

valiant

2024  
annual  
report.



we're simply a bank.



**Valiant's reporting comprises the following reports:**

- Annual Report (PDF)
- Abridged Report (PDF and printed)
- Sustainability Report (PDF)

Detailed information and complete reports are available on the website.  
 Additionally available: Online Annual Report with interactive figures, videos and download centre



[gb.valiant.ch](https://gb.valiant.ch)

- 4** Valiant in 2024
- 5** Key figures
- 6** Report by the Chairman and the CEO
- 9** Interview with the Chairman and the CEO

### **Management Report**

- 15** Strategy and goals
- 33** Business performance
- 37** Risk assessment
- 40** Investors

### **Corporate Governance Report**

- 48** Group and shareholder structure
- 52** Capital structure
- 54** Board of Directors
- 68** Executive Board
- 71** Compensation, shareholdings and loans
- 72** Shareholders' participation rights
- 75** Change of control and defensive measures
- 76** Auditors
- 78** Information policy
- 79** Trading blackout periods

### **Compensation Report**

- 83** Foreword
- 84** Key components and principles of our compensation policy
- 86** Decision-making authority for determining compensation
- 88** Components of compensation
- 92** Calculation of variable compensation
- 93** Executive Board targets and attainment
- 95** Compensation approved at the Annual General Meeting
- 96** Compensation in the reporting period
- 100** Further disclosures
- 103** Gender representation in the Board of Directors and Executive Board
- 105** Auditor's report

### **Financial Report**

- 109** Consolidated financial statements
- 113** Notes to the consolidated financial statements
- 155** Auditor's report on the consolidated financial statements
- 160** Disclosures of capital adequacy and liquidity
- 161** Statutory financial statements of Valiant Holding AG
- 169** Auditor's report on Valiant Holding AG

### **Addresses**

- 173** Addresses of Valiant Holding AG

# Valiant in 2024

## Conclusion of the 2020–2024 strategy period

The 2020–2024 strategy was defined by simplicity and accelerated expansion. We want to provide comprehensive advice to clients – digitally and personally. We also expanded and developed our offering. To strengthen its market presence, Valiant opened 14 new branches and created 125 positions as part of its expansion. As a result, Valiant is now present in 15 cantons from Lake Geneva to Lake Constance. At the same time, we increased profitability by optimising the branch network and lowering costs. Valiant achieved its goals for the 2020–2024 strategy period.

## Strategy 2025–2029

Guided by its vision, Valiant wishes to make its clients' financial lives as simple as possible. The "Valiant 2029" strategy builds on what is known to work. The focus is on simplicity and profitability. The trust of our clients and shareholders is the basis. Local roots and client proximity remain key factors. To achieve our goals, we are concentrating on five strategic thrusts.

## Attractive dividend

Shareholders should also benefit from Valiant's success. Based on the strong operating result, an increase in the dividend of CHF 0.30 per share will be proposed at the Annual General Meeting.

**CHF 233.4 m**

Valiant closed 2024 with the highest operating profit since it was founded.

**CHF 150.4 m**

Consolidated profit increased by 4.2 % in 2024 and passed the CHF 150 million mark.

**16.5 %**

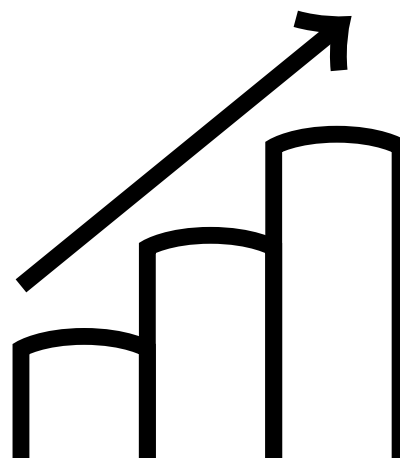
With a total capital ratio of 16.5 %, Valiant has a solid capital base and exceeds FINMA requirements by a considerable margin.

**CHF 5.80**

An increase of CHF 0.30 in the dividend per share will be proposed at the Annual General Meeting.

**112** basis points

The interest margin remained high despite the bumpy interest rate environment.



# Key figures

<b>Balance sheet</b>		<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total assets	in CHF thousands	37,123,728	36,080,425	35,729,828	35,560,329	33,184,237
Due from customers and mortgage loans	in CHF thousands	30,148,747	29,676,943	28,679,520	27,243,654	25,867,970
Client deposits	in CHF thousands	22,402,177	22,220,477	22,551,659	22,138,749	21,028,487
Equity capital	in CHF thousands	2,677,412	2,575,513	2,467,447	2,398,755	2,361,107
Client assets	in CHF thousands	33,542,291	32,738,010	32,303,679	32,949,726	30,282,957
<b>Income statement</b>						
Net interest income before value adjustments for credit risk, and loan losses	in CHF thousands	408,870	426,995	351,099	341,644	330,411
Operating income	in CHF thousands	551,676	545,793	448,409	430,609	413,122
Operating expenses	in CHF thousands	-300,003	-290,186	-267,572	-254,353	-241,604
Operating profit	in CHF thousands	233,374	232,254	159,354	143,959	147,030
Consolidated profit	in CHF thousands	150,383	144,255	129,514	123,125	121,869
Cost/income ratio <sup>1</sup>	as %	53.1	51.3	57.7	57.2	56.5
<b>Profitability until 31/12/2024<sup>2</sup></b>						
RorE (return on required equity)	as %	12.2	11.9	11.0	10.8	11.1
RoE (return on equity)	as %	5.7	5.7	5.3	5.2	5.2
<b>Profitability since 01/01/2025<sup>3</sup></b>						
RorE (return on required equity)	as %	15.9	16.0	13.1	10.8	11.1
RoE (return on equity)	as %	7.7	8.0	6.6	5.4	5.4
<b>Equity capital</b>						
Risk-weighted assets	in CHF thousands	15,653,408	15,268,390	15,045,365	14,408,311	14,037,317
Eligible capital	in CHF thousands	2,583,186	2,484,583	2,377,563	2,307,811	2,261,455
Total capital ratio	as %	16.5	16.3	15.8	16.0	16.1
Leverage ratio	as %	6.6	6.5	6.3	6.1	7.0
<b>Headcount</b>						
Number of employees		1,153	1,136	1,110	1,130	1,061
Full-time equivalents		1,018	1,003	981	995	937
<b>Share data</b>						
Book value per share	in CHF	169.54	163.08	156.24	151.89	149.51
Net profit per share	in CHF	9.52	9.13	8.20	7.80	7.72
Dividend	in CHF	5.80 <sup>4</sup>	5.50	5.00	5.00	5.00
Payout ratio	as %	60.9	60.2	61.0	64.1	64.8
Year-end share price	in CHF	105.60	95.40	100.00	91.30	86.50
Market capitalisation	in CHF millions	1,668	1,507	1,579	1,442	1,366
<b>Moody's rating</b>						
Short-term deposits		Prime-1	Prime-1	Prime-1	Prime-1	Prime-1
Long-term deposits		A1	A1	A1	A1	A1
Baseline Credit Assessment		a3	a3	a3	a3	a3

<sup>1</sup> Before value adjustments for credit risk, and loan losses

<sup>2</sup> Consolidated profit divided by average required equity capital (RorE) and/or average equity capital before appropriation of profit (RoE).

<sup>3</sup> Consolidated profit plus change in reserves for general banking risks divided by average required equity capital (RorE) and/or average equity capital after appropriation of profit (RoE).

<sup>4</sup> Proposed

# Report by the Chairman and the CEO



Ewald Burgener (CEO) and Markus Gygax (Chairman of the Board of Directors)

## Dear Shareholders,

2024 was a special year for Valiant in a number of ways. It was the final year of our 2020-2024 strategy, which was defined by simplicity and accelerated expansion. We can be very pleased with our performance over the past five years: we achieved our goals both financially and in

terms of implementing the strategic thrusts. We established an optimal platform for the future by investing in expansion, digitalisation and the further development of the Valiant offering. We will build on that in the new strategy period.

In mid-June, we celebrated our 200-year anniversary with our staff; in Murten – where the origins of Valiant go right back to Ersparniskasse Murten. That was also when the start of the new 2025–2029 strategy period was announced internally. We are building on what is known to work rather than re-inventing the wheel. By that we mean mainly client proximity, local roots and our easy-to-understand offering. And that's not all, we are also going one step further: we want to inspire our clients with simplicity. Hence our announcement of a first product adjustment: the new Lilac Set has been free since the start of March.

The outstanding full-year results for 2024 complete our pleasing annual review. They prove that we are on the right path and our clients trust us. We are very proud to be able to report the strongest operating result in Valiant's history. This was not just a cause for celebration for our employees. You, our valued shareholders, should also benefit from this success, in the form of a dividend increase.

### **An overview of our successful 2024 financial year**

Consolidated profit of CHF 150.4 million marked a 4.2 % increase over the previous year. The operating result posted by Valiant rose by 0.5 % to CHF 233.4 million. The lilac bank thus exceeded last year's very strong operating profit and achieved its highest operating result ever. Valiant's operating income climbed by 1.1 % to CHF 551.7 million. Despite the very bumpy interest rate environment, we can report solid interest business with a gross result of CHF 408.9 million (–4.2 %). Commission business and services, with a 10.8 % rise, and net trading income, with a major increase of 25.3 %, contributed to the pleasing result. Loans to customers climbed by 1.6 % to CHF 30.1 billion. Customer deposits increased by 0.8 % to CHF 22.4 billion. Valiant remains committed to stability and securing long-term funding. Customer deposits remain the core pillar for this purpose, supplemented by central mortgage institution loans and covered bonds. Valiant is thus optimally prepared for all possible interest rate scenarios.

**Reserves for general banking risks strengthened**

Following the growth in the operating result, Valiant added CHF 46.0 million in total to the reserves for general banking risks. The reserves for general banking risks are fully included in equity capital. This strengthened Valiant's equity capital and the capital ratio of 16.5 % is well above regulatory requirements. Valiant firmly believes that a strong capital base is in the interests of clients and investors alike.

**Increased dividend**

In view of the strong operating result, the Board of Directors will be asking the shareholders to approve an increase of CHF 0.30 in the dividend to CHF 5.80 per share at the Annual General Meeting on 14 May 2025.


**"Valiant 2029" strategy**

We announced the start of the new 2025–2029 strategy at the end of 2024. In line with our vision, we want to make our clients' financial lives as simple as possible and inspire them. We are also focusing more closely on profitability. This is how we are laying the foundations for the next five years to successfully take Valiant forward. We have defined five strategic thrusts to achieve our ambitious goals. You can read all about the "Valiant 2029" strategy on pages 23–24 of the Annual Report.

**Outlook**

Valiant expects consolidated profit to be slightly higher in the current year.

Thank you for your trust in Valiant.



**Markus Gygax**  
Chairman of the  
Board of Directors



**Ewald Burgener**  
CEO



# Interview with the Chairman and the CEO

**Valiant achieved the goals set out in its 2020–2024 strategy. What does that mean exactly?**

**MARKUS GYGAX (MG):** We set ourselves financial objectives and we also set goals for each of our six strategic thrusts. The financial goals comprise growth, profitability and risk targets. So, as regards our sustainable dividend policy for example, we defined a payout ratio of between 50 % and 70 %. By the end of 2024, it was 61 % of consolidated profit. We also implemented key measures for all the strategic thrusts.

**Can you provide examples of what you implemented during the past strategy period?**

**EWALD BURGNER (EB):** We further developed our products and services. That mainly involved providing our clients with an offering tailored to their requirements as well as comprehensive advice. In terms of geographic expansion, we broadened our area of activity from Lake Geneva to Lake Constance, opened 14 branches and created 125 new positions. At the same time we optimised our branch network. We achieved major savings by closing 23 branches and cutting 50 jobs through natural staff turnover. We are saving CHF 15 million a year through our programme to increase profitability. We also



Markus Gygax, Chairman of the Board of Directors



Ewald Burgener, CEO

implemented key measures to simplify our processes. And we laid down some key markers for our IT systems, as well as from an organisational perspective.

**If you achieved all your goals, were they not ambitious enough?**

**MG:** It is our responsibility to move Valiant forward and position it as strongly as possible for the future. Accordingly, we set goals that are neither too challenging nor too easy to achieve. The past few years have been extremely eventful and demanding given the geopolitical situation and interest rate environment. So we can be very proud of consistently adhering to and implementing our strategy. That is the only way we can deal with challenges successfully.

**“We are laying the foundations for five more successful years.”**

**EB:** We even added a sixth strategic thrust in 2022. The idea was to be proactive and move early in increasing profitability. The resulting cost savings provide us with an optimal platform on which to build for the new strategy period.

**Valiant is building the new strategy period on what is known to work, what does that mean?**

**MG:** We have gained our clients' trust through our simple business model, easy-to-understand offering and client proximity. Moreover, the investments totalling about CHF 100 million that we have made since 2016 have set us up well for the future. These have mainly been targeted at expansion, digitalisation and the further development of our offering. We can use this basis now and build on it moving forward.

**EB:** I would also like to say a few words about our well trained, highly competent staff. They make a significant contribution to Valiant's success. Our employees are locally based and they know their clients and the regional conditions. They are our ambassadors and trusted advisers to our clients as they seek the best possible financial solutions.

**You mentioned earlier that you were able to lay down key markers in terms of simplifying processes. That doesn't sound very positive?**

**MG:** I firmly believe the right measures were implemented. But we have to increase profitability further. That is how we will take Valiant successfully into the future and ensure long-term stability. That means investing in our offering, in digitalisation and in our employees to remain competitive. If we work efficiently, it gives us more time for our clients. That means we can use our knowledge and time to focus more strongly on advising about areas like investing or pension provision.

**EB:** We're not starting from zero. We achieved major savings through the programme to increase profitability and we will continue to monitor costs closely. And we did simplify the processes. However, we still see potential for improvement and we must act on that. We are focusing even more on lean, consistent processes. Automation and self-service for our clients are key points which we are addressing. If we increase our efficiency, we will also improve the cost/income-ratio. That will ensure we have the scope for action we need going forward.

**You mentioned the new Lilac Set is free, what does it include?**

**EB:** We are providing a free offer for our clients to make their financial lives simpler. It includes a private account, Debit Mastercard® and all cash withdrawals from Valiant ATMs. In addition, there are no fees when paying abroad or shopping in foreign online shops. Customers can use savings accounts, the Privor 3a retirement savings account and digital services for free if they wish. There are also options to expand the popular Lilac Set. We want to inspire our clients with simplicity.

**What are your expectations for the 2025 financial year?**

**EB:** Valiant is on a very strong footing operationally. We will of course monitor the bumpy interest rate environment very closely. Valiant is optimally prepared for a range of different scenarios and we are maintaining our prudent risk policy. We have made a good start to the implementation of our "Valiant 2029" strategy. Our daily motivation is satisfied customers. We will remain committed to that and implement our strategy consistently. As always, we are targeting an increase in consolidated profit. We expect consolidated profit to be slightly higher in the current year.

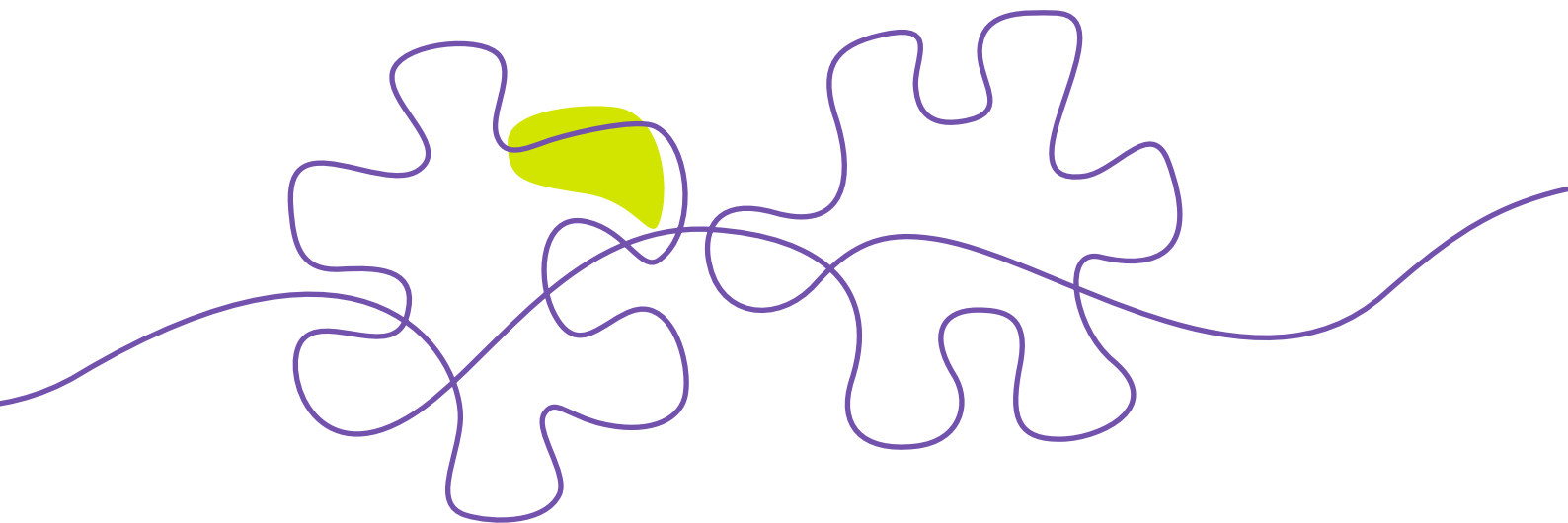
**Markus Gygax, Chairman of the Board of Directors**

Markus Gygax was CEO of Valiant from November 2013 to May 2019. In May 2019, he was elected to the Board of Directors. He has served as Chairman of the Board of Directors since 13 May 2020. He likes to spend his free time with his family and enjoys outdoor sports.

**Ewald Burgener, CEO**

Ewald Burgener has been CEO of Valiant since 17 May 2019. Prior to this, he was CFO for just under six years. Before joining Valiant, Mr Burgener, who comes from the canton of Valais, worked at Entris Holding AG. He likes to spend his free time with his family and loves to be in the mountains.

# 2024 Management Report



**Strategy and goals**

- 15** Our mission statement
- 16** The Valiant brand
- 16** Our business model
- 17** Our strategy
- 17** Strategy 2020–2024
- 18** Strategic thrusts up to 2024
- 22** Financial goals up to 2024
- 23** Strategy 2025–2029
- 25** Client segments
- 27** Our offering
- 29** Our employees
- 30** Our market
- 31** Sustainability

**Business performance**

- 33** Business performance

**Risk assessment**

- 37** Risk situation
- 37** Risk management

**Investors**

- 40** Investment in Valiant
- 41** The Valiant share
- 41** Dividend
- 41** Share price
- 42** Shareholder structure
- 42** Coverage
- 43** Analyst and investor relations
- 43** Covered bonds
- 43** Indices
- 44** Credit ratings
- 44** Further information
- 44** Agenda for 2025

# Strategy and goals

Valiant is an independent financial services provider that operates exclusively in Switzerland. It offers private clients and small and medium-sized businesses a comprehensive range of easy-to-understand products and services covering all of their financial needs. Valiant has total assets of CHF 37.1 billion and more than 1,100 employees, of which 75 trainees.

## Our mission statement

### Vision

**Valiant makes financial life as simple as possible.**

### Mission

We are an independent financial service provider operating exclusively in Switzerland for individuals and SMEs.

We place great value on striking a careful balance between returns, growth and risk. Our solid equity capital base provides security.

**Clients** enjoy an untroubled financial life with us, thanks to simple and easily accessible solutions, quick response times and personal advice.

We **create** added value for shareholders.

We **are an attractive employer for our employees**, with a corporate culture built on willingness to help and a focus on results.

We act in a sustainable and responsible manner towards **society and the environment**.

## Values

### Client-focused

- Our services and approach to business focus on the needs of our clients.
- We are proactive in our approach to our clients, advising and supporting them in a way that is professional, skilful and holistic.

### Solution-focused

- We think holistically and always provide simple yet effective solutions.

### Responsible

- We take our responsibility to internal and external stakeholders seriously and respect their interests.
- We always take economic viability into account.

### Ethical

- Our conduct is always transparent and reliable: we say what we do and we do what we say.
- We are honest, trustworthy and respectful.
- We do not tolerate any form of harassment, discrimination or bullying.

## The Valiant brand

Valiant means courageous, strong, powerful. We aim to assert ourselves in the market as a financial service provider with clear statements and easy-to-understand products. We actively pursue this objective – day in, day out.

### Brand presence

Valiant is represented uniformly on the market with a single logo. The colour lilac is our distinctive feature and is unique in the banking market. In the year under review, the brand was developed further in connection with the new strategy.

For the new brand presence, the number of colours will be reduced, the image style will be standardised and a new icon and illustration style will be used. The print media concept and the advertising presence will be modernised, giving them a fresher feel.

### Brand awareness

We measure awareness of our brand at least twice a year. Our brand awareness rating was a strong 85 % in the 2024 financial year within our market area. The following instruments in particular are

used to increase brand awareness: national image and promotional campaigns, advertising presence on public transport and in sports stadiums, online advertising and unconventional marketing campaigns.

## Our business model

Valiant stands for simplicity in the Swiss financial market. Our strengths and our DNA are the core tasks of a retail bank: Valiant receives funds, manages them diligently and makes them available again in the form of financing. We offer our clients easy-to-understand products and services in the areas of financing, payments, savings, investments and retirement planning. We rely on our strengths and well-established culture, and focus on four client segments: private clients, affluent private clients, self-employed individuals and small companies, and medium-sized companies.

### Business model

Comprehensive and easy-to-understand services ...



Financing



Payments



Savings

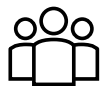


Investment



Retirement planning

... tailored to private and SME clients ...



Private clients



Affluent private clients



Self-employed individuals/  
small companies



Medium-sized companies

... built on our strengths and our proven corporate culture



Long-standing and close relationships with private and SME clients



Best-in-class mortgage and treasury management



Innovative go-to-market by combining in-person and digital channels



Strong IT, investments in further process optimisation



Swiss-rooted culture built on a collaborative approach



## Our strategy

Our corporate strategy covers a period of five years and is developed by the Executive Board and the Board of Directors. Employees are actively involved in the development process and contribute their ideas. The result is a joint effort that enjoys broad-based internal support and will lead Valiant into a successful future.

The strategy applicable to the year under review covers the period from 2020 to 2024. In June 2024, Valiant announced its strategy for the period from 2025 to 2029.

## Strategy 2020–2024

The strategy for 2020–2024 is based on simplicity and accelerated expansion, be it through opening branches, adding more client advisers or extending the range of services. It has six main thrusts. The strategy period was concluded successfully at the end of the year under review. The defined strategic goals were achieved.

### Six strategic thrusts

#### Expand our range of services



1. Develop and expand our products and services



2. Link personal and digital channels

#### Strengthen market presence



3. Grow organically and, if possible, through acquisitions

#### People development and process optimisation



4. Encourage and develop employees



5. Simplify processes

#### Increase profitability



6. Implement programme to increase profitability

### Financial goals up to 2024

#### Growth (p.a.)

- Growth in lending business > 3 %
- Growth in fee and commission income ≥ 3 %

#### Risk

- Capital ratio: 15–17 %
- Continue cautious risk policy

#### Return

- RoE ambition of > 6 %
- Stable dividend ≥ CHF 5.00 (payout ratio 50–70 %)

#### Cost savings

- Cost savings of CHF 12–15 million annually from the 2024 financial year onwards

CHF **50** million  
**Total investments**  
in the period 2020–2024

## Strategic thrusts up to 2024

### 1. Develop and expand our products and services

We see ourselves as a financial services provider that offers more than a conventional bank. We will continue to develop and expand our core skills in the areas of financing, payments, savings, investments and retirement planning, in line with the needs of our clients. We want to provide our clients with professional, comprehensive advice and convenient solutions that fully meet their needs. We also intend to generate additional income by expanding our offering to cover clients' entire value chains.



#### Targets up to 2024

- Further develop and expand our offering
- Offer financing process as a product to other companies (B2B)

#### Measures implemented in 2020–2024

- Range of Valiant funds expanded
- LIBOR-based Flex mortgage replaced with the Lilac SARON mortgage
- Partnership with Vaudoise Insurance
- Real estate platform AgentSelly AG acquired and developed
- Debit Mastercard® rolled out
- Pension advice expanded to meet the needs of entrepreneurs
- Centre of expertise for company succession set up
- Lilac Set offers for private clients revised
- Sparkonto Plus with preferential interest rates launched
- CO<sub>2</sub> footprint calculator launched
- Lilac Environmental Mortgage launched
- Sustainable asset management mandate introduced
- New design for Debit Mastercard®
- ESG preferences incorporated into investment advice and asset management

**2. Link personal and digital channels**

Clients can choose between in-person and digital channels. By going further in combining personalised advice with an enhanced digital offering, we will be able to offer clients an outstanding and comprehensive banking experience and make their financial lives even easier. Personalised service and advice continue to take priority when it comes to both our in-person and our digital channels. We are consolidating our innovative position in the Swiss financial market and investing further in digitalisation to that end.

**Targets up to 2024**

- Combine in-person and digital channels
- Develop website into a client-centred platform
- Launch new mobile app

**Measures implemented in 2020–2024**

- Branches fitted out with new front-office areas
- Website revamped with a more client-friendly design and improved navigation
- Personalised myValiant area implemented on the website
- Numerous improvements to client-relevant processes identified and implemented in order to enhance the customer journey
- Own TWINT app released
- Multi-banking rolled out for business clients

- New Valiant app launched
- Receipt of instant payments introduced
- Self-service functions in the Valiant app expanded (change of address)
- Call-back function launched in client service
- Option to conduct investments independently via digital channel introduced

**3. Grow organically and, if possible, through acquisitions**

We are widening our presence step by step from Lake Geneva to Lake Constance. To this end, we are recruiting new client advisers and pension specialists. We are also reinforcing our current branches with additional client advisers and pension and investment specialists. Our aim is to ensure that every type of specialist is available across our entire market area, which will allow us to provide an even more convenient service for all our clients, including those in the affluent segment. The SME segment, which has seen encouraging growth in recent years, will also be further expanded. This additional sales force will help us to continue to expand our core financing business. We also want to significantly increase our earnings from our non-interest business. In addition to the new branches in growth hotspots and prime locations, Valiant remains ready to acquire other banks. We have the potential to make better use of our resources and infrastructure and to achieve economies of scale. Acquisitions must fit with our corporate culture and our business model.

**Targets up to 2024**

- Open 14 new branches
- Create 170 full-time jobs

**Measures implemented in 2020–2024**

- 14 new branches opened
- Creation of 125 full-time positions since 1 January 2020 as part of expansion

**4. Encourage and develop employees**

People are the key to our success in building close client relationships at Valiant. For our expansion, we are looking to recruit locally based, dedicated client advisers with strong ties to their region. They are our best ambassadors in the urban areas and communities in which Valiant is establishing a presence. In addition to acquiring new employees, it is important that we continue to promote and develop the skills of our existing staff. Through our employee training and development, we aim to equip our staff with the skills they need to advise clients holistically and comprehensively on all their financial needs. Valiant is also implementing various measures to support women, with the goal of increasing the proportion of women in management positions.

**Targets up to 2024**

- Promote and develop employees' skills
- Recruit the necessary human resources
- Further increase attractiveness as an employer

**Measures implemented in 2020–2024**

- Sales career paths introduced
- New employees successfully recruited and onboarded in expansion areas
- Mentoring programmes for men and women set up
- Improved employment conditions from 1 January 2023, including an increase in holiday entitlement and maternity leave
- Pension for employees reinforced with a bonus allocation of CHF 10 million
- Approximately 800 employee given training on sustainability
- Women's network established
- Extensive internship programme launched

## 5. Simplify processes

Valiant is focusing on efficiency and effectiveness by rigorously simplifying processes. Simplifying our internal processes will also benefit our clients. We need simple internal processes if we are to convince clients of our straightforward approach and build a positive client experience.



### Targets up to 2024

- Increase efficiency
- Analyse and optimise one to two business processes per year

### Measures implemented in 2020–2024

- “Kreditautobahn” (a tool that standardises and automates the processing of lending transactions) developed and expanded
- “AnlageXpress” (a system that supports advisors and simplifies the investment process) rolled out
- Switch to a single core banking system: Valiant worked on two systems until the end of 2021. On 1 January 2022, all client relationships were transferred to the Finnova core banking solution.
- Digitalisation of the process of opening accounts and entering modifications, such as changes of address
- New IT infrastructure (Microsoft 365) introduced
- New workplace arrangements introduced at main sites (desk sharing, co-working etc.)

## 6. Implement programme to increase profitability

To continue on its successful trajectory and prepare for the future, Valiant launched a programme to increase profitability in 2022. In this context, and to take into account changes in client behaviour, modifications were also made to the branch network in our core market area. These changes and further measures to increase efficiency will lead to cost savings. All divisions are contributing to the achievement of these targets.



### Targets up to 2024

- Optimisation of the branch network: closure of 23 branches, conversion of the front-office areas in further branches
- Workforce reduction of 50 full-time-equivalent positions within the whole bank by the end of 2023
- Cost savings of CHF 12 to 15 million per year in total from the 2024 financial year onwards

### Measures implemented in 2022–2024

- 23 branches closed in our core market area
- Front-office areas converted
- 50 full-time-equivalent positions eliminated
- Annual savings of CHF 15 million

## Financial goals up to 2024

We are implementing our Strategy 2020–2024 to further strengthen our position in the Swiss financial sector. By implementing the strategy, Valiant will achieve the following financial targets.



### Growth

In our current market areas and with the planned expansion, we aim to achieve annual lending growth of more than 3%. We will achieve this by strengthening our presence in existing markets and by expanding into new regions. At the same time, we will continue to ensure that our loan book remains of a high quality and that we stick to our cautious risk policy. We have always maintained a successful focus on the interest margin in recent years. In addition to expanding our lending business, we are also aiming for annual growth of 3% in our result from commission business and services. By expanding our investment and pension business and launching other new services, we will drive a considerable annual increase in this revenue stream.

✓ **Targets attained**



### Return

We aim to increase consolidated profit in the long term and are seeking to achieve a return on equity of over 6%. The dividend will be at least CHF 5 per share and the payout ratio will be 50–70%.

✓ **Targets attained**



### Risk

Valiant will maintain its cautious risk policy. The total capital ratio should always be between 15% and 17% as a sign of Valiant's financial solidity. This is substantially higher than the regulatory requirements defined by FINMA.

✓ **Targets attained**

### Track record on our financial targets up to 2024

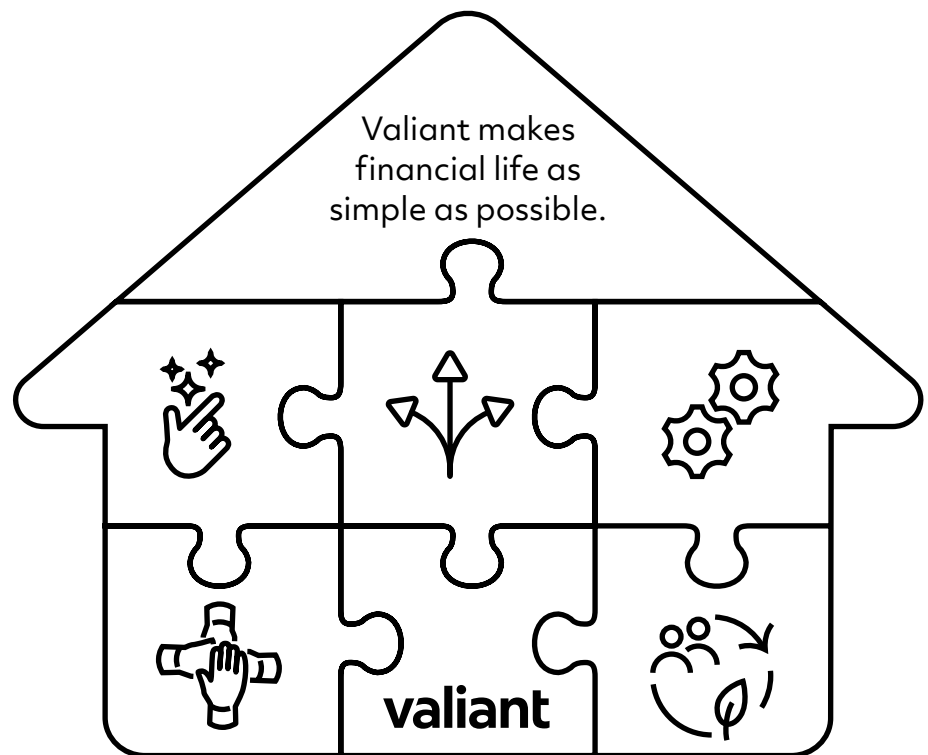
Metric	Target	Average figures 2020–2024	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Growth in lending business	Annual > 3%	4.3%	1.6%	3.5%	5.3%
Growth in fee and commission income	Annual ≥ 3%	9.4%	10.8%	10.0%	10.9%
Total capital ratio	15–17%	15.8–16.5%	16.5%	16.3%	15.8%
Return on equity <sup>1</sup>	Ambition > 6%	5.4–8.0%	7.7%	8.0%	6.6%
Payout ratio	50–70%	60.2–64.8%	60.9%	60.2%	61.0%

<sup>1</sup> Consolidated profit plus change in reserves for general banking risks divided by average equity capital after appropriation of profit

## Strategy 2025–2029

The corporate strategy for 2025–2029 was defined and announced in the year under review. It continues to be focused on the vision of making financial life as simple as possible.

The Strategy 2025–2029 builds on the investment of CHF 100 million in digitalisation and expansion since 2016 and stays true to the successful, simple business model. Increased profitability is the overarching goal. Valiant aims to generate a return on equity that is higher than capital costs, thereby creating economic value. The key factors for success remain a local presence and personalised advice. The objectives will be achieved with the following five strategic thrusts.



## Strategic thrusts 2025–2029



### Inspire with simplicity

Orientation of key elements towards simplicity:

- Review advisory model
- Adapt channels
- Optimise products and prices
- Simplify communication methods

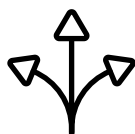
→ **Significant expansion of client base**



### Acquire and develop employees

- Orient corporate culture towards strategic goals
- Train employees in providing holistic and comprehensive client advice
- Improve individual development opportunities

→ **Valiant remains an attractive employer**



### Diversify earnings

Increase income in non-capital-intensive growth markets:

- Expand advisory service in asset accumulation and pension provision for private clients
- Expand position as an SME bank
- Intensify and expand business with third-party partners

→ **Broader-based earnings**



### Promote sustainability

- Reduce CO<sub>2</sub> emissions
- Ensure equal treatment of employees

→ **Valiant assumes responsibility for people and the environment**



### Increase efficiency

- Lean, consistent processes
- Increase degree of automation

→ **Secure future scope for action**

### Financial goals up to 2029

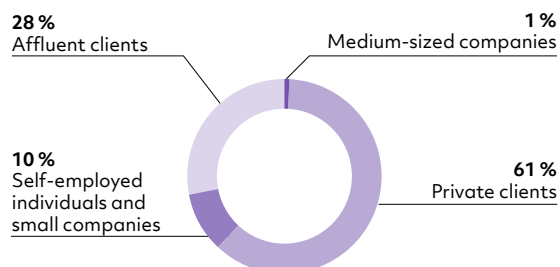
Growth	Loans	> 2 % p.a.
	Fee and commission income	> 5 % p.a.
Capital strength	Total capital ratio	15–17 %
Profitability	Cost/income ratio (before depreciation)	< 55 %
	RoE	> 7 %
Dividend	Dividend	growing annually
	Payout ratio	> 50 %



## Client segments

Valiant focuses on four segments: private clients, affluent private clients, self-employed individuals and small companies, and medium-sized companies.

### Number of clients by segment

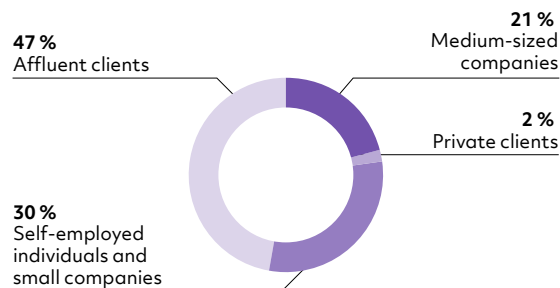


### Private clients

#### › Personalised advice and digital services

Valiant stands out thanks to the simplicity of our products, services and processes. Our clients enjoy a combination of personalised advice and an expanded range of digital services.

### Interest and commission income by segment



CHF 780.3 million broken down by segment

Volume growth in the private clients segment		31/12/2024	31/12/2023	31/12/2022
Customer assets	in CHF billions	3.2	3.5	3.3
Loans	in CHF billions	0.1	0.1	0.1

## Affluent private clients

### › High-quality, personalised management and advisory services

We work to build banking relationships with and affluent private clients by providing high-quality, personalised client service and advice.

Volume growth in the affluent private clients segment		31/12/2024	31/12/2023	31/12/2022
Customer assets	in CHF billions	17.2	16.4	14.9
Loans	in CHF billions	14.5	13.9	13.1

## Self-employed individuals and small companies

### › Comprehensive advice from a single source

We stand out in this segment by offering solutions for entrepreneurs' business and private financial needs via a personal client advisor.

Volume growth in the self-employed individuals and small companies segment		31/12/2024	31/12/2023	31/12/2022
Customer assets	in CHF billions	4.8	5.1	5.8
Loans	in CHF billions	9.6	10.0	10.1

## Medium-sized companies

### › Specialist knowledge for flexible and convenient solutions

Valiant offers medium-sized companies and institutional clients a modern advisory approach and exchange on an equal footing. This is supplemented by solutions aligned to their individual needs.

Volume growth in the medium-sized companies segment		31/12/2024	31/12/2023	31/12/2022
Customer assets	in CHF billions	8.3	7.7	8.3
Loans	in CHF billions	6.0	5.7	5.5

## Our offering

Our SAQ-certified client advisors expertly provide comprehensive advice, individual support and flexible solutions to private clients, the self-employed and SMEs. We offer our clients a full range of simple and understandable banking services from a single source.

### Financing

Finding the best financing product, calculating the borrower's ability to service debt or choosing the right duration for a fixed-rate mortgage: these needs and issues are relevant to both private and corporate clients. With our products and personal advisory services, we aim to identify needs and advise our clients on a comprehensive basis. Our strengths in this area are our local knowledge and market-oriented lending conditions. We remain true to our cautious lending policy when granting loans, despite the fiercely competitive market environment. Valiant knows the real estate that it finances and also the tradespeople and industrial companies that finance their investment needs with our business loans. To take due account of our understanding of sustainability, we apply binding exclusion criteria in our financing business for business and corporate clients. In consultations on financing residential property, we discuss factors including long-term value preservation, energy efficiency and foreseeable renovation requirements, and offer a suitable financing package for energy-efficient renovations.

### Payments

Our payment services make clients' day-to-day lives easier. Clients increasingly wish to make cash-free payments and carry out banking transactions at any time. One of the ways in which Valiant meets this demand is by processing payment transactions and other banking transactions via the Valiant app.

We offer private and business clients a selection of different sets, which include various products and services for an all-in fee.

Valiant also offers its clients an ecological footprint calculator. On the basis of the transactions executed, it displays the CO<sub>2</sub> emissions and suggests ways of lowering emissions in day-to-day life.

### Savings

Valiant offers its clients simple savings products perfectly tailored to meet their needs. Our active interest rate management means that interest rate benefits are quickly passed on to our clients. This positions Valiant as an attractive partner for savings. In addition to selecting from our range of savings products, private clients can take advantage of a savings calculator and a budget calculator free of charge on the Valiant website. In just a few steps, the tools calculate and illustrate how they can reach their savings goals or the best way to budget for regular expenses.

**Investment**

Valiant's investment solutions are flexible and individual. We have the right investment offering for our clients' personal and financial circumstances, and offer personal advice tailored to their needs. We draw up investment proposals in accordance with the personal investor profile that we define jointly with the client. In addition to implementation, Valiant assists and supports its investment clients with a systematic investment process, in order to achieve the jointly defined goals in the long term in the light of changed personal circumstances and wealth situations.

Our investment business takes account of sustainability factors with the "Exclusion", "Best in class" and "Thematic investments" sustainability approaches. In line with our ESG investment guidelines (environmental, social and corporate governance), Valiant has rolled out four sustainability-focused strategy funds with different risk profiles. Clients are asked about their ESG preferences during investment consultations and the offer is then aligned with their selection. For further information, see pages 50–55 in the 2024 Sustainability Report.

**Retirement planning**

It is becoming increasingly important for clients to play an active role in their retirement planning, especially in view of the challenges currently facing the pension system, such as rising life expectancy. This applies equally to retail clients who wish to prepare for their retirement or protect their family or home and to business clients seeking the optimum pension fund and personal insurance solutions. Needs vary depending on each client's individual or business situation. Existing solutions must be reviewed and, where necessary, adjusted. Together with our clients, we customise their retirement planning to their individual needs.

## Our employees

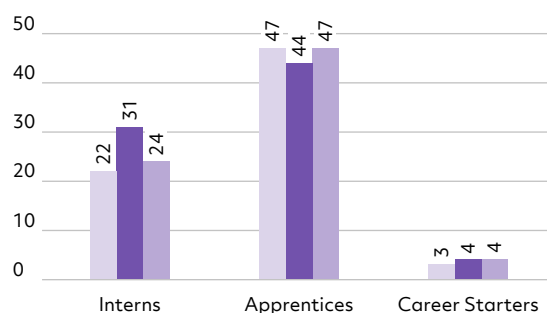
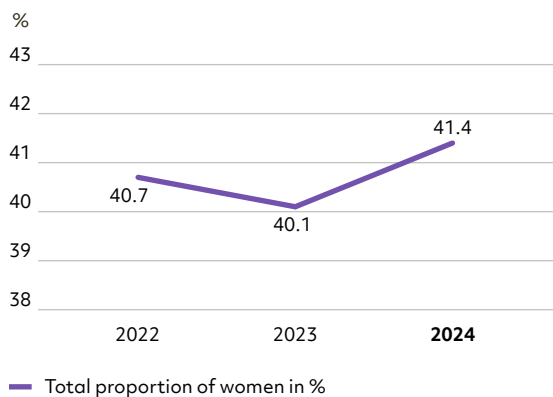
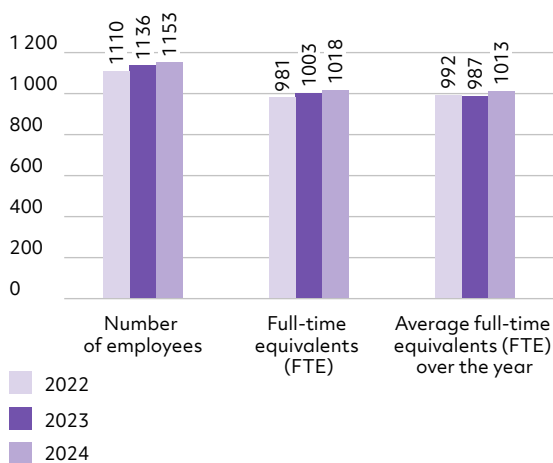
Our employees form the backbone of our business activities and shape the bank's corporate culture. They do their utmost day in, day out to meet our clients' needs and make their financial lives as simple as possible. Valiant values equality, equal opportunities and diversity. As an attractive employer, Valiant offers its staff flexible working arrangements, part-time work even for those in management positions, and working from home options.

Valiant is committed to employee training and further education. To date, training has been provided for around 35 young people per year in three career paths. From August 2025, this will increase to four career paths. Valiant offers middle-school leavers an opportunity to do an

internship. We also aim to offer these young adults a successful entry into the world of work after they have completed their training. The trainee retention rate of roughly 80% is an impressive testament to the benefits of the bank's corporate culture.

Further details on our commitment and on employee development are provided in the 2024 Sustainability Report, which is published separately, on pages 59–76.

### Key personnel figures

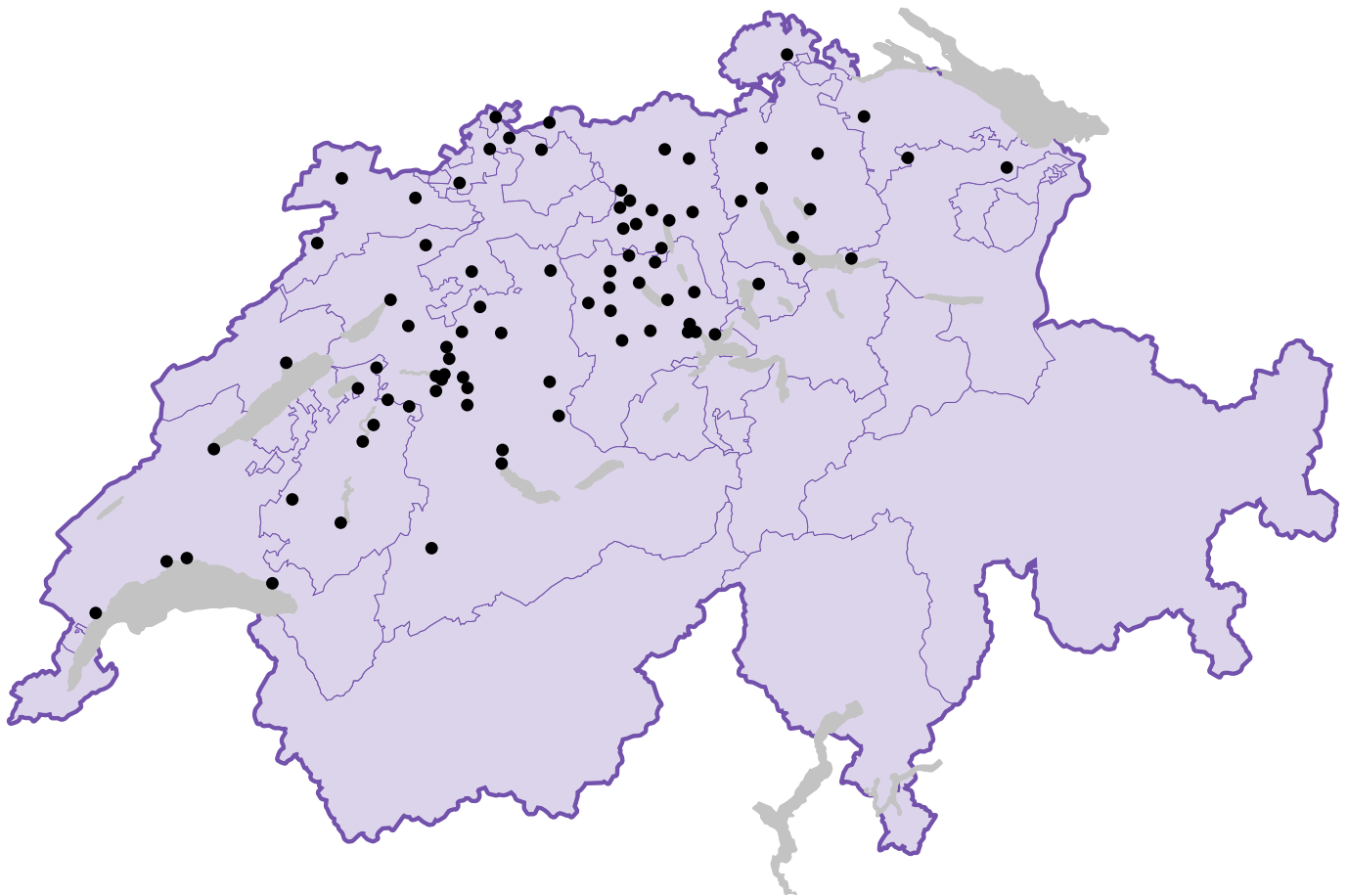


### Retention rate for trainees

Approx. **80%**  
of **trainees** are kept on  
at Valiant.

## Our market

Valiant is represented across 15 cantons from Lake Geneva to Lake Constance with a strong local presence in more than 80 locations. Thanks to digitalisation, we can also offer our services throughout Switzerland.



## Sustainability

As well as celebrating our 200-year anniversary during the year under review, Valiant also agreed and announced a new strategy for the next five years. One of the five thrusts we are focusing on in the new strategy aims to align our business activities more strongly with sustainability. Our commitment and sustainability activities are already evident in a wide range of various relevant topics.



### Promote sustainability

As part of the “Promote sustainability” strategic thrust, we are aligning our business activities with the Paris Climate Agreement and the Swiss climate goals, thus placing greater focus on CO<sub>2</sub> management. Valiant is also promoting the equal treatment of its staff and establishing flexible models to improve the compatibility of family and career. Through these measures, Valiant aims to increase the share of women in management positions.

As part of our strategy 2020–2024, we have already taken action and approved the first climate goals. With the end goal of net-zero emissions by 2050, we want to cut our operating emissions by at least 42 % by 2030 compared with the base year of 2023. We have also set the goal of reaching net-zero by 2050 for the mortgage business, with appropriate interim targets. Compared with the 2023 base year, we aim to reduce emissions from financed residential property and emissions from financed commercial property by at least 54 % and 51 % respectively by 2030. In a next step, we will continue to refine our net zero roadmap and integrate the planned actions into our business activities.

We provide an overview of all activities and progress in relation to sustainability in our 2024 Sustainability Report and the associated climate reporting.

#### CO<sub>2</sub> reduction goals by 2030

(from base year 2023)

–42 %

Minimum reduction in **operating emissions** by 2030

–54 %

Minimum reduction from financed **residential real estate** by 2030

–51 %

Minimum reduction from financed **commercial real estate** by 2030

## Our priorities at a glance



### **Climate-related non-financial disclosures**

For the 2024 financial year, Valiant is for the first time publishing its climate reporting according to the internationally recognised recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). As part of this, we explain our approach to climate-related risks and opportunities. In addition to our target of achieving net-zero by 2050, we communicate our initial quantitative interim climate targets for 2030 in relation to operating emissions and emissions financed from our mortgage portfolio.

→ Climate reporting can be found on pages 85–113 of the 2024 Sustainability Report.



### **Integrating sustainability preferences in the investment and asset management business**

As part of investment advisory services and asset management, our clients can decide the extent to which they would like to consider ESG criteria in their investments. The criteria comprise three pillars: environment, social and governance. Our advisors adapt the product and service options to the ESG preferences of each client.

→ For more details, see pages 50–55 of the 2024 Sustainability Report.



### **Energy efficiency is the focus of real estate financing**

When advising our clients on the financing of residential property, we discuss long-term value preservation, energy efficiency and foreseeable renovation requirements for the property. We also inform clients about the available building renovation funding initiatives and refer them to independent specialist agencies for specific consultation, if needed. We also offer the Lilac Environmental Mortgage, which promotes energy-efficient renovations and new construction.

→ For more details see pages 55–57 of the 2024 Sustainability Report.



### **Exclusion criteria for financing**

Valiant applies clear exclusion criteria in its lending business. Potential financing projects for corporate clients are checked for controversial environmental and social issues. We refuse business that does not meet our standards.

→ For more details see page 48 of the 2024 Sustainability Report.



### **Equal pay for women and men**

Valiant regularly measures pay equality using the federal government's equal pay tool. We comply with the principle of equal pay within the tolerance threshold of 5%. Measures are taken when necessary.

→ For more details see pages 72–75 of the 2024 Sustainability Report.



# Business performance

Valiant closed 2024 with the strongest operating result since it was founded and a consolidated profit in excess of CHF 150 million. The shareholders will again benefit from a dividend increase.

## The economic environment was shaped by falling interest rates.

The Swiss economy saw moderate growth, but behind the long-term average. Consumption was stable and the labour market again demonstrated its robust good health. The real estate sector also proved resilient: sustained immigration and cheaper financing as interest rates fell kept demand for residential property firm, causing prices to rise further.

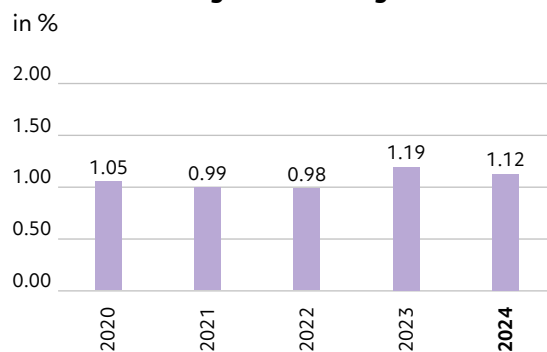
Amid a sustained fall in inflation in 2024, the Swiss National Bank cut rates a total of four times, reducing its policy rate from 1.75% to 0.5%.

## Solid interest business despite bumpy interest environment

Trends on the real estate market and the rate cuts have had a direct impact on Valiant's business activity. By evaluating external influences on an ongoing basis, we have maintained the strengths in our interest business. Our top priority is loan quality. We are staying true to our prudent risk policy.

The rate cuts were anticipated in good time, so we applied proven rate swap strategies, which allowed us to proactively counter the challenging market trends. The gross result from interest operations fell by 4.2% to CHF 408.9 million. This change stems from the bumpy interest environment and the fact that Valiant offers attractive conditions on savings and pension products. Recognition of value adjustments for default risks and losses from interest operations were down by CHF 6.5 million year on year to CHF 12.9 million. Including value adjustments, the net result from interest operations declined by a modest 2.8% to CHF 395.9 million. The average interest rate on assets rose to 1.88%, up by 10 basis points. At the same time, the average interest rate on liabilities rose by 17 basis points. The interest margin widened by 7 basis points to 112 basis points as a result of the interest rates on assets and liabilities. This is still a high figure by industry standards.

## Net interest margin remains high

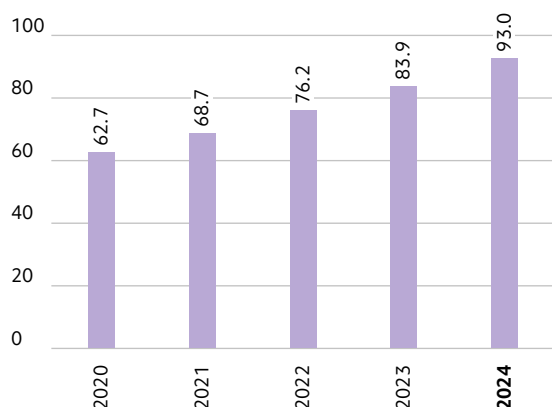


### Solid fee and commission income

The result from commission business and services maintained its positive trend and climbed by 10.8% to CHF 93.0 million, marking yet another improvement. Commission income from securities trading and investment activities rose by 11.0%, mainly due to non-transaction-tied flat-rate fees; these were particularly helped by the growth in newly acquired customer account volumes and the positive performance of the markets. Apart from the good market performance, clients' increased investment activity also contributed to the considerable increase. Other service business climbed by 9.6%.

### Result from commission business and services

in CHF millions



### Operating income and expenses

Operating income was up from the previous year once again, reflecting balanced business performance and the consistent implementation of our strategy. Operating income rose by 1.1% to CHF 551.7 million in the year under review. Valiant continues to apply its prudent risk policy, as is apparent from the low value adjustments and default rates.

The result from trading activities climbed CHF 10.2 million (+25.3%) to CHF 50.5 million. The main factor behind this increase was once again the higher income from forward foreign exchange contracts. By contrast, the other result from ordinary activities was CHF 1.8 million lower at CHF 12.3 million, chiefly thanks to lower income from participations.

Personnel expenses declined by CHF 1.3 million despite increased headcount and a higher payroll in 2024. This was due to the previous year's one-off allocation to the employee pension fund. The higher general and administrative expenses include one-off costs for the renewal of core banking software as well as investments in digitalisation and further development of the range of services. As a result, general and administrative expenses were up by CHF 11.1 million (+8.7%) to CHF 138.5 million. Operating expenses rose by 3.4% overall to CHF 300.0 million.

### Consolidated net profit exceeds CHF 150 million

Operating profit increased by 0.5% or CHF 1.1 million year on year to CHF 233.4 million. The positive performance in the operating business therefore beat even the strong figures recorded last year. Once again, Valiant did not have to set aside any significant provisions in the year under review. The CHF 0.7 million of extraordinary income largely came from the proceeds of property disposals.

Valiant set aside reserves of CHF 46.0 million for general banking risks in the year under review. These count in full as regulatory CET1 capital and so strengthen the capital base. Allowing for this addition to equity capital, the group generated a profit of CHF 150.4 million in 2024, a rise of 4.2 % from the previous year.

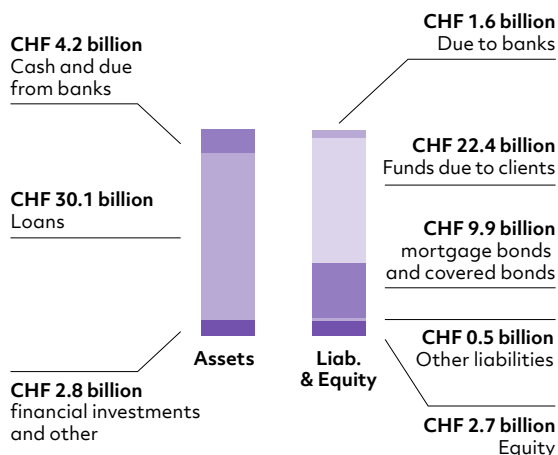
The return on equity at the year-end was 5.7%; adjusting for the addition to the reserves for general banking risks and applying the new calculation methodology<sup>1</sup> the figure was 7.7%. Due to the positive full-year group profit, the Board of Directors will be proposing to the Annual General Meeting an increase in the dividend from CHF 5.50 to CHF 5.80 per share.

### Increase in total assets

Valiant's total assets rose by 2.9 % to CHF 37.1 billion. This growth was primarily attributable to a CHF 1.2 billion increase in financial investments and growth of roughly CHF 0.5 billion in loans to customers.

Apart from the equity capital base, Valiant's funding structure comprises three pillars: customer deposits, central mortgage institution loans and own bonds. Customer deposits increased by 0.8 % over the year to CHF 22.4 billion, and the portion of funding from central mortgage institution loans was up by CHF 772.0 million. Secured own bonds fell by CHF 100.0 million. Customer deposits continue to be our main source of funding. The balanced mix of funding allows Valiant to adapt the funding structure flexibly to changing market conditions. As a consequence, driven by the growth in central mortgage institution loans and secured own bonds, the overall funding ratio rose to 107.3 % while the loan-to-deposit ratio declined moderately to 74.3 %.

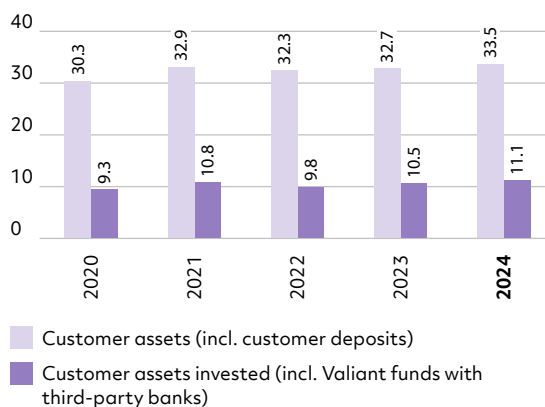
### Total assets: CHF 37.1 billion



Valiant's simple balance sheet structure has been one of our distinguishing features for many years. It contains no goodwill and no other intangible assets. At the year-end, CHF 30.1 billion of the assets (81 %) were loans. The remaining 19 % was made up of liquid assets and amounts due from banks (11 %), investment-grade financial investments (6 %) and other assets (2 %).

### Customer assets and customer assets invested

in CHF billions



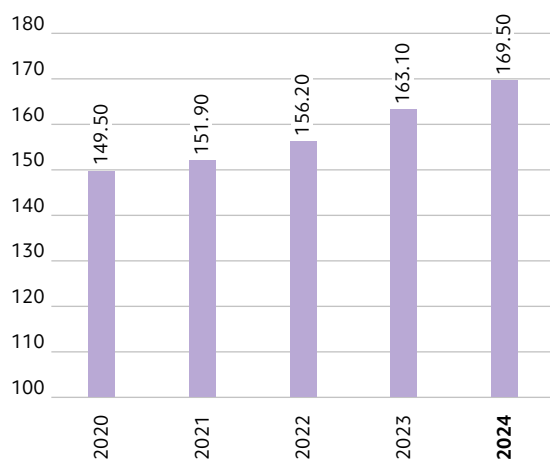
<sup>1</sup> Consolidated profit plus change in reserves for general banking risks divided by average equity capital after appropriation of profit

Customer assets comprise customer deposits and customer assets invested. The overwhelming majority of customer assets invested relate to clients with asset management or advisory mandates, which generate considerable non-transaction-based income. Through targeted diversification of income streams and a greater focus on commission business and services, it has been possible to achieve a lasting increase in customer assets and customer assets invested, as well as the associated income.

#### Strengthening of equity capital

Reported equity capital grew by 4.0% over the period to CHF 2.7 billion, and as a result Valiant improved its book and inherent value per share to CHF 169.50.

#### Book and inherent value per share in CHF



Supported by the addition of CHF 46 million to the reserves for general banking risks, regulatory equity capital to CHF 2.6 billion. The total capital ratio rose accordingly to 16.5%. Valiant's eligible equity capital consists entirely of the highest-quality equity capital. This is a key factor in our sustainable financial strength.

## Outlook

"Valiant expects consolidated profit to be slightly higher in the current year."

# Risk assessment

We strive to achieve a balanced risk/return ratio in our business transactions and remain true to our cautious risk policy.

## Risk situation

In managing risk, Valiant addresses all the relevant risk categories. The risks are regularly assessed by the Executive Board, the Audit and Risk Committee and the Board of Directors. Where necessary, measures are initiated and implemented without delay.

### Risk categories

#### Overarching risks

- Systemic risks
- Strategic risks
- Reputational risks
- Equity risks
- Environmental/sustainability risks

#### Primary risks

- Credit risks (counterparty/cover)
- Interest rate risks
- Liquidity and funding risks
- Other market risks

#### Operational risks

- Cyber and IT risks
- Compliance risks
- Legal risks
- Settlement risks

## Risk management

The Board of Directors and Executive Board pay constant attention to Valiant's risk situation and the risk policy issued by the Board of Directors ensures a balanced return, growth and risk trade-off, manages risks proactively and also sets limits in line with our risk tolerance. All material risks are thus measured, mitigated and monitored. When establishing processes and organisational structures, appropriate consideration is given to risk management, which involves the identification, measurement, assessment, control and reporting of both individual and aggregated risks. At least once a year, the Board of Directors carries out a risk assessment and reviews the risk policy. This also includes assessing the appropriateness of the risk mitigation measures taken and the risk limits set.

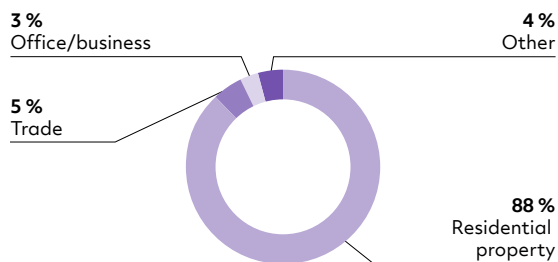
Appropriate risk mitigation measures are taken to ensure compliance with the risk tolerance level set by the Board of Directors. These include a bank-wide internal control system, collateral and quality requirements for loans, hedging as part of asset and liability management, a comprehensive system of limits, optimised processes with appropriate segregation of functions, contingency plans pertaining to business continuity management, insurance protection and independent control bodies (Risk Control and Compliance).

The risk situation with respect to the key types of risk for Valiant is set out below. General information on risk management can be found in the notes on risk management in the notes to the consolidated financial statements on pages 122–133.

### Credit risks

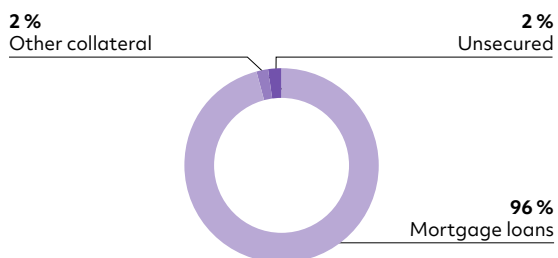
Our cautious lending policy means that we have a high-quality, diversified loan portfolio. Despite the challenging conditions and their associated macroeconomic effects, the need for value adjustments remains low.

### Mortgage loans



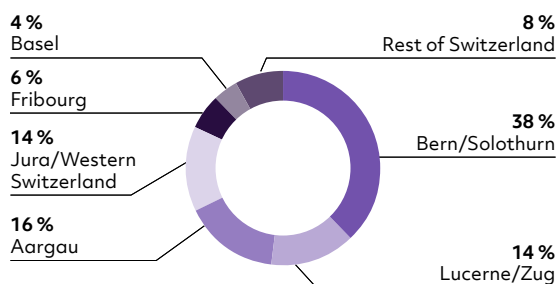
CHF 28.7 billion broken down by type of property

### Loans



CHF 30.1 billion net lending, broken down by other collateral, unsecured lending and mortgages

### Mortgage loans



CHF 28.7 billion broken down by region

### Key figures concerning financing

	2024	2023	2022
First mortgages as a share of all mortgage loans, as a %	93.8	93.3	92.9
Average loan-to-value ratio of mortgage loans <sup>1</sup> , as a %	61.5	62.4	62.8
Value adjustments and provisions for lending, in %	0.45	0.39	0.34
Value adjustments and provisions for default risks, in CHF thousands	134,721	114,728	98,574

<sup>1</sup> Valuation of properties according to historical values

### Interest rate risks

In view of Valiant's business activities, interest rate risk is the most significant market risk. Accordingly, interest rate risk is actively managed, limited, measured and reported. The limits are aligned with our risk capacity and also allow for future lending growth. The most important figures are set out below:

Key indicators of balance sheet structure	31/12/2024	31/12/2023	31/12/2022
Effective asset duration, as a %	2.61	2.63	2.82
Effective liability duration, as a %	2.95	2.78	2.38
Present value sensitivity of equity capital (%) +100bp	-0.51	-1.05	-0.80
Present value of equity capital, in CHF millions	3,280	2,976	2,901
Swap volume, in CHF millions	1,680	2,430	3,827
Hedging costs (+costs/-income), in CHF millions	-79.3	-77.2	-9.1

### Liquidity and funding risks

As at 31 December 2024, Valiant had customer deposits of CHF 22.4 billion. Valiant can also cover its financing needs via third-party banks and on the capital market by means of central mortgage institution loans and covered bonds. It also holds securities recognised under financial investments that are eligible for repo transactions totalling CHF 2.3 billion. This provides funding at any time.

The required minimum level for the short-term liquidity coverage ratio (LCR) is complied with at all times. More information on the LCR is available on page 160.

### Other market risks

The securities recognised under financial investments totalling CHF 2.3 billion largely comprise high-quality fixed interest securities. The credit ratings of these securities, along with the interest rate risk associated with them, are monitored as part of the management of Valiant's overall interest rate risks.

All other market risks play a minor role for Valiant. Accordingly, the open limits are low and do not contain any major risks.

### Operational risk

#### (including legal and compliance risks)

Valiant has a bank-wide internal control system to manage operational risks in line with the risk tolerance set by the Board of Directors.

The security and reliability of electronic data processing are of crucial importance for a financial services provider. Valiant outsources its IT to first-class external providers (in particular Swisscom and Inventx). Due to greater digitalisation and interconnections, banks have increasingly been the subject of cyber attacks in recent times. Comprehensive measures have been taken to mitigate risk in conjunction with the external providers.

In the year under review, Valiant did not experience any material operational incidents, nor did any material provisions have to be created for legal cases.

# Investors

All Valiant shares are freely tradable on the capital market. We pursue a sustainable dividend policy and have consistently maintained or increased the dividend since Valiant was founded.

## Investment in Valiant

Valiant strikes a careful balance between returns, growth and risk. Our business model, which focuses exclusively on the Swiss market, is characterised by low risks that are backed by a solid equity base.

### Growth: Focus on organic growth and digitalisation

- **Expansion** and digitalisation result in efficiency and productivity gains
- **Increase** in commission and fee income
- **Strong** commitment to implementing the expansion strategy

### Risk: low-risk business model and a good equity base

- **Low credit risk**, thanks to prudent risk management
- **Low interest-rate risk** with active hedging, no proprietary trading
- **Low operational risk**, with a focus on the Swiss market and streamlined services

### Return: stable, high-quality earnings

- **High earnings quality**, as more than 90 % of income is recurring
- **Commitment to shareholder return**, with stable or increasing dividends at all times
- **Ambition** to achieve a return on equity of over 7 %



## Key figures

Key figures for shares	2024	2023	2022	2021	2020
Book value (CHF)	169.54	163.08	156.24	151.89	149.51
Net profit (CHF)	9.52	9.13	8.20	7.80	7.72
Price/earnings ratio	11.1	10.4	12.2	11.7	11.2
Dividend in CHF	5.80 <sup>1</sup>	5.50	5.00	5.00	5.00
Dividend yield (%)	5.7	5.8	5.0	5.5	5.8
Payout ratio (%)	60.9	60.2	61.0	64.1	64.8
Year-end share price (CHF)	105.60	95.40	100.00	91.30	86.50
Full-year high (CHF)	111.00	106.20	101.80	102.60	106.60
Full-year low (CHF)	95.40	91.30	83.30	85.00	71.10
Market capitalisation as at 31 December, in CHF millions	1,668	1,507	1,579	1,442	1,366

<sup>1</sup> Proposed



## The Valiant share

The Valiant share has been listed on SIX Swiss Exchange since Valiant Holding AG was founded in 1997.

### Valiant Holding AG share

Swiss security number	1478650
ISIN	CH0014786500
Bloomberg ticker	VATN SW
Reuters ticker	VATN.S
Nominal value	CHF 0.50
Number of shares outstanding	15,792,461

The latest information for investors concerning Valiant shares can be found at [valiant.ch/investor-relations](https://valiant.ch/investor-relations).

## Dividend

Valiant pursues a stable dividend policy. The target payout ratio is at least 50% of consolidated profit. At the Annual General Meeting, the Board

of Directors will be proposing an increase of CHF 0.30 in the dividend to CHF 5.80 per share for the 2024 financial year.

### Dividend information

Dividend per share	CHF 5.80 <sup>1</sup>
Ex-dividend date	16/05/2025
Payout date	20/05/2025

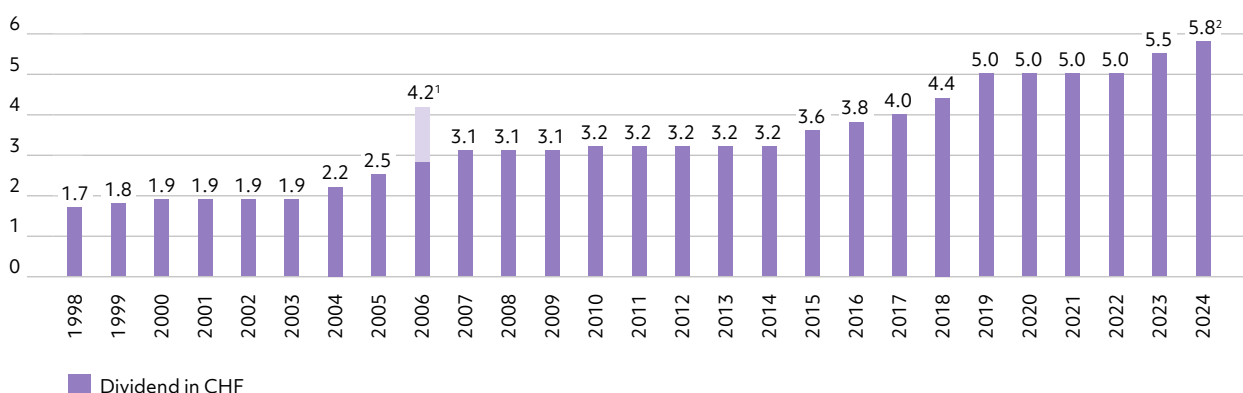
<sup>1</sup> Proposed

## Share price

After closing at CHF 95.40 on 31 December 2023, the Valiant share fluctuated between CHF 95.40 and CHF 111.00 over the course of the year. It closed at CHF 105.60 on 31 December 2024.

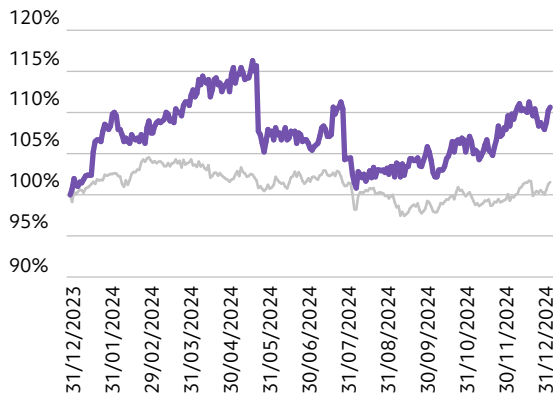
This strong result meant that Valiant shares performed well once again last year. The absolute and relative performance of Valiant shares is also positive over three and five years.

### Dividend trend



<sup>1</sup> An extraordinary anniversary dividend of CHF 1.40 was paid out for financial year 2006.

<sup>2</sup> Subject to approval by the 2025 Annual General Meeting

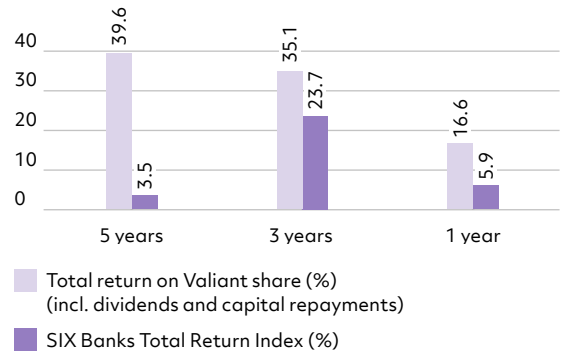
**Valiant share vs. benchmark**

— Valiant share (excl. dividends and capital repayments)  
— Benchmark (excl. dividends and capital repayments)

Source: Bloomberg

Average daily trading volumes in Valiant shares amounted to 17,570 shares in 2024, marking a year-on-year rise of around 24%. The average daily trading volume of Valiant shares therefore rose to CHF 1.8 million from CHF 1.4 million the previous year.

The following chart, “Total return on Valiant share”, shows the total return (capital gains, dividends and capital distributions) on an investment in Valiant shares. The benchmark is the SIX Banks Total Return Index calculated by SIX Swiss Exchange.

**Total return on Valiant share**

Source: Bloomberg

## Shareholder structure

Of the roughly 30,900 shareholders, over 97% are private individuals, who together hold 48.3% of our share capital. Institutional investors hold 26.9% of the share capital. The remaining 24.8% of the shares are not recorded in the share register.

Changes in shareholder structure (holdings)	Proportion 31/12/2024	Proportion 31/12/2023	Proportion 31/12/2022
Private shareholders	48.3%	47.7%	47.7%
Institutional shareholders	26.9%	28.4%	32.1%
Non-registered shares	24.8%	23.9%	20.2%

At the balance sheet date, Valiant's largest shareholders were UBS Fund Management (Switzerland) AG and Swisscanto Fondsleitung AG. Further information can be found in the Corporate Governance Report on page 49.

## Coverage

At the end of 2024 the Valiant share was covered by four brokers. Further information can be found on our website at [valiant.ch/investor-relations](https://valiant.ch/investor-relations).

## Analyst and investor relations

Investor Relations again took part in numerous roadshows and conferences in 2024. Most investor meetings were initiated by broker contacts. In addition, Investor Relations regularly organises its own events and meetings, both in Switzerland and abroad.

## Covered bonds

The following bonds issued by Valiant Bank AG were outstanding as at 31 December 2024:

Outstanding bond issues	Interest rate	Term	Amount in CHF millions
Valiant Bank AG (private placement)	1.125%	2024/Jul 2025	20
Valiant Bank AG (private placement)	1.000%	2024/Aug 2025	100
Valiant Bank AG	0.000%	2019/Oct 2025	190
Valiant Bank AG	0.000%	2021/Jan 2026	270
Valiant Bank AG	0.200%	2019/Jan 2027	303
Valiant Bank AG	0.375%	2017/Dec 2027	250
Valiant Bank AG	1.850%	2023/May 2028	180
Valiant Bank AG	0.000%	2019/Jul 2029	400
Valiant Bank AG	0.100%	2021/Nov 2030	215
Valiant Bank AG	0.100%	2021/May 2031	190
Valiant Bank AG	1.550%	2024/Apr 2032	400
Valiant Bank AG	0.125%	2019/Dec 2034	310
<b>Total</b>			<b>2,828</b>

As at 31 December 2024, the amount of Valiant's outstanding covered bonds was CHF 100 million down on the previous year. Thanks to our excellent AAA rating, we were able to continue to fund ourselves on similar conditions to banks backed by government guarantees. Since the start of the covered bond programme in 2017, numerous bonds have been placed. Of these, 12 bonds with a nominal value of CHF 2.8 billion were outstanding at the end of 2024. Valiant currently has no outstanding unsecured bonds.

You can find the latest information on our bonds and ratings at [valiant.ch/debt-capital](https://valiant.ch/debt-capital).

## Indices

The Valiant share is included in the following indices.

Indices	Ticker
ADASINA SOCIAL JUSTICE	JUSTICE
FTSE Developed Europe All Cap Net Tax (US RIC) Index	ACDER
FTSE Developed Europe All Cap Net Tax Index	ACDEUNAU
FTSE Developed Europe All Cap Net Tax Total Return	ACDEUN
FTSE Developed ex US All Cap Net Tax (US RIC) Index	ACDXUSR
MSCI EAFE IMI Value Net Total Return USD Index	M1EA0007
MSCI Europe ex EMU IMI Index	MXEUMIM
MSCI Europe ex EMU SMID Cap Index	MXEUMSM
MSCI Europe ex Germany IMI Index	MXEUDIM
MSCI Europe ex UK IMI Index	MXEUGIM
MSCI Europe ex UK Small Cap	NG106244
MSCI Europe ex UK SMID Cap Index	MXEUGSM
MSCI Europe IMI Index LOCAL	MXEUIIM
MSCI Europe Small Cap Special Tax Gross Return EUR Index	GE723574
MSCI Switzerland IMI Index	MXCHIM
MSCI Switzerland SMID Cap Index	MXCHSM
MSCI World ex Israel Small Cap USD Index	MXWOX00S
MSCI World ex USA IMI (VRS Taxes) Net Return USD Index	NU137534
S&P Dev xUS BMI Value	SBVRWUU
S&P Dvlp Ex-U.S. BMI Fin	SDSU111
S&P EPAC BMI Value \$	SBVBREPU
S&P EPAC Ex-Korea BMI (US Dollar)	SPBEKUP
S&P EPAC Ex-Korea SmallCap (US Dollar)	SPBEKSUP
S&P Europe MSC USD PR	SBPRSEUU
S&P Global BMI Banks Index	SGU2XB
S&P Global BMI Between USD1 Billion and USD5 Billion in USD Index	SGQU
S&P Global BMI Financials USD Price Return Index	SGU11B
S&P Global Ex-U.S. SmallCap (US Dollar)	SBERGUU
S&P Global Mid Small Cap Index	SGYU1
S&P Pan Europe SmallCap (US Dollar)	SBERPEU
Solactive Europe Total Market 675 Index (PR)	SOLEUTMP
Solactive ISS ESG Screened Europe Small Cap Index NTR	SESGEUSN
Solactive ISS ESG Screened Paris Aligned Developed Markets Small Cap Index NTR	SSPABDSN
SP EU ME Afr BMI	SPMU
SP Europe Ex-U.K. BMI	SEBU1
SPI	SPI
SPI EXTRA	SPIEXX
SPI ESG	SPIT
SPI ESG Weighted Price	SPIEWP
SPI ex SLI PRICE RETURN	SXSLIX
Swiss All Share Index	SSIP
Swiss Exchange Supersector Banks Price Index	SMBAK
WisdomTree Europe Equity Income Index	WTEHYE
ZKB Swiss Small Cap Index	ZKBSSCI

Source: Bloomberg and SIX

## Credit ratings

Valiant Bank AG is rated by the following institutions, which reaffirmed our credit quality.

Agency/bank	Rating	Date
Moody's Deposit Rating	A1/Prime-1	11/11/2024
Zürcher Kantonalbank	A	06/02/2025

### Moody's

Valiant Bank AG has been rated by the world's leading rating agency since 2001. On 11 November 2024, Moody's reaffirmed its rating for long-term and short-term customer deposits of "A1/P-1", with a stable outlook, and its Baseline Credit Assessment (BCA) of "a3".

### Zürcher Kantonalbank (ZKB)

Valiant Bank AG has been rated by ZKB since 2012. There was no change to the "A" rating during the year, which was most recently confirmed on 6 February 2025.

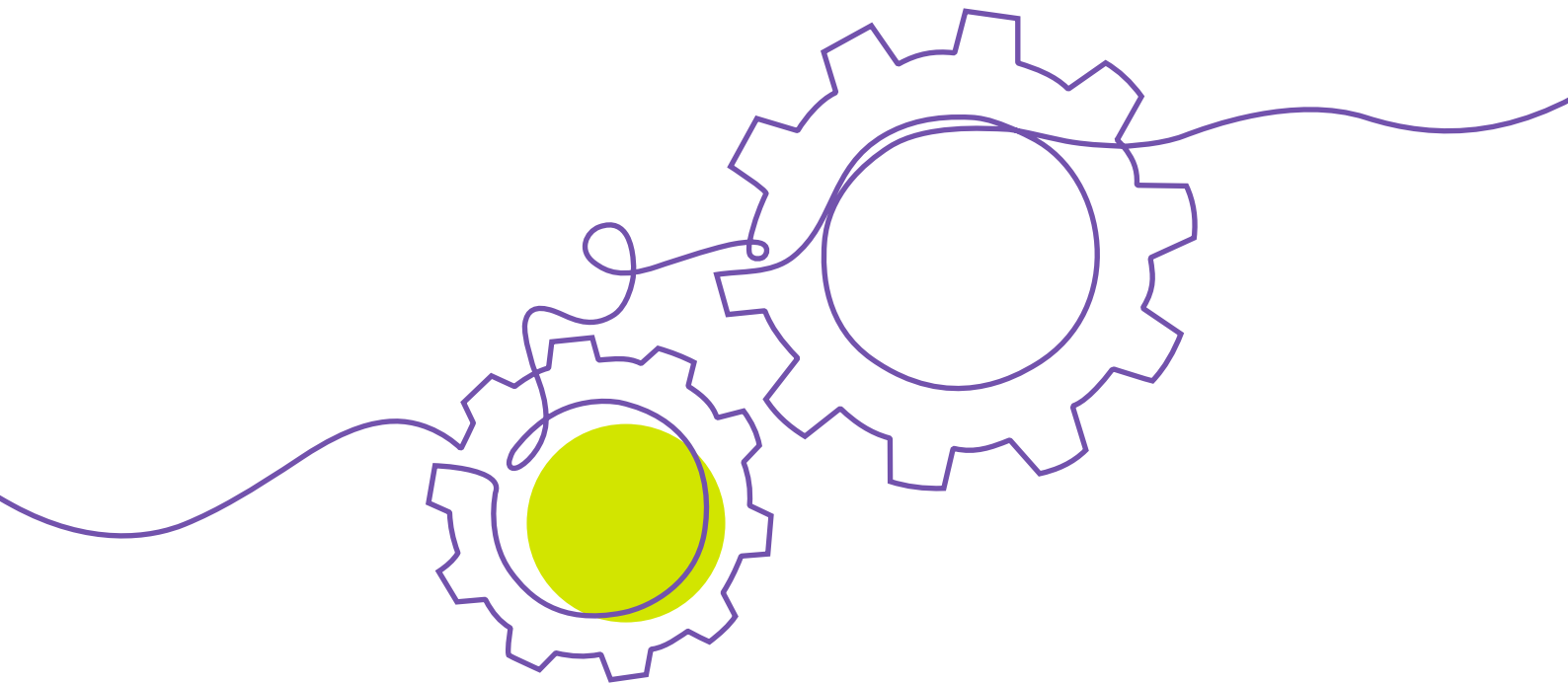
## Further information

Further information on our results, reports and key figures is available on our website at [valiant.ch/results](https://valiant.ch/results).

## Agenda for 2025

Publication of the interim financial statements as at 31 March	8 May 2025
Annual General Meeting	14 May 2025
Publication of the interim financial statements as at 30 June	25 July 2025
Publication of the interim financial statements as at 30 September	6 November 2025

# 2024 Corporate Governance Report



**Group and shareholder structure**

- 48** 1.1 Group structure
- 49** 1.2 Significant shareholders
- 49** 1.3 Cross-shareholdings
- 50** 1.4 Company history

**Capital structure**

- 52** 2.1 Share capital
- 52** 2.2 Capital band and contingent capital
- 52** 2.3 Changes in capital
- 52** 2.4 Shares and participation certificates
- 52** 2.5 Dividend-right certificates
- 52** 2.6 Limitations on transferability and nominee registrations
- 53** 2.7 Convertible bonds and options

**Board of Directors**

- 54** 3.1 Members of the Board of Directors
- 56** 3.2 Other activities and interests
- 57** 3.3 Number of allowable activities
- 58** 3.4 Election and term of office
- 58** 3.5 Internal organisational structure
- 65** 3.6 Areas of responsibility
- 66** 3.7 Information and control instruments relating to the Executive Board

**Executive Board**

- 68** 4.1 Members of the Executive Board
- 70** 4.2 Other activities and interests
- 70** 4.3 Number of allowable activities
- 70** 4.4 Management contracts

**Compensation, shareholdings and loans**

- 71** 5 Compensation, shareholdings and loans

**Shareholders' participation rights**

- 72** 6.1 Restrictions on voting rights and proxies
- 73** 6.2 Quorums prescribed by the Articles of Association
- 73** 6.3 Convening of the Annual General Meeting
- 74** 6.4 Agenda
- 74** 6.5 Entries in the share register

**Change of control and defensive measures**

- 75** 7.1 Obligation to make an offer
- 75** 7.2 Change of control clauses

**Auditors**

- 76** 8.1 Term of mandate and term of office  
of the lead auditor
- 76** 8.2 Auditing fees
- 76** 8.3 Additional fees
- 77** 8.4 Information instruments pertaining  
to the external auditors

**Information policy**

- 78** 9 Information policy

**Trading blackout periods**

- 79** 10.1 Members of the Board of Directors
- 79** 10.2 Members of the Executive Board and employees
- 79** 10.3 General blackout period
- 80** 10.4 Project-related blackout periods
- 80** 10.5 Exceptions

# 1 Group and shareholder structure

## 1.1 Group structure

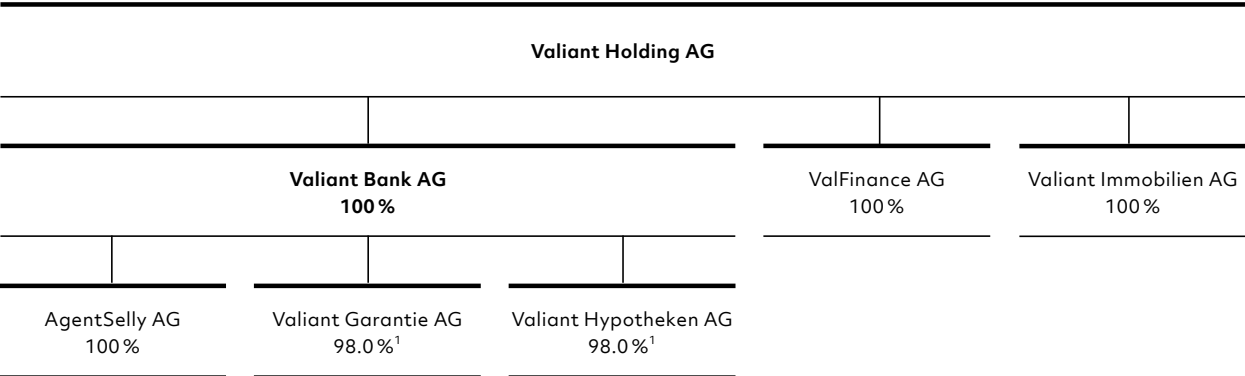
### 1.1.1 Valiant Holding AG

Valiant Holding AG was created in mid-1997 through the merger of three regional banks: Spar + Leihkasse in Bern, Gewerbekasse in Bern and BB Bank Belp. However, Valiant’s roots reach back as far as 1824, when Ersparniskasse Murten was founded. Today, 31 regional banks and several branches acquired from third-party banks operate under the umbrella of Valiant Holding AG. Valiant Holding AG is a limited company governed by Swiss law with its registered office in Lucerne. Unlike its subsidiary Valiant Bank AG, Valiant Holding AG does not have bank status.

The Valiant Group (Valiant) comprises Valiant Holding AG, its subsidiaries Valiant Bank AG, ValFinance AG and Valiant Immobilien AG as well as AgentSelly AG, Valiant Garantie AG and Valiant Hypotheken AG (all three subsidiaries of Valiant Bank AG). ValFinance AG, Valiant Immobilien AG, Valiant Garantie AG and Valiant Hypotheken AG do not have any employees of their own.

The Board of Directors and Executive Board of Valiant Holding AG and the Board of Directors and Executive Board of Valiant Bank AG comprise the same members.

#### Group structure



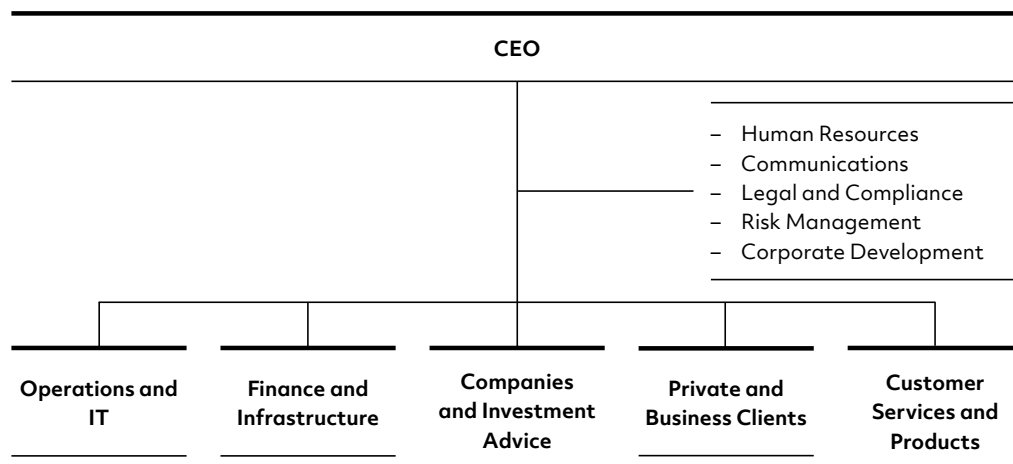
<sup>1</sup> 2% held by external members of the Board of Directors

Further details on the Valiant Holding AG subsidiaries are provided in the notes to the consolidated financial statements on page 141.

### 1.1.2 Valiant Bank AG

Valiant Bank AG is an independent Swiss financial services provider operating exclusively in Switzerland. It offers private clients and small and medium-sized businesses a comprehensive range of easy-to-understand products and services covering all financial needs. Valiant Bank AG has a strong local presence in the following 15 Swiss cantons: Aargau, Basel-Landschaft, Basel-Stadt, Bern, Fribourg, Jura, Lucerne, Neuchâtel, Schaffhausen, Solothurn, St. Gallen, Thurgau, Vaud, Zug and Zurich.



**Operational organisational structure****1.1.3 Consolidated companies of Valiant Holding AG**

Shares in Valiant Holding AG are listed on the SIX Swiss Exchange. You can find further details, such as market capitalisation, Swiss security number and ISIN, in the management report on pages 40 and 41.

No other listed companies are consolidated under Valiant Holding AG.

The companies consolidated under Valiant Holding AG are indicated in the notes to the consolidated financial statements on page 141 (fully consolidated holdings).

## 1.2 Significant shareholders

As at 31 December 2024, the following participations in Valiant Holding AG of 3 % or more had been disclosed under Article 120 of the Swiss Financial Market Infrastructure Act:

Shareholder	Share of capital or voting rights	Date of registration
UBS Fund Management (Switzerland) AG	10.263 %	09/05/2024
Swisscanto Fondsleitung AG	4.986 %	14/06/2023

Valiant is not aware of any other shareholders who held a direct or indirect voting share or equity investment of 3 % or more as at 31 December 2024.

The disclosure notices published on the SIX Exchange Regulation website in the year under review are available at:

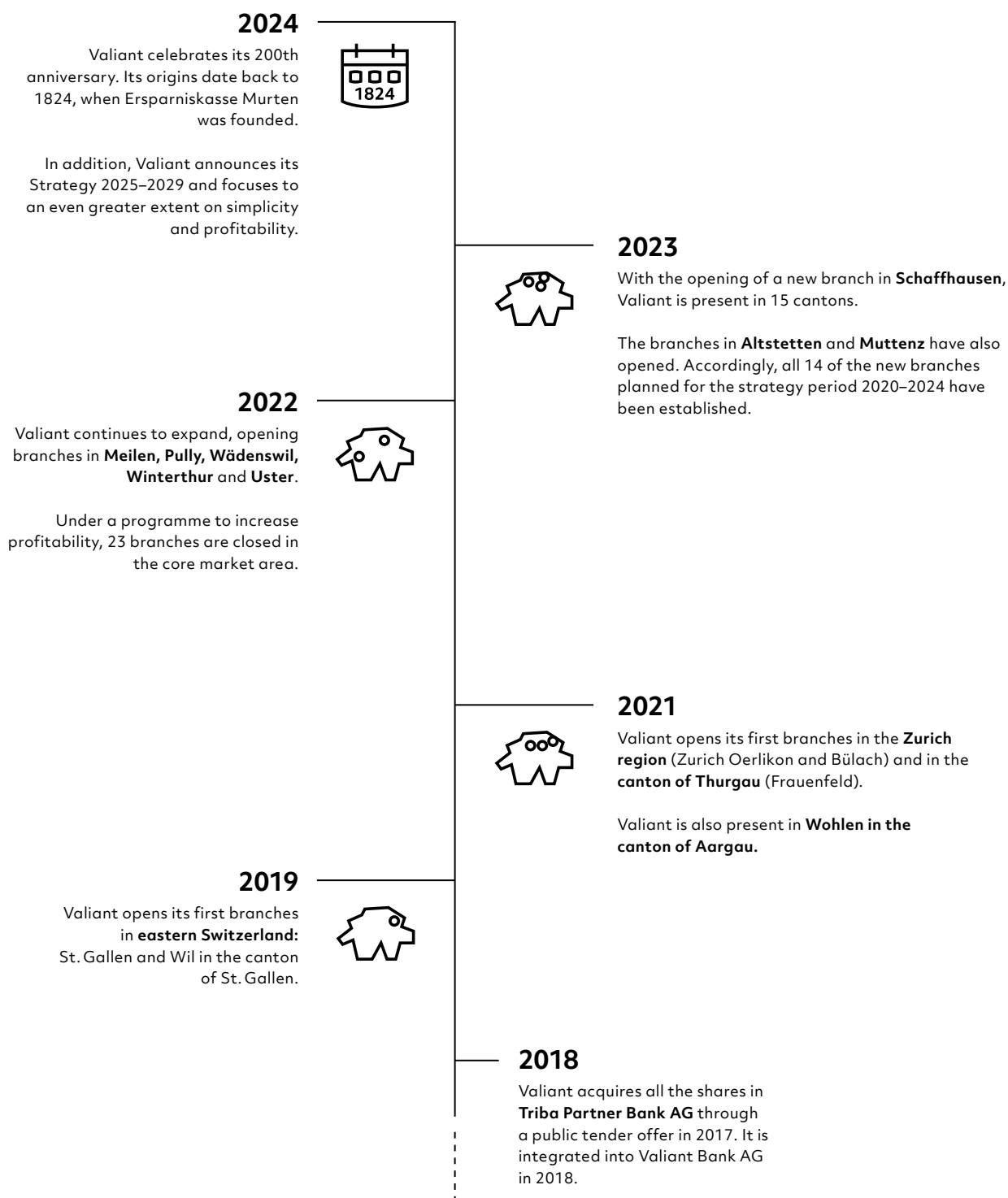
<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

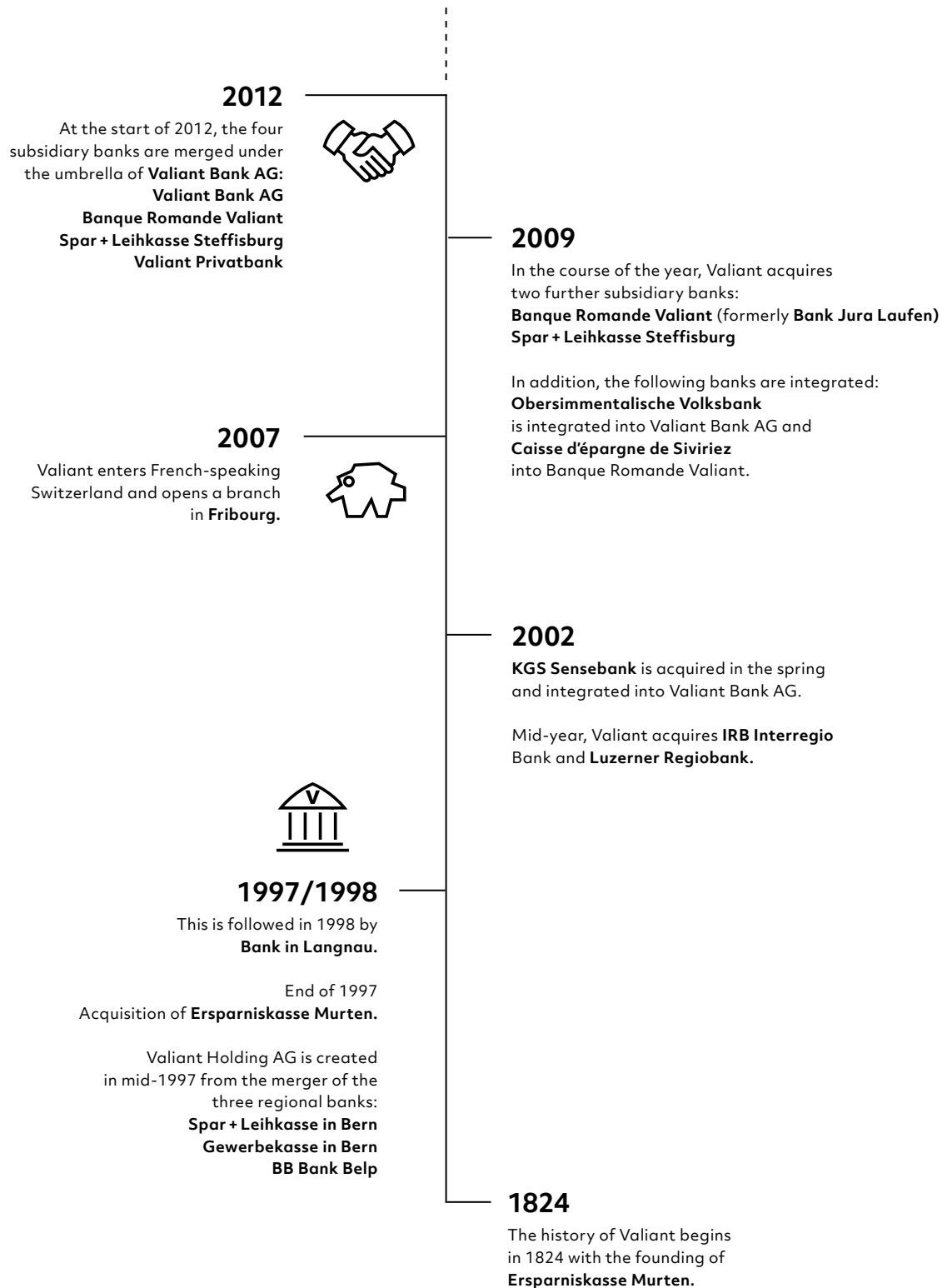
## 1.3 Cross-shareholdings

Valiant is not aware of any cross-shareholdings of capital or voting rights that would amount to 5 % on either side.

## 1.4 Company history

Valiant was created in 1997 through the merger of three regional banks whose roots reach back to the early 19th century.





## 2 Capital structure

### 2.1 Share capital

The ordinary share capital of Valiant Holding AG is CHF 7,896,230.50 and is divided into 15,792,461 fully paid-up registered shares with a par value of CHF 0.50 per share.

### 2.2 Capital band and contingent capital

There is no capital band or contingent capital.

### 2.3 Changes in capital

In the year under review and in the previous two financial years, there were no changes in the share capital. The last change in the share capital was in 2010.

### 2.4 Shares and participation certificates

Each of the 15,792,461 registered shares with a par value of CHF 0.50 per share entitles the holder to one vote at the Annual General Meeting of Valiant Holding AG. Voting rights can only be exercised if the shareholder is registered as a voting shareholder in the share register. At the end of the year, 11,331,155 shares were registered in the share register of the company as shares with voting rights. All registered shares of Valiant Holding AG are fully paid up and entitle the holder to receive dividends. There are no preferential or voting shares. There are no participation certificates.

### 2.5 Dividend-right certificates

There are no dividend-right certificates.

### 2.6 Limitations on transferability and nominee registrations

#### **2.6.1 Limitations on the transferability for each share category; indication of any group clauses provided for in the Articles of Association and rules for granting exceptions**

Under the Articles of Association, the Board of Directors may refuse to register shareholders in the share register for the following reasons:

a) If, as a result of the acquisition, an individual or a legal entity or a partnership or another association would have voting rights for more than 5 % of the entire share capital. Legal entities, partnerships, other combinations of persons or joint ownership relationships, where the persons are associated with one another on the basis of capital holdings or voting rights, a single management or in another way, as well as all individuals, legal entities, partnerships or communities which combine for the purpose of circumventing the threshold applying to entry in the share register, are deemed to be one person.

The entry restriction described in the provisions above also applies to shares that were purchased or acquired as a result of the exercise of subscription rights, warrants or conversion rights to shares or other securities issued by the company.

b) If the purchaser does not expressly declare that they hold the shares in their own name and for their own account.

c) If, according to the information available to the company, further recognition of foreign purchasers as shareholders with voting rights could potentially obstruct legally required documentation. Registration in the share register may furthermore be denied if there is a danger of foreign control or significant foreign influence pursuant to the Swiss Federal Act on Banks and Savings Banks or the Federal Act on the Acquisition of Real Estate by Persons Abroad.

#### **2.6.2 Reasons for granting exemptions in the year under review**

No exceptions to transfer restrictions were granted.

#### **2.6.3 Admissibility of nominee registrations, with reference to possible percentage clauses, and registration requirements**

The company may decide, together with nominees, to enter the nominees in their own name with voting rights, even though they are acting for the account of a third party (fiduciary), for up to a registration limit of 1 % of the overall share capital. The manner in which information about the fiduciaries is to be provided to the company must be contractually stipulated. If the nominee does not comply with their contractual obligations, the company can delete the entry with voting rights in the share register and replace it with an entry without voting rights.

#### **2.6.4 Procedure and conditions for lifting privileges and limitations on transferability set out in the Articles of Association**

Lifting or amending privileges and limitations on the transferability of registered shares in the Articles of Association requires a resolution of the Annual General Meeting carried by two thirds of the represented votes and the majority of the represented share capital.

## **2.7 Convertible bonds and options**

There are no outstanding convertible bonds for Valiant Holding AG or group companies.

Neither Valiant Holding AG nor its group companies have issued any options.

# 3 Board of Directors

## 3.1 Members of the Board of Directors

The following information is based on the composition of the Board of Directors as at 31 December 2024.



### **MARKUS GYGAX**

Chairman of the Board of Directors  
Swiss national, 1962

#### **Education**

- Degree in business administration from HWV (University of Applied Sciences in Business Administration Zurich)
- Executive MBA from the Universities of St. Gallen, Vlerick (Belgium) and Nyenrode (Netherlands)

#### **Career history**

- Valiant Holding AG, Chairman of the Board of Directors (since 2020), member of the Board of Directors (2019–2020), CEO (2013–2019)
- Banque Cantonale Vaudoise, Head of Retail Division (2008–2013)
- PostFinance, Head of Distribution (2002–2008)



### **PROF DR CHRISTOPH B. BÜHLER**

Vice-Chairman of the Board of Directors  
Swiss national, 1970

#### **Education**

- Degree in law, University of Basel
- LL.M. International Business Law, University of Zurich

#### **Career history**

- böckli bühler partner, business lawyer and partner (since 2004)
- University of Zurich, honorary professor of commercial and business law

#### **Additional experiences/skills**

- Conference leader and speaker at symposia on the subject of transparency in relation to sustainability
- Advising companies in his professional capacity as a lawyer regarding the preparation of their ESG reports in line with the requirements of non-financial reporting



### **BARBARA ARTMANN**

Swiss and German national, 1961

#### **Education**

Degree in psychology and business management, University of Mannheim

#### **Career history**

- Professional board member and independent consultant (since 1 January 2025)
- Owner and CEO of Künzli SwissSchuh Ltd (2004–2024)
- UBS AG, Head of the Strategic Projects department in Asset Management (1999–2003)
- Zurich Insurance, Project Manager Financial Products Switzerland (1996–1998)



### **DR MAYA BUNDT**

Swiss and German national, 1971

#### **Education**

Degree in environmental science, University of Bayreuth and ETH Zurich

#### **Career history**

- Professional board member (since 2022)
- Swiss Re (2003–2022), Cyber Practice Leader, Head of Cyber & Digital Solutions (2016–2022), various management positions (2003–2015)
- Boston Consulting Group, Management Consultant (2000–2003)

#### **Additional experiences/skills**

- Member of the Audit Committee of Baloise Holding Ltd (including responsibility for non-financial reporting)
- President of the National Cyberstrategy (NCS) Steering Committee

**ROGER HARLACHER**

Swiss national, 1965

**Education**

Degree in business administration from HWV (University of Applied Sciences in Business Administration Zurich)

**Career history**

- Zweifel Chips & Snacks AG (since 1995), Chairman of the Board of Directors (since 2024), member of the Board of Directors (2020–2024), CEO (2015–2020), Head of Marketing & Sales (2002–2015), Head of Marketing (1995–2002)
- Hosta Schokolade, International Group Product Manager (1992–1995)
- Coca Cola Schweiz AG, Head of Operational Marketing (1991–1992)
- UBS, Product Manager Euro Desk (1989–1991)

**DR ROLAND HERRMANN**

Swiss national, 1964

**Education**

Degree in astrophysics, University of Bern

**Career history**

- Independent consultant and professional board member (since 2020)
- Neue Aargauer Bank AG (2012–2020), CEO (2016–2020), CFO and Deputy CEO (2012–2016)
- Clariden Leu AG, COO (2007–2012)
- Bank Hofmann AG (1998–2006), CFO and Chief Risk Officer (2003–2006), Head of Risk Management (1998–2003)
- UBS AG (1994–1998), Auditor and Lead Auditor

**Additional experiences/skills**

- Several years of experience in retail and construction as well as digitalisation (banks and retail)

**MARION KHÜNY**

Austrian national, 1969

**Education**

Degree in social sciences and economics, University of Innsbruck

**Career history**

- Independent consultant and professional board member (since 2017)
- Commerzbank, Division Board Member Market, Trading, Bank Book, Counterparty and Liquidity Risk (2015–2016)
- Unicredit Bank AG (2003–2014), Head of Market, Counterparty, Liquidity, Operational and Reputation Risk (2013–2014), various management positions (2003–2013)

**Additional experiences/skills**

- Several years of experience in non-financial reporting and climate reports on the operations of listed EU companies

**RONALD TRÄCHSEL**

Swiss national, 1959

**Education**

Degree in economics, University of Bern

**Career history**

- Professional board member (since 2023)
- BKW AG, CFO and member of the Executive Board (2014–2023)
- Sika AG, CFO and member of the Executive Board (2008–2014)
- Vitra AG, CFO and CEO (1999–2007)

**Additional experiences/skills**

- Responsibility for sustainability reporting in his former function as a member of the Executive Board of BKW AG
- Chair of the Strategy and Sustainability Committee of Alpiq Holding AG

### Operational management functions of the members of the Board of Directors

All members of the Board of Directors are non-executive members.

### Independence of the members of the Board of Directors

Within the meaning of the Swiss Code of Best Practice for Corporate Governance, Markus Gygax was considered a non-independent member of the Board of Directors until the 2022 Annual General Meeting due to his previous position as CEO of Valiant. Since then, he has been classed as an independent member. All the other members of the Board of Directors are independent and have not exercised an executive function within the group.

No business relationship exists with any member of the Board of Directors that might impair their independence. All relations with members of the Board of Directors and the companies associated with them are conducted in accordance with established business practice.

## 3.2 Other activities and interests

The table below discloses the activities and interests of the members of the Board of Directors at other companies and in foundations and interest groups. The members of the Board of Directors do not hold any significant functions or political posts.

as at 31 December 2024

Name	Organisation	Function
<b>Markus Gygax</b> Chairman	Grosse Schanze AG	Chairman of the Board of Directors
	Swiss Bankers Association	Member of the Board of Directors
	Verband Schweizer Regionalbanken (Association of Swiss Regional Banks)	Chairman of the Board of Directors
	Koordination Inlandbanken (Coordination of Domestic Banks)	Member of the Management Board
<b>Prof. Dr. Christoph B. Bühler</b> Vice-Chairman	böckli bühler partner	Partner
	BLT Baselland Transport AG	Chairman of the Board of Directors
	AVAG Anlage und Verwaltungs AG	Member of the Board of Directors
	Edward Geistlich Sons, Limited Company for Chemical Industry and Geistlich Pharma AG	Member of the Board of Directors
	Geistlich-Stucki-Stiftung für medizinische Forschung	Chairman of the Foundation Board
	R. Geigy-Stiftung	Vice-Chairman of the Board of Trustees
<b>Barbara Artmann</b>	AXA Foundation for Supplementary Benefits	Member of the Foundation Board
	Künzli SwissSchuh Ltd (until 31/12/2024)	Chair of the Board of Directors
	Freelis Liegenschaft AG (from 01/01/2025)	Member of the Board of Directors
<b>Dr. Maya Bundt</b>	APG SGA AG <sup>1</sup>	Member of the Board of Directors
	Baloise Holding Ltd <sup>1</sup>	Member of the Board of Directors
	Cygnvs Inc.	Member of the Advisory Board
	National Cyberstrategy Steering Committee	Chair
	Swiss Risk Association	Member of the Board of Directors
	CyberPeace Institute	Member of the Foundation Board

<sup>1</sup> Company listed on the stock exchange



Name	Organisation	Function
Roger Harlacher	Zweifel Chips & Snacks AG	Chairman of the Board of Directors
	Gustav Gerig AG	Chairman of the Board of Directors
	Markenfabrik Holding AG	Chairman of the Board of Directors
	Toga Food SA	Chairman of the Board of Directors
	Mosterei Möhl AG	Vice-Chairman of the Board of Directors
	WEMF AG für Werbemedienforschung	Member of the Board of Directors
	ASA Association of Swiss Advertisers	Chairman
	Digital Ad Trust Switzerland	Member of the Board
	KS Kommunikation Switzerland	Member of the Management Board
	Vives Foundation and Vives GmbH	Chairman of the Foundation Board and Partner
Dr. Roland Herrmann	Stiftung Solidarität mit der Welt (Solidarity with the World Foundation)	Member of the Foundation Board
	RIBE Moto Ltd	Chairman of the Board of Directors
	Ärztelasse Genossenschaft	Member of the Board of the Administration
	Fondation de l'Ecole hôtelière de Lausanne (EHL Foundation) and E.H.L. Holding SA	Member of the Foundation Board and of the Board of Directors
Marion Khüny	Investors Marketing AG	Advisory Board
	Erste Group Bank AG <sup>1</sup>	Member of the Supervisory Board
	Lang & Schwarz Aktiengesellschaft <sup>1</sup>	Member of the Supervisory Board
Ronald Trächsel	Multitude Ltd <sup>1</sup>	Member of the Supervisory Board
	Wyss Seeds and Plants Ltd	Chairman of the Board of Directors
	Alpiq Holding Ltd <sup>1</sup>	Member of the Board of Directors
	Création Baumann Holding AG	Member of the Board of Directors

<sup>1</sup> Company listed on the stock exchange

### 3.3 Number of allowable activities

The Articles of Association of Valiant Holding AG state that no member of the Board of Directors may hold more than ten additional positions of office, and not more than four of these in listed companies. Positions in companies that are controlled by the company are not subject to these restrictions. Positions are defined as those with comparable functions at other companies with a commercial purpose. Positions in multiple legal entities that are under single control or part of the same group are deemed to be one position.

## 3.4 Election and term of office

### 3.4.1 Basic principles of the election process and limitations on terms of office

The Chair and members of the Board of Directors are elected by the Annual General Meeting for a term of office of one year. They may be re-elected. The Organisational Regulations require members of the Board of Directors to resign with effect from the next ordinary Annual General Meeting on reaching the age of 70.

The Articles of Association contain no rules deviating from the statutory provisions concerning the appointment of the Chair, the members of the Nomination and Compensation Committee and the independent shareholder proxy.

### 3.4.2 Dates of first election

Name	Date of first election
Markus Gygax, Chairman	16/05/2019
Prof Dr Christoph B. Bühler, Vice-Chairman	24/05/2013
Barbara Artmann	16/05/2014
Dr Maya Bundt	18/05/2017
Roger Harlacher	19/05/2021
Dr Roland Herrmann	18/05/2022
Marion Khüny	18/05/2022
Ronald Trächsel	13/05/2020

### 3.4.3 Honorary Chairman

In 2009, Prof Dr Roland von Büren was appointed Honorary Chairman. The Honorary Chairman does not receive any documents of the Board of Directors or attend its meetings and receives no financial compensation or other benefits.

## 3.5 Internal organisational structure

The Board of Directors elects a Vice-Chair and also appoints one or more secretaries. The Board of Directors meets as often as business requires, but at least six times a year. Ten ordinary meetings were held in 2024, all of which were also attended by the CEO and CFO (see also section 3.5.4).

### 3.5.1 Allocation of responsibilities within the Board of Directors

Markus Gygax is the Chairman of the Board of Directors, and Prof Christoph B. Bühler is its Vice-Chairman. The Board of Directors takes decisions and adopts resolutions. It is assisted by three committees, which share its responsibilities and provide advice in advance: the Strategy Committee, the Nomination and Compensation Committee and the Audit and Risk Committee.

### 3.5.2 Duties of the Chair

The Chair presides over the Board of Directors in the interests of the company and represents the Board of Directors internally and externally. They are responsible for preparing and chairing the meetings of the Board of Directors and ensure orderly processes for preparing and holding these meetings, for holding consultations and for passing resolutions. In addition, they directly oversee the Executive Board on behalf of the Board of Directors. Their workload is around 50%. The Chair does not hold any duties or powers in operating business. Solely the Executive Board is responsible for the company's operational management.

### 3.5.3 Composition of all committees of the Board of Directors, their tasks and powers

Name	Board of Directors	Strategy Committee	Nomination and Compensation Committee	Audit and Risk Committee
Markus Gygax	• Chairman	• Chair	• Member	
Prof Dr Christoph B. Bühler	• Vice-Chairman			• Chair
Barbara Artmann	• Member	• Member		
Dr Maya Bundt	• Member		• Chair	
Roger Harlacher	• Member		• Member	
Dr Roland Herrmann	• Member			• Member
Marion Khüny	• Member			• Member
Ronald Trächsel	• Member	• Member		

**The Strategy Committee** is composed of members of the Board of Directors appointed by the Board of Directors. It comprises at least three members. The members and Chair of the committee are elected by the Board of Directors for a term of office ending upon completion of the next Annual General Meeting. They may be re-elected. The CEO, CFO and other persons determined by the committee as required may attend meetings of the committee in an advisory capacity. The sole function of the Strategy Committee is to advise in advance. It has no decision-making powers. No external advisor attended any of the meetings of the committee during the year under review.

The Strategy Committee discusses the following matters in particular and proposes motions concerning them to the Board of Directors:

- developing proposals to refine and improve Valiant's strategy and positioning
- evaluating, assessing, preparing and regularly reviewing strategic partnerships and major participations
- evaluating, assessing and preparing growth opportunities and acquisitions
- discussing and assessing the investor relations strategy
- discussing and assessing the corporate responsibility and sustainability strategies
- reviewing the medium-term objectives on an annual basis
- supporting the implementation of strategic partnerships, major participations and projects
- supporting the processing and integration of acquisitions
- advising and supporting the CEO and entire Executive Board on strategic issues
- receiving reports on investor relations, market trends, brand awareness, client satisfaction and other topics

The Strategy Committee generally meets every other month. Extraordinary meetings may be requested by any member, stating the purpose. Meetings are called by the Chair. Meeting minutes are kept and sent to all members of the Board of Directors.

**The Nomination and Compensation Committee** is composed of members of the Board of Directors elected by the Annual General Meeting for a term of office ending upon completion of the next Annual General Meeting. Should any vacancies arise, the Board of Directors nominates one or more of its members to replace the missing member or members until completion of the next Annual General Meeting. The Nomination and Compensation Committee comprises at least three members of the Board of Directors. It constitutes itself; the Chair of the Board of Directors may not chair the committee. The CEO, the Head of Human Resources and, if necessary, the CFO or any other persons as required by the committee may attend its meetings in an advisory capacity. These individuals do not attend any discussions about their own compensation. No external advisors were involved in determining the compensation of the Board of Directors and the Executive Board, either before or during the meetings. In the year under review, an external consultancy was engaged to conduct a market analysis of the compensation of the Executive Board. A representative of this consultancy attended one of the meetings of the committee.

The Nomination and Compensation Committee discusses the following matters in particular and proposes motions concerning them to the Board of Directors:

- formulating, submitting for approval and periodically assessing the job specifications of the Chair and members of the Board of Directors, the members of the committees and the CEO
- drafting motions for approval and periodically assessing the job specifications of the other members of the Executive Board and other function holders of material importance, particularly the Chief Risk Officer
- drafting, implementing and reviewing human resources planning, in particular:
  - conducting planning of successors to the Chair and other members of the Board of Directors
  - drafting motions for the election and removal of members of the committees of the Board of Directors
  - conducting planning of successors to the CEO and other members of the Executive Board
  - drafting motions for the election and removal of the CEO and other members of the Executive Board
  - drafting motions for the election and removal of key function holders
- formulating and reviewing compensation policy and guidelines, in particular:
  - drafting rules governing the compensation and payment of expenses to members of the Board of Directors
  - drafting rules governing the compensation of members of the Executive Board and other employees and determining the size of the overall pool for variable compensation
  - regularly reviewing the rules
- preparing the Board of Directors' motions for the Annual General Meeting regarding the compensation of the members of the Board of Directors and the Executive Board
- preparing the annual Compensation Report
- drafting motions for annual salary adjustments and the size of the overall pool for variable compensation
- drafting motions for the individual compensation of the members of the Executive Board (including variable compensation) within the framework of the total compensation approved at the Annual General Meeting
- drafting motions for performance objectives for the members of the Executive Board (company targets) and assessing their attainment

- checking on an annual basis compliance with Article 31 of the Articles of Association of Valiant Holding AG on the maximum number of external positions that may be held by members of the Board of Directors and the Executive Board, and assessing the method used to count positions held in associated legal entities
- assessing conflicts of interest and drafting proposals to limit or eliminate these
- drafting principles for appointing employer representatives to the Foundation Board of the pension fund and the corresponding motions for the Board of Directors
- the Board of Directors may assign the committee other tasks concerning compensation, human resources or related areas.

The Nomination and Compensation Committee generally meets six times a year. Extraordinary meetings may be requested by any member, stating the purpose. Meetings are called by the Chair. Meeting minutes are kept and sent to all members of the Board of Directors.

**The Audit and Risk Committee** is composed of no fewer than three members of the Board of Directors. The members, including the Chair, are each elected by the Board of Directors for a term of one year, based on a motion of the Nomination and Compensation Committee. They may be re-elected. The Chair of the Board of Directors may not be a member of the Audit and Risk Committee. The CFO, Deputy CFO, Chief Risk Officer and Head of Legal & Compliance may attend meetings of the Audit and Risk Committee in an advisory capacity and inform the Audit and Risk Committee about all relevant matters within the Audit and Risk Committee's remit. The Audit and Risk Committee may at any time invite other individuals, in particular representatives of the external and internal auditors, to attend its meetings.

The members of the Audit and Risk Committee must possess sound knowledge and experience of risk management, compliance, finance and accounting, be familiar with the accounting procedures of a retail bank and add to their knowledge of these fields. They must be familiar with the activities of the internal and external auditors and the basic principles of an internal control system.

The members of the Audit and Risk Committee must satisfy the applicable rules on independence.

Tasks and powers:

**a) Monitoring and evaluating the integrity of the financial statements**

The Audit and Risk Committee

- assesses and approves the general guidelines for financial reporting for the Board of Directors;
- monitors and assesses the financial reporting and the integrity of the financial statements and ensures they are prepared in accordance with the applicable accounting principles, evaluating in particular the valuation of the main positions on and off the balance sheet;
- discusses the financial statements and the quality of the accounting processes by which they were produced with the CFO, the lead auditor and the Head of Internal Audit;
- issues a recommendation as to whether the financial statements are ready for presentation to the Annual General Meeting. This decision is taken by the Board of Directors;
- assesses the monitoring of credit, interest rate, funding and liquidity risks, operational risks, legal and compliance risks, pension fund risks, other market risks, equity and strategy risks and reputational risks.

**b) Monitoring and evaluating internal controls and the internal audit**

The Audit and Risk Committee

- monitors and assesses whether internal controls, especially the Compliance function and Risk Control, are appropriate and effective;
- ensures that the internal controls are adapted accordingly when there are major changes in the bank's risk profile;
- evaluates and approves the general guidelines for internal auditing for the Board of Directors;
- determines the audit programme for the internal audit;
- reviews the audit plan, audit frequency and audit results of the Internal Audit once a year;
- orders special controls and the measures to be taken as a result of them;
- must be informed of the results of the Internal Audit and be in regular contact with the Head of Internal Audit;
- evaluates the performance and remuneration of the internal auditors and ensures their effectiveness and independence;
- submits a motion to the Board of Directors regarding the appointment of the internal auditors.

**c) Monitoring and evaluating the effectiveness of the auditors and their cooperation with Internal Audit**

The Audit and Risk Committee

- assesses the audit plan, audit frequency and audit results once a year and in the event of major changes to the risk profile or risk analysis; critically analyses the regulatory audit report, the full report in accordance with Article 728b para. 1 of the Swiss Code of Obligations (CO) and the summary report in accordance with Article 728b para. 2 CO and discusses these with the lead auditor(s); ensures that shortcomings have been remedied and/or the auditors' recommendations have been put into effect;
- evaluates the performance and remuneration of the auditors and ensures their effectiveness and independence;
- evaluates the cooperation between the auditors and Internal Audit;
- submits to the Board of Directors draft motions for the Annual General Meeting on the selection of the external auditors.

**d) Monitoring and evaluating the risk policy and risk management**

The Audit and Risk Committee

- reviews the risk policy and operational risk regulations, which form the framework for bank-wide risk management, for the Board of Directors;
- evaluates the suitability of the risk policy and the operational risk regulations, which form the framework for bank-wide risk management, at least once a year and submits a motion concerning this to the Board of Directors;
- evaluates the risk profile and risk analysis once a year and in the event of major changes;
- discusses the risks discovered and the reports from Risk Control and the Compliance function with the Chief Risk Officer and the Head of Legal and Compliance;
- reviews the suitability of the methods used to measure risk, including risk appetite and risk limits;
- assesses whether the bank has a suitable risk management system with effective processes that are appropriate to its risk situation.

The Audit and Risk Committee meets at least six times a year. Dates of meetings are set taking into account the cycle of external and internal audits, the cycle of publication of financial results and the management cycle. Extraordinary meetings may be requested by any member, stating the purpose. Meetings are called by the Chair. Minutes of the Audit and Risk Committee meetings are kept and sent to all members of the Board of Directors.

No external advisor attended any of the meetings of the committee during the year under review. Representatives of Internal Audit and of the external auditors attended the following meetings for certain agenda items:

Meeting attendance Audit and Risk Committee (agenda-related)	Number
External auditors	5
Internal Audit	4

**3.5.4 Work of the Board of Directors**

The following table shows the meetings held in the year under review and the attendance by the individual members of the Board of Directors:

	Board of Directors	Strategy Committee	Nomination and Compensation Committee	Audit and Risk Committee
	Average duration of meeting: 2 h 36 min.	Average duration of meeting: 2 h 41 min.	Average duration of meeting: 2 h 20 min.	Average duration of meeting: 3 h 12 min.
Number of ordinary meetings	10	6	6	8
Markus Gygax	10	6	6	
Prof Dr Christoph B. Bühler	10			8
Barbara Artmann	10	6		
Dr Maya Bundt	10		6	
Roger Harlacher	10		6	
Dr Roland Herrmann	10			8
Marion Khüny	10			8
Ronald Trächsel	10	6		

In addition to the ten ordinary meetings of the Board of Directors, a two-day workshop was held to discuss Strategy 2025–2029 in detail with the Executive Board.

The agenda items for meetings of the Board of Directors are selected by the Chair. Each member of the Board of Directors can request that an item be added to the agenda. Before each meeting of the Board of Directors, its members receive documents enabling them to prepare for the discussion of the agenda items. Minutes are kept of the meetings.

No external advisor attended any of the meetings of the Board of Directors during the year under review.

#### **Training and further education, discussions with employees and Business Days**

In the year under review, the Board of Directors conducted training sessions on compensation systems, climate targets and decarbonisation, and IT and cyber risks. Internal and external specialists assisted with the training sessions.

During the two-day workshop of the Board of Directors and the Executive Board, the responsible managers for the Central Switzerland region gave a presentation, which was followed by a discussion. The presentation and discussion focused on the current market situation as well as the opportunities and challenges in this market. At meetings of the Board of Directors and the committees, the responsible managers presented selected business reports, permitting a direct exchange of ideas and discussion with the members of the Board of Directors.

At two Business Days, the responsible managers explained the activities of the Credit Office and business client business to the Board of Directors. The members of the Board of Directors were able to gain an insight into specific workflows and activities in these areas and exchange ideas with the employees.

#### **Self-assessment**

The Board of Directors and the individual committees conduct a self-assessment at least once a year. The questionnaire-based self-assessment was redesigned with the support of an external consultancy at the end of 2022. Self-assessments based on this new design were conducted in 2023 and 2024. The results were evaluated by the external consultancy in 2023, and the evaluation was carried out internally in 2024. The results were discussed by the Board of Directors and specific measures were adopted for implementation.

#### **Succession planning**

The Board of Directors has developed a general profile of requirements and a competency matrix for its members. These documents are regularly reviewed and, if necessary, updated. They form the basis for assessing the composition of the Board of Directors and for any necessary search for new members.

The Chair of the Board of Directors conducts annual face-to-face meetings with all members of the Board of Directors. These meetings include discussion of their personal plans and any wishes they may have for changes to the composition of the Board of Directors or its committees. The Chair informs the Board of Directors of the findings of these meetings.

If the Board of Directors comes to the conclusion, on the basis of these talks, the changed requirements or for any other reason, that its composition should be changed, it instructs the Nomination and Compensation Committee to draw up a specific profile of requirements for the member to be recruited. The Board of Directors discusses and approves this profile of requirements. On the basis of the profile of requirements, the Nomination and Compensation Committee evaluates suitable candidates with the support of a consultancy engaged for this purpose. Once the evaluation process has been completed, the Nomination and Compensation Committee submits one or more recommendations to the Board of Directors. The candidates are invited to an interview with the Board of Directors. Subsequently, the Board of Directors decides on the candidate to be proposed to the Annual General Meeting for election.



## 3.6 Areas of responsibility

### 3.6.1 Board of Directors

The Board of Directors is responsible for the company's strategic direction and overall management. In accordance with Swiss banking legislation, the Board of Directors has entrusted the bank's executive management to the Executive Board. Simultaneous membership of both boards is not permitted.

### 3.6.2 Executive Board

The Executive Board is responsible for managing Valiant Holding AG and the Valiant Group and for executing decisions taken by the Board of Directors. It is responsible for operational management and external communications, including investor relations.

Other tasks and powers of the Executive Board are:

- preparing issues to be discussed by the Board of Directors and drafting the corresponding motions
- drawing up company policy and strategy for submission to the Board of Directors
- drawing up medium-term and annual objectives in keeping with the strategy of the Board of Directors
- drawing up planning documents, including a budget
- drawing up interim (quarterly) balance sheets and income statements
- issuing directives and any other instructions
- setting HR strategy as part of the HR policy
- approving the Annual Report for submission to the Board of Directors
- ensuring compliance with regulatory requirements
- carrying out own-account transactions to the extent required in compliance with statutory provisions, the regulations in place and the instructions of the Board of Directors
- bearing responsibility for risk management, and in particular:
  - developing and ensuring suitable processes to identify, measure, monitor and control the risks taken by Valiant
  - conducting risk analysis and control across the group
  - drawing up the risk policy
- reviewing and/or revising the suitability of the risk policy on an annual basis (framework concept)
- drawing up measures when risk-bearing capacity limits are exceeded
- ensuring the effectiveness of internal control systems operationally

### 3.6.3 CEO

The CEO has the following tasks in particular:

- leading and coordinating the Executive Board's activities and monitoring the proper conduct of business;
- bringing about timely and appropriate decisions and overseeing their implementation;
- ensuring that the Chair of the Board of Directors receives timely and appropriate information;
- in the absence of any stipulations by the Board of Directors to the contrary, attending the meetings of the Board of Directors in an advisory capacity.

### 3.7 Information and control instruments relating to the Executive Board

The Board of Directors is kept informed of the Executive Board's activities by various means:

- The CEO and CFO attend meetings of the Board of Directors and report on the company's business performance as well as the status of, and developments in, the areas of responsibility delegated to them.
- The Chief Risk Officer and the Head of Legal & Compliance participate in discussions of matters affecting their areas of responsibility.
- The Chair of the Board of Directors has electronic access to the minutes and documents of Executive Board meetings, enabling them to keep up to date with all developments.
- The Board of Directors is informed immediately of any extraordinary events.
- Members of the Board of Directors can request any information they require to perform their tasks, even outside the context of a meeting. Each member of the Board of Directors can ask members of the Executive Board for information about the course of business, even outside the context of a meeting. Requests for information on individual business relationships or transactions are addressed to the Chair, or, in their absence, the Vice-Chair.

PricewaterhouseCoopers AG, as external auditors, and BDO AG, as internal auditors, cooperate closely in monitoring compliance with laws and regulations and with internal guidelines and directives. They are independent of the Executive Board and report the findings of their audits to the Board of Directors and to the Audit and Risk Committee.

Valiant's management information system includes in particular the submission of the following reports to the Board of Directors:

Frequency	Report
Quarterly	<ul style="list-style-type: none"> <li>– Attainment of company targets</li> <li>– Quarterly financial statements including an analysis of deviations to the budget</li> <li>– ALM</li> <li>– Treasury and capital market reporting</li> <li>– Concentration risks and other large credit risks (large exposures)</li> </ul>
Half-yearly	<ul style="list-style-type: none"> <li>– Half-year financial statements</li> <li>– Strategy reporting</li> <li>– Legal and Compliance reporting</li> <li>– Sustainability reporting</li> <li>– Risk Control reporting</li> <li>– Credit Office reporting</li> <li>– Human Resources reporting</li> </ul>
Annual	<ul style="list-style-type: none"> <li>– Budgeting</li> <li>– Capital planning</li> <li>– Annual financial statements</li> <li>– Review of risk policy</li> <li>– Operational risk inventory</li> </ul>

The system works as follows:

- Members of the Board of Directors are provided with financial statements (balance sheet and income statement) for the group, Valiant Holding AG and Valiant Bank AG every quarter, every six months and annually. These include comparisons of the figures with those for the previous year and with the budget, together with comments on them. They also receive a year-end projection with changes from the previous year's figures and deviations from the budget.
- For the purpose of asset and liability management (ALM), monthly analyses are carried out for interest rate risk and income in order to recognise, quantify and manage the risk of a change in interest rates across the whole balance sheet. These analyses serve as a basis for the decisions of the Asset and Liability Committee (ALCO), which is made up of members of the Executive Board and specialists.
- The ALCO is chaired by the CFO. The ALCO meets as and when needed, but at least six times a year, to discuss the analyses and any actions to be taken as a consequence of them. At its meetings, members of the Board of Directors are regularly informed of the results of ALM analyses and the lessons learned from them. Members of the Board of Directors are also provided with documentation concerning the quarterly analyses.

# 4 Executive Board

## 4.1 Members of the Executive Board

The following information is based on the composition of the Executive Board as at 31 December 2024.



### **EWALD BURGNER**

Swiss national, 1966

#### **Position at Valiant**

CEO since 2019, at Valiant since 2013

#### **Education**

- Degree in economics, University of Bern
- Federally certified auditor

**Earlier positions for Valiant Holding AG or a group company**  
CFO (2013–2019) and Deputy CEO (2015–2019)

#### **Earlier positions outside Valiant Holding AG or a group company**

- Entris Holding AG and Entris Banking AG, CFO and member of the Executive Board (2009–2013)
- Subsidiaries of Entris Holding AG, various management positions (2002–2009)
- Ernst & Young, Bern, Financial Services Auditor (1996–2002)



### **MARTIN VOGLER**

Swiss national, 1970

#### **Position at Valiant**

Head of Private and Business Clients, Deputy CEO, at Valiant since 2015

#### **Education**

- Law degree, University of Fribourg
- Executive MBA from the Universities of St. Gallen, Vlerick (Belgium) and Nyenrode (Netherlands)

**Earlier positions for Valiant Holding AG or a group company**  
None

#### **Earlier positions outside Valiant Holding AG or a group company**

- Baloise Insurance AG, Deputy Head of Sales and Head of Marketing and Sales Management (2010–2015)
- Zurich Financial Services AG, various management positions (1996–2010)



### **DR MICHAEL EISENRAUCH**

Austrian national, 1976

#### **Position at Valiant**

Head of Operations and IT, at Valiant since 2022

#### **Education**

- Degree in economics, European University Vienna/Belgrade
- MBA General Management, MSc and MAS, University for Continuing Education Krems (Austria)

**Earlier positions for Valiant Holding AG or a group company**  
None

#### **Earlier positions outside Valiant Holding AG or a group company**

- Basler Kantonalbank (2009–2022), COO, member of the Group Executive Board and Head of Service Center (2016–2022), various executive and project management functions (2009–2016)
- Cirquent NTT Group Company (2007–2009), senior consultant for banks
- Sparkasse Oberösterreich (1991–2007), most recently Head of the Innovation Centre for eBusiness (2000–2007)

**SERGE LAVILLE**

Swiss national, 1973

**Position at Valiant**

CFO since 2022, at Valiant since 2011

**Education**

- Degree in business administration from FH (University of Applied Sciences)
- Federally certified auditor
- CAS Sustainable Finance

**Earlier positions for Valiant Holding AG or a group company**

Head of Accounting/Controlling (2011–2022) and Deputy CFO (2012–2022)

**Earlier positions outside Valiant Holding AG or a group company**

- PricewaterhouseCoopers, Financial Services Auditor (2002–2011)

**DR MARC PRAXMARER**

Swiss national, 1963

**Position at Valiant**

Head of Companies and Investment Advice, at Valiant since 2016

**Education**

- Degree in economics, University of St. Gallen (HSG)
- Advanced Management Program at Harvard Business School, Boston (USA)

**Earlier positions for Valiant Holding AG or a group company**

None

**Earlier positions outside Valiant Holding AG or a group company**

- Zuger Kantonalbank AG, Head of Corporate Clients and Real Estate Financing (2013–2015)
- Credit Suisse AG, Head of Aargau/Olten Region, Private Banking (2012–2013)
- Neue Aargauer Bank AG, Member of the Executive Board (2005–2011), various management positions (1995–2005)

**CHRISTOPH WILLE**

Swiss national, 1971

**Position at Valiant**

Head of Customer Services and Products, at Valiant since 2015

**Education**

- Degree in law, University of Zurich
- MBA Henley Management College (UK)

**Earlier positions for Valiant Holding AG or a group company**

None

**Earlier positions outside Valiant Holding AG or a group company**

- Cognizant GmbH, Zurich, Head of Program Management Consulting (2014)
- IBM Switzerland AG, management consultancy, various management positions (2001–2014)

## 4.2 Other activities and interests

The table below discloses the activities and interests of the members of the Executive Board at companies outside the Valiant Group and in foundations and interest groups. The members of the Executive Board do not hold any significant functions or political posts.

as at 31 December 2024

Name	Organisation	Funktion
<b>Ewald Burgener</b> CEO	Pfandbriefbank schweizerischer Hypothekarinstitute AG <sup>1</sup>	Member of the Board of Directors
	Entris Holding AG and Entris Banking Ltd <sup>2</sup>	Chairman of the Board of Directors
	Valiant Holding pension fund <sup>1</sup>	Member of the Foundation Board
<b>Martin Vogler</b> Head of Private and Business Clients, Deputy CEO	Esisuisse (depositor protection scheme) <sup>1</sup>	Member of the Management Board
	Retail Banking Steering Group of the Swiss Bankers Association <sup>1</sup>	Member
<b>Dr Michael Eisenrauch</b> Head of Operations and IT	Entris Holding AG and Entris Banking Ltd <sup>2</sup>	Member of the Board of Directors
<b>Serge Laville</b> CFO	Crédit Mutuel de la Vallée SA <sup>1</sup>	Member of the Board of Directors
	Entris Holding AG and Entris Banking Ltd <sup>2</sup>	Member of the Board of Directors
	Valiant Holding pension fund <sup>1</sup>	Member of the Foundation Board
	Commission for Financial Market Regulation and Accounting of the Swiss Bankers Association <sup>1</sup>	Member
<b>Dr Marc Praxmarer</b> Head of Companies and Investment Advice	None	–
<b>Christoph Wille</b> Head of Customer Services and Products	Viseca Payment Services Ltd <sup>1</sup>	Member of the Board of Directors
	Commission for Digitalisation of the Swiss Bankers Association <sup>1</sup>	Chairman
	Künstlerhaus Boswil Foundation	Member of the Foundation Board

<sup>1</sup> Position on behalf of Valiant

<sup>2</sup> Position in majority holding of Valiant

## 4.3 Number of allowable activities

The Articles of Association of Valiant Holding AG state that no member of the Executive Board may hold more than six positions of office, and that no more than one of these may be in a listed company. Positions in companies that are controlled by Valiant are not subject to these restrictions. Positions are defined as those with comparable functions at other companies with a commercial purpose. Positions in multiple legal entities that are under single control or part of the same group are deemed to be one position.

## 4.4 Management contracts

Valiant Holding AG has not transferred any management functions to third parties. Within the Valiant Group, there are management contracts with consolidated and non-consolidated subsidiaries.

# 5 Compensation, shareholdings and loans

Compensation, shareholdings and loans are shown in the Compensation Report on pages 81–104.

# 6 Shareholders' participation rights

## 6.1 Restrictions on voting rights and proxies

### 6.1.1 Regulations of the Articles of Association regarding restrictions on voting rights

Shareholders with voting rights are exclusively those who are validly entered in the share register as shareholders with voting rights and are recognised by the company as such. A person who buys shares is in principle entered in the register, provided this person does not alone represent more than 5 % of the total share capital or votes. Groupings formed to circumvent this restriction are treated as one person (see also section 2.6.1). The exercise of rights arising out of a share implies acknowledgement of the company's Articles of Association. A shareholder without voting rights can exercise neither voting rights nor the rights associated with voting rights.

Each registered share entitles the holder to one vote at the Annual General Meeting of Valiant Holding AG. However, a shareholder may, for their own shares and represented shares combined, cast votes representing no more than 8 % of the total share capital. Groupings formed to circumvent this restriction are treated as one person. The independent proxy is exempt from these restrictions.

The bank may decide, together with nominees, to enter the nominees in the share register in their own name with voting rights and for up to a registration limit of 1 % of the overall share capital (see also section 2.6.3).

### 6.1.2 Reasons for granting exemptions in the year under review

No exemptions were granted in the year under review.

### 6.1.3 Procedure and conditions for the lifting of restrictions on voting rights set out in the Articles of Association

The restriction on voting rights may only be lifted by a resolution of the Annual General Meeting carried by two thirds of the represented votes and a majority of the represented share capital.

### 6.1.4 Regulations of the Articles of Association regarding participation in the Annual General Meeting where these differ from applicable legal provisions

There are no regulations that differ from the applicable legal provisions.



#### **6.1.5 Regulations of the Articles of Association on the issuing of instructions to the independent proxy and regarding electronic participation in the Annual General Meeting**

Powers of attorney and instructions may be issued to the independent proxy for the next Annual General Meeting only. The Board of Directors decides in what form the shareholders may issue powers of attorney and instructions to the independent proxy, including in electronic form.

The Board of Directors determines the venue(s) of the Annual General Meeting, which must be located in Switzerland. Alternatively, the Board of Directors may determine that the Annual General Meeting is to be held electronically without any physical venue.

If the Annual General Meeting is held physically, the Board of Directors may determine that the shareholders who are not present at the venue of the Annual General Meeting may exercise their rights electronically.

## 6.2 Quorums prescribed by the Articles of Association

The Annual General Meeting passes resolutions with a qualified majority where this is specifically required by law. In addition, for resolutions on

- the conversion of registered shares into bearer shares;
- the amendment of the provisions of the Articles of Association concerning the recognition of registered shareholders;
- the amendment of the provisions of the Articles of Association concerning restrictions on voting rights;
- the liquidation of the company, and the amendment of the provision concerning qualified majorities;

the approval of at least two thirds of the represented votes and the majority of the represented share capital are required.

The Annual General Meeting otherwise adopts resolutions and conducts elections with a majority of the represented votes.

## 6.3 Convening of the Annual General Meeting

The Annual General Meeting is convened by the Board of Directors at least 20 days before the date of the meeting. At the discretion of the Board of Directors, this may be done by publication in the "Swiss Official Gazette of Commerce", by ordinary mail or by any other means that is documented in text form. An Annual General Meeting may also be called by shareholders who together represent at least 5 % of the share capital or votes.

## 6.4 Agenda

The Board of Directors proposes the agenda items. The notice convening the Annual General Meeting must announce the agenda items and motions of the Board of Directors, as well as those of the shareholders, if the latter have called for an Annual General Meeting or proposed an agenda item. Resolutions cannot be adopted on motions that are not submitted until the Annual General Meeting and that do not refer to any of the announced agenda items, subject to statutory exceptions. Shareholders with voting rights who together represent shares with a nominal value of CHF 10,000 (which corresponds to 20,000 shares or 0.13 % of the share capital) may, up to 50 days before the day of the meeting, propose agenda items or request the inclusion in the invitation to the Annual General Meeting of a motion on an agenda item, in writing with an explanation of the motions.

## 6.5 Entries in the share register

In accordance with the Articles of Association, the share register remains closed to entries for a maximum of 20 days prior to the Annual General Meeting. There are no rules for granting exceptions. In the year under review, the share register remained closed to entries from 4.00 p.m. on Wednesday, 15 May 2024, up to and including Wednesday, 22 May 2024.

# 7 Change of control and defensive measures

## 7.1 Obligation to make an offer

There are no regulations in the Articles of Association on opting out or opting up; however, the regulations regarding the obligation to submit an offer to acquire all equity securities pursuant to Article 135 of the Swiss Financial Market Infrastructure Act apply.

## 7.2 Change of control clauses

There are no contractual agreements for the protection of members of the Board of Directors or of the Executive Board in the event that a majority shareholder takes over control of Valiant Holding AG.

## 8 Auditors

The audit is an integral part of corporate governance. While remaining independent of each other, the external auditors and the internal auditors work closely together. The Audit and Risk Committee, and in the last instance the Board of Directors, monitor the adequacy of the bank's audit activities.

### 8.1 Term of mandate and term of office of the lead auditor

In accordance with the Articles of Association, the Annual General Meeting elects the external auditor for a term of office of one year. Valiant Holding AG's external and regulatory auditor is PricewaterhouseCoopers AG, Lucerne (in place since 24 May 2013). The lead auditor responsible for Valiant may exercise their function for a maximum of seven consecutive years. The function has been exercised by Thomas Romer since the Annual General Meeting of 13 May 2020.

### 8.2 Auditing fees

The fees charged by the external and regulatory auditor PricewaterhouseCoopers AG for auditing services provided (including audit-related services) totalled CHF 899,727 (including VAT) in 2024.

### 8.3 Additional fees

PricewaterhouseCoopers AG invoiced Valiant CHF 8,456 (including VAT) for non-auditing services relating to advice on ESG reporting in 2024.

## 8.4 Information instruments pertaining to the external auditors

The Audit and Risk Committee is responsible for the cooperation with the external auditor, as governed by the annual engagement letter. In particular, the engagement letter specifies the different responsibilities for observing the relevant requirements.

The auditor's risk assessment and audit procedures are discussed and duly noted at a meeting of the Audit and Risk Committee in the presence of the lead auditor. The Chair of the Audit and Risk Committee then provides information to the Board of Directors at its subsequent meeting.

The external auditor is independent of Valiant, its Board of Directors and Executive Board and its shareholders. The external auditor is guaranteed direct access to the Audit and Risk Committee at all times. Details of the external auditor's attendance at the committee's meetings are presented in section 3.5.3.

### **Reports by the external auditor**

The external auditor prepares for Valiant Holding AG and Valiant Bank AG a report on the regulatory basic audit in accordance with FINMA circular 13/3, a comprehensive report on each of the two companies in accordance with Article 728b para. 1 of the Swiss Code of Obligations (CO) for submission to the Board of Directors and a report on each of the two companies in accordance with Article 728b para. 2 CO for submission to the Annual General Meeting. The Audit and Risk Committee dealt with these reports as well as the auditor's report on credit checks and mortgage register management by Valiant Bank AG in detail during its meetings in the presence of the lead auditor. The committee subsequently submitted the reports to the Board of Directors for information purposes.

### **Evaluation by the external auditor**

As the regulatory auditor and external auditor, PricewaterhouseCoopers AG is subject to supervision by the Federal Audit Oversight Authority. The Audit and Risk Committee assesses the external auditor's performance, fees and independence each year. This assessment includes an appraisal of the independence of the external auditor. The Audit and Risk Committee also assesses the scope and quality of the reports as well as the cooperation with the internal auditors, the Executive Board and the Audit and Risk Committee. In addition, the committee analyses on an annual basis the audit plans and the relevant procedures and discusses the audit results with the auditor in charge. The Audit and Risk Committee's assessment of the auditor is submitted to the Board of Directors for information purposes. The Committee submits to the Board of Directors a proposal on the election or re-election of the external auditor and decides on its mandate beyond the ordinary audit mandate.

## 9 Information policy

Valiant communicates openly and transparently. We keep shareholders, potential investors, financial analysts, private investors and the public fully and regularly informed. All financial publications are available to the public contemporaneously. The Annual Report is published online at [valiant.ch/results](https://valiant.ch/results). Shareholders receive an abridged version of the Annual Report along with their invitation to the Annual General Meeting. We also provide updates on our business performance each quarter by releasing interim financial statements. Media and analysts' conferences are held at least once per year. We regularly meet institutional investors, hold roadshows and take part in investor conferences in Switzerland and abroad. All of the latest information for shareholders and analysts can be found online at [valiant.ch/investors](https://valiant.ch/investors). Anyone wishing to receive media notices by e-mail concerning the publication of Valiant's financial results (including ad hoc disclosures) can subscribe at [valiant.ch/newsletter](https://valiant.ch/newsletter).

### Investor Relations – contact information

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+41 31 310 77 44

### Key dates in 2025

Publication of the annual results	5 February 2025
Publication of the Annual Report	25 March 2025
Publication of the interim financial statements as at 31 March	8 May 2025
Annual General Meeting	14 May 2025
Publication of the interim financial statements as at 30 June	25 July 2025
Publication of the interim financial statements as at 30 September	6 November 2025

# 10 Trading blackout periods

## 10.1 Members of the Board of Directors

The blackout periods in sections 10.3 and 10.4 apply to the Board of Directors with regard to transactions (purchase and sale) of Valiant shares, Valiant bonds (with the exception of cash bonds) or financial instruments with the same underlying (e.g. derivatives).

## 10.2 Members of the Executive Board and employees

Members of the Executive Board and those employees covered by the general blackout period are barred as a rule from purchasing Valiant shares, Valiant bonds (with the exception of cash bonds) and financial instruments with the same underlying. Sales of Valiant shares, Valiant bonds (with the exception of cash bonds) and financial instruments with the same underlying are subject to the blackout periods in sections 10.3 and 10.4.

The general blackout period applies to the following persons:

- All members of the Executive Board
- All members of senior management with function level 18–20
- All employees of the Investor Relations department
- All employees of the Accounting/Controlling department
- All employees of the ALM/Treasury department
- All employees of the Risk Management department
- All employees of the Legal and Compliance department
- All employees of the General Secretariat
- All employees of the Communications department
- All employees of the Human Resources department
- All employees of the Investment department
- All employees of the Trading department
- All employees of the Corporate Development department
- All assistants of Executive Board members

## 10.3 General blackout period

The blackout period lasts throughout the year with the exception of the four following windows:

- The publication date of the financial statements to the end of the month of March
- The publication date of the first-quarter financial statements to the end of the month of June
- The publication date of the half-year financial statements to the end of the month of September
- The publication date of the third-quarter financial statements to the end of the month of December

## 10.4 Project-related blackout periods

Ad hoc blackout periods are defined for projects involving information/measures relevant to the share price. These apply independently of section 10.3 for all members of the Board of Directors and Executive Board and employees involved in such projects.

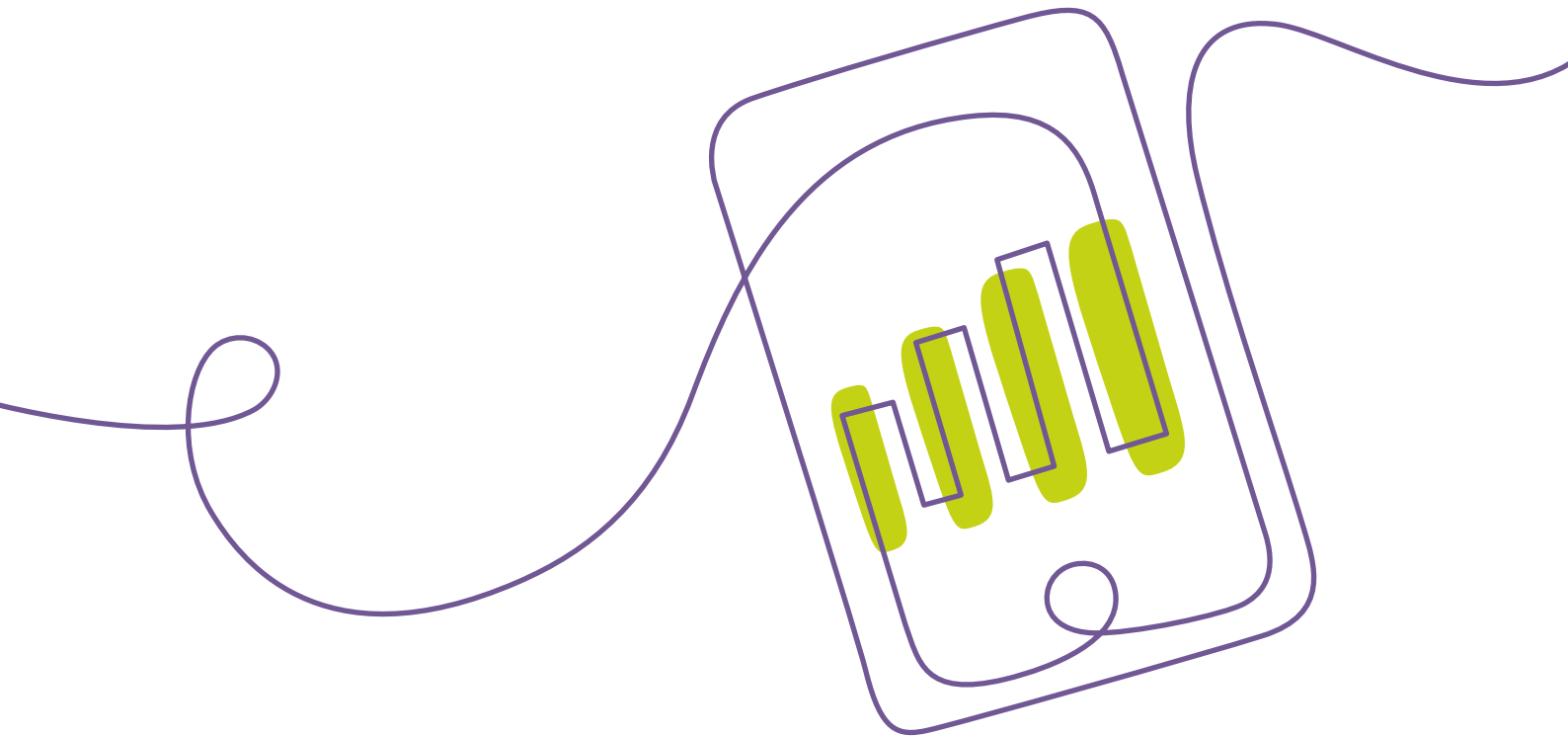
The responsible project manager determines and communicates the project-related blackout period to the relevant persons and notifies Human Resources accordingly. The project-related blackout periods are included in the system report for Risk Control.

## 10.5 Exceptions

The Executive Board may approve exceptions to the blackout periods outlined above, at the request of the employee in question and where there is adequate justification for doing so. No exceptions were approved in 2024.



# 2024 Compensation Report



**Compensation Report****83** Foreword**Key components and principles of our compensation policy**

- 84** 1.1 Simple and transparent compensation system
- 84** 1.2 Market orientation
- 84** 1.3 Performance and results-orientation
- 84** 1.4 Equal pay
- 85** 1.5 Risk awareness
- 85** 1.6 Board of Directors: 30 % share component
- 85** 1.7 Restriction on variable compensation for the Executive Board
- 85** 1.8 Curtailment of compensation
- 85** 1.9 Amendments to the compensation policy from financial year 2026

**Decision-making authority for determining compensation**

- 86** 2.1 Setting of compensation for the Board of Directors
- 86** 2.2 Setting of compensation for the Executive Board
- 87** 2.3 Regulations as per the Articles of Association

**Components of compensation**

- 88** 3.1 Components of compensation of the Board of Directors
- 90** 3.2 Components of compensation of the Executive Board

**Calculation of variable compensation**

- 92** 4 Calculation of variable compensation

**Executive Board targets and attainment**

- 93** 5.1 Target attainment for the 2024 financial year
- 94** 5.2 Impact of target attainment on variable compensation for the Executive Board
- 94** 5.3 Targets for the 2025 financial year

**Compensation approved at the Annual General Meeting**

- 95** 6.1 Board of Directors
- 95** 6.2 Executive Board

**Compensation in the reporting period**

- 96** 7.1 Payments to members of the Board of Directors (audited)
- 98** 7.2 Payments to members of the Executive Board (audited)

**Further disclosures**

- 100** 8.1 Basis and scope
- 100** 8.2 Loans to members of the Board of Directors and the Executive Board (audited)
- 101** 8.3 Compensation and loans to related parties
- 101** 8.4 Shares held by the members of the Board of Directors and the Executive Board (audited)
- 102** 8.5 Activities of members of the Board of Directors and the Executive Board at other companies (audited)

**Gender representation on the Board of Directors and Executive Board**

- 103** 9.1 Basis
- 103** 9.2 Achievement of the gender benchmarks as at 31 December 2024
- 103** 9.3 Reasons and measures for the Executive Board

**Auditor's report**

- 105** 10 Auditor's report

# Foreword

## Dear Shareholders,

Valiant retained its simple and transparent compensation system during the year under review. In addition, the Board of Directors decided, with external support, to carry out a benchmarking exercise on the compensation of the Executive Board and to review the structure of compensation. The benchmarking exercise showed that the amount of compensation received by the Executive Board is below the median in the peer groups and no action is required.

In terms of the structure of compensation, the Board of Directors decided to make two changes with effect from financial year 2026. First, the holding period for Valiant shares received by members of the Board of Directors and the Executive Board as part of their compensation will be raised from three to five years. Second, members of the Executive Board will be obliged to hold Valiant shares to the amount of 200 % (for the CEO) or 100 % (for the other members) of their fixed net salary. This holding must be built up over a period of five years. This will further strengthen the connection between compensation and Valiant's long-term success. The Board of Directors firmly believes that these changes are in the interests of both the shareholders and Valiant.

In order to further simplify the compensation system and make it easier to understand, the Board of Directors will submit a proposal to the Annual General Meeting on 14 May 2025 to hold the votes on the maximum fixed and variable compensation of the Executive Board each year for the following financial year. To date these proposals have covered different periods: in the case of variable compensation, for the current financial year and in the case of fixed compensation, for the following financial year.

To mark Valiant's 200-year anniversary, a total of CHF 10 million was allocated to the pension fund. The amounts were credited to employees' individual pension accounts in mid-2024. The credits were based on an allocation formula approved by the Board of Directors. This underlines the importance that Valiant places on pension provision for its employees.



**Dr Maya Bundt**

Chair of the Nomination and Compensation Committee

# 1 Key components and principles of our compensation policy

The compensation policy did not change in the year under review. The amendments planned from financial year 2026 are listed at the end of this section.

## 1.1 Simple and transparent compensation system

Valiant has a simple and transparent compensation policy. It reflects the simple business model and the values of our bank. We have consciously avoided adopting more complex elements such as long-term incentive plans or option plans. The Board of Directors firmly believes that the compensation policy is consistent with our strategy and that it supports our long-term objectives.

## 1.2 Market orientation

We attach great importance to providing fair, market-appropriate compensation and position ourselves mid-range with regard to our peers. We take into account developments in the labour market and regularly take part in pay comparison surveys.

## 1.3 Performance and results-orientation

We are committed to performance and results-based compensation. This is an integral part of our HR policy, which fosters this type of culture and rewards Valiant's business success.

The basis for determining business success is the operating profit reported in the consolidated financial statements. Of this, 9 % is allocated to the overall variable compensation pool for all employees, including the Executive Board.

## 1.4 Equal pay

We adhere to the principle of equal pay for equal work. Equal pay for women and men is monitored annually. Valiant complies with the principle of equal pay within the tolerance threshold of 5 %. Further information is provided on page 72 of the 2024 Sustainability Report.

## 1.5 Risk awareness

We take care to ensure that the individual components of compensation and the corresponding measurement and decision-making criteria for employees at all levels do not incentivise inappropriate risk-taking. Employees may be subject to reductions in variable compensation in the event of any failure to comply with laws, codes of conduct or internal directives, or in the event of any negligent handling of risk.

## 1.6 Board of Directors: 30 % share component

Compensation for the Board of Directors consists of a fixed fee. 30 % of the fee is paid out in the form of Valiant shares that are blocked for a period of three years. The members of the Board of Directors do not receive any variable compensation. The expenses of the members of the Board of Directors are compensated either on a lump-sum basis or individually on request.

## 1.7 Restriction on variable compensation for the Executive Board

Variable compensation for members of the Executive Board is dependent on operating profit and comprises a cash component and Valiant shares that are blocked for three years. Overall, variable compensation may not exceed 50 % of the total compensation of a member of the Executive Board.

## 1.8 Curtailment of compensation

If the group records a loss, the Board of Directors' fee is reduced by 50 %. The fee is also curtailed if dividends are reduced as a result of business performance. If the group records an operating loss, the Executive Board does not receive any variable compensation.

## 1.9 Amendments to the compensation policy from financial year 2026

The Board of Directors has decided that the members of the Executive Board must build up a minimum holding in Valiant shares of 200 % (for the CEO) or 100 % (for the other members) of their fixed net salary over a period of five years and then retain this permanently.

In addition, the holding period for Valiant shares received by members of the Board of Directors and the Executive Board as part of their compensation is being raised from three to five years.

These changes will further strengthen the connection between compensation and the long-term success of Valiant. They will apply for the first time in the spring of 2027 for the Valiant shares allocated for the 2026 financial year.

## 2 Decision-making authority for determining compensation

The principles of our compensation policy and decision-making authority are defined in the Articles of Association of Valiant Holding AG and in the separate compensation regulations for the Board of Directors, Executive Board and other employees. Separate regulations set out the rules for calculating the overall variable compensation pool. There was no change in decision-making authority compared with the previous year.

### 2.1 Setting of compensation for the Board of Directors

Shareholders approve the maximum compensation for the Board of Directors for the forthcoming term of office at the Annual General Meeting.

The maximum compensation proposal is prepared by the Nomination and Compensation Committee. The Board of Directors assesses the proposal and approves the definitive motion for presentation to the Annual General Meeting.

### 2.2 Setting of compensation for the Executive Board

Each year, shareholders approve the maximum fixed compensation for the Executive Board for the coming financial year and the maximum variable compensation for the current financial year at the Annual General Meeting. The maximum compensation proposals are prepared by the Nomination and Compensation Committee. The Board of Directors assesses the proposal and approves the definitive motion for presentation to the Annual General Meeting.

Within the framework of the maximum amounts approved at the Annual General Meeting and upon the proposal of the Nomination and Compensation Committee, the Board of Directors defines the total amount of compensation for the Executive Board and the fixed and variable compensation for the CEO, taking into account the attainment of company targets and the CEO's individual targets.

The CEO submits a proposal to the Nomination and Compensation Committee on the fixed and variable compensation of the individual members of the Executive Board, taking into account their individual target attainment. Following committee negotiations, and on the basis of the committee's recommendation, the Board of Directors decides on the fixed and variable compensation of the members of the Executive Board.

Competency matrix – compensation decisions	CEO	Nomination and Compensation Committee	Board of Directors	Annual General Meeting
Maximum compensation of the Board of Directors	–	Prep	Prop	App
Maximum fixed compensation of the Executive Board	–	Prep	Prop	App
Maximum variable compensation of the Executive Board	–	Prep	Prop	App
Actual fixed and variable compensation of the CEO	–	Prop	App	–
Actual fixed and variable compensation of the members of the Executive Board	Prop	Rec	App	–

Prop = Proposal  
Rec = Recommendation  
App = Approval  
Prep = Preparation

## 2.3 Regulations as per the Articles of Association

The Articles of Association of Valiant Holding AG stipulate, in particular, the following rules in respect of compensation and loans.

### Vote at the Annual General Meeting on compensation

(see Article 27 of the Articles of Association of Valiant Holding AG)

See sections 2.1 and 2.2 of the Compensation Report. In order to further simplify the compensation system, the Board of Directors will submit a proposal to the Annual General Meeting on 14 May 2025 to hold the votes on the maximum fixed and variable compensation of the Executive Board each year for the following financial year. To date these proposals have covered different periods: in the case of variable compensation, for the current financial year and in the case of fixed compensation, for the following financial year. Bringing the periods into line will make it easier for shareholders to review and vote on compensation for a given period.

### Principles governing results-dependent compensation

(see Article 29 of the Articles of Association of Valiant Holding AG)

In addition to fixed compensation, the members of the Executive Board receive variable compensation based on the bank's results and the attainment of performance targets. These targets are defined by the Board of Directors at the beginning of the year. The Board of Directors stipulates the weightings for the various targets and the target values, and assesses the extent to which targets have been met once the financial year has ended. Variable compensation for members of the Executive Board comprises a cash component, and Valiant shares that are blocked for at least three years.

### Loans

(see Article 32 of the Articles of Association of Valiant Holding AG)

Loans to members of the Executive Board may not exceed a total of CHF 2 million for each member, including parties related to them, and must satisfy the criteria used by Valiant in respect of the creditworthiness and debt-servicing capacity of third parties.

To further strengthen its independence, the Board of Directors has decided that no further loans should be granted to members of the Board of Directors.

# 3 Components of compensation

## 3.1 Components of compensation of the Board of Directors

### Board of Directors

Fee	Fixed fee based on function (Chair, Vice-Chair, member) and amount of time involved. The fees are paid out as follows: 70 % in the form of cash and 30 % in the form of shares (blocked for three years).																				
	<table> <tr> <th>Function</th><th>Fee per term of office in CHF</th></tr> <tr> <td>Chair</td><td>380,000</td></tr> <tr> <td>Vice-Chair</td><td>140,000</td></tr> <tr> <td>Member</td><td>90,000</td></tr> <tr> <td>Chair of the Nomination and Compensation Committee</td><td>50,000</td></tr> <tr> <td>Member of the Nomination and Compensation Committee</td><td>35,000</td></tr> <tr> <td>Chair of the Audit and Risk Committee</td><td>50,000</td></tr> <tr> <td>Member of the Audit and Risk Committee</td><td>35,000</td></tr> <tr> <td>Chair of the Strategy Committee</td><td>50,000</td></tr> <tr> <td>Member of the Strategy Committee</td><td>35,000</td></tr> </table>	Function	Fee per term of office in CHF	Chair	380,000	Vice-Chair	140,000	Member	90,000	Chair of the Nomination and Compensation Committee	50,000	Member of the Nomination and Compensation Committee	35,000	Chair of the Audit and Risk Committee	50,000	Member of the Audit and Risk Committee	35,000	Chair of the Strategy Committee	50,000	Member of the Strategy Committee	35,000
Function	Fee per term of office in CHF																				
Chair	380,000																				
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Member of the Audit and Risk Committee	35,000																				
Chair of the Strategy Committee	50,000																				
Member of the Strategy Committee	35,000																				
Lump-sum expenses <sup>1</sup>	<table> <tr> <td>Chair</td><td>10,000</td></tr> <tr> <td>Member</td><td>5,000</td></tr> </table>	Chair	10,000	Member	5,000																
Chair	10,000																				
Member	5,000																				
Additional benefits	Chair: company car or first-class annual train travel card																				
Joining/severance payments	Valiant does not make any joining or severance payments.																				
Curtailment of fees	If the group records a loss, the Board of Directors' fee is reduced by 50%. The Board of Directors' fee is also curtailed if dividends are reduced as a result of business performance. The scope of such curtailment is defined on a case-by-case basis. The Nomination and Compensation Committee submits a recommendation to the Board of Directors at the appropriate time.																				
Terms and conditions of payment	Fees are redefined and paid out for the period from Annual General Meeting to Annual General Meeting (term of office). The first half of the fee is paid in cash in November each year. The second half is paid in April (in shares blocked for three years and in cash). Members of the Board of Directors have the option of having their compensation paid to a legal entity.																				
Insurance in the pension fund	Members of the Board of Directors for whom Valiant is liable to make AHV payments and who are not already required to be insured for a primary occupation or whose primary occupation is not self-employment may join the Valiant Holding pension fund. Joining the pension fund may not increase a member's total compensation.																				

<sup>1</sup> Upon request to the Board of Directors, members may forego the lump-sum expense amount and claim their expenses individually.

#### Additional information:

- The Board of Directors may define additional payments for membership of ad-hoc committees or for additional duties and projects. These payments are determined depending on the time involved and within the framework of existing rates and the maximum fixed compensation approved at the Annual General Meeting.
- All relations with the members of the Board of Directors and the companies associated with them are conducted in accordance with established business practice.
- If they leave during a term of office, members of the Board of Directors are no longer owed any compensation from their date of departure. No compensation is issued for the remainder of the term of office.
- Any blocks on shares issued remain in place even after the member has left.
- The Honorary Chair and other former members of the Board of Directors do not receive any compensation or other benefits.



## Benchmarking

The Board of Directors compares the compensation amount with two peer groups on an annual basis. Both peer groups consist of financial companies listed in Switzerland. The composition of the peer groups is checked and adjusted as appropriate on an annual basis. The aim of these comparisons is to check whether the compensation of the Board of Directors is on a par with these two peer groups and therefore within appropriate limits. This was the case once again in 2024. The first peer group contains financial companies with a similar market capitalisation (CHF 1–3 billion). The second peer group contains listed financial companies with no significant state ownership. If financial companies meet the relevant criteria, they can be in both peer groups.

Peer group 1 was reduced in size by one company, Swissquote, in comparison with the previous year. The company reported market capitalisation of more than CHF 3 billion as of the reference date. Peer group 2 remained unchanged in comparison with the previous year.

### Benchmarks for compensation of the Board of Directors

Peer group 1 (similar market capitalisation <sup>1</sup> )	Banque Cantonale de Genève, Berner Kantonalbank, Cembra Money Bank, Liechtensteinische Landesbank, St. Galler Kantonalbank, Vaudoise Assurances, Walliser Kantonalbank, Zuger Kantonalbank
Peer group 2 (financial companies without major state ownership)	Baloise Group, Bellevue Group, Cembra Money Bank, Helvetia, Hypothekarbank Lenzburg, Swissquote, Vaudoise Assurances, Vontobel, VZ Group

<sup>1</sup> The reference date is mid-year in all cases

## Disclosure

The compensation paid to members of the Board of Directors is set out in the tables under section 7.1 on pages 96–97. Shares held by members of the Board of Directors are listed under section 8.4 on page 101.

## 3.2 Components of compensation of the Executive Board

<b>Executive Board</b>		
Basic compensation (fixed compensation)	Basic compensation corresponds to the total fixed annual salary stipulated in the individual contract of employment. This compensation is defined on the basis of the individual's function, responsibilities and personal performance development and the market situation.	
Lump-sum expenses allowance	CEO	CHF 24,000
	Deputy CEO	CHF 18,000
	Member of the Executive Board	CHF 15,600
Variable compensation	Results and performance-related variable compensation paid out retroactively is broken down as follows: – Cash component (70 %); payable immediately – Share component (30 %); blocked for three years	
Restriction on variable compensation	The variable compensation of the members of the Executive Board may not exceed 50 % of the total compensation.	
Additional benefits	<ul style="list-style-type: none"> <li>– Company car or first-class annual train travel card</li> <li>– Business allowances (coupled with eligibility for statutory family allowances)</li> <li>– Occupational pension benefits above legal minimum</li> <li>– Service anniversary bonuses</li> <li>– Special employee conditions that are customary in the sector</li> <li>– Concession on Reka credit</li> </ul>	
Notice period	Members of the Executive Board are subject to a 12-month period of notice.	
Joining/severance payments	Valiant does not make any joining or severance payments.	
Terms and conditions of payment	Basic compensation (fixed compensation) is paid out to the members of the Executive Board in equal monthly instalments. Variable compensation of the members of the Executive Board is paid in April of the following year.	

### Additional information:

- In the year under review, variable compensation was between 36.2 % and 46.3 % of the total compensation of members of the Executive Board.
- The procedure for setting the compensation of the CEO and members of the Executive Board is set out in section 2.2 on page 86.
- Any blocks on shares issued remain in place even after the member has left.
- Compensation for positions on the executive boards of third-party organisations in which Valiant has a participation of more than 50 % is paid to Valiant in full.
- Compensation for positions held by members of the Executive Board within third-party organisations in which Valiant has a participation of less than 50 % is paid to the member concerned up to an annual combined amount of CHF 30,000 (fees and allowances for meeting attendance for all positions). Amounts in excess of this threshold are paid to Valiant.

**Benchmarking**

In the year under review, an external consultancy was engaged to conduct a benchmarking exercise of the compensation of the members of the Executive Board. The same peer groups were used as for the benchmarking exercise conducted for the Board of Directors (see section 3.1, page 89). Luzerner Kantonalbank was added to peer group 1.

The benchmarking showed that the total direct compensation (fixed and variable compensation excluding social security and pension benefits) of the CEO is below the median in both peer groups. The total direct compensation of the other members of the Executive Board is in the lower quartile in both peer groups.

The Board of Directors took note of the results of the benchmarking, which do not indicate that any action is required.

**Disclosure**

The compensation paid to members of the Executive Board is set out in the tables in section 7.2 on page 98. Loans to members of the Executive Board are set out in section 8.2 on page 100. Members of the Executive Board are granted loans at special conditions that are customary in the sector. Loans are granted according to the same criteria as for third parties. Shares held by members of the Executive Board are listed in section 8.4 on page 101.

# 4 Calculation of variable compensation

Valiant's compensation system for the Executive Board follows the same principles as that for its other employees. All Valiant's employees receive variable compensation, depending on operating profit and their individual performance assessment. The only exceptions are those employed in a training capacity and all employees under a fixed-term contract and/or paid by the hour.

The basis for determining the overall variable compensation pool for all employees, including the Executive Board, is the operating profit reported in the consolidated financial statements. Operating profit has been defined as the basis for measurement because, unlike consolidated net profit, it is not affected by extraordinary income and expenses or by any change in reserves for general banking risks. 9 % of operating profit is allocated to the overall variable compensation pool.

If, in any one year, the consolidated financial statements show an operating loss, no overall pool will be created for that year and there will be no variable compensation for any members of staff, including the Executive Board.

<b>Variable compensation for 2024</b>	<b>Amount in CHF</b>
Operating profit in 2024	233.37 million
of which 9 %	21.00 million
<b>Total overall variable compensation pool</b>	<b>21.00 million</b>

<b>Variable compensation for 2023</b>	<b>Amount in CHF</b>
Operating profit in 2023	232.25 million
of which 9 %	20.90 million
<b>Total overall variable compensation pool</b>	<b>20.90 million</b>

# 5 Executive Board targets and attainment

In the interests of transparency, Valiant reports the targets for the Executive Board and their attainment. For competition reasons, this disclosure does not include certain figures (percentage rates and amounts).

## 5.1 Target attainment for the 2024 financial year

The targets for the financial year are set by the Board of Directors. The CEO informs the Board of Directors about the progress made towards achieving the targets on a quarterly basis. In January 2025, the Nomination and Compensation Committee conducted an assessment of target attainment for the 2024 financial year with the CEO. This assessment was submitted to the Board of Directors for discussion and decision-making.

The Board of Directors deemed that the Executive Board had comfortably attained its targets overall for 2024. Target attainment can be seen in the table below.

### Executive Board targets for the 2024 financial year (assessment of target achievement by the Board of Directors)

Financial targets		Targets attained overall
At the start of the year, the Board of Directors set targets for the key financial indicators, which were assessed after the end of the year.		
The following targets were set for 2024:		
<ul style="list-style-type: none"> <li>Consolidated net profit higher than previous year</li> <li>Increase in operating profit</li> <li>Lending growth of 3 %</li> <li>Growth in fee and commission income of 3 %</li> </ul>		<ul style="list-style-type: none"> <li>Consolidated net profit higher than previous year (+4.2 %)</li> <li>Operating profit increased (+1.1 %)</li> <li>Lending growth partly attained (+1.6 %)</li> <li>Growth in fee and commission income significantly exceeded (+10.8 %)</li> </ul>
<ul style="list-style-type: none"> <li>Growth in customer assets &gt;4 % (after adjustment for market fluctuations)</li> </ul>		<ul style="list-style-type: none"> <li>Growth in customer assets not attained (+0.7 %)</li> </ul>
Non-financial targets		Targets comfortably attained
Alongside the financial targets, the Board of Directors also set non-financial targets for 2024. These were formulated in objective, measurable terms wherever possible.		
Area	Metric	Target achievement
Strategy	Implementation of strategy for 2020–2024 as planned and adoption, communication and internal embedding of the strategy from 2025	<ul style="list-style-type: none"> <li>The strategy for 2020–2024 was completed successfully. The strategy for 2025–2029 was communicated externally and internally.</li> </ul>
Clients	Client satisfaction (net promoter score)	<ul style="list-style-type: none"> <li>The net promoter score was further increased.</li> </ul>
Sustainability	Implementation of the 2024 ESG Road Map as planned	<ul style="list-style-type: none"> <li>Implementation of the ESG Roadmap was completed as planned.</li> </ul>
Processes	Participation in Swiss National Bank's "Liquidity against Mortgage Collateral" programme in accordance with milestone planning	<ul style="list-style-type: none"> <li>Work is under way as scheduled.</li> </ul>

## 5.2 Impact of target attainment on variable compensation for the Executive Board

The individual variable compensation for each member of the Executive Board is based on their individual performance assessment and total compensation. The total will be below the maximum amount approved at the Annual General Meeting.

## 5.3 Targets for the 2025 financial year

Each autumn, the Executive Board submits a proposal to the Nomination and Compensation Committee for the targets for the coming year. The committee discusses the targets with the CEO, makes any necessary adjustments and passes them on to the Board of Directors for approval. The Board of Directors assesses the committee's proposal and then sets the targets. The Board of Directors has set the following targets for the Executive Board in 2025.

### Executive Board targets for the 2025 financial year

#### Financial targets

The Board of Directors has issued the following targets for the key financial indicators in 2025:

- Achieve an ROE of 7 %
- Consolidated net profit slightly higher than previous year
- Lending growth of 3 %
- Growth in customer assets > 4 % (after adjustment for market fluctuations)
- Growth in fee and commission income of 6 %

#### Non-financial targets

Alongside the financial targets, the Board of Directors has also set non-financial targets for 2025. These were formulated in objective, measurable terms wherever possible.

Area	Metric
Strategy	Increase in the number of clients
Clients	Client satisfaction (net promoter score)
Sustainability	CO <sub>2</sub> emissions reduction pathway identified Obtain limited assurance for sustainability report
Processes	Target operation model defined

# 6 Compensation approved at the Annual General Meeting

Shareholders approve the maximum compensation for the Board of Directors and for the Executive Board at the Annual General Meeting (see section 2). The maximum amounts currently approved and the compensation actually paid for 2024 and for the 2023/2024 term of office are set out in the tables below.

## 6.1 Board of Directors

<b>Compensation of the Board of Directors</b>	<b>Date of approval at the AGM</b>	<b>Amount in CHF thousands</b>
Maximum compensation for the Board of Directors for the 2023/2024 term of office	17/05/2023	1,670
Effective compensation paid to the Board of Directors for the 2023/2024 term of office		1,518
Maximum compensation for the Board of Directors for the 2024/2025 term of office	22/05/2024	1,670
Effective compensation paid to the Board of Directors for the 2024/2025 term of office		n/a <sup>1</sup>

<sup>1</sup> Effective compensation paid to the Board of Directors for the 2024/2025 term of office will be stated in the 2025 Compensation Report.

## 6.2 Executive Board

<b>Approved fixed and variable compensation for 2024</b>	<b>Date of approval at the AGM</b>	<b>Amount in CHF thousands</b>
Maximum fixed compensation for the Executive Board for 2024	17/05/2023	3,500
Effective fixed compensation paid to the Executive Board for 2024		3,288
Maximum variable compensation for the Executive Board for 2024	22/05/2024	2,600
Effective variable compensation paid to the Executive Board for 2024		2,264
<b>Approved maximum fixed compensation for 2025</b>	<b>Date of approval at the AGM</b>	<b>Amount in CHF thousands</b>
Maximum fixed compensation for the Executive Board for 2025	22/05/2024	3,500
Effective fixed compensation paid to the Executive Board for 2025		n/a <sup>1</sup>

<sup>1</sup> The effective fixed compensation paid to the Executive Board for 2025 will be stated in the 2025 Compensation Report.

# 7 Compensation in the reporting period

## 7.1 Payments to members of the Board of Directors (audited)

### Compensation for each financial year

2024					
	Net fee in cash in CHF thousands	Shares <sup>1</sup> in CHF thousands	Social benefits <sup>2</sup> in CHF thousands	Benefits in kind in CHF thousands	Total in CHF thousands
Markus Gygax, Chairman	191	132	168	–	491
Christoph B. Bühler, Vice-Chairman	125	54	25	–	204
Barbara Artmann, Member	82	36	17	–	135
Maya Bundt, Member	61	40	48	–	149
Roger Harlacher, Member	82	36	17	–	135
Roland Herrmann, Member	82	36	17	–	135
Marion Khüny, Member	62	28	44	–	134
Ronald Trächsel, Member	51	36	45	–	132
<b>Total</b>	<b>736</b>	<b>398</b>	<b>381</b>	<b>–</b>	<b>1,515</b>

2023					
	Net fee in cash in CHF thousands	Shares <sup>1</sup> in CHF thousands	Social benefits <sup>2</sup> in CHF thousands	Benefits in kind in CHF thousands	Total in CHF thousands
Markus Gygax, Chairman	194	132	169	–	495
Christoph B. Bühler, Vice-Chairman	125	54	25	–	204
Barbara Artmann, Member	82	36	17	–	135
Maya Bundt, Member	62	40	47	–	149
Roger Harlacher, Member	82	36	17	–	135
Roland Herrmann, Member	82	36	17	–	135
Marion Khüny, Member	62	28	44	–	134
Ronald Trächsel, Member	74	36	25	–	135
<b>Total</b>	<b>763</b>	<b>398</b>	<b>361</b>	<b>–</b>	<b>1,522</b>

<sup>1</sup> Shares of Valiant Holding AG with a three-year blocking period, valued at their market price, less social benefits

<sup>2</sup> Social benefits include employer and employee contributions for old age and survivors' insurance (AHV), disability insurance (IV), income replacement scheme (EO), unemployment insurance (ALV), family allowances (FAK), withholding tax and the pension fund, provided that the member of the Board of Directors opts for the occupational pension benefits of the Valiant Holding AG pension fund.



**Compensation for each term of office****Compensation statement for the Board of Directors for the 2023/2024 term of office<sup>1</sup>**

	Fixed net fee in CHF thousands	Shares <sup>2</sup> in CHF thousands	Social benefits <sup>3</sup> in CHF thousands	Benefits in kind in CHF thousands	Total in CHF thousands
Markus Gygax, Chairman	191	132	169	–	492
Christoph B. Bühler, Vice-Chairman	125	54	25	–	204
Barbara Artmann, Member	82	36	17	–	135
Maya Bundt, Member	62	40	47	–	149
Roger Harlacher, Member	82	36	17	–	135
Roland Herrmann, Member	82	36	17	–	135
Marion Khüny, Member	62	28	44	–	134
Ronald Trächsel, Member	58	36	40	–	134
<b>Total</b>	<b>744</b>	<b>398</b>	<b>376</b>	<b>–</b>	<b>1,518</b>

**Compensation statement for the Board of Directors for the 2022/2023 term of office<sup>4</sup>**

	Fixed net fee in CHF thousands	Shares <sup>2</sup> in CHF thousands	Social benefits <sup>3</sup> in CHF thousands	Benefits in kind in CHF thousands	Total in CHF thousands
Markus Gygax, Chairman	196	132	165	–	493
Christoph B. Bühler, Vice-Chairman	125	54	25	–	204
Barbara Artmann, Member	82	36	17	–	135
Maya Bundt, Member	63	40	46	–	149
Roger Harlacher, Member	82	36	17	–	135
Roland Herrmann, Member	82	36	17	–	135
Marion Khüny, Member	62	28	44	–	134
Ronald Trächsel, Member	82	36	17	–	135
<b>Total</b>	<b>774</b>	<b>398</b>	<b>348</b>	<b>–</b>	<b>1,520</b>

<sup>1</sup> Compensation payments for the 2023/2024 term of office (17 May 2023 to 22 May 2024) were made in November 2023 and April 2024. The social benefits shown were paid in accordance with the payout dates in the corresponding financial years.

<sup>2</sup> Shares of Valiant Holding AG with a three-year blocking period, valued at their market price, less social benefits

<sup>3</sup> Social benefits include employer and employee contributions for old age and survivors' insurance (AHV), disability insurance (IV), income replacement scheme (EO), unemployment insurance (ALV), family allowances (FAK), withholding tax and the pension fund, provided that the member of the Board of Directors opts for the occupational pension benefits of the Valiant Holding AG pension fund.

<sup>4</sup> Compensation payments for the 2022/2023 term of office (18 May 2022 to 17 May 2023) were made in November 2022 and April 2023. The social benefits shown were paid in accordance with the payout dates in the corresponding financial years.

## 7.2 Payments to members of the Executive Board (audited)

### Compensation for each financial year

2024							
	Fixed net salary in cash in CHF thousands	Variable net salary in cash in CHF thousands	Shares <sup>1</sup> in CHF thousands	Benefits in kind <sup>2</sup> in CHF thousands	Pension benefits <sup>3</sup> in CHF thousands	Total <sup>4</sup> in CHF thousands	
Ewald Burgener, CEO	373	414	179	10	460	1,436	
Martin Vogler	285	205	89	10	323	912	
Michael Eisenrauch	246	204	88	10	227	775	
Serge Laville	238	189	82	10	284	803	
Marc A. Praxmarer	228	176	76	10	284	774	
Christoph Wille	237	219	95	10	291	852	
<b>Total</b>	<b>1,607</b>	<b>1,407</b>	<b>609</b>	<b>60</b>	<b>1,869</b>	<b>5,552</b>	

2023							
	Fixed net salary in cash in CHF thousands	Variable net salary in cash in CHF thousands	Shares <sup>1</sup> in CHF thousands	Benefits in kind <sup>2</sup> in CHF thousands	Pension benefits <sup>3</sup> in CHF thousands	Total <sup>4</sup> in CHF thousands	
Ewald Burgener, CEO	374	421	182	10	423	1,410	
Martin Vogler	263	209	90	10	271	843	
Michael Eisenrauch	261	205	89	10	171	736	
Serge Laville	241	182	79	10	222	734	
Marc A. Praxmarer	226	176	76	10	246	734	
Christoph Wille	238	222	96	10	245	811	
<b>Total</b>	<b>1,603</b>	<b>1,415</b>	<b>612</b>	<b>60</b>	<b>1,578</b>	<b>5,268</b>	

<sup>1</sup> Shares of Valiant Holding AG with a three-year blocking period, valued at their market price, less social benefits

<sup>2</sup> Private shares of company cars

<sup>3</sup> Includes employee and employer contributions for old age and survivors' insurance (AHV), disability insurance (IV), income replacement scheme (EO), unemployment insurance (ALV), family allowances (FAK), occupational accident insurance (BUV), non-occupational accident insurance (NBUV), daily sickness allowance (KTG), surplus salaries (BUV/NBUV), administration costs (AHV), pension fund and supplementary fund. In 2024, including the anniversary payment to the individual pension account of the pension fund.

<sup>4</sup> In 2024, three members of the Executive Board were also paid a total of CHF 64,250.00 for positions within third-party organisations in which Valiant has no holding or a holding of less than 50 %. In 2023, four members of the Executive Board received CHF 84,750.00 in compensation for the same reason.

**Disclosure of variable compensation paid to the Executive Board**

2024 <sup>1</sup>					
	Variable net salary in cash in CHF thousands	Shares in CHF thousands	Benefits in kind in CHF thousands	Pension benefits <sup>2</sup> in CHF thousands	Total in CHF thousands
Executive Board	1,407	609	–	248	2,264

2023					
	Variable net salary in cash in CHF thousands	Shares in CHF thousands	Benefits in kind in CHF thousands	Pension benefits <sup>2</sup> in CHF thousands	Total in CHF thousands
Executive Board	1,415	612	–	251	2,278

<sup>1</sup> Variable compensation for 2024 will be paid in April 2025, but is reported in this compensation report.

<sup>2</sup> Includes employee and employer contributions for old age and survivors' insurance (AHV), disability insurance (IV), income replacement scheme (EO), unemployment insurance (ALV), family allowances (FAK), daily sickness allowance (KTG), surplus salaries (BUV/NBUV) and administration costs (AHV).

**Disclosure of fixed compensation paid to the Executive Board**

2024				
	Fixed net salary in cash in CHF thousands	Benefits in kind in CHF thousands	Pension benefits <sup>1</sup> in CHF thousands	Total in CHF thousands
Executive Board	1,607	60	1,621	3,288

2023				
	Fixed net salary in cash in CHF thousands	Benefits in kind in CHF thousands	Pension benefits <sup>1</sup> in CHF thousands	Total in CHF thousands
Executive Board	1,603	60	1,327	2,990

<sup>1</sup> Includes employee and employer contributions for old age and survivors' insurance (AHV), disability insurance (IV), income replacement scheme (EO), unemployment insurance (ALV), family allowances (FAK), occupational accident insurance (BUV), non-occupational accident insurance (NBUV), daily sickness allowance (KTG), surplus salaries (BUV/NBUV), administration costs (AHV), pension fund and supplementary fund.

# 8 Further disclosures

## 8.1 Basis and scope

The following legally required information under Articles 734b to 734e of the Swiss Code of Obligations (CO) is disclosed in this section:

- Loans to the Board of Directors and the Executive Board
- Compensation and loans to related parties
- Shares in Valiant held by members of the Board of Directors and the Executive Board
- Activities of members of the Board of Directors and the Executive Board at other companies

## 8.2 Loans to members of the Board of Directors and the Executive Board (audited)

### Board of Directors

To strengthen its independence, no loans are granted to members of the Board of Directors.

At 31 December 2024, there were no loans outstanding to members of the Board of Directors or parties related to them (at 31/12/2023: none).

### Executive Board

	2024		
	Mortgages in CHF thousands	Other borrowing in CHF thousands	Total in CHF thousands
<b>Executive Board<sup>1,2</sup></b>			
Member with the highest total borrowing			
Ewald Burgener	1,230	–	1,230
<b>Total Executive Board</b>	<b>2,862</b>	<b>0</b>	<b>2,862</b>

	2023		
	Mortgages in CHF thousands	Other borrowing in CHF thousands	Total in CHF thousands
<b>Executive Board<sup>1,2</sup></b>			
Member with the highest total borrowing			
Ewald Burgener	1,230	–	1,230
<b>Total Executive Board</b>	<b>2,863</b>	<b>0</b>	<b>2,863</b>

<sup>1</sup> Members of the Executive Board are granted loans at special employee conditions that are customary in the sector.

<sup>2</sup> No loans were granted to related parties that are not at customary market conditions.

## 8.3 Compensation and loans to related parties

Valiant does not pay compensation to persons connected with current or former members of the Board of Directors or Executive Board, nor does Valiant grant such persons loans at non-arm's length conditions.

## 8.4 Shares held by the members of the Board of Directors and the Executive Board (audited)

as at 31 December 2024

	2024 Number of shares	2023 Number of shares
<b>Board of Directors</b>		
Markus Gygax, Chairman	14,176	12,842
Prof Dr Christoph B. Bühler, Vice-Chairman	1,679	4,554
Barbara Artmann, Member	2,803	2,444
Dr Maya Bundt, Member	2,947	2,545
Roger Harlacher, Member	1,236	877
Dr Roland Herrmann, Member	737	378
Marion Khüny, Member	737	378
Ronald Trächsel, Member	1,505	1,146
<b>Overall total</b>	<b>25,820</b>	<b>25,164</b>
of which total Board of Directors	25,820	25,164
of which total related parties	–	–
<b>Executive Board</b>		
Ewald Burgener, CEO	12,114	10,292
Martin Vogler	5,938	5,034
Dr Michael Eisenrauch	1,115	226
Serge Laville	2,379	1,590
Dr Marc Praxmarer	2,500	1,740
Christoph Wille	3,574	2,613
<b>Overall total</b>	<b>27,620</b>	<b>21,495</b>
of which total Executive Board	21,563	16,349
of which total related parties	6,057	5,146

## 8.5 Activities of members of the Board of Directors and the Executive Board at other companies (audited)

as at 31 December 2024

Name	Company	Function
<b>Members of the Board of Directors</b>		
<b>Markus Gygax</b> Chairman	Grosse Schanze AG	Chairman of the Board of Directors
<b>Prof Dr Christoph B. Bühler</b> Vice-Chairman	böckli bühler partner	Partner
	BLT Baselland Transport AG	Chairman of the Board of Directors
	Edward Geistlich Sons, Limited Company for Chemical Industry and Geistlich Pharma AG	Member of the Board of Directors
	AVAG Anlage und Verwaltungs AG	Member of the Board of Directors
<b>Barbara Artmann</b>	Künzli SwissSchuh Ltd (until 31/12/2024)	Chair of the Board of Directors
	Freelis Liegenschaft AG (from 01/01/2025)	Member of the Board of Directors
<b>Dr Maya Bundt</b>	APG SGA AG <sup>1</sup>	Member of the Board of Directors
	Baloise Holding Ltd <sup>1</sup>	Member of the Board of Directors
	Cygnvs Inc.	Member of the Advisory Board
<b>Roger Harlacher</b>	Zweifel Chips & Snacks AG	Chairman of the Board of Directors
	Gustav Gerig AG	Chairman of the Board of Directors
	Toga Food SA	Chairman of the Board of Directors
	Markenfabrik Holding AG	Chairman of the Board of Directors
	Mosterei Möhl AG	Vice-Chairman of the Board of Directors
	WEMF AG für Werbemedienforschung	Member of the Board of Directors
<b>Dr Roland Herrmann</b>	RIBE Moto Ltd	Chairman of the Board of Directors
	Ärztelasse Genossenschaft	Member of the Administration
	E.H.L. Holding SA	Member of the Board of Directors
	Investors Marketing AG	Advisory Board
<b>Marion Khüny</b>	Erste Group Bank AG <sup>1</sup>	Member of the Supervisory Board
	Lang & Schwarz Aktiengesellschaft <sup>1</sup>	Member of the Supervisory Board
	Multitude Ltd <sup>1</sup>	Member of the Supervisory Board
<b>Ronald Trächsel</b>	Alpiq Holding Ltd <sup>1</sup>	Member of the Board of Directors
	Wyss Seeds and Plants Ltd	Chairman of the Board of Directors
	Création Baumann Holding AG	Member of the Board of Directors
<b>Members of the Executive Board</b>		
<b>Ewald Burgener</b> CEO	Pfandbriefbank schweizerischer Hypothekarinstitute AG <sup>2</sup>	Member of the Board of Directors
	Entris Holding AG and Entris Banking Ltd <sup>3</sup>	Chairman of the Board of Directors
<b>Martin Vogler</b>	None	–
<b>Dr Michael Eisenrauch</b>	Entris Holding AG and Entris Banking Ltd <sup>3</sup>	Member of the Board of Directors
<b>Serge Laville</b>	Crédit Mutuel de la Vallée SA <sup>2</sup>	Member of the Board of Directors
	Entris Holding AG and Entris Banking Ltd <sup>3</sup>	Member of the Board of Directors
<b>Dr Marc Praxmarer</b>	None	–
<b>Christoph Wille</b>	Viseca Payment Services Ltd <sup>2</sup>	Member of the Board of Directors

<sup>1</sup> Company listed on the stock exchange

<sup>2</sup> Position on behalf of Valiant

<sup>3</sup> Position in majority holding of Valiant

# 9 Gender representation in the Board of Directors and Executive Board

## 9.1 Basis

Under Article 734f CO, if each gender does not have a representation of at least 30 % on the Board of Directors and 20 % on the Executive Board, the following information must be provided in the Compensation Report:

1. the reasons why the genders are not represented as intended; and
2. the measures that are being taken to promote the under-represented gender.

The obligation to report on this will apply to the Board of Directors from 2026 and to the Executive Board from 2031. Valiant has been reporting on this since the 2022 Compensation Report.

## 9.2 Achievement of the gender benchmarks as at 31 December 2024

Committee	Total no. of people	No. of men	No. of women	Share of less well represented gender
Board of Directors	8	5	3	37.5 %
Executive Board	6	6	0	0 %

## 9.3 Reasons and measures for the Executive Board

There were no changes to the Executive Board in the year under review. The representation of genders therefore remains the same in this body. The measures taken for the advancement of women are explained below.

**Measures for the advancement of women**

The Executive Board has initiated various measures since 2020 to increase the proportion of women in management positions and thus also the potential for the appointment of female Executive Board members. In particular, these consist of the measures listed below, which were continued in the year under review.

- Mentoring programme for female employees:  
nominated female employees are supported and mentored by an Executive Board member for around a year.
- Exchange of experiences with female members of the Board of Directors for female managers and specialists:  
female managers and specialists participated in three events with female members of Valiant's Board of Directors, which focused on the exchange of experiences and issues related to the advancement of women.
- Internal women's network:  
Valiant has built an internal women's network. Several events have taken place within the framework of this Valiant women's network.
- Keynote speeches on gender-specific issues:  
there were five keynote speeches in the year under review, which were open to all employees.
- Membership of the Business & Professional Women Switzerland network:  
Valiant has been a member of the country's largest association for female business-women and professionals since 2022.
- Objective for all managers:  
for 2024, all managers have been given the target of taking specific steps to increase the proportion of women in client advisory, specialist and line management positions. If a relevant vacancy cannot be filled by a woman, the responsible manager must explain the reasons for this.

**Recruitment**

The shortlist for the recruitment of Executive Board members must contain at least one woman.

**Reporting**

The Executive Board reviews semi-annual assessments of the advancement of women. The assessments cover the number of applications by women and selection decisions, as well as workforce turnover and the reasons that women give for leaving Valiant.



# 10 Auditor's report



## Report of the statutory auditor to the General Meeting of Valiant Holding AG, Lucerne

### Opinion

We have audited the remuneration report of Valiant Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables 7.1, 7.2, 8.2, 8.4 and 8.5 marked 'audited' on pages 96 to 102 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (pages 96 to 102) complies with Swiss law and the Company's articles of incorporation.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

### Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

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As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

A handwritten signature in blue ink, appearing to read 'Romer'.

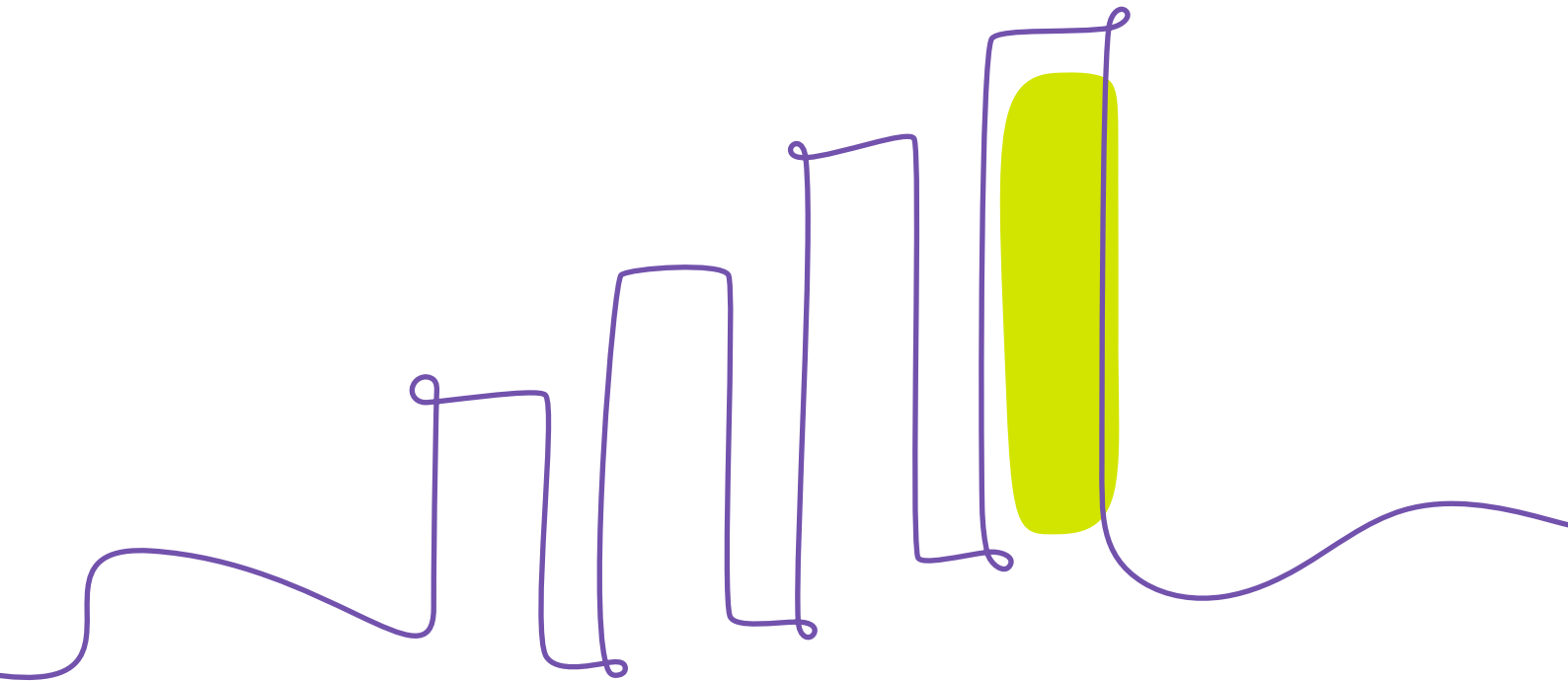
Thomas Romer  
Licensed audit expert  
Auditor in charge

A handwritten signature in blue ink, appearing to read 'D. Mazzucca'.

Dario Mazzucca  
Licensed audit expert

Lucerne, 21 March 2025

# 2024 Financial Report



**Consolidated financial statements**

- 109** Consolidated balance sheet
- 110** Consolidated income statement
- 111** Consolidated cash flow statement
- 112** Consolidated statement of changes in equity

**Notes to the consolidated financial statements**

- 113** Company name, legal form and registered office
- 113** Group accounting policies
- 122** Notes on risk management
- 134** Notes on the methods used to identify credit risk and determine impairments
- 135** Notes on the valuation of collateral
- 136** Business policy on the use of derivative financial instruments and hedge accounting
- 137** Material events after the balance sheet date
- 137** Auditors
- 137** Further information required by law
- 138** Information on the balance sheet
- 151** Information on off-balance-sheet transactions
- 152** Information on the income statement

**Auditor's report**

- 155** Auditor's report on the consolidated financial statements

**Disclosure**

- 160** Disclosures of capital adequacy and liquidity

**Statutory financial statements of Valiant Holding AG**

- 161** Balance sheet
- 162** Income statement
- 163** Notes to the annual financial statements
- 168** Motion on appropriation of accumulated profit

**Auditor's report**

- 169** Auditor's report Valiant Holding AG

# Consolidated financial statements

## Consolidated balance sheet

		31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	Change in CHF thousands	Change as %
<b>Assets</b>					
Liquid assets		4,159,411	4,726,647	-567,236	-12.0
Amounts due from banks	11	54,389	60,629	-6,240	-10.3
Amounts due from customers	2	1,471,226	1,476,507	-5,281	-0.4
Mortgage loans	2, 11	28,677,521	28,200,436	477,085	1.7
Trading portfolio assets	3	10,226	14,782	-4,556	-30.8
Positive replacement values of derivate financial instruments	4	65,438	107,936	-42,498	-39.4
Financial investments	5	2,270,541	1,089,305	1,181,236	108.4
Accrued income and prepaid expenses		46,555	40,094	6,461	16.1
Non-consolidated participations	6, 7, 37	260,052	244,967	15,085	6.2
Tangible fixed assets	8	80,002	86,529	-6,527	-7.5
Intangible assets	9	0	0	0	n/a
Other assets	10	28,367	32,593	-4,226	-13.0
<b>Total assets</b>		<b>37,123,728</b>	<b>36,080,425</b>	<b>1,043,303</b>	<b>2.9</b>
Total subordinated claims		0	0	0	n/a
of which subject to mandatory conversion and/or debt waiver		0	0	0	n/a
<b>Liabilities</b>					
Amounts due to banks		1,629,169	1,480,588	148,581	10.0
Amounts due in respect of customer deposits	12	22,165,850	22,024,257	141,593	0.6
Negative replacement values of derivative financial instruments	4	5,953	22,463	-16,510	-73.5
Cash bonds		236,327	196,220	40,107	20.4
Bond issues and central mortgage institution loans	15	9,942,100	9,270,300	671,800	7.2
Accrued expenses and deferred income		210,615	171,531	39,084	22.8
Other liabilities	10	235,891	311,666	-75,775	-24.3
Provisions	16	20,411	27,887	-7,476	-26.8
Reserves for general banking risks	16	155,786	109,786	46,000	41.9
Bank's capital	17	7,896	7,896	0	0.0
Capital reserve		592,555	592,582	-27	-0.0
Retained earnings reserve		1,770,792	1,720,994	49,798	2.9
Own shares	21	0	0	0	n/a
Consolidated profit		150,383	144,255	6,128	4.2
<b>Total equity capital</b>		<b>2,677,412</b>	<b>2,575,513</b>	<b>101,899</b>	<b>4.0</b>
<b>Total liabilities</b>		<b>37,123,728</b>	<b>36,080,425</b>	<b>1,043,303</b>	<b>2.9</b>
Total subordinated liabilities		0	0	0	n/a
of which subject to mandatory conversion and/or debt waiver		0	0	0	n/a
<b>Off-balance-sheet transactions</b>					
Contingent liabilities	2, 28	135,044	144,137	-9,093	-6.3
Irrevocable commitments	2	881,866	960,028	-78,162	-8.1
Commitments relating to calls on shares and other equities	2	66,717	61,164	5,553	9.1
Credit commitments	29	0	0	0	n/a

## Consolidated income statement

		2024	2023	Change	Change
	Notes	in CHF thousands	in CHF thousands	in CHF thousands	as %
<b>Interest income</b>					
Interest and discount income	33	671,735	634,399	37,336	5.9
Interest and dividend income from trading portfolios		0	0	0	n/a
Interest and dividend income from financial investments		15,655	5,162	10,493	203.3
Interest expense		-278,520	-212,566	-65,954	31.0
<b>Gross result from interest operations</b>		<b>408,870</b>	<b>426,995</b>	<b>-18,125</b>	<b>-4.2</b>
Changes in value adjustments for default risks and losses from interest operations	16	-12,930	-19,470	6,540	-33.6
<b>Net result from interest operations</b>		<b>395,940</b>	<b>407,525</b>	<b>-11,585</b>	<b>-2.8</b>
<b>Result from commission business and services</b>					
Commission income from securities trading and investment activities		57,045	51,381	5,664	11.0
Commission income from lending activities		2,965	3,035	-70	-2.3
Commission income from other services		48,595	44,337	4,258	9.6
Commission expense		-15,654	-14,879	-775	5.2
<b>Result from commission business and services</b>		<b>92,951</b>	<b>83,874</b>	<b>9,077</b>	<b>10.8</b>
<b>Result from trading activities and the fair value option</b>	32	<b>50,452</b>	<b>40,274</b>	<b>10,178</b>	<b>25.3</b>
<b>Other result from ordinary activities</b>					
Result from the disposal of financial investments		31	54	-23	-42.6
Income from participations		10,577	12,396	-1,819	-14.7
of which, participations recognised using the equity method		7,743	9,581	-1,838	-19.2
of which, from other non-consolidated participations		2,834	2,815	19	0.7
Result from real estate		1,376	1,281	95	7.4
Other ordinary income		619	775	-156	-20.1
Other ordinary expenses		-270	-386	116	-30.1
<b>Other result from ordinary activities</b>		<b>12,333</b>	<b>14,120</b>	<b>-1,787</b>	<b>-12.7</b>
<b>Operating income</b>		<b>551,676</b>	<b>545,793</b>	<b>5,883</b>	<b>1.1</b>
<b>Operating expenses</b>					
Personnel expenses	34	-161,551	-162,867	1,316	-0.8
General and administrative expenses	35	-138,452	-127,319	-11,133	8.7
<b>Operating expenses</b>		<b>-300,003</b>	<b>-290,186</b>	<b>-9,817</b>	<b>3.4</b>
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets		-19,845	-23,802	3,957	-16.6
Changes to provisions and other value adjustments, and losses		1,546	449	1,097	244.3
<b>Operating result</b>		<b>233,374</b>	<b>232,254</b>	<b>1,120</b>	<b>0.5</b>
<b>Consolidated profit</b>					
Extraordinary income	36	671	2,304	-1,633	-70.9
Extraordinary expenses	36	-6	-6	0	0.0
Changes in reserves for general banking risks		-46,000	-50,000	4,000	-8.0
Taxes	39	-37,656	-40,297	2,641	-6.6
<b>Consolidated profit</b>		<b>150,383</b>	<b>144,255</b>	<b>6,128</b>	<b>4.2</b>

## Consolidated cash flow statement

	2024 Cash inflow in CHF thousands	2024 Cash outflow in CHF thousands	2024 Balance +/- in CHF thousands	2023 Cash inflow in CHF thousands	2023 Cash outflow in CHF thousands	2023 Balance +/- in CHF thousands
Consolidated net profit	150,383			144,255		
Change in reserves for general banking risks	46,000			50,000		
Impairments on holdings, depreciation and amortisation of tangible fixed assets and intangible assets	19,845			23,802		
Impairments on equity investments		1,764			3,601	
Provisions and other value adjustments	573	4,747		433	7,955	
Value adjustments for credit risk, and loan losses	33,620	18,964		46,188	24,990	
Accrued income and prepaid expenses		6,461			13,680	
Accrued expenses and deferred income	39,084			30,002		
Previous year dividend		86,859			78,962	
<b>Cash flow from operating activities (internal financing)</b>	<b>289,505</b>	<b>118,795</b>	<b>+ 170,710</b>	<b>294,680</b>	<b>129,188</b>	<b>+ 165,492</b>
Change in treasury shares		27			14	
<b>Cash flow from equity capital transactions</b>	<b>0</b>	<b>27</b>	<b>-27</b>	<b>0</b>	<b>14</b>	<b>-14</b>
Non-consolidated holdings		13,321			250	
Real estate	109	1,290		384	2,532	
Other tangible fixed assets	31	10,298		104	11,301	
Intangible assets		1,868			1,775	
<b>Cash flow from transactions in respect of holdings, tangible fixed assets and intangible assets</b>	<b>140</b>	<b>26,777</b>	<b>-26,637</b>	<b>488</b>	<b>15,858</b>	<b>-15,370</b>
Due from customers		5,817		54,527		
Mortgages		489,282			1,063,520	
Utilisation of specific value adjustments in conformity with purpose		2,263			12,256	
Customer deposits	141,593				449,628	
Medium-term notes	40,107			118,446		
<b>Cash flow from customer transactions</b>	<b>181,700</b>	<b>497,362</b>	<b>-315,662</b>	<b>172,973</b>	<b>1,525,404</b>	<b>-1,352,431</b>
Trading portfolio assets	4,556			2,760		
Financial investments		1,181,236		197,929		
Bond issues and central mortgage institution loans	671,800			922,600		
<b>Cash flow from capital market business</b>	<b>676,356</b>	<b>1,181,236</b>	<b>-504,880</b>	<b>1,123,289</b>	<b>0</b>	<b>+ 1,123,289</b>
Due from banks	6,240				11,524	
Due to banks	148,581				273,527	
<b>Cash flow from interbank business</b>	<b>154,821</b>	<b>0</b>	<b>+ 154,821</b>	<b>0</b>	<b>285,051</b>	<b>-285,051</b>
Positive replacement values of derivative financial instruments	42,498			157,332		
Negative replacement values of derivative financial instruments		16,510			2,906	
Other assets	4,226				17,610	
Other liabilities		75,775			99,519	
<b>Cash flow from other balance-sheet positions</b>	<b>46,724</b>	<b>92,285</b>	<b>-45,561</b>	<b>157,332</b>	<b>120,035</b>	<b>+ 37,297</b>
<b>Cash flow from banking operations</b>	<b>1,059,601</b>	<b>1,770,883</b>	<b>-711,282</b>	<b>1,453,594</b>	<b>1,930,490</b>	<b>-476,896</b>
<b>Total source of funds (+)/Total use of funds (-)</b>	<b>1,349,246</b>	<b>1,916,482</b>	<b>-567,236</b>	<b>1,748,762</b>	<b>2,075,550</b>	<b>-326,788</b>

	Balance 31/12/2024 in CHF thousands	Balance 31/12/2023 in CHF thousands	Change in CHF thousands	Balance 31/12/2023 in CHF thousands	Balance 31/12/2022 in CHF thousands	Change in CHF thousands
<b>Change in cash</b>						
Cash	4,159,411	4,726,647	-567,236	4,726,647	5,053,435	-326,788
<b>Total cash and cash equivalents</b>	<b>4,159,411</b>	<b>4,726,647</b>	<b>-567,236</b>	<b>4,726,647</b>	<b>5,053,435</b>	<b>-326,788</b>

## Consolidated statement of changes in equity

	Bank's capital in CHF thousands	Capital reserve in CHF thousands	Retained earnings reserve in CHF thousands	Reserves for general banking risks in CHF thousands	Own shares in CHF thousands	Consolidated profit in CHF thousands	Total in CHF thousands
Equity at start of current period	7,896	592,582	1,720,994	109,786		144,255	2,575,513
Appropriation of previous year's profit			57,396			-57,396	0
Acquisition of own shares					-3,114		-3,114
Disposal of own shares					3,033		3,033
Profit (loss) on disposal of own shares		-81			81		0
Dividends and other distributions		54				-86,859	-86,805
Other allocations to (transfers from) the reserves for general banking risks				46,000			46,000
Other allocations to (transfers from) the other reserves			-7,598				-7,598
Consolidated profit						150,383	150,383
<b>Equity at end of current period</b>	<b>7,896</b>	<b>592,555</b>	<b>1,770,792</b>	<b>155,786</b>	<b>0</b>	<b>150,383</b>	<b>2,677,412</b>



# Notes to the consolidated financial statements

## Company name, legal form and registered office

Valiant Holding AG is a holding company in the financial sector with its registered office in Lucerne. Its main holding is its 100 % stake in its subsidiary Valiant Bank AG, which operates across Switzerland.

## Group accounting policies

### **Basis**

The accounting, recognition, measurement and consolidation principles are based on the Swiss Code of Obligations and the Swiss accounting rules for banks, as presented in the Swiss Banking Act and its ordinance and the implementing provisions of FINMA, as well as on the Articles of Association of Valiant Holding AG and the guidelines of the group (both hereinafter: "Valiant").

As Valiant shares are listed on SIX Swiss Exchange AG, the SIX Exchange accounting regulations must also be observed.

### **Consolidation principles**

Valiant prepares consolidated financial statements. These present Valiant's financial situation in such a way that its assets and liabilities, financial position and earnings are shown on the basis of the "true and fair view" principle.

The scope of consolidation is shown in table 7. The consolidated financial statements include all companies that Valiant controls pursuant to Article 34 para. 3 of the Banking Ordinance. Participations in companies that are immaterial in terms of financial reporting or risk, and participations that are material but of no strategic importance and will be sold or liquidated within 12 months, are not consolidated. Non-consolidated participations, and the reasons for non-consolidation, are also shown in table 7.

Material participations in companies, where significant influence can be exercised but there is no outright control, are valued using the equity method. A significant influence is recognised when 20 % or more of the voting capital is held.

The financial statements of group companies used for consolidation comply with the uniform principles of the group. Internal assets, liabilities and off-balance-sheet transactions within the group, as well as the income and expenses from internal transactions, are eliminated along with any gains on these transactions.

All consolidated companies are included using the full consolidation method. Capital is consolidated using the purchase method. Minority interests in equity and consolidated profit are reported separately under equity capital or in the income statement on the basis of the entity concept.

### General principles

All assets, liabilities and off-balance-sheet transactions are valued individually.

The accounting and financial reporting is carried out in the national currency of Switzerland, the Swiss franc.

### Recognition and entry in the balance sheet

Transactions concluded by the balance sheet date are recorded as a rule on the transaction date and valued according to the principles given. Cash transactions that have been executed but not yet settled are recorded using the execution date principle. Forward foreign exchange contracts are entered according to settlement date accounting. These transactions are shown between the transaction and settlement dates at the replacement values under the positive or negative replacement values of derivative financial instruments. Bond issues and central mortgage institution loans are recorded using the settlement date principle.

### Currency translation

Foreign currency positions are valued at the spot rate applicable on the balance sheet date. Transactions in foreign currencies are translated at the respective daily rates. Effects from foreign currency adjustments are recognised in the income statement (under "Result from trading activities and the fair value option").

Foreign currency positions were valued at the following exchange rates on the balance sheet date:

	31/12/2024	Previous year
USD	0.9063	0.8416
EUR	0.9384	0.9297
GBP	1.1350	1.0730

All Valiant group companies report in Swiss francs.

### Liquid assets

Liquid assets are recognised at nominal value.

### Amounts due from banks and Amounts due to banks

These items are recognised at nominal value less necessary value adjustments for default risks.

Precious metals held in metal accounts are recognised at fair value, provided the precious metal concerned is traded on a price-efficient and liquid market.

### Receivables and liabilities from securities financing transactions

The cash amounts exchanged are recognised in the balance sheet at nominal value. The transfer of securities has no effect on the balance sheet if the transferring party maintains economic control of the rights associated with the securities. The resale of securities received is recorded in the balance sheet and recognised as a non-monetary liability at fair value.

**Amounts due from customers and mortgage loans**

These items are recognised at nominal value less necessary value adjustments for default risks.

**Value adjustments for default risks**

Value adjustments for default risks are made according to the principle of prudence for all identifiable risks of loss. An impairment is recognised if the expected recoverable amount (including collateral) is lower than the book value of the loan/receivable. Value adjustments for default risks are deducted directly from the relevant asset items. In the event of changes in the utilisation of credit limits with a corresponding value adjustment or provision depending on the utilisation, movements between value adjustments and provisions for credit risk are recognised directly in equity.

Individual valuation allowances are recognised for impaired receivables. Loans/receivables for which the borrower is unlikely to be able to fulfil its future obligations are deemed to be impaired. Impaired loans/receivables and any collateral are recognised at liquidation value, and the value is adjusted taking the borrower's creditworthiness into account. The valuation is recognised on an individual basis and covered by individual valuation allowances.

In the case of non-impaired receivables, value adjustments are made for inherent default risks in the positions Amounts due from customers and Mortgage loans. No value adjustments for inherent default risks are made for the balance sheet positions Amounts due from banks and Financial investments (debt securities held to maturity), as these are subject to high credit rating requirements and the quantity of such holdings is relatively low.

The assessment of value adjustments for inherent default risks is based on a 13-level client rating system. Clients in rating level 13 are equivalent to impaired loans. In the case of exposures with increased risks (client rating 9 to 12), individual valuation allowances for inherent default risks are set up for the unsecured portions. All exposures are also allocated to different sub-portfolios in accordance with the type of collateral, with the value adjustments for inherent default risks being determined using a loss rate approach. Both the estimation of the value adjustment ratios on the unsecured portions of the exposures subject to increased risk and the determination of the loss rates on the sub-portfolios are based on expert opinions.

The portfolio of individual valuation allowances for inherent default risks for exposures with increased risks is fully provisioned. The value adjustments calculated on the basis of loss rates for all exposures are accumulated dynamically over five years, to the end of 2025. New value adjustments are determined on a quarterly basis and recognised on a straight-line basis over the remaining term of the five-year accumulation period. These are recognised over the five-year accumulation period and recorded in equity and charged against the retained earnings reserves.

Value adjustments for inherent default risks can be used if the income statement item "Changes in value adjustments for default risks and losses from interest operations" exceeds 5 % of the gross result from interest operations. Any resulting shortfall must be eliminated within no more than five years by establishing new provisions.

If a loan is classified as wholly or partly irrecoverable or the claim is waived, it is reversed by booking it against the corresponding value adjustment.

For additional information on value adjustments for default risks, please refer to the "Notes on the methods used to identify default risks and determine impairments".

**Amounts due in respect of customer deposits**

Amounts due in respect of customer deposits are recognised at nominal value.

Precious metal account deposits are recognised at fair value, provided the precious metal concerned is traded on a price-efficient and liquid market.

**Trading portfolio assets and trading portfolio liabilities**

Trading portfolio assets are positions that are actively managed in order to profit from movements in market prices. An asset is allocated to trading portfolio assets and documented accordingly when the transaction is concluded.

Trading portfolio assets are always carried at fair value. Either the price on a price-efficient and liquid market or a price determined on the basis of a valuation model may be taken as the fair value.

If, in exceptional cases, no fair value can be determined, valuation and recognition are carried out according to the principle of the lower of cost or market.

Any gain or loss resulting from a sale or valuation is recognised under "Result from trading activities and the fair value option". Valiant recognises interest and dividend income from trading portfolios in securities under "Interest and dividend income from trading portfolios". Valiant does not offset the funding of positions entered into for trading purposes against interest business. The gain or loss from primary market trading activities is recognised under "Result from trading activities and the fair value option".

**Positive and negative replacement values of derivative financial instruments (derivatives)**

**Trading portfolio assets** All of the group's derivative financial instruments are carried at fair value.

Valiant and Valiant Bank AG offset positive and negative replacement values of derivative financial instruments with respect to the same counterparty under legally enforceable netting agreements.

For derivatives transactions entered into for trading purposes, the realised and unrealised gains and losses of trading derivatives are posted under "Result from trading activities and the fair value option".

**Hedging transactions** All of the group's derivative financial instruments are carried at fair value.

Any change in the value of hedging instruments is recorded in an equalisation account, provided that no change in value of the underlying transaction has been booked. If a value adjustment is booked on the underlying transaction of a hedging transaction, the change in value of the hedging transaction is recorded in the same income statement line item. In the case of macro hedges for interest business, the balance is recognised either under "Interest and discount income" or under "Interest expense", depending on the instrument used.

Income from derivatives used to manage interest rate risks for asset and liability management is recognised in the income statement using the accrual method. The interest component is accrued over the term to maturity. Interest accrued on the hedging position is shown in the "Equalisation account" under "Other assets" or "Other liabilities".

In the event of the early sale of an interest rate hedging instrument recognised using the accrual method, the profits and losses corresponding to the interest component are not recognised immediately, but instead are accrued over the remaining term to maturity. If the hedge is no longer or only partially effective, Valiant treats the part that is no longer effective as trading portfolio assets.

**Financial investments**

Debt securities intended to be held to maturity are recognised at purchase price, and the premium/discount (interest component) is accrued over the term (accrual method). Default risk-related changes in book value are recognised immediately by means of a charge to the item "Changes in value adjustments for default risks and losses from interest operations". If debt securities are sold or redeemed prior to maturity, the gains and losses corresponding to the interest component are not recognised immediately, but instead are accrued over the remaining term to maturity.

Debt securities not intended to be held until maturity (available for sale) are carried at the lower of cost or market value.

Equity securities, units in collective investment schemes, own physical precious metal holdings, and real estate properties that have been acquired as a result of lending operations and are intended for resale, are carried at the lower of cost or market value. In the case of real estate properties acquired as a result of lending operations and intended for resale, the lower of cost or market value is deemed to be the lower of the purchase price or liquidation value.

Structured products are carried at the lower of cost or market value. Both the underlying instrument and the derivative are recognised under "Financial investments".

Own physical precious metal holdings to secure liabilities arising from precious metal accounts are stated at fair value and recognised in the balance sheet, provided that the precious metal is traded on a price-efficient and liquid market.

If the fair value of financial investments stated at the lower of cost or market falls below the purchase price and then recovers, the value is written up to a maximum of the purchase price. The balance of value adjustments is recorded under "Other ordinary expenses" or "Other ordinary income".

If financial investments that are carried at the lower of cost or market value are sold, the entire realised gain is recorded under "Result from the disposal of financial investments".

**Non-consolidated participations**

Non-consolidated participations are shown in the list in table 7.

The term "participations" covers shares owned by group companies in infrastructure-related companies and equity securities held as a long-term investment irrespective of the percentage of voting shares. Participations are valued individually. The legal maximum limit is the purchase price less economically necessary impairments.

Material participations in companies, where significant influence can be exercised but there is no outright control, are valued using the equity method. A significant influence is recognised when 20% or more of the voting capital is held.

Impairment testing is carried out annually on the balance sheet date. Any additional impairments are recognised in the income statement (under "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets"). The partial or full reversal of an impairment is recognised under "Extraordinary income".

**Tangible fixed assets**

Investments in new tangible fixed assets are recognised as assets if they have a market value or value-in-use and can be used for more than one accounting period.

Investments in existing tangible fixed assets are recognised as assets if, as a result, the market value or value-in-use is permanently enhanced or the useful life is significantly extended.

Tangible fixed assets are recognised at purchase price or production cost. In subsequent valuations, tangible fixed assets are recognised at purchase price less accumulated depreciation.

Depreciation is recognised on a straight-line basis over the estimated useful life of the asset. The estimated useful life of individual categories of asset is as follows:

Category	Depreciation period
Bank buildings and other real estate	max. 50 years
Interior construction and technical installations in own properties	max. 15 years
Leasehold improvements	Rental contract term, max. 15 years
Fittings and equipment	max. 10 years
Furniture	max. 4 years
IT hardware	max. 4 years
Software and new systems	max. 5 years

Impairment testing of tangible fixed assets is carried out annually on the balance sheet date. Any additional impairments are recognised in the income statement (under "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets"). The partial or full reversal of an impairment is recognised under "Extraordinary income".

Realised gains from the sale of tangible fixed assets are booked under "Extraordinary income", and realised losses are booked under "Extraordinary expenses".

### Intangible assets

Acquired intangible assets are recognised in the balance sheet if they yield measurable benefits for the group over several years. Intangible assets developed internally are not recognised in the balance sheet.

Intangible assets are valued individually. Intangible assets that can be recognised as assets are valued at no more than purchase price. In subsequent valuations, intangible assets are recognised at purchase price less accumulated amortisation.

When business units and companies are acquired, the assets and liabilities taken over are carried at their current value. If, in this valuation process, the acquisition costs are higher than the net assets, the difference is considered goodwill and is recognised as an asset under "Intangible assets". Expected outflows in connection with the takeover of control are recognised as liabilities under "Other liabilities". They are released in keeping with their designated purpose according to the outflow. Any remaining goodwill corresponding to an acquisition for less than the value of the net assets (a "lucky buy" or "bargain buy") is recognised immediately under "Extraordinary income".

When recognising intangible assets, the future useful life must be prudently estimated. Amortisation of intangible assets is recognised on a straight-line basis over the estimated useful life of the asset. The estimated useful life of individual categories of intangible assets is as follows:

Category	Depreciation period
Goodwill	max. 5 years
Other	max. 5 years

Impairment testing of intangible assets is carried out annually on the balance sheet date. Any additional impairments are recognised in the income statement (under "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets").

### Cash bonds

Cash bonds are recognised at nominal value.

### Bond issues and central mortgage institution loans

Bond issues and central mortgage institution loans are recognised at nominal value. Prepayment commissions in connection with central mortgage institution loans are viewed as an interest component and accrued over the life of the central mortgage institution loan.

### Own debt securities

Own bonds and cash bonds are offset with the corresponding items shown under liabilities. Interest income on own bonds and cash bonds is offset with interest expense.

### Lease transactions

Items used by the bank under an operating lease are not recognised as assets. Leasing expenses are charged to "General and administrative expenses".

### Provisions

A provision represents a probable obligation based on a past event, the amount and/or timing of which is uncertain but can be reliably estimated.

The amount of the provision is determined on the basis of an analysis of the past event concerned and of events occurring after the balance sheet date, if such analysis helps to further clarify the situation. The amount is estimated in accordance with the economic risk posed, which is established as objectively as possible. Where the expected timing of the obligation has a material impact, the provision is discounted. The amount of the provision must correspond to the expected future cash outflows. It must take account of the likelihood and reliability of these outgoing cash flows. Released provisions are recognised in income.

Provisions for default risks are determined using the same methodology as for value adjustments for default risks.

**Pension liabilities**

Pension schemes can give rise to either economic benefits or economic liabilities for the group. The economic impact is determined based on the financial position of the pension schemes to which group companies belong.

Where a pension scheme is underfunded, an economic liability arises if the conditions for recognising a provision are met.

Where a pension scheme is overfunded, an economic benefit exists if the group company intends and is permitted to use the surplus to lower employer contributions or for another economic benefit to the employer unrelated to the provision of benefits under the scheme. A future economic benefit (including employer contribution reserves) is recognised as an asset in this case.

Employer contributions owed to pension schemes are recognised in the income statement (under "Personnel expenses").

**Taxes**

**Current taxes** The current income and capital taxes payable on the result for the period and the relevant capital amount are calculated in accordance with the applicable tax reporting regulations. Liabilities with regard to current income and capital taxes are disclosed under "Accrued expenses and deferred income".

**Deferred taxes** Carrying values that deviate from the values relevant for tax law purposes (valuation differences) are determined systematically. Deferred tax income or expense is recognised on such amounts and recorded under "Provisions". The annual recognition of deferred income taxes is based on a balance sheet perspective and considers all future income tax effects. Deferred income taxes or the change versus the previous year is reported under "Taxes".

Deferred income tax assets on temporary differences and on tax losses carried forward may be recognised under "Other assets". Any tax credits not recognised are disclosed in the notes under contingent assets.

**Reserves for general banking risks**

The reserves for general banking risks are disclosed in a separate account and are part of equity capital. They may contain specific-purpose components. The reserves for general banking risks are taxable as a general rule. Provisions for deferred taxes are set up in respect of non-taxable, specific-purpose reserves for general banking risks.

**Transactions with shareholders**

Transactions with shareholders in their capacity as shareholders are recognised at fair value.



**Own shares**

Holdings of Valiant own shares are shown as a negative position in equity capital.

Purchases of own shares are recorded on the acquisition date at purchase price. This corresponds to the fair value of the consideration transferred to the counterparty by way of settlement.

Own shares are recognised in the balance sheet at the average purchase price. No adjustments are made to the valuation.

In case of disposal of own shares, any difference realised between the consideration received and the book value is credited or debited to the "Capital reserve". The dividend on Valiant own shares is also booked to the "Capital reserve".

**Equity transaction costs**

Assuming they relate to the raising (capital increase, sale of own shares) or repayment (capital decrease, purchase of own shares) of capital, equity transaction costs are recognised as a reduction in the "Capital reserve", net of any related income taxes.

**Off-balance-sheet transactions**

Off-balance-sheet transactions are recognised at nominal value. Provisions are recognised on the balance sheet for identifiable risks of loss.

**Fiduciary transactions** Fiduciary transactions include investments, loans (including mortgage loans to private individuals), participations and transactions relating to securities lending and borrowing that the bank carries out or grants in its own name, but on the client's behalf and at their sole risk on the basis of a written mandate. The client bears the currency, transfer, price and del credere risk and is entitled to the full profit of the transaction. The bank only receives a commission. Credit limits that Valiant Bank AG has granted and can terminate at any time are recorded as irrevocable commitments. The irrevocable commitment is cancelled the moment the deed of transfer is issued to the investor.

**Changes to accounting policies**

There were no material changes in the group accounting principles and no corrections with an impact on the consolidated financial statements.

# Notes on risk management

## Risk policy/risk governance

### Board of Directors

The Board of Directors bears overall responsibility for risk management. It sets the risk policy, which determines the risk strategy, including the identification, measurement and monitoring of risk and the responsibilities of the Executive Board, Risk Control, Compliance and Internal Audit. It also approves strategic limits on the maximum risk tolerance and limits on individual risks within the different risk categories. The risk tolerance limit requires that the capital adequacy requirements imposed by law be complied with even after the occurrence of the stress scenarios specified by the Board of Directors. The stress scenarios involve simulating the impact of major macroeconomic downturns on the bank's businesses, in particular default risks, interest rate risks and funding and liquidity risks. The Board of Directors is informed annually of all relevant risks and their development at regular intervals.

In addition to quantitative risk appetite and risk tolerance requirements, the Board of Directors has laid down the following qualitative risk policy guidelines:

- Valiant deliberately takes on risks that generate risk-adjusted added value for the bank and contribute to achieving its business goals.
- The bank strives to achieve a balanced risk-return trade-off in all its business transactions.
- Risks that are deliberately assumed must be measured, limited, monitored and reported. Net risks must lie within the defined risk tolerance.
- Diversification of risks is a central principle. Whenever diversification cannot be achieved, risks that are inseparable from transactions are to be minimised.
- Valiant cultivates a risk culture based on responsible action. All employees, especially managers at all levels, are required to be aware of and recognise the risks in their business areas and foster an understanding of risks.
- Valiant takes appropriate risk mitigation measures (e.g. a comprehensive set of directives, collateral and quality requirements, hedging, limits, process optimisation, double-checking, key checks, independent control bodies like Legal and Compliance and Risk Control, business continuity management, insurance and training) to ensure that the bank complies with the risk tolerance level specified by the Board of Directors and by regulatory requirements.
- Valiant's code of conduct sets out the values to be put into practice in the bank's day-to-day work.

Risk Control reports regularly to the Board of Directors on compliance with risk policy requirements. Its reports contain not only a review of compliance with all quantitative limits but also a qualitative assessment of overall and individual risks. The latter stem from looking ahead on the basis of the macroeconomic environment at the time of publication.

The risk policy is reviewed periodically by the Board of Directors to check it is still appropriate, and adjusted if necessary. It also forms the framework for all risk-related aspects of internal directives.

### **Audit and Risk Committee**

The Audit and Risk Committee prepares the information that serves as the basis for the Board of Directors' risk policy decisions. It evaluates the risk situation and compliance with risk policy requirements at least every three months, and informs the Board of Directors about the risk situation, any changes in the framework conditions and measures taken. The Audit and Risk Committee also assesses the reports from the external and internal auditors and the internal control system (ICS).

### **Executive Board**

The Executive Board is responsible for implementing the risk policy. This mainly entails creating an appropriate organisational structure, establishing a comprehensive set of directives, developing suitable processes for identifying, measuring, assessing, managing and monitoring the risks assumed, and establishing, maintaining and reviewing the adequacy of internal controls.

### **Risk Control**

Headed by the Chief Risk Officer (CRO), Risk Control performs a risk function that is independent of core business processes. It analyses the implementation of, and compliance with, risk policy requirements, assesses all risks (both overall risk tolerance and individual risks), and is responsible for quarterly reporting to the Executive Board and the Audit and Risk Committee and for half-year reporting to the Board of Directors. Risk Control is also responsible for the design and ongoing development of the ICS and for adjusting it in response to significant changes in processes and/or the launch of new products. This involves assessing the effectiveness of methods for identifying and mitigating risks on an ongoing basis. The CRO reports directly to the CEO and has unlimited rights to information, access and inspection. The CRO can refer issues to the Audit and Risk Committee or the Board of Directors at any time and on an ad hoc basis.

### **Compliance**

The Compliance department is independent of business processes and is managed by the Head of Legal and Compliance, who reports directly to the CEO. Compliance is responsible for defining organisational precautionary measures to systematically ensure compliance with legal regulations and internal and external standards. Compliance has an unrestricted right of information, access and inspection when performing its function. Furthermore, Compliance supports and advises the bank's managers in unusual or complex cases and examines any breaches of the relevant regulations. The Head of Legal and Compliance reports regularly on current legal issues, compliance risks and the findings of its compliance-related activities to the Audit and Risk Committee and the Board of Directors. They can refer issues to the Audit and Risk Committee or the Board of Directors for consideration at any time and on an ad hoc basis.

**Internal Audit**

Internal Audit reports directly to the Board of Directors, which approves the annual risk budget each year and takes note of the activity report. The Audit and Risk Committee is responsible for managing Internal Audit. Internal Audit regularly reviews and assesses the internal control system. This includes assessing risks as well as the appropriateness and effectiveness of controls (design and operational effectiveness). The audit reports submitted by Internal Audit are discussed by the Audit and Risk Committee.

## Approach to risk

Risk management is one of the main ongoing tasks of the bank; its purpose is to fully and systematically manage risks within the defined risk tolerance set by the Board of Directors. It includes identifying, measuring, assessing, controlling and reporting on individual as well as aggregate risks.

**Credit risks**

Due to the type of business in which it engages, Valiant primarily faces default risks on loans to customers. This entails the risk of a loss caused by the borrower being partly or wholly unable to meet their obligations, and/or by collateral such as real assets or securities losing value. This type of risk can involve not only loans to customers, contingent liabilities and irrevocable commitments, but also other counterparty-related transactions (e.g. interbank business, financial investments and derivatives).

**Loans to customers** Valiant only lends to creditworthy clients who have the capacity and intention to pay back the loan. Our clients must have the capacity to take out loans and also be creditworthy. Issues such as the client's integrity, understanding the purpose of the loan and the plausibility and proportionality of each transaction are thus key to the lending decision.

Valiant's main lending activity is real estate financing for private clients, self-employed individuals, and small and medium-sized companies. In addition, we offer loans for working capital and other basic services for businesses. Unsecured loans are granted only to solvent companies and public-sector entities. Consumer loans or lines of credit to private individuals are granted only on an exceptional basis.

Valiant operates its lending business primarily in those cantons in which it has branch offices. Loans are also available in other cantons to a limited extent. Such loans can be arranged through or granted by the branches directly or by partner organisations.

As part of capital planning, default risks are simulated for multiple scenarios determined by the Board of Directors and must remain within the risk tolerance limits set by the Board.

**Risk mitigation measures** In addition to a comprehensive set of directives, Valiant has appropriate organisational structures and processes in its core business to monitor default risks at both the individual transaction and portfolio level. The responsibility for managing risks relating to individual client loans lies with the Credit Office, which works independently of the front offices and is responsible for credit analysis, loan monitoring, credit processing and the restructuring of loans. The Credit Restructuring department is a skills centre specialising in restructurings and disposals. It also manages overdue, at-risk and non-performing loans. Default risks in portfolios are also monitored by the Credit Risk Management department, which reports directly to the CRO.

Default risks are kept within limits through risk diversification, quality requirements and maximum loan-to-value ratios (collateral margins). The repayment requirements for loans secured by mortgages vary depending on the nature of the property, on the amount borrowed and on how the borrowed funds are used. For loan approvals there are risk-oriented levels of decision-making authority for assessing creditworthiness on the basis of uniform criteria. The Board of Directors has delegated the highest loan approval authority to the Credit Committee. This committee consists of representatives from the Executive Board and the front office, together with specialists from the Credit Office. Approval for lower-risk loans is delegated to various levels of decision-making authority in the front offices as well as the Credit Office.

As part of the normal processes, exception-to-policy loans are carefully tracked, monitored and reported. Exception to policy is the classification applied to loans secured by mortgages in which at least one of the criteria (amount lent, the borrower's ability to service the debt, minimum repayment) does not comply with internal bank requirements. Monitoring of credit commitments is supported by the proximity to and knowledge of clients. Depending on the type and amount of the loan and the collateral backing provided, a risk-oriented review process is applied. This assesses the borrower's creditworthiness and the recoverable value of any collateral provided. Client- and collateral-related events of relevance to creditworthiness are also promptly and actively monitored. Credit commitments are re-evaluated where necessary.

Credit risks in portfolios are also monitored through the use of early warning systems and by means of valuation reviews and stress tests. Portfolio analysis involves assessing diversification on the basis of a number of structural features (including type of loan, rating of the counterparty, sector, collateral, geographical features, value adjustments and exception-to-policy loans).

**Counterparty risks** Counterparty risks are taken on primarily in relation to cash holdings (cash and cash reserves as well as high-quality liquid assets in accordance with liquidity guidelines). The quality requirements used to determine individual limits are largely based on ratings by recognised rating agencies. Limits are reviewed periodically and adapted in line with changes in conditions where necessary. The Asset Liability Committee (ALCO) approves the limits to be set. Compliance with the limits is monitored on an ongoing basis and reported.

OTC derivatives are only concluded with selected counterparties. The parties sign a standardised framework agreement (including credit support annex) containing a close-out netting agreement in the event of the insolvency/bankruptcy of the counterparty. Credit support annexes generally set out an obligation on both sides to exchange collateral in order to cover variation margins.

Collateral in the form of bank guarantees must meet internal quality requirements. Changes in the ratings of counterparties and in collateral are actively monitored, and appropriate measures are taken in the event of a ratings downgrade or any significant losses in value of collateral. Wrong-way risks (relationship between a counterparty's creditworthiness and the value of the instruments deposited by and associated with it) play a minor role given the bank's business model. A potential downgrade of Valiant's ratings would not result in the need to provide significant additional margins/collateral to banks. This is not the case for secured capital market funding (covered bonds, Swiss mortgage bonds), whose collateral requirements can fluctuate in line with their ratings. Concentration risks associated with collateral received are monitored.

**Country risks** Country risk arises if country-specific, political or economic conditions affect the value of an international commitment. Country risks are not very important given the type of business activities in which Valiant engages. This type of risk comes almost exclusively from counterparty risks (banks, financial investments) and is taken into consideration in measuring, limiting and monitoring counterparty risks.

**Market risks**

**Interest rate risks** The interest business is Valiant's most important source of income. Interest income is impacted to a significant degree by changes in market interest rates. The bank's balance sheet and off-balance-sheet transactions are exposed to interest rate risks. These are due to the varying fixed interest rates of assets, liabilities and derivative financial instruments. The Board of Directors has therefore set risk limits for asset/liability management (ALM) for reasons of sensitivity and earnings considerations.

The ALCO, which is chaired by the CFO, is responsible for measuring and monitoring interest rate risk. All relevant data is measured at least once a month to ensure compliance with interest rate risk limits.

ALM reports contain the results of the most important analyses – such as the sensitivity of equity capital and the income effect of changes in interest rates, the duration of assets and liabilities, the trend in variable and fixed-rate balance sheet positions (interest rate gaps), net interest income and the interest margin, value-at-risk analyses – and the utilisation of risk limits. Interest rate risk is managed on the basis of the interest rate gap analysis, which shows all positions at their fixed interest rate. Callable or sight deposits are monitored using a replication model. The replication rates are reviewed at least annually to check they are still appropriate, and approved by the Board of Directors.

ALCO manages interest rate risks on the basis of these analyses. In addition to traditional balance sheet transactions, derivatives are also used for hedging purposes. Through regular simulations and stress tests, the impact of future or unusual market situations on the sensitivity of equity capital (asset effect) and on interest income (income effect) is calculated, and measures for optimising interest income are put in place.

Interest rate risks in foreign currencies are of little significance for Valiant. Early repayment of fixed-rate loans is subject to Valiant's consent.

**Other market risks** Other market risks play a minor role given the type of business activities that Valiant engages in. Valiant trades in foreign currencies and notes, precious metals and securities primarily in order to meet its clients' needs. Open foreign currency items and securities booked to the trading portfolio are allocated to the trading book. All other positions in shares, bonds and participations are managed in the banking book. Adherence to limits, which are low in comparison with Valiant's risk tolerance, is monitored by Risk Control, which regularly reports to the Executive Board and the Board of Directors.

**Liquidity and funding risks**

The primary goal of liquidity risk management is to ensure that Valiant can meet all its payment obligations, even in stressed situations where funding opportunities are very limited. The Board of Directors determines risk tolerance by defining specific limits that apply to liquidity, funding and stress scenarios.

Valiant's funding mainly comes from its broadly diversified customer deposits. The heterogeneous structure of its clients allows it to reduce any excessive concentrations on individual client groups. Another source of funding for mid- to long-term funds is the capital market, where the emphasis is predominantly on secured funding such as Pfandbriefbank loans and covered bonds. Valiant obtains a limited amount of funding from third-party banks on the short- to medium-term money market. The costs of funding and liquidity management are passed onto the business areas by means of fund transfer pricing.

The Executive Board delegates the implementation of liquidity risk management to ALCO. The principles of the implementation of liquidity risk management (responsibilities and procedures in the management of liquidity) are regulated in the directives. ALM/Treasury, a department that operates independently of the bank's front office, is responsible for implementing liquidity and funding management. The department ensures compliance with the regulatory requirements governing liquidity and the monitoring of compliance with limits. ALM/Treasury reports regularly to the Executive Board and ALCO. As the second line of defence, Risk Control monitors the internal control system and assesses liquidity and funding risks on a quarterly basis.

Valiant takes extensive risk mitigation measures to limit liquidity risks. The Executive Board issues additional warning limits to support compliance with global limits. Any breaches of warning limits trigger precisely defined action plans that ensure communication with the relevant internal committees while ensuring immediate rectification of the breach. Valiant maintains a minimum amount of liquid assets in the form of a liquidity reserve. These assets meet the requirements for high-quality liquid assets. Furthermore, Valiant holds unencumbered collateral with the Pfandbriefbank and for the issue of covered bonds as part of the covered bond programme. ALM/Treasury produces long-term liquidity and funding plans and tactical liquidity plans based on balance sheet structure planning.

Valiant carries out bank-specific and systemic stress tests at least once a month to identify and quantify stress factors and analyse the effects on its payment inflows and outflows and liquidity position. The results of the stress tests and compliance with stress limits are reported monthly to the Executive Board and quarterly to the Audit and Risk Committee of the Board of Directors. The stress scenarios are reviewed at least annually to check they are still appropriate and are submitted for approval to the Board of Directors.

Valiant has a comprehensive contingency plan in place to address any acute liquidity shortages. The liquidity contingency plan is part of the bank's overall contingency planning. General and specific early warning indicators are defined to identify any latent liquidity shortages as well as heightened funding risks.



**Operational risk**

Operational risk is defined as the “risk of directly or indirectly incurring losses due to the inappropriateness or failure of internal procedures, persons or systems or based on any external events”. This definition covers legal and compliance risks, but not strategic or reputational risks. Operational risk is a consequential risk of engaging in business with clients.

**Risk appetite and risk tolerance** The Board of Directors has issued regulations specifying risk appetite and risk tolerance in connection with operational risk, including the treatment of electronic client data. There is, as a general rule, no appetite for taking on high-impact operational risk and/or risk with a high probability of occurrence, unless appropriate measures are in place to mitigate or transfer it. The measures put in place must be sufficient to ensure that the potential impact and probable occurrence of the residual risks are reduced to such an extent that they would be within the risk tolerance specified by the Board of Directors. The prospective assessment of operational risk is based on the inventory of operational risk, which is used to assess both inherent risk (total risk before risk mitigation measures) and residual risk, which takes into account measures (in particular targeted checks) to mitigate it. The Board of Directors has also issued quantitative parameters (reportable events) and qualitative metrics for the downstream assessment of risk tolerance.

**Instruments for the identification, evaluation and steering of operational risk** The main ways in which Valiant identifies inherent risks are as follows:

- appointing individuals with internal control system (ICS) responsibilities in each business unit, who use their specialist expertise to prepare the inventory of operational risk together with Risk Control;
- collecting and analysing loss data with which to estimate potential losses;
- reports of the internal and external auditors;
- internal reports (for example compliance reports, client complaints, financial reports);
- analysing information from external sources such as FINMA, the Swiss National Bank, the Swiss Bankers Association, the Swiss Banking Ombudsman, IT outsourcing providers, the Reporting and Analysis Centre for Information Assurance (MELANI), the press and specialist journals;
- risk and performance indicators (e.g. outsourcing KPIs and confirmation by the control officers that key checks have been carried out) for the monitoring of operational risk and indicators of the effectiveness of the internal control system.

**Internal control system (ICS)** Measures to mitigate inherent operational risks require, in particular, an appropriate ICS. Tailored controls are integrated into the processes used to provide services and are applied on a continuous basis and documented appropriately. An appropriate segregation of functions is incorporated into the organisational structure and the relevant processes. The people responsible for the ICS evaluate the design effectiveness of the internal controls in their area at least once per year. Responsibility for the management of operational risks and implementation of suitable processes and systems lies with the respective line manager. The Board of Directors assesses the appropriateness and effectiveness of the ICS on a regular basis. The assessment of the ICS is preceded by a detailed review by the Audit and Risk Committee.

Valiant's ICS includes three lines of defence.

- In the first line, the ICS ensures that, for all relevant bank processes, the risks are systematically identified, measured, managed and monitored. Targeted checks are integrated into the processes used to provide services and are applied on a continuous basis and documented appropriately. An appropriate segregation of functions is incorporated into the organisational structure and the relevant processes.
- The second line of defence is Risk Control and Compliance, which perform their monitoring and oversight function independently of the revenue-generating departments.
- As the third line, the bank is audited by Internal Audit.

**Business continuity management (BCM)** The primary goal of Valiant is to ensure access to its services at all times. That is why information security (preserving confidentiality, availability and integrity of critical data and the protection of key Valiant information systems) is crucial for Valiant.

The Valiant business model applies high-level sourcing in the field of IT and uses services from first-class providers, which give optimal support to Valiant's business development. Valiant's capabilities, processes and organisation are systematically developed on an on-going basis to connect optimally with the providers' sourcing and performance models and proactively manage them.

The principles of securing, maintaining and restoring critical functions in the event of massive and drastic internal or external events are regulated in the BCM strategy.

There are business continuity plans (BCP) for all critical functions and the requisite associated processes and resources.

A business impact analysis is conducted at least annually and covers all critical functions and processes to prepare specifically for any crisis situations. Current business continuity plans (BCP) and disaster recovery plans (DRP) are checked, tested and updated in coordination with the outsourcing providers.

The task of actual crisis management until the restoration of normal working order falls to a crisis committee composed and trained for situations of this nature, the functioning of which is reviewed and optimised through an annual crisis committee exercise.

**Operational resilience** Besides the ability to restore critical functions in the event of interruptions within the tolerance level, operational resilience also involves identifying threats and possible outages, protecting the company from and responding to them, restoring normal business activities and learning from them to minimise the consequences of interruptions. To strengthen operational resilience, Valiant conducts an analysis at least annually of threats and possible interruptions to critical functions as well as measures taken to reduce the probability of occurrence of outages or disruptions. Resulting measures are discussed and implemented with the relevant specialist areas.

**Use of artificial intelligence (AI)** The use of AI in the financial sector is increasing steadily. Valiant also uses specific AI-based applications, for example to identify and combat fraud in digital payment services or to evaluate financed property tools used by external service providers. An in-house review process must be completed before AI-based applications are used at Valiant. Valiant uses a range of continuously optimised detection and identification tools in cooperation with its outsourcing partners in its defence against cyber attacks, which are becoming increasingly sophisticated through AI (more realistic phishing attacks, deepfake technologies). It also conducts awareness campaigns for employees.

**Reporting** Risk Control reports periodically to the Audit and Risk Committee and the Board of Directors on compliance with operational risk regulations. Its reports mainly cover compliance with risk tolerance requirements, the assessment of operational risk (in particular new risks or changes to risk assessments) and operational resilience, as well as an evaluation of operational losses. The reports also cover the key checks carried out by control officers and the work of Risk Control.

### **Compliance risks**

The regulations and standards governing banking business are set out in federal acts and ordinances, FINMA circulars, and the rules of professional conduct and guidelines prescribed by the Swiss Bankers Association for the purpose of self-regulation. International regulations also affect the financial industry in Switzerland, both directly and indirectly, and must therefore be duly observed and complied with. In addition to compliance with regulatory requirements, effective compliance management allows compliance risks to be managed and monitored, thereby enabling legal business activities.

**Mechanisms for combating money laundering** Swiss banks are subject to stringent requirements for combating money laundering and terrorism financing and FINMA monitors compliance with these requirements. Valiant consistently implements all the regulations pertaining to it and ensures compliance by means of checks, monitoring measures and detailed risk analysis.

**Financial Services Act (FinSA)/Financial Institutions Act (FinIA)** The processes to implement FinSA are established at Valiant. For example, we ensure that we comply with the more extensive information provision and disclosure requirements when distributing investment products. We also make systematic enquiries into the client's risk appetite and risk capacity and keep appropriate records of client discussions. We observe the increased requirements in terms of training and development for client advisors are observed.

**Data Protection Act (DPA)** Valiant has implemented all relevant requirements. Clients are informed about how Valiant processes their personal data in the privacy policy issued and published on the website. Valiant's employees receive training on the obligations arising from the DPA in accordance with their function.

**Cross-border financial services business** As a Swiss-oriented retail bank, Valiant takes a restrictive approach to clients domiciled abroad. Transactions with foreign clients are only carried out if they have a sufficiently close connection to Switzerland. Business relationships can only be initiated within Switzerland. Valiant does not actively seek to acquire clients domiciled outside Switzerland. In light of the underlying risks, it is Valiant's policy not to offer securities transactions to its clients domiciled abroad. Clients domiciled outside Switzerland are serviced centrally in a department whose staff are given specific training to enable them to complete their tasks.

**Tax compliance** Valiant meets the requirements of tax regulations, which are based on Swiss law but also have extraterritorial effect. Valiant therefore has an obligation to report data relating to clients with a foreign tax liability to the foreign tax authorities. These tax regulations are:

- Qualified Intermediary (QI), requirements for correctly withholding tax on US investment income that have been in force since 2001
- Foreign Account Tax Compliance Act (FATCA), which has been in force since 2014 and requires that the US status of all bank clients is identified and verified
- Automatic Exchange of Information (AEOI), a requirement since 2017 to identify and report all bank clients with tax residency in an AEOI partner country

### Strategic risks

Strategic risks are risks arising from an incorrect strategy, poor strategy implementation or a lack of adaptability to changes in the corporate environment (e.g. legal framework, adverse macroeconomic developments).

The Board of Directors sets and regularly reviews the strategy. The Executive Board monitors compliance with strategic guidelines and the effects of the strategic guidelines at regular intervals and reports its findings to the Strategy Committee of the Board of Directors and the Board of Directors.

### Reputational risks

Reputational risks present the threat of negative publicity about the business practices or business relationships of a bank, whether accurate or not, affecting trust in the integrity of the institution. Reputational risks are not usually quantifiable and can therefore not be controlled through quantitative limits. Reputational risks are mitigated as far as possible through numerous instruments designed to promote competence and integrity and an appropriate internal control system.

### Environmental/sustainability risks

Valiant is aware of the growing importance of sustainability in the financial sector (sustainable finance) and acts responsibly in its approach to people, resources and governance. The "Valiant 2029" strategy aims to align business activities more strongly with sustainability. CO<sub>2</sub> management is a key element of this strategy. Valiant is committed to minimising ESG risks as far as possible by introducing targeted measures that comply with regulatory developments and meet the requirements of the economic environment.

The effects of climate change have financial risks for financial institutions. These constitute, primarily, the physical risks that climate change itself may entail, but also transition risks related to the decarbonisation of the economy. Financial institutions need to recognise and appropriately manage their key climate-related financial risks. Consequently, Valiant has addressed sustainability risks and in particular climate risks even more rigorously, with a view to incorporating them in the bank-wide risk management. The principles established

are being disclosed for the first time as part of our climate reporting in respect of the 2024 financial year, in accordance with the internationally recognised recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Key principles and ambitions:

- Valiant bases its business activities on the Paris Agreement and Swiss climate goals. We aim to be climate-neutral by 2050 by gradually reducing CO<sub>2</sub> emissions from banking operations and from the relevant business areas such as finance and investments.
- Credit policy: Valiant avoids risky and ethically questionable exposures and accordingly excludes controversial environmental and social themes from project financing in corporate business. In consultations on financing residential property, we discuss factors including long-term value preservation, energy efficiency and foreseeable renovation requirements, and offer a suitable financing package for energy-efficient renovations.
- Investment business (products and services): Clients are asked about their ESG preferences during investment consultations and are then offered investment products and services that align with those preferences. Valiant only provides clients with investment recommendations that are in line with their ESG preferences. We always take sustainability aspects into account in our products and services and expand their scope as needed to cover our entire range of products and services.
- We are aware of and manage sustainability risks in relation to products and services (“do no harm”) and use the opportunities presented by sustainability for selected market developments and income generation.

**Instruments for identifying, evaluating and managing environmental and sustainability risks** Valiant has processes for risk identification and measurement, which are performed by risk management at company level. Measurements used as risk indicators for management of climate-related risks include direct greenhouse gas emissions (Scope 1) and emissions caused indirectly through the purchase of energy (Scope 2). We also record the extent of financed greenhouse gas emissions (Scope 3) in the loan portfolio, i.e. for mortgages and corporate lending, as well as in the investment portfolio.

In addition, we have suitable metrics for monitoring physical and transition risks.

Climate risks and their effects on Valiant are, as far as possible, quantified and used as a basis to define measures that promote sustainable investment and financing in a targeted way.

Further information on sustainability can be found in the 2024 Sustainability Report. Climate reporting in accordance with the TCFD recommendations can be found on pages 85–113, and details on risk management and the above key figures are provided on pages 28–32 and pages 108–109.

## Notes on the methods used to identify credit risk and determine impairments

### Monitoring of credit commitments

Monitoring of credit commitments depends on the type of security with suitable instruments and measures and appropriate frequencies to the inherent risks.

Information is requested from clients once a year, or more often if needed, for unsecured commercial loans. This information provides an insight into the company's financial situation and thus helps in determining the current rating. In addition, an early warning system is used to detect latent risks. Further information on monitoring credit commitments can be found in the "Risk mitigation measures" section on page 125.

### Determination of impairments

Client credit ratings are calculated by means of a client-specific rating model that is used to estimate clients' probability of default. Valiant uses the Creditmaster client rating system developed by RSN Risk Solution Network AG. For private individuals, the key factor is income, while for corporate clients factors such as profitability, the debt/equity ratio and liquidity are the main criteria. The assessment is mainly based on quantitative factors, although qualitative factors are also taken into consideration for private clients and large corporate clients.

As well as assessing the client's creditworthiness by means of the client rating, the collateral used to secure the loan is also reviewed and revalued periodically. In the case of newly identified or already known impaired positions and positions with increased risks, individual valuation allowances are created on the uncovered portion of the credit exposure. Further information on the creation and release of value adjustments for inherent default risks can be found in the group accounting policies on page 115.

### Impaired loans/receivables

For impaired loans, i.e. claims for which it is unlikely that the borrower can meet its future liabilities, the liquidation value of the collateral is determined and the impairment is covered by individual valuation allowances where necessary. The impairment is based on the difference between the book value and the realisable value, taking into account counterparty risk and the net proceeds from the realisation of any collateral held. The estimated proceeds from any sale are discounted to the balance sheet date.

Loans are classified as impaired at the latest when the contractually agreed payments of capital and/or interest have been overdue for more than 90 days. Hence we also analyse and monitor outstanding interest and principal payments. Overdue and impaired interest payments are charged directly to value adjustments.

Impaired loans are only reclassified as performing loans if the principal and interest are paid as contractually agreed and other credit rating criteria are met. Value adjustments and provisions that are no longer needed are reversed through the income statement.

If a loan is classified as wholly or partly irrecoverable or the claim is waived, it is reversed by booking it against the corresponding value adjustment.

## Notes on the valuation of collateral

The collateral to secure a loan is valued on the basis of the standard criteria used in the banking industry.

### **Mortgage-based loans**

How mortgages that secure loans are valued depends on the use of the property and the type of property. A hedonic valuation model is used for assessing owner-occupied properties; it compares real estate transaction data based on the detailed characteristics of each property. For investment properties, such as multi-family dwellings and office, commercial or industrial properties, the property values are determined using a capitalisation model. This involves calculating the property's earning-capacity value on the basis of its regular income streams. If the credit commitment is not to be continued and the loan/receivable is impaired, the property is valued at its liquidation value. Valiant uses the lowest of the bank's internal valuation or, in rare cases, the external assessment and the purchase price or investment costs as the basis for granting loans.

### **Loans not secured by a mortgage**

Valiant provides loans that are not secured by a mortgage in all the usual forms (line of credit, loan, forward loan). Assets such as current accounts, marketable and liquid securities, insurance policy entitlements, assets in fiduciary accounts and other eligible assets are pledged against these loans. To cover the market risk associated with the collateral, haircuts are applied to market values when calculating collateral value.

## Business policy on the use of derivative financial instruments and hedge accounting

Derivative financial instruments are used in both the trading and the banking book.

The derivative financial instruments allocated to the trading book are derivatives traded with third parties to meet client needs and currency swaps used by Treasury for non-speculative balance sheet management purposes.

The derivative financial instruments in the banking book are used solely to manage interest rate risks and are subject to hedge accounting. Interest-rate-sensitive loans and liabilities in the banking book (underlying transaction) are hedged using interest rate derivatives (hedging transaction). Some interest-rate-sensitive positions in the banking book (in particular mortgage loans and amounts and liabilities due from and to clients) are grouped into various maturity bands by currency and hedged using macro hedges. When a financial instrument is recognised as a hedging transaction, the bank records the relationship between this instrument and the underlying transaction. The bank also records the risk management goals and strategy for the hedge and the methods for assessing the effectiveness of the hedge relationship. The economic relationship between the underlying and the hedge is continually monitored in a forward-looking manner by means of an effectiveness test, for instance by observing the opposing changes in their values and their correlation.

### Measuring the effectiveness of a hedge

A hedge works most effectively if it meets the following criteria in all material aspects:

- The hedge is assessed as being highly effective both at initiation and throughout its term.
- There is a close economic relationship between the underlying and the hedge.
- Changes in the value of the underlying and the hedge offset each other with respect to the hedged risk.
- The effectiveness of the hedge lies in a range of between 80 % and 125 %.

### Ineffectiveness

If a hedging transaction no longer meets the effectiveness criteria, it is treated as trading portfolio assets and the ineffective portion is recognised in "Result from trading activities and the fair value option".



## Material events after the balance sheet date

No material events have occurred since the balance sheet date that might have a material influence on the assets, financial position or income situation of Valiant during the year under review.

## Auditors

The auditors did not resign early from their function during the year under review.

## Further information required by law

There is no further information required by law that has not been published in these consolidated financial statements.

## Information on the balance sheet

### 1. Securities financing transactions

There were no securities financing transactions at the balance sheet date.

### 2. Collateral for loans and off-balance-sheet transactions, as well as impaired loans

		Type of collateral			
		Secured by mortgage in CHF thousands	Other collateral in CHF thousands	Unsecured in CHF thousands	Total in CHF thousands
<b>Loans</b>					
Due from customers		337,374	628,924	582,233	1,548,531
Mortgage loans		28,693,668		30,227	28,723,895
Residential property		25,371,948		16,851	25,388,799
Office and business premises		694,822		1,453	696,275
Commercial and industrial premises		1,463,967		11,594	1,475,561
Other		1,162,931		329	1,163,260
<b>Total loans (before netting with value adjustments)</b>					
Current year		29,031,042	628,924	612,460	30,272,426
Previous year		28,528,605	639,466	609,256	29,777,327
<b>Total loans (after netting with value adjustments)</b>					
Current year		28,995,975	628,763	524,009	30,148,747
Previous year		28,498,197	639,268	539,478	29,676,943
<b>Off-balance-sheet transactions</b>					
Contingent liabilities		7,975	18,279	108,790	135,044
Irrevocable commitments		725,376		156,490	881,866
Commitments relating to calls on shares and other equities				66,717	66,717
<b>Total off-balance-sheet transactions</b>					
Current year		733,351	18,279	331,997	1,083,627
Previous year		827,360	16,980	320,989	1,165,329

Impaired loans / receivables	Total debt in CHF thousands	Estimated liquidation value of collateral in CHF thousands	Net debt in CHF thousands	Individual value adjustments in CHF thousands
Current year	121,721	80,632	41,089	41,089
Previous year	84,783	57,398	27,385	27,385

The net debt under impaired loans rose by CHF 13.7 million over the previous year. This increase resulted from some individual positions for which the rating was downgraded. There is no indication of a systematic deterioration in the overall situation.

Non-performing assets totalled CHF 64.9 million (previous year: CHF 48.3 million).

### 3. Trading portfolio assets and other financial instruments at fair value

	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
<b>Assets</b>		
<b>Trading portfolio assets</b>	<b>10,226</b>	<b>14,782</b>
Equity securities	10,226	14,782
<b>Other financial instruments at fair value</b>	<b>0</b>	<b>0</b>
<b>Total assets</b>	<b>10,226</b>	<b>14,782</b>

### 4. Derivative financial instruments

		Trading instruments			Hedging instruments		
		Positive replacement values in CHF thousands	Negative replacement values in CHF thousands	Contract volume in CHF thousands	Positive replacement values in CHF thousands	Negative replacement values in CHF thousands	Contract volume in CHF thousands
Swaps					46,732		1,680,000
<b>Interest-rate instruments</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>46,732</b>	<b>0</b>	<b>1,680,000</b>
Forward contracts		18,706	5,953	1,718,015			
<b>Foreign exchange/precious metals</b>		<b>18,706</b>	<b>5,953</b>	<b>1,718,015</b>	<b>0</b>	<b>0</b>	<b>0</b>
Options (exchange-traded)							
<b>Equity securities/indices</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total before netting agreements</b>							
	Current year	18,706	5,953	1,718,015	46,732	0	1,680,000
	Previous year	2,999	22,463	990,564	104,937	0	2,430,000
of which determined using a valuation model							
	Current year	18,706	5,953		46,732		
	Previous year	2,999	22,463		104,937		

		Positive replacement values (cumulative) in CHF thousands	Negative replacement values (cumulative) in CHF thousands
<b>After netting agreements</b>			
<b>Current year</b>		<b>65,438</b>	<b>5,953</b>
<b>Previous year</b>		<b>107,936</b>	<b>22,463</b>

		Central clearing houses in CHF thousands	Banks and securities dealers in CHF thousands	Other customers in CHF thousands
<b>By counterparty</b>				
Positive replacement values		0	64,217	1,221
Negative replacement values		0	5,159	794

At the reporting date, no balance sheet netting had been carried out.

		Positive replacement values in CHF thousands	Negative replacement values in CHF thousands	Contract volume in CHF thousands
<b>Banks by residual maturity</b>				
With a residual maturity of up to 1 year		19,225	5,147	2,058,098
With a residual maturity of more than 1 year		44,992	12	1,242,878

## 5. Financial investments

	Book value		Fair value	
	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Debt securities	2,267,240	1,086,840	2,335,891	1,079,355
of which intended to be held to maturity	2,267,240	1,086,840	2,335,891	1,079,355
Equity securities	1,882	1,882	7,183	7,001
of which qualified holdings <sup>1</sup>	88	88	210	210
Precious metals	85	83	85	83
Real estate	1,334	500	1,334	500
<b>Total financial investments</b>	<b>2,270,541</b>	<b>1,089,305</b>	<b>2,344,493</b>	<b>1,086,939</b>
of which securities eligible for repo transactions in accordance with liquidity regulations	2,266,740	1,086,340		

<sup>1</sup> At least 10 % of the capital or voting rights

	AAA to AA <sup>-1</sup> Aaa to Aa3 <sup>2</sup> in CHF thousands	A+ to A <sup>-1</sup> A1 to A3 <sup>2</sup> in CHF thousands	BBB+ to BBB <sup>-1</sup> Baa1 to Baa3 <sup>2</sup> in CHF thousands	BB+ to B <sup>-1</sup> Ba1 to B3 <sup>2</sup> in CHF thousands	Below B <sup>-1</sup> Below B3 <sup>2</sup> in CHF thousands	Unrated in CHF thousands	Total in CHF thousands
Debt securities at book value	2,266,740	500					2,267,240

<sup>1</sup> S&P, Fitch, ZKB rating

<sup>2</sup> Moody's rating

The rating of a security is based on the credit rating assigned by one of the three rating agencies: S&P, Moody's and Fitch. If a security has a rating from more than one of these agencies, the second-highest rating is used.

If an issuer has not been rated by one of these three agencies, the rating published by Zürcher Kantonalbank is used.

## 6. Non-consolidated participations

	Acquisition cost in CHF thousands	Accumulated impairments and changes in book value in CHF thousands	Book value 31/12/2023 in CHF thousands	Reclassifications in CHF thousands	Additions in CHF thousands	Disposals in CHF thousands	Impairments in CHF thousands	Changes in book value in the case of holdings valued using the equity method/ impairment reversals in CHF thousands	Book value 31/12/2024 in CHF thousands
<b>Holdings valued using the equity method</b>	<b>181,281</b>		<b>181,281</b>					<b>1,764</b>	<b>183,045</b>
without market value	181,281		181,281					1,764	183,045
<b>Other non-consolidated holdings</b>	<b>66,736</b>	<b>-3,050</b>	<b>63,686</b>		<b>13,321</b>				<b>77,007</b>
without market value	66,736	-3,050	63,686		13,321				77,007
<b>Total non-consolidated holdings</b>	<b>248,017</b>	<b>-3,050</b>	<b>244,967</b>	<b>0</b>	<b>13,321</b>	<b>0</b>	<b>0</b>	<b>1,764</b>	<b>260,052</b>

## 7. Companies in which the group has a permanent significant direct or indirect participation

### Fully consolidated participations

Company name and domicile	Business activity	Company capital in CHF thousands	Share of capital as %	Share of votes as %
Valiant Bank AG, Bern	Bank	153,800	100.00	100.00
Valiant Immobilien AG, Bern	Real estate	2,000	100.00	100.00

### Non-consolidated participations

Company name and domicile	Business activity	Company capital in CHF thousands	Share of capital as %	Share of votes as %	Accounted for using the equity method	Carried at cost
AgentSelly AG, Risch	Internet services in connection with real estate	144	100.00	100.00		x
Bernexpo Holding AG, Bern	Event management	3,900	18.69	18.69		x
Crédit Mutuel de la Vallée SA, Le Chenit	Bank	1,200	49.97	49.97	x	
Entris Holding AG, Muri b. Bern	Financial services	25,000	58.84	58.84	x	
Gerag Gewerberevisions AG, Bern	Commercial accounting and auditing	100	40.00	40.00		x
Parkhaus Kesselturm AG, Luzern	Car-park management	2,825	7.96	7.96		x
Pfandbriefbank schweizerischer Hypothekarinstitute AG, Zurich	Procurement of capital-market funding	1,200,000	9.92	9.92		x
SIX Group AG, Zurich	Safekeeping of securities	19,522	0.33	0.33		x
ValFinance AG, Bern	Financial services	100	100.00	100.00		x
Valiant Garantie AG, Bern	Granting of guarantees	100	98.00	98.00		x
Valiant Hypotheken AG, Bern	Granting of guarantees	100	98.00	98.00		x

### Indirect participations

Company name and domicile	Business activity	Company capital in CHF thousands	Share of capital as %	Share of votes as %
Viseca Payment Services AG, Zurich <sup>1</sup>	Holding of equity interests and financing of subsidiaries	25,000	8.24	8.24

<sup>1</sup> Holding of Entris Group

AgentSelly AG is a start-up company offering a full range of real estate services. Valiant has a 100 % participation in AgentSelly AG. As this participation is not material for the Valiant Group's financial reporting or risk exposures, it has not been consolidated. The participation is valued at purchase price less economically necessary impairments.

Although Valiant's holding amounts to 58.84 %, Entris Holding AG is accounted for using the equity method because:

- Under the Entris shareholder agreement, key decisions require a two-thirds majority. These are primarily decisions concerning senior management and strategic tasks of the shareholder pool.
- Valiant representatives do not have a majority on the Board of Directors of Entris Holding AG and/or Entris group companies.
- The Entris group is a joint venture among all Entris banks.

As it is not material, Gerag Gewerberevisions AG is recognised at purchase price less economically necessary impairments.

ValFinance AG is an inactive company and its equity capital is not material relative to the group. The participation is valued at purchase price less economically necessary impairments.

Valiant Hypotheken AG and Valiant Garantie AG were founded with the specific and sole purpose of issuing covered bonds (table 15). They function as guarantors of the covered bonds issued by Valiant Bank AG. Valiant Hypotheken AG and Valiant Garantie AG do not have a material impact on total assets or the income statement and are therefore recognised at purchase price less economically necessary impairments.

Indirect participations are listed above a materiality threshold of 5% of the votes and a pro-rata bank's capital of CHF 2 million.

## 8. Tangible fixed assets

	Acquisition cost in CHF thousands	Accumulated depreciation in CHF thousands	Book value 31/12/2023 in CHF thousands	Reclassifica- tions in CHF thousands	Additions in CHF thousands	Disposals in CHF thousands	Depreciation in CHF thousands	Book value 31/12/2024 in CHF thousands
Real estate	180,697	-106,359	74,338		1,290	-109	-7,924	67,595
Bank buildings <sup>1</sup>	154,007	-89,177	64,830		1,290		-7,561	58,559
Other real estate	26,690	-17,182	9,508			-109	-363	9,036
Other tangible fixed assets	25,149	-12,958	12,191		10,298	-31	-10,051	12,407
<b>Total tangible fixed assets</b>	<b>205,846</b>	<b>-119,317</b>	<b>86,529</b>	<b>0</b>	<b>11,588</b>	<b>-140</b>	<b>-17,975</b>	<b>80,002</b>

<sup>1</sup> Incl. installations in rented properties

There are no liabilities from future leasing instalments under operating leases. The bank has rental agreements for offices and branches with residual terms of more than a year, which are not considered operating leases.

## 9. Intangible assets

	Cost in CHF thousands	Accumulated amortisation in CHF thousands	Book value 31/12/2023 in CHF thousands	Additions in CHF thousands	Amortisation in CHF thousands	Book value 31/12/2024 in CHF thousands
Other intangible assets				1,868	-1,868	0
<b>Total intangible assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,868</b>	<b>-1,868</b>	<b>0</b>

## 10. Other assets and other liabilities

	Other assets		Other liabilities	
	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Offset account			206,076	281,263
Amount recognised as assets in respect of employer contribution reserves	2,020	1,852		
Indirect taxes	6,244	2,824	21,556	17,402
Gains on financial investments sold prior to maturity	16,765	21,856	7,465	11,414
Other	3,338	6,061	794	1,587
<b>Total other assets and other liabilities</b>	<b>28,367</b>	<b>32,593</b>	<b>235,891</b>	<b>311,666</b>

## 11. Assets pledged or assigned to secure own liabilities and assets under reservation of ownership

	Amount due		Of which drawn down	
	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Cash and cash equivalents (Esisuisse collateral account)	78,245	75,045		
Mortgages pledged or assigned for central mortgage institution loans	9,316,579	8,745,863	7,114,100	6,342,300
Amounts due from customers pledged or assigned for the covered bonds	3,600	1,600		
Due from customers assigned under the COVID-19 refinancing facility	61,731	101,451	61,900	98,900
Mortgages pledged or assigned for the covered bonds	4,643,879	4,357,292	2,828,000	2,928,000
Due from banks	3,260	10,460		
<b>Total pledged assets</b>	<b>14,107,294</b>	<b>13,291,711</b>	<b>10,004,000</b>	<b>9,369,200</b>

## 12. Liabilities relating to own pension funds and equity instruments of the bank held by own pension schemes

	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
<b>Valiant Holding pension fund</b>		
Liabilities	9,156	19,311
<b>Total liabilities</b>	<b>9,156</b>	<b>19,311</b>

The pension fund of Valiant Holding holds no shares in Valiant Holding AG.

## 13. Economic situation of the bank's own pension schemes

<b>Employer contribution reserves (ECR)</b>	Nominal value 31/12/2024 in CHF thousands	Waiver of use 31/12/2024 in CHF thousands	Net amount 31/12/2024 in CHF thousands	Net amount 31/12/2023 in CHF thousands	Impact on per- sonnel expenses 31/12/2024 in CHF thousands	Impact on per- sonnel expenses 31/12/2023 in CHF thousands
Pension scheme of Valiant Holding	2,020		2,020	1,852	-168	

The employer contribution reserves correspond to the nominal value, according to the calculation made by the pension fund. They are recognised in "Other assets". The nominal amount of the employer contribution reserves is not discounted. No interest was paid on the employer contribution reserves.

<b>Economic benefit / liability and pension expenses</b>	Overfunding/ underfunding 31/12/2024 in CHF thousands <sup>1</sup>	Economic share of Valiant 31/12/2024 in CHF thousands	Economic share of Valiant 31/12/2023 in CHF thousands	Change in economic benefit versus previous year in CHF thousands	Contributions paid for the current period in CHF thousands	Pension expense in personnel expenses 31/12/2024 in CHF thousands	Pension expense in personnel expenses 31/12/2023 in CHF thousands
avenirplus.ch Sammelstiftung	p.m.				1,231	1,231	996
Pension plans with overfunding	28,381				10,755	10,621	20,388
Pension plans with underfunding							

<sup>1</sup> Unaudited

The provisional coverage ratio of the Valiant Holding pension fund was 108.0% at the end of 2024, with a technical interest rate of 1.50% (previous year: 1.50%). The fluctuation reserve is CHF 37.3 million. Since the target figure for the fluctuation reserve will not be achieved, there is no economic benefit. The Board of Directors assumes that, even in the event of a surplus under Swiss GAAP FER 26, there is no economic benefit for the employer for the foreseeable future; it is to be used for the benefit of the insured members.

Members of the Executive Board and senior management are additionally insured under a supplementary pension fund (avenirplus.ch Sammelstiftung). Its coverage ratio is not yet known at the time of publication of the Annual Report. It was 108.5% as at 31 December 2023. The supplementary fund does not have its own legal personality. It is affiliated through the joint occupational pension fund IGP-Personalvorsorge-Stiftung. According to the current pension fund regulations, neither a future benefit nor a future liability is foreseeable.

Accounting for the pension fund of Valiant Holding and IGP-Personalvorsorge-Stiftung is carried out in accordance with the accounting recommendations under Swiss GAAP FER 26. The employer does not have any additional liabilities.

## 14. Issued structured products

There are no holdings in structured products issued by the bank.



## 15. Outstanding bonds and mandatory convertible bonds

Issuer		Interest rate	Year of issue	Early termination option	Maturity	Amount in CHF thousands
Valiant Bank AG	Valiant covered bond	1.125	2024	None	08/07/2025	20,000
Valiant Bank AG	Valiant covered bond	1.000	2024	None	28/08/2025	100,000
Valiant Bank AG	Valiant covered bond	0.000	2019	None	31/10/2025	190,000
Valiant Bank AG	Valiant covered bond	0.000	2021	None	20/01/2026	270,000
Valiant Bank AG	Valiant covered bond	0.200	2019	None	29/01/2027	303,000
Valiant Bank AG	Valiant covered bond	0.375	2017	None	06/12/2027	250,000
Valiant Bank AG	Valiant covered bond	1.850	2023	None	31/05/2028	180,000
Valiant Bank AG	Valiant covered bond	0.000	2019	None	31/07/2029	400,000
Valiant Bank AG	Valiant covered bond	0.100	2021	None	29/11/2030	215,000
Valiant Bank AG	Valiant covered bond	0.100	2021	None	07/05/2031	190,000
Valiant Bank AG	Valiant covered bond	1.550	2024	None	23/04/2032	400,000
Valiant Bank AG	Valiant covered bond	0.125	2019	None	04/12/2034	310,000
Mortgage Bond Bank of Swiss Mortgage Institutions	Central mortgage institution loans	1.176 <sup>1</sup>				7,114,100
<b>Total</b>						<b>9,942,100</b>

<sup>1</sup> Average interest rate

The covered bonds issued are backed by mortgage loans. The mortgage loans are ceded to the guarantors of the covered bonds, Valiant Hypotheken AG or Valiant Garantie AG. Please refer to the issue prospectuses for further information.

	Due 2025 in CHF thousands	Due 2026 in CHF thousands	Due 2027 in CHF thousands	Due 2028 in CHF thousands	Due 2029 in CHF thousands	Due >2029 in CHF thousands	Total in CHF thousands
Bonds	310,000	270,000	553,000	180,000	400,000	1,115,000	2,828,000
Mortgage bond notes of the Mortgage Bond Bank of Swiss Mortgage Institutions	505,300	760,100	465,100	393,400	353,400	4,636,800	7,114,100
<b>Total</b>	<b>815,300</b>	<b>1,030,100</b>	<b>1,018,100</b>	<b>573,400</b>	<b>753,400</b>	<b>5,751,800</b>	<b>9,942,100</b>

## 16. Value adjustments, provisions and reserves for general banking risks

	31/12/2023 in CHF thousands	Used as allocated in CHF thousands	Recognition of value adjustments for inherent default risks in CHF thousands	Reclassifica- tions in CHF thousands	Past due inter- est, recoveries in CHF thousands	Additions charged to income state- ment in CHF thousands	Releases credited to income statement in CHF thousands	31/12/2024 in CHF thousands
Provisions for deferred taxes	1,820					28	-10	1,838
Provisions for pension commitments								0
Provisions for credit risk	14,345		47	-3,350				11,042
Provisions for restructuring <sup>1</sup>	8,169	-2,680					-1,544	3,945
Other provisions <sup>2</sup>	3,553	-142				545	-370	3,586
<b>Total provisions</b>	<b>27,887</b>	<b>-2,822</b>	<b>47</b>	<b>-3,350</b>	<b>0</b>	<b>573</b>	<b>-1,924</b>	<b>20,411</b>
<b>Reserves for general banking risks<sup>3</sup></b>	<b>109,786</b>					<b>46,000</b>		<b>155,786</b>
Value adjustments for credit risk in respect of impaired loans / receivables	27,384	-2,251		9,356	1,825	11,889	-7,114	41,089
Value adjustments for latent risks	73,000	-12	7,552	-6,006		19,906	-11,850	82,590
<b>Value adjustments for credit and country risks</b>	<b>100,384</b>	<b>-2,263</b>	<b>7,552</b>	<b>3,350</b>	<b>1,825</b>	<b>31,795</b>	<b>-18,964</b>	<b>123,679</b>

<sup>1</sup> Provision for the completion of work in progress from the customer zone project and the 2020-2024 strategy

<sup>2</sup> Provisions for legal risks, variable compensation as well as for the implementation of strategic projects

<sup>3</sup> CHF 0.5 million, not taxed (previous year: CHF 0.5 million)

<sup>4</sup> During the reporting year, portfolio-based value adjustments for inherent risks were carried out in the amount of CHF 7.6 million. The amount was charged to the retained earnings reserves. The growth of these value adjustments will continue to the end of 2025, the sum is estimated at CHF 35.8 million.

## 17. Bank's capital

Disclosure at group level is not required based on financial reporting for banks (FINMA Circular 2020/1). For information on the bank's capital, please refer to the annual financial statements of Valiant Holding AG.

## 18. Shares or share options allocated during the year under review to management and administrative bodies and employees

	Number Equity securities		Value Equity securities	
	31/12/2024	31/12/2023	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Members of the Board of Directors	4,077	4,290	358	358
Members of the Executive Board	6,125	4,184	538	349
Members of Senior Management	9,437	6,732	829	562
<b>Total</b>	<b>19,639</b>	<b>15,206</b>	<b>1,725</b>	<b>1,269</b>

The Board of Directors was paid 30 % of its compensation in the form of Valiant shares that are blocked for a period of three years. Members of the Executive Board and senior management receive variable compensation, of which 20–30 % is paid out in the form of Valiant shares blocked for three years (see the Compensation Report for further details (pages 81–104). Measurement is according to the market value method, with blocked shares being discounted. There are no share ownership plans for employees. There are no option plans.

## 19. Related parties

	Amounts due from		Amounts due to	
	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Group companies <sup>1</sup>	13,605	8,561	6,527	3,218
Transactions with members of governing bodies <sup>2</sup>	2,862	2,863	2,267	2,019
Other related parties <sup>3</sup>	4,094,403	4,648,701	1,325	1,434

<sup>1</sup> ValFinance AG, AgentSelly AG, Valiant Hypotheken AG, Valiant Garantie AG

<sup>2</sup> Members of the Board of Directors and of the Executive Board of the Valiant Holding AG

<sup>3</sup> Entris Holding AG included Entris Banking AG

There are off-balance-sheet transactions with related parties of CHF 78.0 million. Transactions (such as securities transactions, payment transactions, the granting of loans and interest on deposits) with related parties are conducted on the same terms as those applied to third parties. Employees are granted loans at special conditions that are customary in the sector. The compensation of members of the Board of Directors and Executive Board is set out in detail on pages 96–99 of the Compensation Report.

## 20. Significant shareholders

Disclosure at group level is not required based on financial reporting for banks (FINMA Circular 2020/1). For details on significant shareholders, please refer to the statutory financial statements of Valiant Holding AG.

## 21. Own shares

Treasury shares	Average transaction price in CHF	No. of shares
Registered treasury shares at 1 January 2024		0
+ Purchases	106.08	29,817
– Sales	101.40	–10,178
– Issue of treasury shares for share-based compensation	104.58	–19,639
<b>Registered treasury shares at 31 December 2024</b>		<b>0</b>

Own shares were traded at fair value during the period under review. The sale of the registered own shares resulted in a loss of CHF 0.08 million, which was charged to the capital reserve. The shares that were sold were own shares that were not held for trading purposes. There are no repurchase or disposal obligations or other contingent liabilities associated with the own shares that were sold. Subsidiaries and affiliated companies do not hold any equity instruments in Valiant Holding AG. There are no reserved own shares.

## 22. Participations held by the governing bodies, and Compensation Report

Disclosure at group level is not required based on financial reporting for banks (FINMA Circular 2020/1). The information to be published in accordance with the legal requirements is presented in the Compensation Report. In addition, please see table 18 of the notes to the annual financial statements of Valiant Holding AG.

## 23. Maturity structure of financial instruments

		Sight deposits in CHF thousands	Callable in CHF thousands	Due within 3 months in CHF thousands	Due within 3 to 12 months in CHF thousands	Due within 12 months to 5 years in CHF thousands	Due in more than 5 years in CHF thousands	No maturity in CHF thousands	Total in CHF thousands
Cash and cash equivalents		4,081,166	78,245						4,159,411
Due from banks		43,768	10,621						54,389
Due from customers		5,942	600,006	169,176	182,638	400,071	113,393		1,471,226
Mortgage loans		5,316	4,090,760	1,553,614	2,831,778	13,889,468	6,306,585		28,677,521
Trading portfolio assets		10,226							10,226
Positive replacement values of derivative financial instruments		65,438							65,438
Financial investments		1,967		12,529	203,692	959,111	1,091,908	1,334	2,270,541
<b>Total</b>	<b>Current year</b>	<b>4,213,823</b>	<b>4,779,632</b>	<b>1,735,319</b>	<b>3,218,108</b>	<b>15,248,650</b>	<b>7,511,886</b>	<b>1,334</b>	<b>36,708,752</b>
	Previous year	4,836,949	5,556,093	1,306,958	2,595,838	13,448,931	7,930,973	500	35,676,242
Due to banks		72,355	61,900	1,284,914	210,000				1,629,169
Customer deposits		9,559,762	8,809,762	2,715,495	1,051,256	29,325	250		22,165,850
Negative replacement values of derivative financial instruments		5,953							5,953
Medium-term notes				14,201	81,846	125,585	14,695		236,327
Bond issues and central mortgage institution loans				171,800	643,500	3,375,000	5,751,800		9,942,100
<b>Total</b>	<b>Current year</b>	<b>9,638,070</b>	<b>8,871,662</b>	<b>4,186,410</b>	<b>1,986,602</b>	<b>3,529,910</b>	<b>5,766,745</b>	<b>0</b>	<b>33,979,399</b>
	Previous year	9,805,117	9,377,271	3,297,557	2,058,240	3,184,575	5,271,068	0	32,993,828

## 24. Assets and liabilities broken down by domestic and foreign positions

	31/12/2024		31/12/2023	
	Domestic in CHF thousands	Foreign in CHF thousands	Domestic in CHF thousands	Foreign in CHF thousands
<b>Assets</b>				
Cash and cash equivalents	4,158,059	1,352	4,725,757	890
Due from banks	38,208	16,181	33,924	26,705
Due from customers	1,467,151	4,075	1,472,278	4,229
Mortgage loans	28,677,521		28,200,436	
Trading portfolio assets	10,226		14,782	
Positive replacement values of derivative financial instruments	65,438		107,936	
Financial investments	1,716,280	554,261	1,007,602	81,703
Accrued income and prepaid expenses	46,555		40,094	
Non-consolidated holdings	260,052		244,967	
Tangible fixed assets	80,002		86,529	
Intangible assets	0		0	
Other assets	28,367		32,593	
<b>Total assets</b>	<b>36,547,859</b>	<b>575,869</b>	<b>35,966,898</b>	<b>113,527</b>
<b>Liabilities and equity</b>				
Due to banks	519,405	1,109,764	613,229	867,359
Customer deposits	21,921,874	243,976	21,896,912	127,345
Negative replacement values of derivative financial instruments	5,953		22,463	
Medium-term notes	236,327		196,220	
Bond issues and central mortgage institution loans	9,942,100		9,270,300	
Accrued expenses and deferred income	210,615		171,531	
Other liabilities	235,891		311,666	
Provisions	20,411		27,887	
Reserves for general banking risks	155,786		109,786	
Share capital	7,896		7,896	
Capital reserve	592,555		592,582	
Retained earnings reserve	1,770,792		1,720,994	
Consolidated net profit	150,383		144,255	
<b>Total liabilities and equity</b>	<b>35,769,988</b>	<b>1,353,740</b>	<b>35,085,721</b>	<b>994,704</b>

## 25. Assets by country and country groups

Foreign assets mainly relate to counterparties in Europe and North America. Assets are not broken down by country or country groups, as fewer than 5 % of assets are domiciled abroad.

## 26. Assets by credit rating of country groups

Assets are not broken down by credit rating of country groups, as fewer than 5 % of assets are domiciled abroad.

## 27. Assets and liabilities by the most significant currencies for the bank

<b>Assets</b>	<b>CHF in CHF thousands</b>	<b>EUR in CHF thousands</b>	<b>USD in CHF thousands</b>	<b>Other in CHF thousands</b>	<b>Total in CHF thousands</b>
Cash and cash equivalents	4,152,442	6,198	548	223	4,159,411
Due from banks	18,163	4,443	6,970	24,813	54,389
Due from customers	1,396,685	65,781	8,672	88	1,471,226
Mortgage loans	28,677,521				28,677,521
Trading portfolio assets	10,226				10,226
Positive replacement values of derivative financial instruments	65,438				65,438
Financial investments	1,773,196	497,260		85	2,270,541
Accrued income and prepaid expenses	46,555				46,555
Non-consolidated holdings	260,052				260,052
Tangible fixed assets	80,002				80,002
Intangible assets					0
Other assets	28,328	30		9	28,367
<b>Total assets shown on the balance sheet</b>	<b>36,508,608</b>	<b>573,712</b>	<b>16,190</b>	<b>25,218</b>	<b>37,123,728</b>
Delivery entitlements from spot exchange, forward forex and forex options transactions	574,647	680,976	407,280	55,112	1,718,015
<b>Total assets</b>	<b>37,083,255</b>	<b>1,254,688</b>	<b>423,470</b>	<b>80,330</b>	<b>38,841,743</b>
<b>Liabilities and equity</b>					
Due to banks	989,862	328,320	310,844	143	1,629,169
Customer deposits	21,648,460	364,549	95,883	56,958	22,165,850
Negative replacement values of derivative financial instruments	5,953				5,953
Medium-term notes	236,327				236,327
Bond issues and central mortgage institution loans	9,942,100				9,942,100
Accrued expenses and deferred income	210,615				210,615
Other liabilities	235,841	37	8	5	235,891
Provisions	20,411				20,411
Reserves for general banking risks	155,786				155,786
Share capital	7,896				7,896
Capital reserve	592,555				592,555
Retained earnings reserve	1,770,792				1,770,792
Consolidated net profit	150,383				150,383
<b>Total liabilities and equity shown on the balance sheet</b>	<b>35,966,981</b>	<b>692,906</b>	<b>406,735</b>	<b>57,106</b>	<b>37,123,728</b>
Delivery commitments from spot exchange, forward forex and forex options transactions	1,091,007	575,308	16,478	22,469	1,705,262
<b>Total liabilities and equity</b>	<b>37,057,988</b>	<b>1,268,214</b>	<b>423,213</b>	<b>79,575</b>	<b>38,828,990</b>
<b>Net position per currency</b>	<b>25,267</b>	<b>-13,526</b>	<b>257</b>	<b>755</b>	<b>12,753</b>

## Information on off-balance-sheet transactions

### 28. Contingent liabilities and contingent assets

	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Credit guarantees and similar	17,808	21,884
Performance guarantees and similar	62,537	66,730
Other contingent liabilities	54,699	55,523
<b>Total contingent liabilities</b>	<b>135,044</b>	<b>144,137</b>

There are no contingent assets.

The Valiant group belongs to the value added tax group of the Entris banking group and bears joint liability for the group's value added tax obligations towards the tax authority. At present, there are no indications of the Entris group not being able to meet its liabilities.

As an issuer of Debit Mastercard® and credit cards, Valiant is part of the Mastercard and Visa scheme networks. In the event of an issuer failure in the scheme network, all issuers are jointly and severally liable to the extent of their proportionate transaction volume of the total volume of the network. Even in the event of the failure of a large issuer, Valiant assumes an insignificant loss.

### 29. Credit commitments

	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
<b>Total credit commitments</b>	<b>0</b>	<b>0</b>

### 30. Fiduciary transactions

	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Fiduciary deposits with third-party companies	25,646	26,437
<b>Total fiduciary transactions</b>	<b>25,646</b>	<b>26,437</b>

### 31. Assets under management

The threshold for a breakdown of managed assets was not exceeded, so this information is not shown.

## Information on the income statement

### 32. Result from trading activities and the fair value option

	2024 in CHF thousands	2023 in CHF thousands
<b>Breakdown of trading income by business area</b>		
Trading income with clients	48,315	38,435
Other trading	2,137	1,839
<b>Net trading income<sup>1</sup></b>	<b>50,452</b>	<b>40,274</b>

	2024 in CHF thousands	2023 in CHF thousands
<b>Breakdown of trading income by risk</b>		
Securities	813	632
Foreign exchange	47,723	38,223
Commodities/precious metals	1,916	1,419
<b>Net trading income<sup>1</sup></b>	<b>50,452</b>	<b>40,274</b>

<sup>1</sup> Not including fair-value adjustments.

### 33. Refinancing income under "Interest and discount income" and material negative interest rates

	2024 in CHF thousands	2023 in CHF thousands
<b>Negative interest</b>		
Negative interest on lending (minus interest and discount income)		
Negative interest on borrowing (minus interest expense)		21

No refinancing costs for trading portfolio assets were booked to "Interest and discount income".

### 34. Personnel expenses

	2024 in CHF thousands	2023 in CHF thousands
Salaries (meeting-attendance fees and fixed compensation to members of the bank's governing bodies, salaries and benefits)	134,550	130,569
of which expenses related to share-based compensation and alternative forms of variable compensation	2,054	1,512
Social insurance benefits	21,971	31,310
Other personnel expenses	5,030	988
<b>Total personnel expenses</b>	<b>161,551</b>	<b>162,867</b>



## 35. General and administrative expenses

	2024 in CHF thousands	2023 in CHF thousands
Office space expenses	16,877	16,543
Expenses for information and communications technology	77,392	72,112
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	3,481	3,302
Fees of audit firm(s) (Art. 961a no. 2 CO)	908	804
of which for financial and regulatory audits including audit-related services	900	743
of which for other services	8	61
Other operating expenses	39,794	34,558
<b>Total operating expenses</b>	<b>138,452</b>	<b>127,319</b>

## 36. Material losses, extraordinary income and extraordinary expenses, material releases of reserves for general banking risks, and value adjustments and provisions no longer required

	2024 in CHF thousands	2023 in CHF thousands
<b>Extraordinary income</b>		
Gains from the sale of properties	509	2,290
Other items	162	14
<b>Total extraordinary income</b>	<b>671</b>	<b>2,304</b>
<b>Extraordinary expenses</b>		
Other items	6	6
<b>Total extraordinary expenses</b>	<b>6</b>	<b>6</b>

There were no material losses during the year under review. There was also no reversal of reserves for general banking risks. We refer to table 16 for any reversals of value adjustments and provisions no longer required.

## 37. Revaluation of participations and tangible fixed assets up to purchase price at maximum

No revaluations were carried out during the year under review.

## 38. Operating profit broken down according to domestic and foreign origin in accordance with the permanent establishment principle

There are no permanent establishments abroad.

### 39. Current and deferred taxes and tax rate

	2024 in CHF thousands	2023 in CHF thousands
Expenses for taxes on capital and income	37,638	40,260
of which expenses for current taxes	40,201	42,362
of which recognition/reversal of tax accruals	-2,563	-2,102
Recognition/reversal of provisions for deferred taxes	18	37
<b>Total taxes</b>	<b>37,656</b>	<b>40,297</b>

The weighted average tax rate on the basis of operating profit was 16.1 % in 2024 (previous year: 17.4%).

### 40. Earnings per share

	2024	2023
Group profit per share <sup>1</sup> (in CHF)	9.52	9.13
Average number of shares outstanding	15,792,461	15,792,461

<sup>1</sup> Group profit per share is calculated by dividing group profit by the average number of shares outstanding. There is no dilution.

# Auditor's report on the consolidated financial statements



## Report of the statutory auditor to the General Meeting of Valiant Holding AG, Lucerne

### Report on the audit of the consolidated financial statements

#### Opinion

We have audited the consolidated financial statements of Valiant Holding AG and its subsidiaries ('the Group'), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement, the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 109 to 154) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting rules for banks and comply with Swiss law.

#### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Our audit approach



#### Overview

Overall group materiality: CHF 9.4 million

We concluded audit work at all three fully consolidated Group companies. The 2024 consolidated financial statements of Entris Holding AG have been audited by PricewaterhouseCoopers AG since this year. This investment is accounted for in the Valiant Group's consolidated financial statements using the equity method.

As key audit matter the following area of focus has been identified:

Valuation of amounts due from customers



#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall group materiality</b>	CHF 9.4 million
<b>Benchmark applied</b>	Group profit before tax
<b>Rationale for the materiality benchmark applied</b>	We chose Group profit before taxes as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured, and it is a generally accepted benchmark for materiality considerations.

We agreed with the Audit and Risk Committee that we would report to them misstatements above CHF 940'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We defined the Group audit approach taking into account the audit work performed at the three consolidated Group companies. As Group auditors we performed the audit of the consolidation process, the presentation and disclosure of the consolidated financial statements as well as the audit of all three Group companies. We assured that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Group audit.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



#### Valuation of amounts due from customers

Key audit matter	How our audit addressed the key audit matter
<p>We consider the valuation of amounts due from customers as a key audit matter because of the significance of this asset category in relation to total assets and due to the significant scope for judgement involved in assessing the extent and amount of impairment charges for default risk.</p> <p>As of 31 December 2024, the amounts due from customers were CHF 30.1 billion and represented 81.2% of total assets. They consisted of CHF 1.5 billion due from customers and CHF 28.7 billion mortgage loans. The amounts due from customers were presented net, i.e. less impairment charges for default risks of CHF 123.7 million.</p> <p>Management assesses on an individual basis and on the basis of various key factors whether a write-down is necessary following a negative development. These factors include, amongst others, the local economic conditions, the financial net worth, liquidity and profitability of the borrowers, the impairment of the business model and the value of the collateral provided. In particular, the impairment testing of securities that have no observable market price (e.g. real estate) involves significant scope for judgement by Management.</p> <p>With regard to the group accounting policies, the approaches used to identify default risks and to determine potential impairment, and the valuation of collateral, please refer to page 115 (recognition and measurement principles for amounts due from customers and mortgage loans, and impairments for credit risk), page 134 (methods used to identify credit risk and determine impairments) and page 135 (valuation of collateral).</p>	<p>Our audit approach primarily contained functional tests on internal controls relating to the amounts due from customers at the consolidated bank. We assessed the key controls and, on a sample basis, tested compliance with them. This gave us a basis to assess compliance with the Board of Directors' requirements. In addition, as part of our substantive audit procedures, where significant scope for judgement exists (e.g. in estimating the future results of corporate customers or in assessing property values), we challenged the decisions of Management with our own critical opinion.</p> <p>Our functional tests included, specifically, checking the ratings, the repayment ratio calculation and the collateral valuation; checking loan disbursement controls and key loan file controls; checking impairment testing and the calculation of liquidation values; and examining the use of loan monitoring lists and of the related reports. Our substantive tests of detail included, specifically, sample-based credit reviews.</p> <p>We assessed the approach used to determine and provide allowances for inherent credit risks. In doing so, we assessed the assumptions on which the calculations are based and checked whether they were consistently applied.</p> <p>At our final audit we updated the results obtained from tests of controls and checked that the results of impairment tests of amounts due from customers were appropriately accounted for in the consolidated financial statements.</p> <p>The combination of our functional tests and substantive audit procedures gave us sufficient assurance to assess the valuation of amounts due from customers.</p> <p>The assumptions made were appropriate and in line with our expectations.</p>

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



#### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with accounting rules for banks and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or the Audit and Risk Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

In accordance with art. 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

A handwritten signature in blue ink, appearing to read 'Romer', written over a horizontal line.

Thomas Romer  
Licensed audit expert  
Auditor in charge

A handwritten signature in blue ink, appearing to read 'D. Mazzucca', written over a horizontal line.

Dario Mazzucca  
Licensed audit expert

Lucerne, 21 March 2025

# Disclosures of capital adequacy and liquidity

		a	c		e		
Eligible capital (in CHF thousands)		31/12/2024	30/06/2024	31/12/2023			
1	Common Equity Tier1 capital (CET1)	2,580,958	2,503,983	2,483,795			
2	Tier1 capital	2,580,958	2,503,983	2,483,795			
3	Total capital	2,583,186	2,505,204	2,484,583			
Risk-weighted assets (RWA) (in CHF thousands)							
4	RWA	15,653,408	15,553,014	15,268,390			
4a	Minimum equity (in CHF thousands)	1,252,273	1,244,241	1,221,471			
Risk-based capital ratios (as a % of RWA)							
5	CET1 ratio	16.49	16.10	16.27			
6	Core capital ratio	16.49	16.10	16.27			
7	Total capital ratio	16.50	16.11	16.27			
CET1 buffer requirements (as a % of RWA)							
8	Capital buffer in accordance with the Basel minimum requirements (2.5% from 2019) (as a %)	2.50	2.50	2.50			
9	Countercyclical buffer (Art. 44a CAO) in accordance with the Basel minimum requirements (as a %)	0.00	0.00	0.00			
11	Overall buffer in accordance with the Basel minimum CET1 requirements (as a %)	2.50	2.50	2.50			
12	CET1 available after meeting the Basel minimum requirements (after deduction of CET1 to cover the minimum requirements and, where necessary, to cover the TLAC requirements)(as a %)	8.50	8.11	8.27			
Target capital ratios in accordance with Annex 8 of CAO (as a % of RWA)							
12a	Capital buffer in accordance with Annex 8 of CAO (as a %)	4.00	4.00	4.00			
12b	Countercyclical buffer (Art. 44 and 44a CAO) (as a %)	1.54	1.55	1.55			
12c	CET1 minimum requirement (as a %) in accordance with Annex 8 of CAO plus the countercyclical capital buffer in accordance with Art. 44 and 44a CAO	9.34	9.35	9.35			
12d	T1 minimum requirement (as a %) in accordance with Annex 8 of CAO plus the countercyclical capital buffer in accordance with Art. 44 and 44a CAO	11.14	11.15	11.15			
12e	Total capital minimum requirement (as a %) in accordance with Annex 8 of CAO plus the countercyclical capital buffer in accordance with Art. 44 and 44a CAO	13.54	13.55	13.55			
Basel III leverage ratio							
13	Total exposure (in CHF thousands)	38,916,287	38,413,875	38,174,275			
14	Basel III leverage ratio (core capital as a % of the total exposure)	6.63	6.52	6.51			
		a	b		c	d	e
Liquidity coverage ratio (LCR)		31/12/2024	30/09/2024	30/06/2024	31/03/2024	31/12/2023	
15	LCR numerator: Total high-quality liquid assets (in CHF thousands)	5,393,399	5,339,696	5,503,842	5,368,338	5,335,663	
16	LCR denominator: Total net cash outflow (in CHF thousands)	4,063,492	3,744,384	4,018,130	3,980,543	3,944,614	
17	Liquidity coverage ratio (LCR) (as a %)	133	143	137	135	135	
		a	c		e		
Funding ratio (NSFR)		31/12/2024	30/06/2024	31/12/2023			
18	Available stable funding (in CHF)	29,622,265	29,469,169	28,664,209			
19	Required stable funding (in CHF)	25,860,411	25,863,103	25,563,438			
20	Funding ratio (NSFR) (as a %)	115	114	112			

The Valiant Group's full disclosures pursuant to FINMA Circular 2016/1 can be found on the Valiant website at: [valiant.ch/results](https://valiant.ch/results).



# Statutory financial statements of Valiant Holding AG

## Balance sheet

		31/12/2024 in CHF thousands	31/12/2023 in CHF thousands	Change in CHF thousands	Change as %
<b>Assets</b>	<b>Notes</b>				
Cash and cash equivalents	2	41,502	26,127	15,375	58.8
Current assets in securities	15	10,226	14,782	-4,556	-30.8
<b>Total cash and cash equivalents, and current assets in securities</b>		<b>51,728</b>	<b>40,909</b>	<b>10,819</b>	<b>26.4</b>
Other current receivables		177	81	96	118.5
Accrued income and prepaid expenses		140,233	150,079	-9,846	-6.6
of which vis-à-vis subsidiaries		140,233	150,079	-9,846	-6.6
<b>Total current assets</b>		<b>192,138</b>	<b>191,069</b>	<b>1,069</b>	<b>0.6</b>
Financial investments	2	954	954	0	0.0
Holdings	2, 5	1,221,609	1,221,609	0	0.0
<b>Total fixed assets</b>		<b>1,222,563</b>	<b>1,222,563</b>	<b>0</b>	<b>0.0</b>
<b>Total assets</b>		<b>1,414,701</b>	<b>1,413,632</b>	<b>1,069</b>	<b>0.1</b>
<b>Liabilities and shareholders' equity</b>					
Other current liabilities		242	229	13	5.7
Deferred income and accrued expenses		1,326	1,411	-85	-6.0
of which vis-à-vis subsidiaries		0	0	0	n/a
<b>Total current liabilities</b>		<b>1,568</b>	<b>1,640</b>	<b>-72</b>	<b>-4.4</b>
Due to banks		150,000	200,000	-50,000	-25.0
of which vis-à-vis subsidiaries		150,000	200,000	-50,000	-25.0
Provisions		0	0	0	n/a
<b>Total long-term liabilities</b>		<b>150,000</b>	<b>200,000</b>	<b>-50,000</b>	<b>-25.0</b>
<b>Total liabilities</b>		<b>151,568</b>	<b>201,640</b>	<b>-50,072</b>	<b>-24.8</b>
Share capital	16	7,896	7,896	0	0.0
Statutory capital reserves		1,523	1,550	-27	-1.7
of which capital contribution reserves		70	70	0	0.0
Statutory retained earnings		711,846	711,846	0	0.0
Voluntary retained earnings		403,841	342,693	61,148	17.8
Accumulated profit		138,027	148,007	-9,980	-6.7
of which profit carried forward		1	0	1	n/a
of which net profit for the year		138,026	148,007	-9,981	-6.7
Treasury shares	6	0	0	0	n/a
<b>Total shareholders' equity</b>		<b>1,263,133</b>	<b>1,211,992</b>	<b>51,141</b>	<b>4.2</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,414,701</b>	<b>1,413,632</b>	<b>1,069</b>	<b>0.1</b>

## Income statement

		2024	2023	Change	Change
	Notes	in CHF thousands	in CHF thousands	in CHF thousands	as %
<b>Income from services</b>					
Management fees		3,239	3,058	181	5.9
<b>Income from services</b>		<b>3,239</b>	<b>3,058</b>	<b>181</b>	<b>5.9</b>
<b>Operating expenses</b>					
Wages, social security contributions and other personnel expense		-3,066	-2,683	-383	14.3
<b>Staff costs</b>		<b>-3,066</b>	<b>-2,683</b>	<b>-383</b>	<b>14.3</b>
Other operational costs		-1,788	-1,981	193	-9.7
<b>Other operational costs</b>		<b>-1,788</b>	<b>-1,981</b>	<b>193</b>	<b>-9.7</b>
Provisions		0	0	0	n/a
<b>Depreciation, amortisation and valuation adjustments</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>
<b>Operating profit before financial income and taxes</b>		<b>-1,615</b>	<b>-1,606</b>	<b>-9</b>	<b>0.6</b>
<b>Net financial income</b>					
Income from holdings	19	140,000	150,000	-10,000	-6.7
Interest expense		-513	-838	325	-38.8
of which vis-à-vis subsidiaries		-513	-838	325	-38.8
Interest income		236	159	77	48.4
Other financial income		2,409	3,944	-1,535	-38.9
of which income from the sale of financial investments		-	0	0	n/a
Other financial costs		-2,119	-3,457	1,338	-38.7
<b>Net financial income</b>		<b>140,013</b>	<b>149,808</b>	<b>-9,795</b>	<b>-6.5</b>
<b>Operating profit before extraordinary income and taxes</b>		<b>138,398</b>	<b>148,202</b>	<b>-9,804</b>	<b>-6.6</b>
Extraordinary income	13	0	0	0	n/a
Extraordinary expenses	13	0	0	0	n/a
<b>Net extraordinary income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>
<b>Operating profit before taxes</b>		<b>138,398</b>	<b>148,202</b>	<b>-9,804</b>	<b>-6.6</b>
Taxes		-372	-195	-177	90.8
<b>Profit for the year</b>		<b>138,026</b>	<b>148,007</b>	<b>-9,981</b>	<b>-6.7</b>

## Notes to the annual financial statements

Valiant Holding AG is a holding company in the financial sector with its registered office in Lucerne. Its main holding is its 100 % stake in its subsidiary Valiant Bank AG, which operates across Switzerland. For the detailed Management Report, please refer to pages 13–44.

### 1. Information on the principles applied to the financial statements

These financial statements have been prepared in accordance with the provisions of Swiss law, and in particular the articles of the Code of Obligations concerning commercial accounting and financial reporting (Articles 957 to 962 CO). The principles applied comply with the law. The current assets recognised under liquid assets in securities are measured at market value. Financial investments are valued at the lower of cost or market. They are written up to a maximum of the purchase price if the market value falls below the purchase price and subsequently rises again. Value adjustments are booked on a net basis under “Other financial income” or “Other financial costs”. Participations are recognised at purchase price and checked for impairment at least once a year. There are no other matters relating to accounting treatment that need to be described separately. Own shares purchased in the 2024 financial year were used for share-based compensation. The remaining position was sold. The resulting income was recorded in equity under the capital reserve. Pursuant to Article 961d para. 1 CO, no additional information is provided in the notes and no cash flow statement or management report is provided. In addition, pursuant to Art. 962 para. 3 CO, financial statements are not prepared in accordance with a recognised accounting standard.

### 2. Information and notes on positions in the balance sheet and income statement

Financial investments totalling CHF 1.0 million (previous year: CHF 1.0 million) consisted exclusively of shares in Swiss companies. The participations of CHF 1,222 million (previous year: CHF 1,222 million) comprise the positions mentioned under note 5. Liquid assets are invested with Valiant Bank AG, a subsidiary in which Valiant Holding AG has a 100 % stake.

### 3. Net release of hidden reserves

No hidden reserves were released.

### 4. Employee count

Valiant Holding AG employees numbered 3.0 full-time equivalents (2023: 3.0 full-time equivalents).

## 5. Direct and indirect participations

Company name and domicile	Business activity	Company capital in CHF thousands	Share of capital as %	Share of votes as %	Direct holding	Indirect holding
AgentSelly AG, Risch	Internet services in connection with real estate	144	100.00	100.00		x
Bernexpo Holding AG, Bern	Event management	3,900	18.69	18.69		x
Crédit Mutuel de la Vallée SA, Le Chenit	Bank	1,200	49.97	49.97		x
Entris Holding AG, Muri b. Bern	Financial services	25,000	58.84	58.84		x
Gerag Gewerberevisions AG, Bern	Commercial accounting and auditing	100	40.00	40.00		x
Parkhaus Kesselturm AG Luzern	Car-park management	2,825	7.96	7.96		x
Pfandbriefbank schweizerischer Hypothekarinstitute AG, Zurich	Procurement of capital-market funding	1,200,000	9.92	9.92		x
SIX Group AG, Zurich	Safekeeping of securities	19,522	0.33	0.33		x
ValFinance AG, Bern	Financial services	100	100.00	100.00	x	
Valiant Bank AG, Bern	Bank	153,800	100.00	100.00	x	
Valiant Hypotheken AG, Bern	Granting of guarantees	100	98.00	98.00		x
Valiant Garantie AG, Bern	Granting of guarantees	100	98.00	98.00		x
Valiant Immobilien AG, Bern	Real estate management	2,000	100.00	100.00	x	
Viseca Payment Services AG, Zurich <sup>1</sup>	Holding of equity interests and financing of subsidiaries	25,000	8.24	8.24		x

<sup>1</sup> Holding of Entris Group

Indirect participations are listed above a materiality threshold of 5 % of the votes and a pro-rata bank's capital of CHF 2 million.

## 6. Own shares

Treasury shares	Average transaction price in CHF	No. of shares
Registered treasury shares at 1 January 2024		0
+ Purchases	106.08	29,817
– Sales	101.40	–10,178
– Issue of treasury shares for share-based compensation	104.58	–19,639
<b>Registered treasury shares at 31 December 2024</b>		<b>0</b>

Own shares were sold or transferred at the respective daily prices during the year under review. All own shares were sold, so there was no negative position in equity capital at 31 December 2024.

## 7. Remaining liabilities under finance leases and other lease commitments

There are no lease commitments that do not expire or cannot be terminated within 12 months of the balance sheet date.

## 8. Liabilities due to pension funds

No liabilities are due to pension funds.

## 9. Total collateral provided for third-party liabilities

No collateral has been provided for third-party liabilities.

## 10. Total assets used to secure own liabilities and assets under reservation of ownership

There are no assets used to secure own liabilities or assets under reservation of ownership.

## 11. Contingent liabilities

Contingent liabilities totalling CHF 0.1 million (previous year: CHF 0.1 million) exist in the form of guarantees for the subsidiaries' liabilities.

## 12. Shares or share options allocated during the year to management and administrative bodies and employees

	Number Equity securities		Value Equity securities	
	31/12/2024	31/12/2023	31/12/2024 in CHF thousands	31/12/2023 in CHF thousands
Members of the Board of Directors	4,077	4,290	358	358
Members of the Executive Board	1,822	1,388	160	116
Members of Senior Management	268	201	24	17
<b>Total</b>	<b>6,167</b>	<b>5,879</b>	<b>542</b>	<b>491</b>

In the year under review, the Board of Directors was paid 30 % of its compensation in the form of Valiant shares that are blocked for a period of three years. Members of the Executive Board and senior management receive variable compensation, of which 20–30 % is paid out in the form of Valiant shares blocked for three years (see pages 81 to 104 of the Compensation Report for further details). Measurement is according to the market value method, with blocked shares being discounted. There are no share ownership plans for employees. There are no option plans.

### 13. Extraordinary and one-off positions, or positions relating to other periods, in the income statement

	2024 in CHF thousands	2023 in CHF thousands
<b>Extraordinary income</b>		
Other items	0	0
<b>Total extraordinary income</b>	<b>0</b>	<b>0</b>
<b>Extraordinary expenses</b>		
Other items	0	0
<b>Total extraordinary expenses</b>	<b>0</b>	<b>0</b>

### 14. Material events after the balance sheet date

No material events have occurred since the balance sheet date that might have a material influence on the assets, financial position or income situation of Valiant Holding AG in the year under review.

### 15. Measurement of assets at market values

Current assets in securities are measured at market value.

### 16. Significant shareholders and shareholder groups with voting rights

UBS Fund Management (Switzerland) AG has reported a holding of 10.26 % in Valiant Holding AG on 9 May 2024.

Swisscanto Fondsleitung AG has reported a holding of 4.99 % in Valiant Holding AG on 14 June 2023.

## 17. Information on the performance of a risk assessment

The risk assessment of Valiant Holding AG is performed in conjunction with the risk assessment of Valiant Bank AG at group level. Information on the risk assessment is set out in the notes to the consolidated financial statements, in the “Notes on risk management” on pages 122–133.

## 18. Receivables and liabilities in respect of related parties

<b>Receivables and liabilities in respect of direct or indirect owners of holdings, from related parties and from companies</b>	<b>31/12/2024 in CHF thousands</b>	<b>31/12/2023 in CHF thousands</b>
Liabilities to direct owners of holdings	242	229
<b>Receivables and liabilities in respect of companies in which the bank owns a direct or indirect holding</b>		
Receivables from subsidiaries	181,735	176,205
Liabilities from subsidiaries	150,000	200,000

The Board of Directors decides on variable compensation after each balance sheet date. This means no bonus accruals are disclosed under liabilities to governing bodies.

## 19. Distribution of dividends – subsidiaries

The balance sheet date for Valiant Holding AG and all of its subsidiaries is 31 December. Valiant Holding AG recognises dividend payments made by subsidiaries that have already held their annual general meetings, and consequently have already passed a resolution with regard to their dividend distributions, as transitory items.

## Motion on appropriation of accumulated profit

	2024 in CHF	2023 in CHF
Profit for the year	138,025,693.41	148,007,140.47
Profit carried forward	659.91	54.94
<b>Accumulated profit</b>	<b>138,026,353.32</b>	<b>148,007,195.41</b>
<b>Proposed by the Board of Directors</b>		
<b>Total at the disposal of the Annual General Meeting</b>	<b>138,026,353.32</b>	<b>148,007,195.41</b>
Allocation to voluntary retained earnings	-46,430,000.00	-61,148,000.00
Dividend payment	-91,596,273.80	-86,858,535.50
<b>Profit carried forward to new account</b>	<b>79.52</b>	<b>659.91</b>



# Auditor's report Valiant Holding AG



## Report of the statutory auditor to the General Meeting of Valiant Holding AG, Lucerne

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Valiant Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

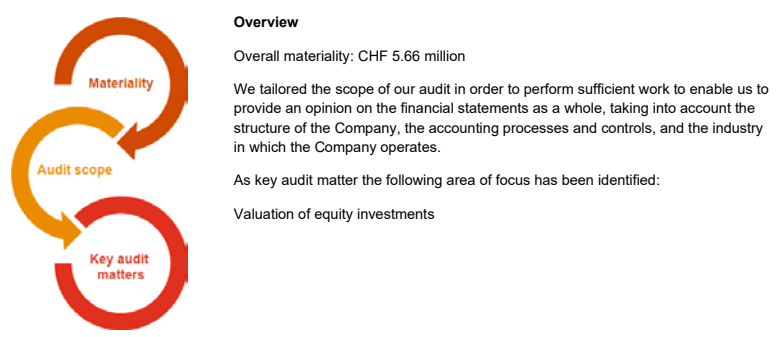
In our opinion, the financial statements (pages 161 to 168) comply with Swiss law and the Company's articles of incorporation.

#### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Our audit approach



#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

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<b>Overall materiality</b>	CHF 5.66 million
<b>Benchmark applied</b>	Total assets
<b>Rationale for the materiality benchmark applied</b>	We chose total assets as the benchmark because, in our view, it represents a standard for the materiality considerations of holding companies.

We agreed with the Audit and Risk Committee that we would report to them misstatements above CHF 566'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Valuation of equity investments

Key audit matter	How our audit addressed the key audit matter
<p>We consider the valuation of equity investments as a key audit matter because of the significance of this asset category in relation to total assets and due to the significant scope for judgement involved in the impairment testing of equity investments.</p> <p>As of 31 December 2024, the equity investments in Valiant Bank AG and other subsidiaries amounted to CHF 1.2 billion and thus represented 86.4% of total assets.</p> <p>If these investments had to be written down, it would have a significant impact on the equity capital of Valiant Holding AG. Testing for impairment depends on the future results of the subsidiaries concerned, especially Valiant Bank AG. There is significant scope for judgement in determining the assumptions with regard to future results.</p> <p>With regard to the accounting policies and details on the equity investments, please refer to pages 163 and 164 in the notes to the financial statements.</p>	<p>Our audit approach comprised the assessment of the impairment testing. Management carried out on the most significant investments.</p> <p>We performed the following:</p> <ul style="list-style-type: none"> <li>• compared the actual results of each subsidiary with its budget in order to identify any assumptions that in retrospect appeared too optimistic regarding the profits;</li> <li>• checked for plausibility the future prospects based on the multi-year plan approved by the Board of Directors and discussed them with Management;</li> <li>• performed sensitivity analyses on the key parameters of the impairment tests (discount rates and long-term growth rates).</li> </ul> <p>Overall, based on the results of our own analyses, we consider the principles and the assumptions applied by Management and the Board of Directors in its impairment testing of equity investments to be appropriate.</p>

#### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Board of Directors' responsibilities for the financial statements**

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or the Audit and Risk Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters



that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

A handwritten signature in blue ink, appearing to read 'Romer'.

Thomas Romer  
Licensed audit expert  
Auditor in charge

A handwritten signature in blue ink, appearing to read 'D. Mazzucca'.

Dario Mazzucca  
Licensed audit expert

Lucerne, 21 March 2025

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