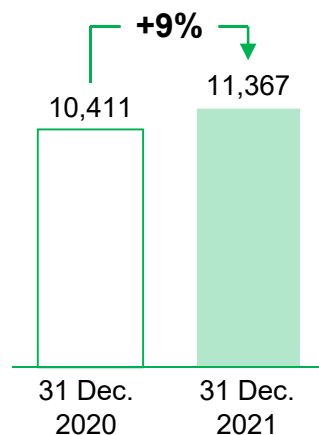
CHF millions (rounded)<sup>1</sup>



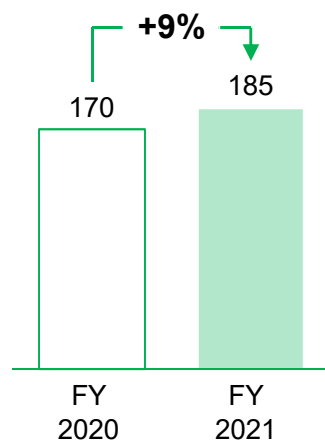
## Mortgage loans



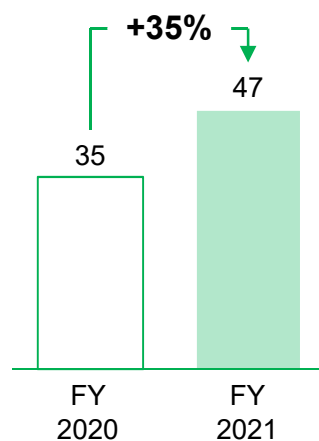
## Customer deposits



## Revenues



## Operating profit



- Continuing rise in mortgage loans in a dynamic real-estate market
  - Unchanged mortgage policy
  - Higher growth in areas with lower vacancy rates
- Continuing, strong cash inflows from customers
- Revenues and operating profit up, surpassing their respective pre-Covid levels
  - No negative interest rates charged to retail customers, but slight fee increase

Note  
(1) 2020 figures were adjusted to facilitate like-for-like comparison

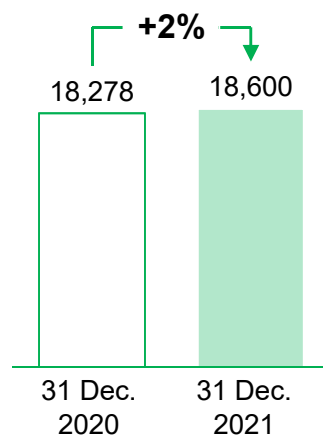


# Corporate Banking

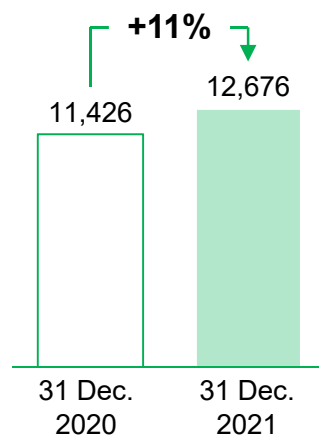
CHF millions (rounded)<sup>1</sup>



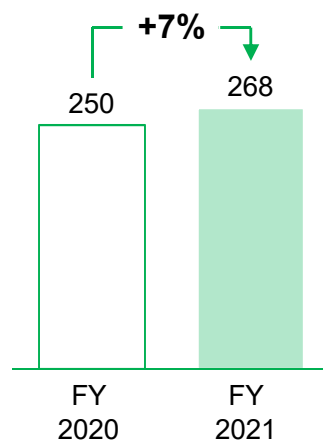
## Loans/off-BS commitments



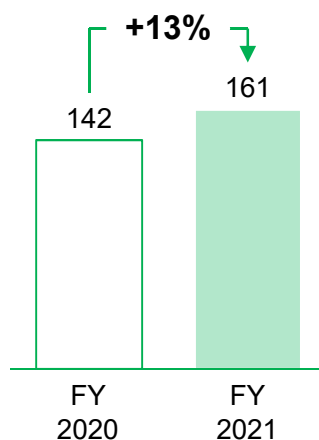
## Customer deposits



## Revenues



## Operating profit



- SMEs and real-estate clients
  - Lending up 3%
  - Deposits up 4%
  - More than 20% of Covid-19 bridge loans paid back
- Large Corporates
  - Loans / off-balance-sheet commitments down 9%
  - High volatility in deposits (+18%)
- Trade Finance
  - Gradual uptick in business activity: average business volumes still 7% below their pre-Covid levels
  - Cautious stance due to the situation in Ukraine
- Credit risk
  - Overall, credit portfolio remains sound
  - Provisioning needs significantly reduced compared with 2020

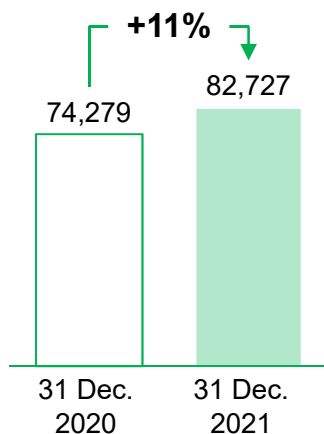
Note  
(1) 2020 figures were adjusted to facilitate like-for-like comparison

# Wealth Management

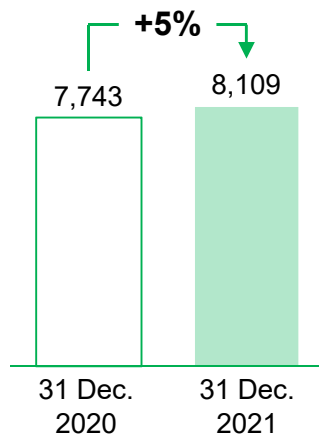
CHF millions (rounded)<sup>1</sup>



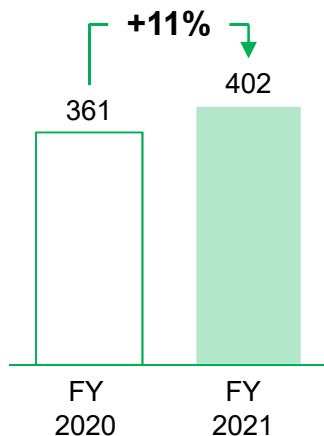
## AuM



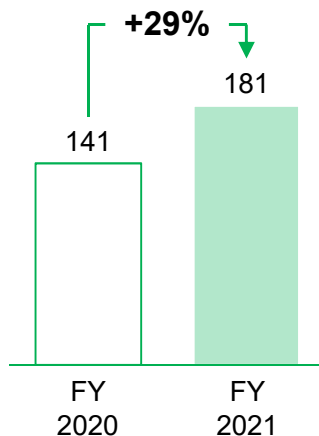
## Mortgage loans



## Revenues



## Operating profit



- Strong increase in AuM
  - NNM from both private banking and institutional clients
  - Positive performance of financial markets
- Robust increase in mortgage loans
- New discretionary management mandates incorporating ESG criteria
- Substantial rise in revenues and operating profit to above their pre-Covid levels

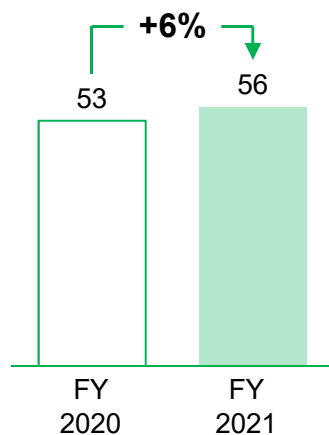
Note  
(1) 2020 figures were adjusted to facilitate like-for-like comparison

# Trading

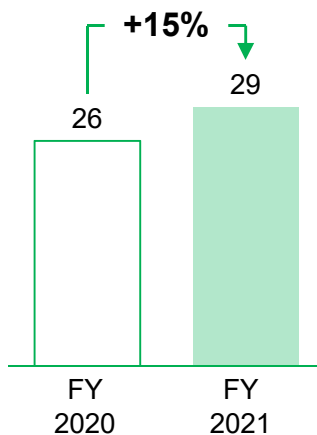
CHF millions (rounded)



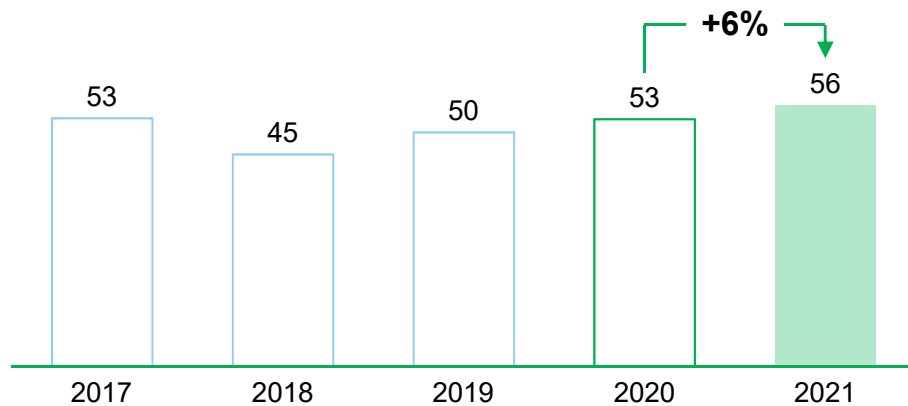
## Revenues



## Operating profit



## Revenues time series



- Revenues and operating profit up, at high levels
- Very strong traction in structured products segment, with revenues up 69%
- Forex trading down 16% compared with a strong 2020

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Conclusion  
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# Income statement

CHF millions (rounded)



	FY 2020	FY 2021	Change	
<b>Total income from ordinary banking operations</b>	<b>945</b>	<b>1,005</b>	<b>+60</b>	<b>+6%</b>
Operating expenses	-495	-505	+10	+2%
Depreciation & amortization of fixed assets and impairment on equity investments	-72	-72	-0	-0%
Other provisions and losses	-5	1	-6	-113%
<b>Operating profit</b>	<b>373</b>	<b>429</b>	<b>+56</b>	<b>+15%</b>
Net extraordinary income	5	12	+7	+164%
Taxes	-47	-63	+16	+34%
<b>Net profit</b>	<b>331</b>	<b>379</b>	<b>+48</b>	<b>+14%</b>

# Total income from banking operations

CHF millions (rounded)



## Total income from ordinary banking operations

FY 2020		FY 2021			
<b>945</b>		<b>1,005</b>		<b>+60</b>	<b>+6%</b>
459		464		+5	+1%
310		357		+47	+15%
139		143		+4	+3%
	36		40	+4	+11%
FY 2020		FY 2021			

- **Net interest income** – Up
- **Commissions & fees** – Up thanks to the good momentum in financial markets and the gradual uptick in Trade Finance
- **Trading** – Up thanks to structured products activity

## Net interest income

FY 2020		FY 2021			
474		473		-1	-0%
	-15		-8	-7	-46%
459		464		+5	+1%
FY 2020		FY 2021			

- **NII before loan impairment charges/reversals** – Almost stable, with mortgage loan growth partly offsetting interest income compression
- **Loan impairment charges/reversals** – Lower net charge compared to 2020

# Operating expenses, depreciation and amortization



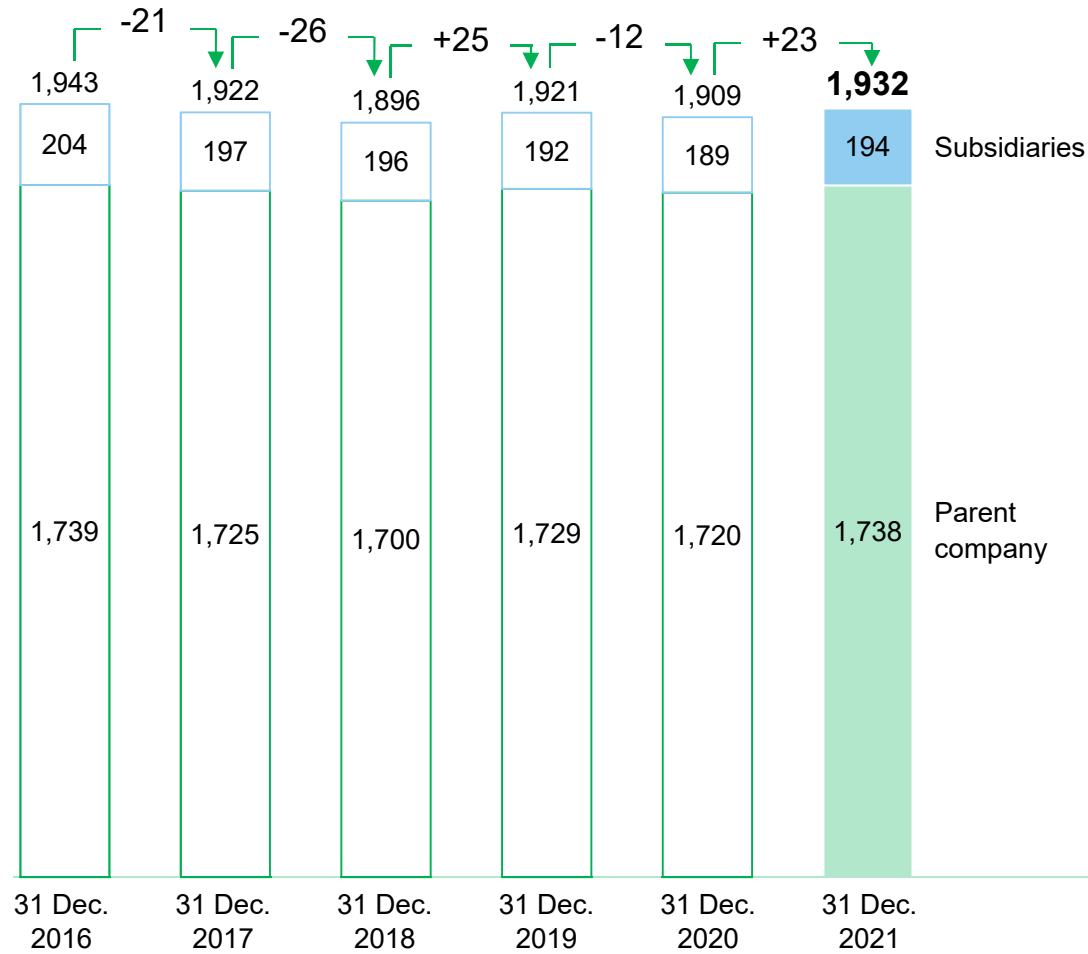
CHF millions (rounded)

	FY 2020	FY 2021		
	567	577		+10 +2%
	339	349	Personnel costs	+10 +3%
	156	156	Other operating expenses	-0 -0%
	72	72	Depreciation & amortization	-0 -0%
	FY 2020	FY 2021		

- **Continued firm control** of operating expenses
- **Personnel costs** up following the transfer of 20 IT specialists in H1 2021. Excluding that transfer, personnel costs increased by 1.4%
- **Other operating expenses** stable
- **Depreciation & amortization** stable

# Headcount

Full-time equivalents at period-end



- Increase in total headcount mainly due to the insourcing of 20 IT specialists from IBM in H1 2021



# Assets

CHF billions (rounded)

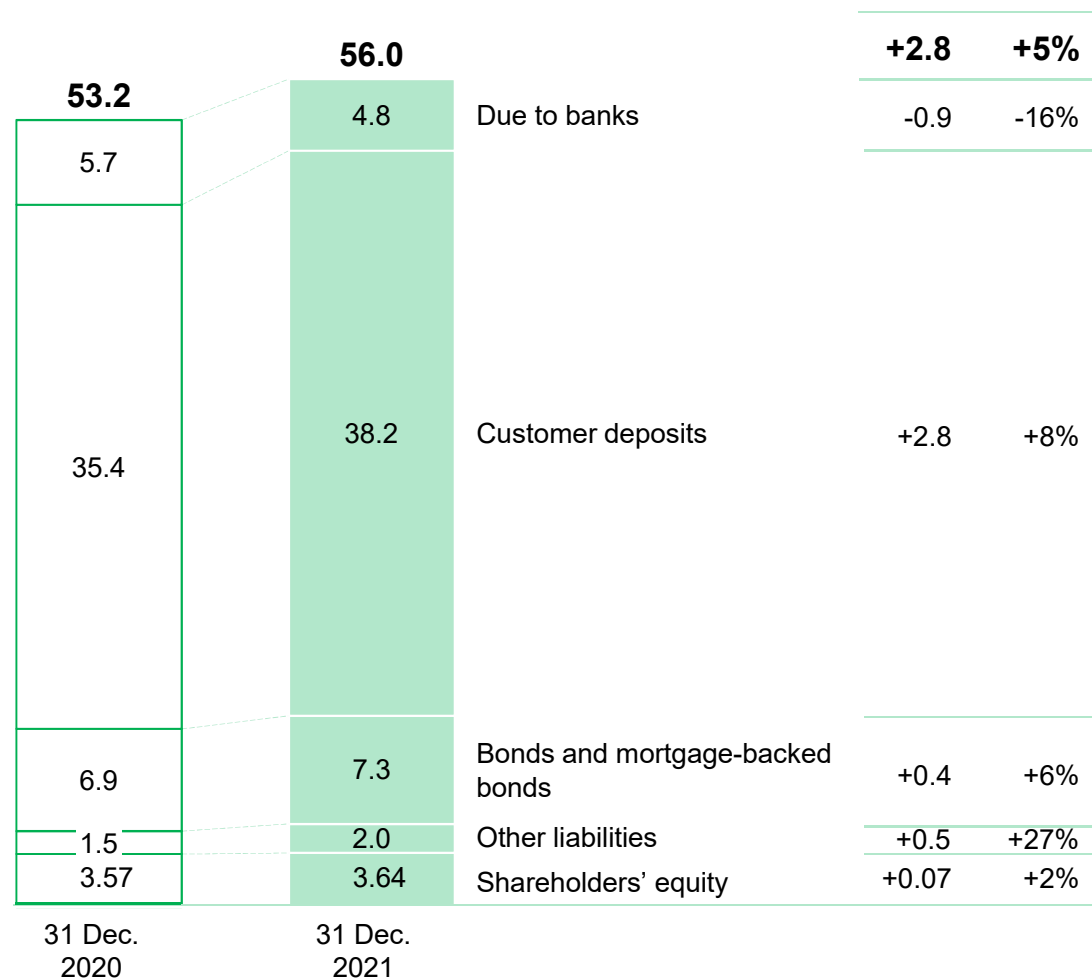


		31 Dec. 2020	31 Dec. 2021		
		<b>53.2</b>	<b>56.0</b>		<b>+2.8 +5%</b>
		11.6	12.6	Cash and equivalents	+1.0 +9%
		1.6	1.1	Due from banks and reverse repo agreements	-0.5 -30%
		5.8	6.2	Loans and advances to customers	+0.4 +7%
		28.0	29.4	Mortgage loans	+1.4 +5%
		4.1	4.3	Financial investments	+0.2 +5%
		2.1	2.4	Other assets	+0.3 +12%

- **Cash and equivalents** – SNB sight deposits up due to strong customer cash inflows
- **Loans and advances to customers** – Up thanks to gradual uptick in Trade Finance activity
- **Mortgage loans** – Continuing growth in a dynamic real-estate market

# Liabilities and equity

CHF billions (rounded)



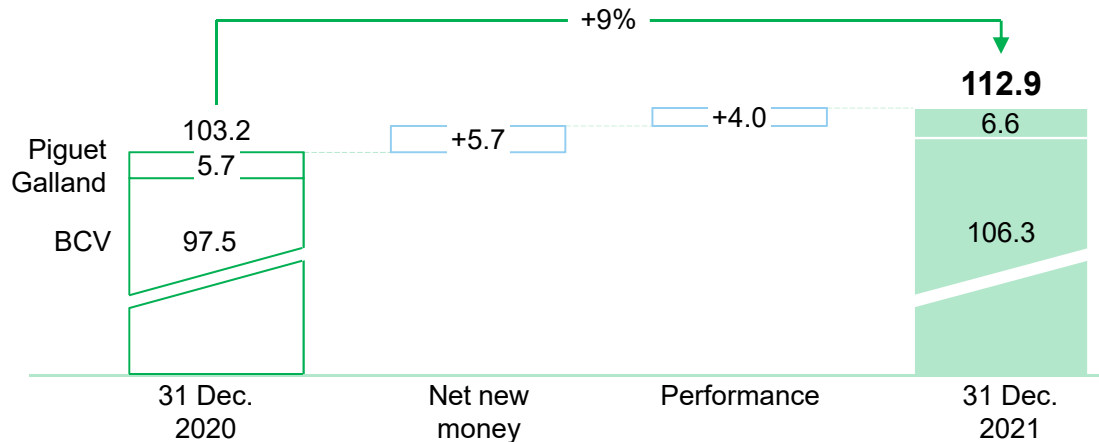
- **Due to banks** – Down in connection with continued strong increase in **customer deposits**
- **Bonds and mortgage-backed bonds** – Bond issues of CHF 150m in April and CHF 125m in December under favorable market conditions
- **Shareholders' equity** – Up

# Assets under management

CHF billions (rounded)

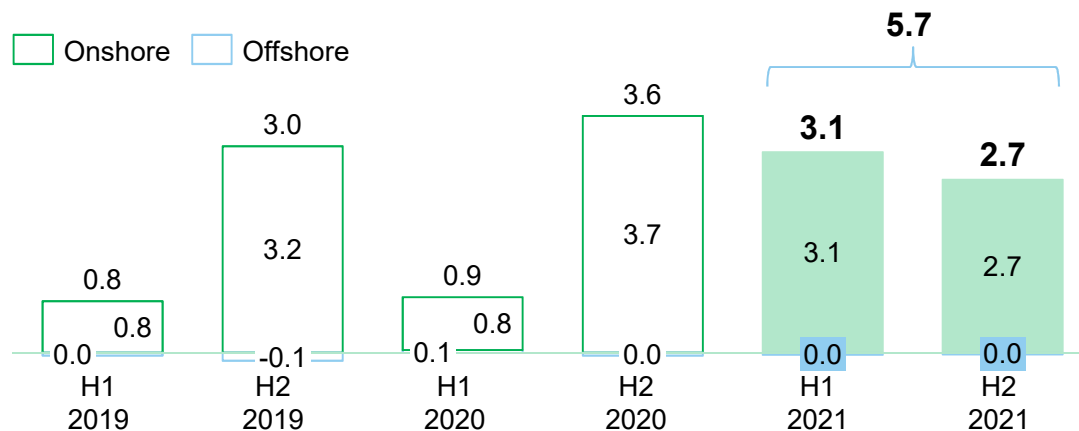


## Assets under management



- AuM up 9% to CHF 112.9bn
- Net new money from all business segments
- Market performance of CHF 4.0bn

## Net new money



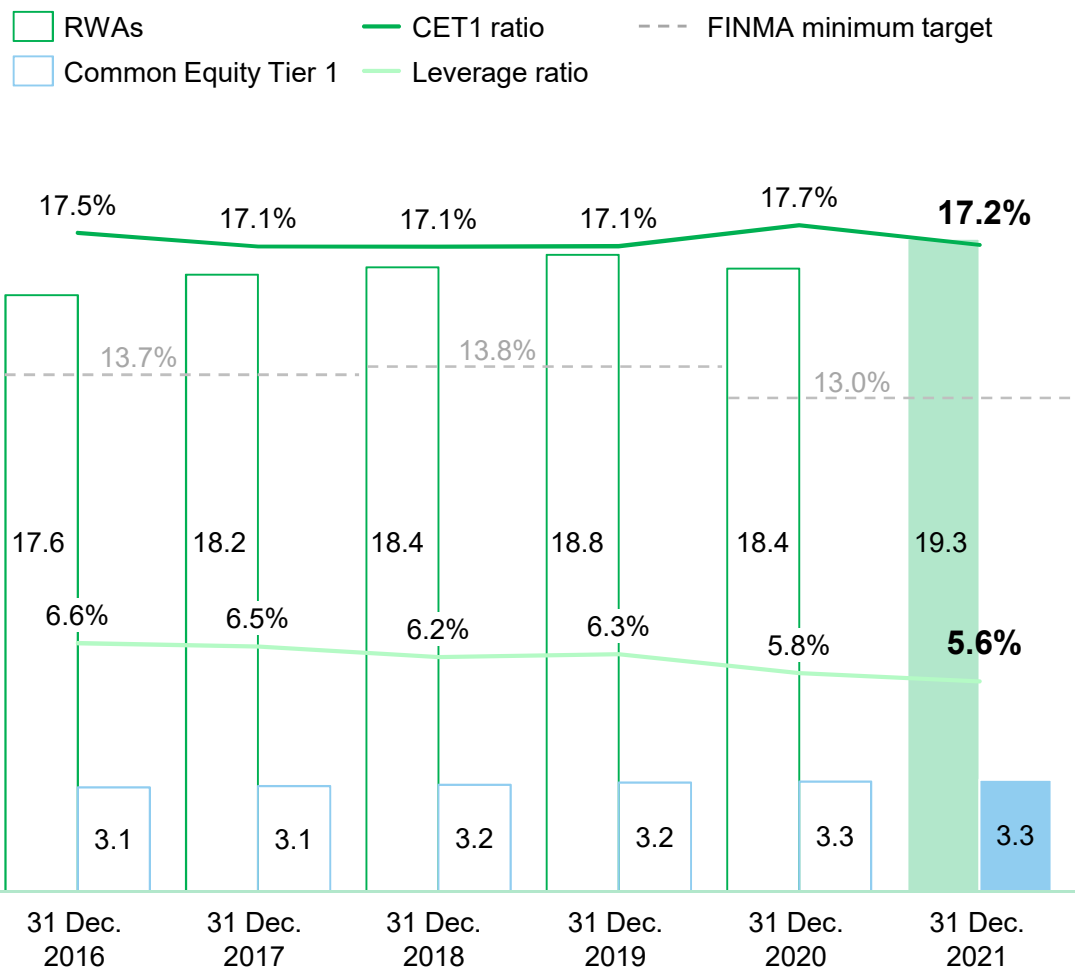
- Onshore net inflows of CHF 5.8bn:
  - CHF 3.3bn from personal banking customers and Vaud SMEs
  - CHF 2.5bn from institutionals and large corporates
- Negligible offshore net outflows (CHF 0.1bn)

# Capital ratios

CHF billions (rounded)



## Risk-weighted assets and CET1 ratio



### CET1 ratio

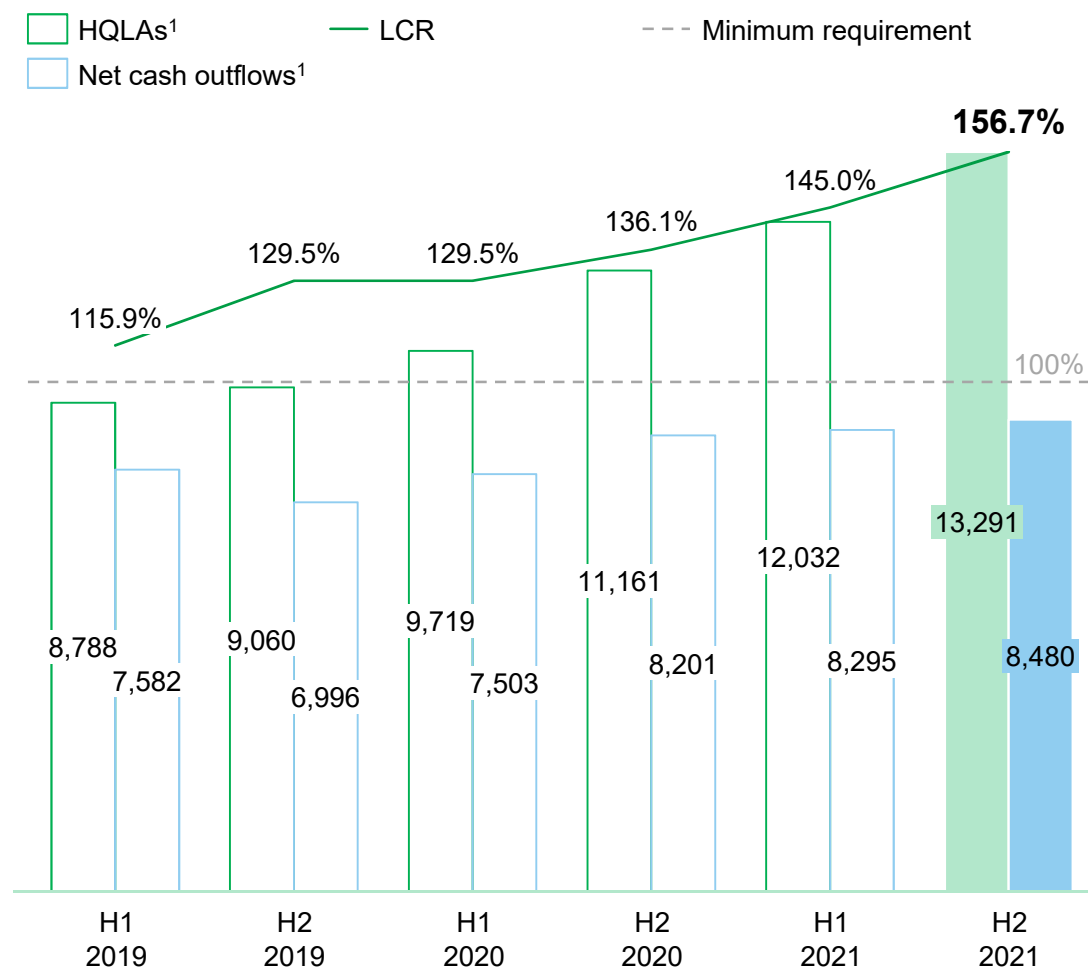
- CET1 ratio down, to 17.2 %, vs. requirement of 13.0%
- Higher business volumes

### Leverage ratio

- 20 bp decrease in the leverage ratio to 5.6%, vs. requirement of 3.0%

# Liquidity ratio (LCR)

CHF millions (rounded)



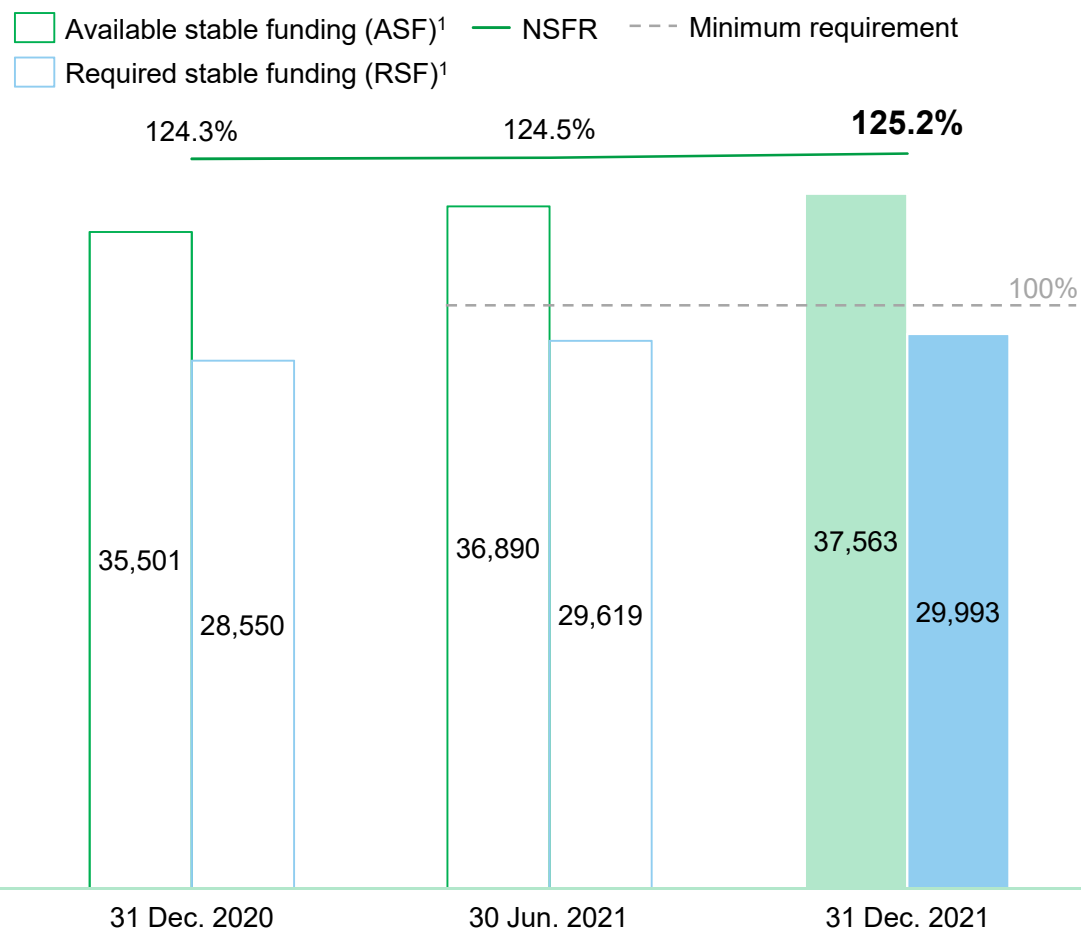
- Optimization of treasury management pushed up LCR by almost 12 points vs. H1 2021
- Composition of the Bank's HQLAs
  - 77%: cash deposited with the SNB
  - 23%: mainly Swiss-issued, AAA to AA-rated securities eligible as SNB collateral

Note

(1) Simple average of figures at month-end

# Net Stable Funding Ratio (NSFR)

CHF millions (rounded)

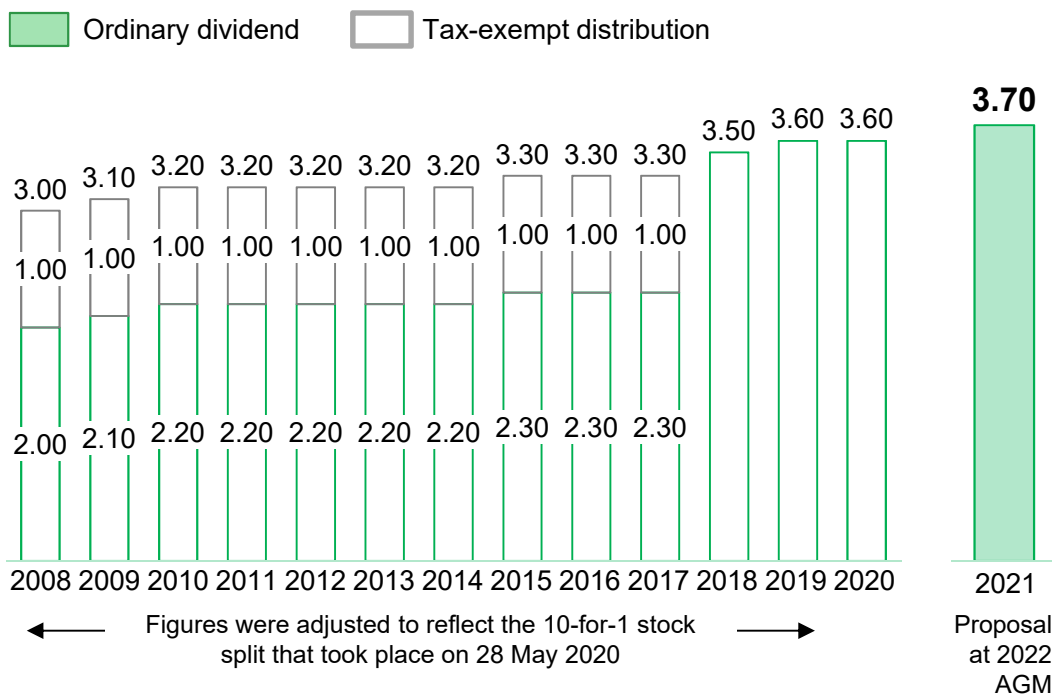


- Minimum requirement of 100% came into force on 1 July 2021
- NSFR increased by almost 1 point, mainly due to inflows from retail and corporate customers, increasing available stable funding (ASF)

Note  
(1) Figures at month-end

# 2021 dividend

CHF per share



- Current dividend policy (2018-2022)
  - Applicable as of the 2018 dividend
  - Between CHF 3.40 and CHF 3.80 per share
  
- Proposal at 2022 AGM: To increase by CHF 0.10 (or +3%) the ordinary dividend at CHF 3.70 per share
  - Total payout: CHF 318m
  - 84% of 2021 net profit

Total payout (CHFm)												318	
258	267	275	275	275	275	275	284	284	284	301	310	310	<b>318</b>
As % of net profit												84%	
72%	89%	88%	91%	88%	98%	93%	84%	92%	89%	86%	85%	94%	<b>84%</b>

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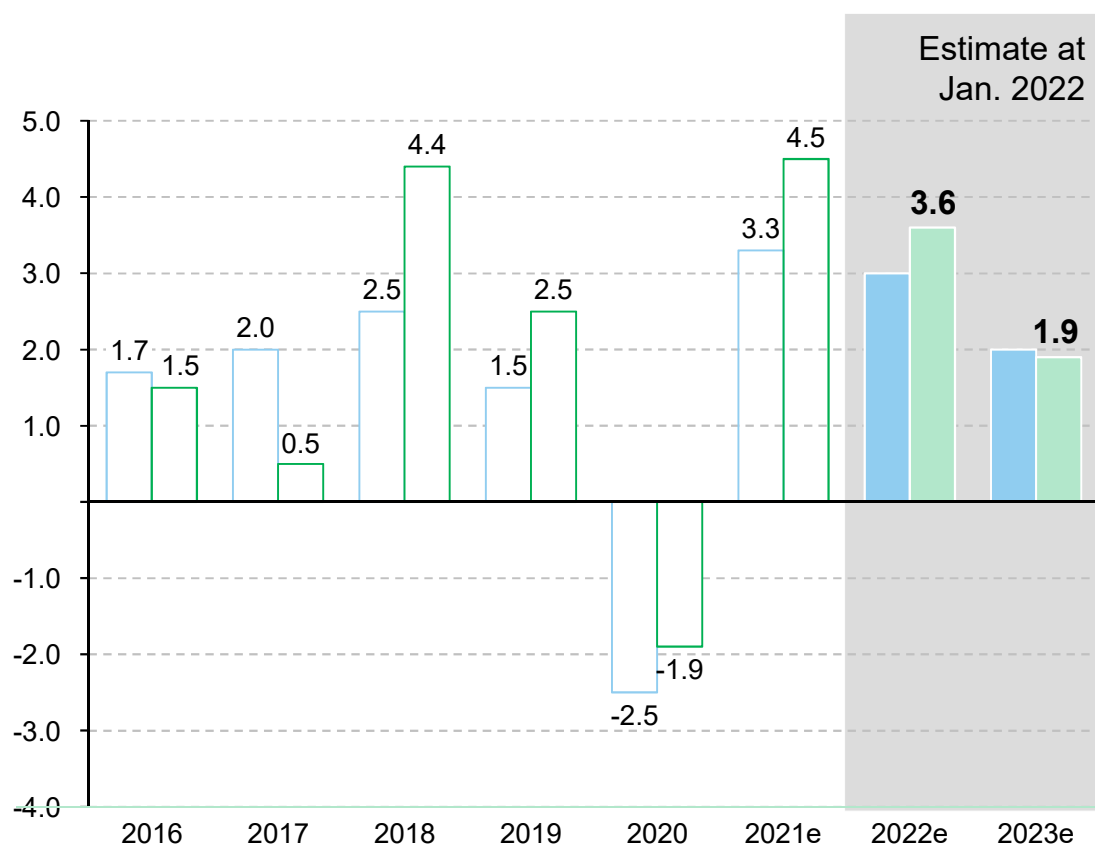
**Conclusion**  
**Pascal Kiener, CEO**



# Swiss and Vaud GDP growth

In %

Swiss GDP (source: SECO<sup>1</sup>) Vaud GDP (source: CREA<sup>2</sup>)

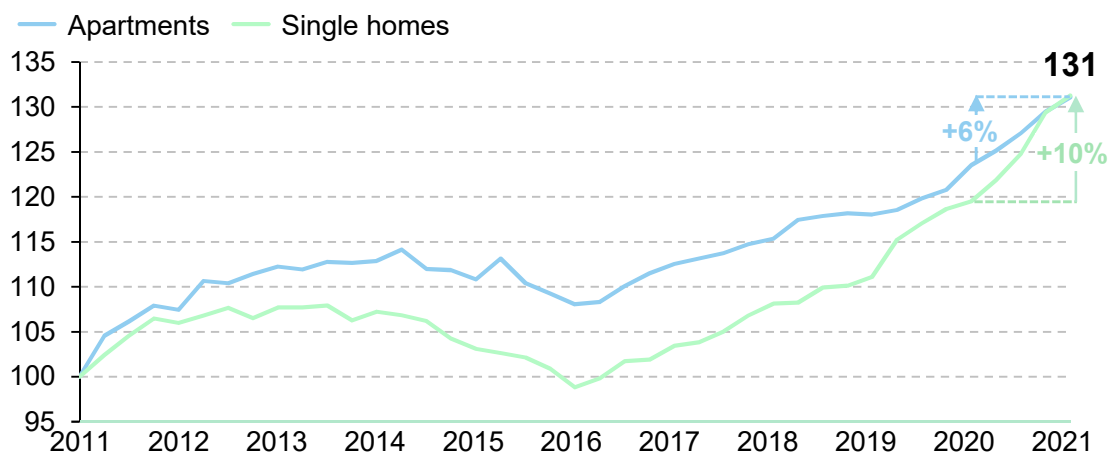


- Strong rebound in the economy in **2021**. Swiss and Vaud GDP increased by 3.3% and 4.5%, respectively
- In **2022**: uncertainty about the evolution of the pandemic, the rise in interest rates, inflation, and the geopolitical situation, which will weigh on growth estimates

Note

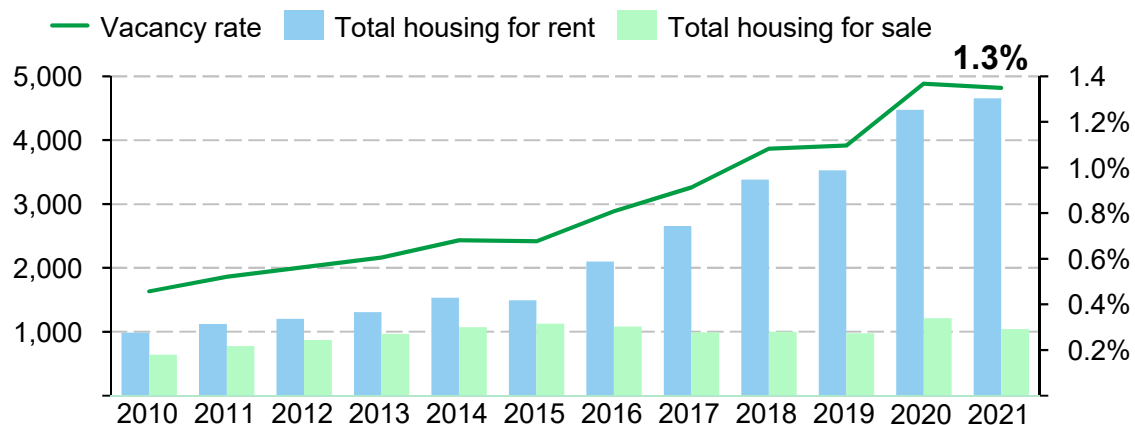
- (1) SECO = Switzerland's State Secretariat for Economic Affairs  
(2) CREA = Lausanne University's Créa Institute of Macroeconomics

## Transaction prices in Vaud (Basis 100 in Dec. 2011)



- Continuing increase in Vaud real-estate transaction prices since 2017
  - Up 3.9% p.a. on average on apartments
  - Up 5.8% p.a. on average on single-family homes
- Population growth by 0.9%<sup>1</sup> in 2021

## Vacant housing in Vaud



- In 2021, the vacancy rate ticked lower
- BCV's mortgage policy remains clearly focused on loan quality instead of volume growth
- Targeting geographical areas with low vacancy rates

Note  
 (1) Estimate based on the first three quarters of 2021  
 Source: Wüest Partner, Statistique Vaud

Rising risk factors, especially in health of financial markets, interest rates levels, inflation, and geopolitical situation

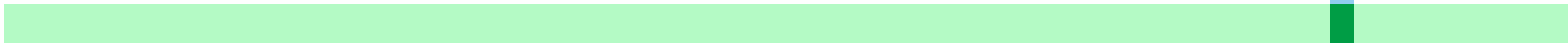
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Business activity in line with previous years, provided the macro environment and financial markets do not worsen

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Continued firm control of operating expenses

**Appendices**



# Income statement



CHF millions (rounded)

	FY 2021	FY 2020	Abs	%
Interest and discount income	480.5	511.2	-30.7	-6
Interest and dividend income from financial investments	18.0	22.6	-4.6	-20
Interest expense	-26.0	-59.4	-33.4	-56
<b>Net interest income before loan impairment charges/reversals</b>	<b>472.6</b>	<b>474.4</b>	<b>-1.9</b>	<b>-0</b>
Loan impairment charges/reversals	-8.2	-15.1	-6.9	-46
<b>Net interest income after loan impairment charges/reversals (NII)</b>	<b>464.4</b>	<b>459.4</b>	<b>+5.0</b>	<b>+1</b>
Fees and commissions on securities and investment transactions	312.1	266.6	+45.5	+17
Fees and commissions on lending operations	42.1	36.2	+5.9	+16
Fees and commissions on other services	67.8	63.0	+4.8	+8
Fee and commission expense	-64.7	-55.5	+9.2	+16
<b>Net fee and commission income</b>	<b>357.3</b>	<b>310.2</b>	<b>+47.1</b>	<b>+15</b>
Trading income on fixed-income instruments and equity securities	38.2	21.6	+16.6	+77
Trading income on foreign currencies, banknotes, and precious metals	117.5	124.9	-7.4	-6
Trading fee and commission expense	-12.5	-7.4	+5.1	+69
<b>Net trading income and fair-value adjustments</b>	<b>143.2</b>	<b>139.2</b>	<b>+4.0</b>	<b>+3</b>
Gains/losses on disposals of financial investments	4.3	2.0	+2.3	+117
Income from equity investments	5.5	6.5	-1.0	-16
Real-estate income	7.0	7.1	-0.1	-2
Miscellaneous ordinary income	24.3	21.2	+3.1	+14
Miscellaneous ordinary expenses	-0.6	-0.4	+0.2	+43
<b>Other ordinary income</b>	<b>40.5</b>	<b>36.4</b>	<b>+4.1</b>	<b>+11</b>
<b>Total income from ordinary banking operations</b>	<b>1,005.4</b>	<b>945.2</b>	<b>+60.2</b>	<b>+6</b>
Personnel costs	-349.3	-339.2	+10.2	+3
Other operating expenses	-155.8	-156.2	-0.4	-0
<b>Operating expenses</b>	<b>-505.2</b>	<b>-495.4</b>	<b>+9.8</b>	<b>+2</b>
Depreciation and amortization of fixed assets and impairment on equity investments	-72.0	-72.1	-0.1	-0
Other provisions and losses	0.6	-5.0	-5.6	-113
<b>Operating profit</b>	<b>428.8</b>	<b>372.7</b>	<b>+56.1</b>	<b>+15</b>
Extraordinary income	12.6	4.8	+7.8	+161
Extraordinary expenses	-0.2	-0.1	+0.1	+142
Taxes	-62.5	-46.7	+15.8	+34
<b>Net profit</b>	<b>378.7</b>	<b>330.8</b>	<b>+47.9</b>	<b>+14</b>
Minority interests	-0.0	-0.0	+0.0	+158
<b>Net profit attributable to BCV shareholders</b>	<b>378.7</b>	<b>330.8</b>	<b>+47.9</b>	<b>+14</b>

# Balance sheet



CHF millions (rounded)

	31 Dec. 2021	31 Dec. 2020	Abs	%
Cash and cash equivalents	12,600	11,550	+1,050	+9
Due from banks	952	1,347	-395	-29
Reverse repurchase agreements	158	236	-78	-33
Loans and advances to customers	6,209	5,812	+397	+7
Mortgage loans	29,373	28,037	+1,336	+5
Trading portfolio assets	200	312	-112	-36
Positive mark-to-market values of derivative financial instruments	368	321	+47	+15
Other financial assets at fair value	1,212	886	+327	+37
Financial investments	4,287	4,084	+203	+5
Accrued income and prepaid expenses	67	87	-20	-23
Non-consolidated holdings	86	69	+17	+25
Tangible fixed assets	393	412	-19	-5
Intangible assets	0	2	-2	-100
Other assets	46	31	+15	+49
<b>Assets</b>	<b>55,952</b>	<b>53,186</b>	<b>+2,765</b>	<b>+5</b>
Due to banks	3,378	2,948	+430	+15
Repurchase agreements	1,458	2,781	-1,322	-48
Customer deposits	38,195	35,424	+2,771	+8
Trading portfolio liabilities	2	1	+0	+33
Negative mark-to-market values of derivative financial instruments	273	329	-55	-17
Other financial liabilities at fair value	1,340	969	+371	+38
Medium-term notes	2	2	-0	-15
Bonds and mortgage-backed bonds	7,313	6,911	+402	+6
Accrued expenses and deferred income	139	145	-5	-4
Other liabilities	183	75	+108	+144
Provisions	24	27	-3	-12
<b>Liabilities</b>	<b>52,308</b>	<b>49,612</b>	<b>+2,696</b>	<b>+5</b>
Reserves for general banking risks	666	666	0	0
Share capital	86	86	0	0
Capital reserve	36	36	+0	+1
Retained earnings	2,493	2,472	+21	+1
Currency translation reserve	-2	-2	-0	-5
Own shares	-15	-15	+0	+3
Minority interests in equity	0	0	+0	+1
Net profit	379	331	+48	+14
<i>of which minority interests</i>	0	0	+0	+158
<b>Shareholders' equity</b>	<b>3,644</b>	<b>3,574</b>	<b>+69</b>	<b>+2</b>
<b>Total liabilities and shareholders' equity</b>	<b>55,952</b>	<b>53,186</b>	<b>+2,765</b>	<b>+5</b>

# Key performance indicators

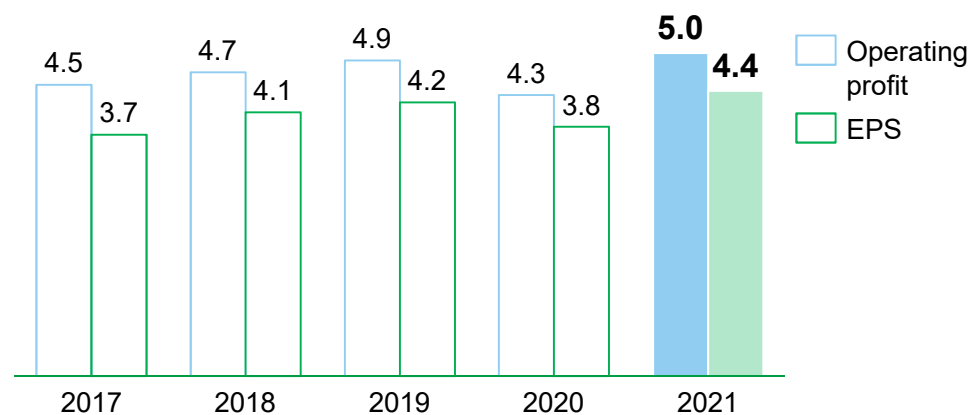


		31 Dec. 2017	31 Dec. 2018	31 Dec. 2019	31 Dec. 2020	31 Dec. 2021
<b>Asset quality and balance sheet structure</b>	Impaired loans/ credit exposure	0.7%	0.6%	0,5%	0.5%	<b>0.4%</b>
	Customer deposits/ loans to customers	101%	99%	101%	105%	<b>107%</b>
	Liquidity Coverage Ratio (LCR)	121%	113%	129%	136%	<b>157%</b>
	Interest margin	1.12%	1.10%	1.07%	0.94%	<b>0.86%</b>
<b>Capital</b>	CET1 ratio <sup>1</sup>	17.1%	17.1%	17.1%	17.7%	<b>17.2%</b>
	Total capital ratio <sup>1</sup>	17.3%	17.2%	17.3%	17.8%	<b>17.3%</b>
	Leverage ratio	6.5%	6.2%	6.3%	5.8%	<b>5.6%</b>
<b>Productivity</b>	Cost/income ratio (excl. goodwill amortization)	58.3%	57.6%	57.7%	58.7%	<b>56.7%</b>
<b>Financial performance</b>	ROE (net profit/average equity)	9.4%	10.1%	10.4%	9.3%	<b>10.7%</b>

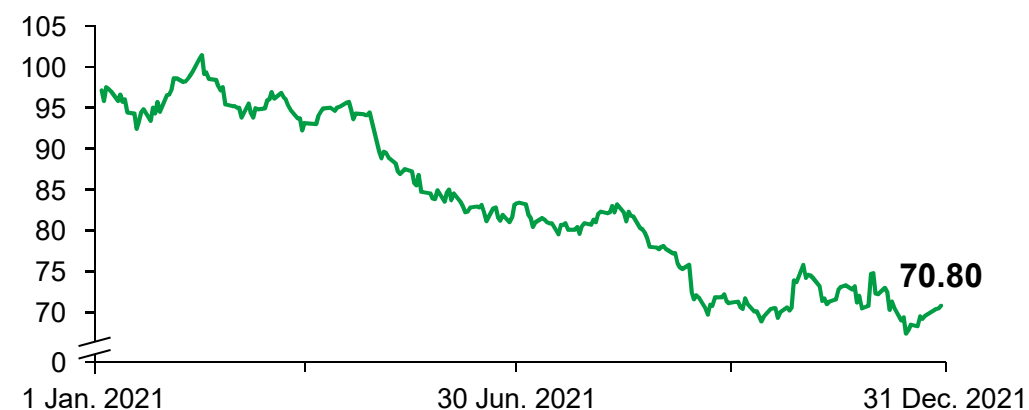
Note

(1) Ratios are calculated in accordance with FINMA Circular 2016/1, "Disclosure – banks"

## Per share (CHF)<sup>1</sup>



## Stock price (CHF)



## Key figures

	31 Dec. 2017	31 Dec. 2018	31 Dec. 2019	31 Dec. 2020	31 Dec. 2021
Number of issued shares	8,606,190	8,606,190	8,606,190	86,061,900	86,061,900
Market capitalization (CHF billions)	6.33	6.38	6.80	8.29	6.09
High / low prices YTD	764.50 / 644.00	823.00 / 688.00	820.00 / 708.00	101.40 / 67.50	101.60 / 67.30

### Note

(1) All figures have been restated post 10-for-1 stock split of the BCV share on 28 May 2020



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**17 February 2022**

Full-year 2021  
results

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**5 April 2022**

Publication of the  
2021 Annual Report

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**5 May 2022**

Annual  
Shareholders'  
Meeting in Lausanne

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**9 May 2022**

Ex-dividend date<sup>1</sup>

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**10 May 2022**

Dividend record  
date<sup>1</sup>

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**11 May 2022**

Dividend payment<sup>1</sup>

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**18 August 2022**

Half-year 2022  
results

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Note  
(1) Total amount distributed to shareholders in the form of an ordinary dividend of CHF 3.70 per share, subject to approval at the Annual Shareholders' Meeting