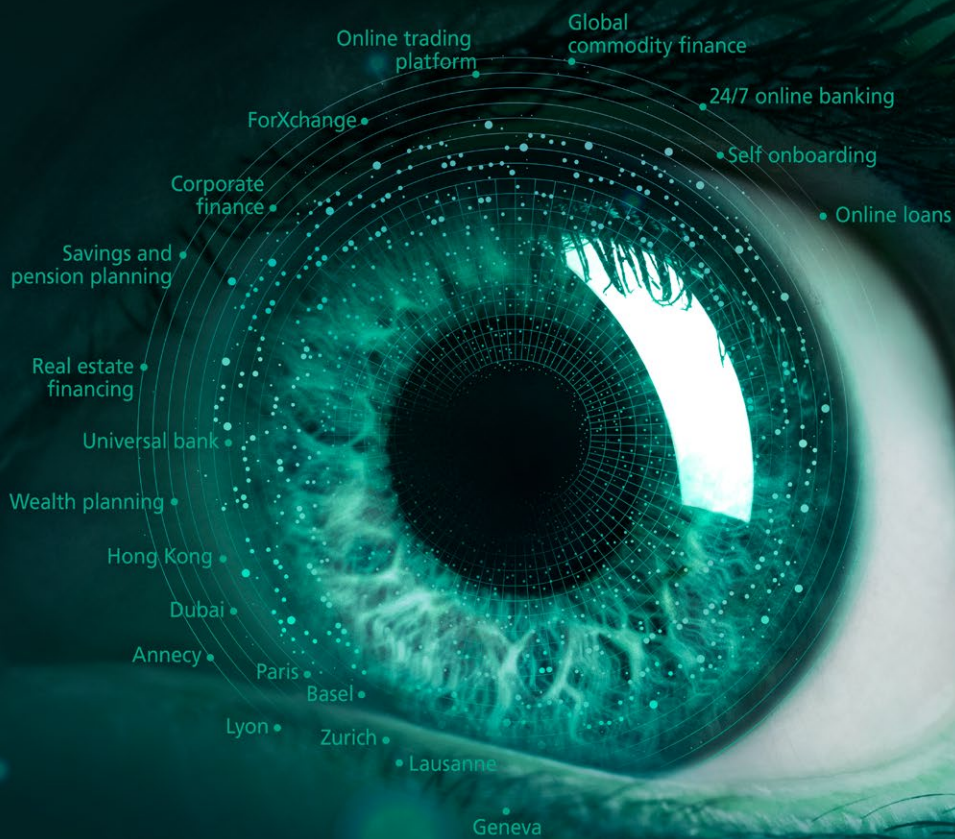


ANNUAL REPORT AND CORPORATE SOCIAL RESPONSIBILITY REPORT 2023



Annual Report 2023

Overview

Annual Report 2023

1

Snapshot

Foreword

Presentation of the BCGE Group

Shareholder information

25

Corporate governance: Group structure and shareholding, Capital structure, Board of Directors, Executive Board, Remuneration, Participations and loans, Shareholders' participation rights, Takeovers and defensive measures, Independent auditor, Information policy, Trading lock-up periods

BCGE Group 2023 consolidated financial statements and notes

49

Comments on the Group financial statements

Essential regulatory key figures

BCGE balance sheet items and off-balance-sheet transactions

Profit and loss account items

Statement of shareholders' equity

Summary presentation

Details relating to the items in the notes to the consolidated financial statements

Presentation of the cash flow statement

Independent auditors' report

2023 financial statements and notes, parent company

93

BCGE balance sheet items and off-balance-sheet transactions

Profit and loss account items

Statement of shareholders' equity

Summary presentation

Details relating to the items in the notes to the annual financial statements

Proposed appropriation of available earnings

Statutory auditors' report

Corporate social responsibility Report

Annual Report 2023

Overview

Snapshot

BCGE Group

Consolidated key figures

2

Performance in 2023

Performance indicators prove strong

3

Foreword

Message from the Chairman, Manuel Leuthold

Another very favourable year at BCGE

4

Message from the Chief Executive Officer, Blaise Goetschin

Taking it forward

6

Presentation of the BCGE Group

Stock exchange listing

8

Geographical organisation

10

Local presence

12

Corporate strategy

13

Business model

14

Operational organisation

16

Risk management

18

Human resources

20

Banking and financial services

21

Ambassadors

22

Digital banking

24

BCGE Group

Consolidated key figures¹

2

Balance sheet (in CHF million)	2023	2022	2021	2020	2019
Balance sheet total	30,270	30,034	28,294	27,542	24,919
Advances to clients	19,202	18,525	18,356	17,593	17,025
Client deposits and borrowings	25,169	24,223	22,831	21,375	18,965
Shareholders' equity	2,184	1,984	1,827	1,716	1,667

Results (in CHF million)					
Net profit from interest operations	390	286	228	216	231
Result from commission business and services	133	133	136	116	120
Result from trading activities	38	38	34	30	31
Other ordinary income	29	19	41	5	37
Total operating income	590	476	439	367	420
Operating expenses	285	261	254	237	239

Operating profit (in CHF million)	282	195	174	113	165
--	-----	-----	-----	-----	-----

Result for the period (in CHF million)	231	176	125	105	97
---	-----	-----	-----	-----	----

Assets under management and administration (in CHF billion)	35.3	33.4	34.1	31.8	30.4
--	------	------	------	------	------

Total number of employees					
• by full-time equivalents	916.8	873.6	834.1	819.6	780.4
• by people	971	926	886	873	833

Ratios (%)					
Shareholders' equity / total assets	7.2	6.6	6.5	6.2	6.7
Market capitalisation to equity	74.2	65.1	63.3	66.7	84.0
Operating profit to equity	13.2	10.1	9.7	6.7	10.1
Return on Equity (ROE)	10.9	9.1	7.0	6.2	5.9
Costs / income	48.3	54.9	57.8	64.7	56.9
Capital coverage	17.0	16.5	16.5	16.2	16.1
Payout ratio	26.5	29.5	34.3	32.7	34.4

Figures per share (in CHF)					
Shareholders' equity	303	276	254	238	232
Operating profit	39	27	24	16	23
Net profit	32	24	17	15	13
Dividend per CHF 50 share	6.5*	5.5	4.5	3.75	3.75

Stock market data (parent company)					
High and low share prices (in CHF)					
• high	229.0	182.0	175.0	204.0	204.0
• low	177.0	159.0	153.0	157.0	192.0
• close	225.0	179.5	161.0	159.0	194.5
Market capitalisation (in CHF million at 31 December)	1,620	1,292	1,156	1,145	1,400
Number of shares in thousands (historic information)	7,200	7,200	7,200	7,200	7,200
Share price / earnings (P/E ²)	7.0	7.3	9.3	10.9	14.4

* Proposal submitted to the Annual General Meeting on 23 April 2024.

¹ See p. 51, Comments on the Group financial statements.

² P/E: price-earnings ratio – multiplying the net profit of a company by the price-earnings ratio gives the current price of the share. The P/E ratio is often used to assess how profitable a purchase has been.

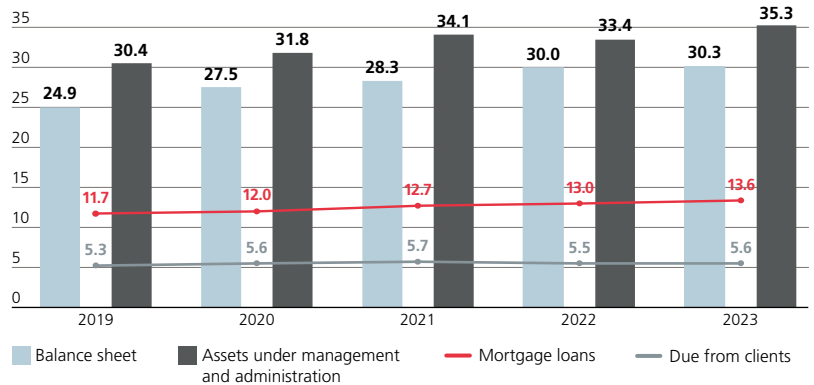
Performance in 2023

Performance indicators prove strong

BCGE's performance in 2023 was remarkable. Net profit increased by 31.4% to attain a record level of CHF 231.2 million. Revenues grew by 24% to CHF 589.9 million, reflecting the Bank's appropriate strategic positioning, which was in line with the dynamism of buoyant economic sectors.

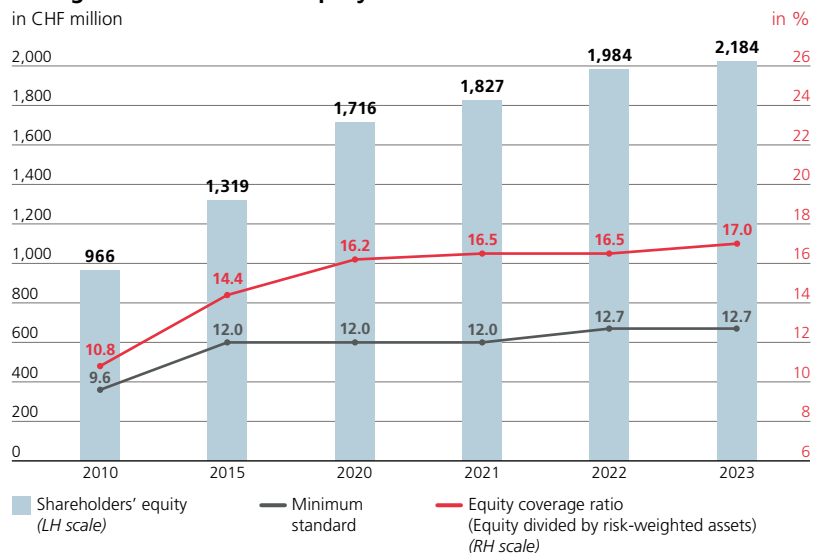
35.3
billion
in assets under
management and
administration

Changes in the balance sheet and major business areas
in CHF billion



2,184
million
of shareholders' equity

Change in shareholders' equity¹
in CHF million



¹ Minimum shareholders' equity pursuant to the Ordinance on Capital Adequacy (Art. 42 CAO of 1 June 2012 – as at 01.01.2023).

Message from the Chairman

Another very favourable year at BCGE

4



Manuel Leuthold

In 2023, our bank achieved its best ever result. The renewed rise in interest rates enabled a return to healthy margins on our balance sheet. This very remarkable result was obtained while maintaining a reasonable risk profile in all areas and by making judicious use of our own funds.

BCGE was also able to further improve the quality of its solvency and liquidity ratios. Both the excellent reputation enjoyed by our bank – a key player deeply rooted in the Geneva region yet open to the world – and the steady increase in our dividend had a very positive effect on our share price.

2023: a year of challenges

Powerful geopolitical tensions and the sharp contraction in international trade, along with the slowdown in the economies of our main trading partners, weighed upon the Swiss economy; the latter, however, stood this test very well. The considerable appreciation of the Swiss franc also presented a challenge for many of Switzerland's exporters. But in this difficult context, the creativity, proactive attitude, flexibility and service quality of these companies allowed them to achieve solid results once again.

Real estate in Switzerland, which was one focus of our attention, also held up very well compared with our neighbouring countries. The limited availability of land, shortness of supply and ever-growing demand are the factors underpinning this market. Declining long-term rates towards the end of the year provided something of a shot in the arm to an anaemic market.

Our loans showed no signs of weakness and continue to have very low default rates. We were also able to successfully assist our clients in managing their assets, against a background of fluctuating financial markets.

Generally speaking, we pay special attention to the quality of advice provided to our clients and the faultless execution of the transactions with which they entrust us.

Once again, our diversified business model has proved itself to be solidly based. Each of our various business lines made its contribution to this very good overall result. However, the crisis experienced by Credit Suisse and its sorry outcome serve to remind us how important it is to retain the trust of the public and the financial markets. There is no automatic entitlement to such trust: it is carefully built day to day, in the form of the attention we pay to our clients and their needs, combined with transparent communication and uncompromising risk management.

Significantly increased sales and income

All our bank's stakeholders will benefit from our excellent 2023 results. The Board of Directors is proposing to the General Meeting a dividend 18% higher than the previous year's, namely CHF 6.50 per share (CHF 5.50 in 2022).

Our shareholders are not the only ones to profit from this increase in our earnings. Our reserves for general banking risks have been increased, and our staff and management will also benefit from this very sound result.

Departure of our CEO Blaise Goetschin...

2023 was the last financial year under the guidance of Mr Blaise Goetschin, who retired from the Bank on 5 March 2024, after almost 24 years at the helm. During this time, BCGE went from a virtually bankrupt bank to a respected, solid and professionally-run universal bank recognised for its great financial stability; an institution that perfectly accomplishes its mission of serving Geneva's economy and people.

The success of this reconstruction was in great part due to Blaise Goetschin. Through his vision, tenacity, example and tireless commitment, he was able to breathe new life into an institution that had been laid low in the early 2000s by poor risk management.

Blaise Goetschin is handing on a Bank with a remarkable balance sheet, and for that he deserves all our gratitude.

“In 2023, our bank achieved its best ever result. The renewed rise in interest rates made it possible to return to healthy margins on our balance sheet. This very remarkable result was obtained while maintaining a reasonable risk profile in all areas and by making judicious use of our own funds.”

**... and appointment of his successor,
Nicolas Krügel**

Throughout the year, the Board of Directors, and in particular its Appointments and Remuneration Committee, undertook a structured process to recruit a new CEO. This process came to a conclusion on 22 August 2023 with the appointment of Mr Nicolas Krügel to this key post for our bank.

Mr Krügel gained an MSc from the University of Neuchâtel, after which he completed an Executive Programme at Stanford University. He spent the first 27 years of his career at Credit Suisse Group, where he was Chief Credit Officer for the Switzerland division from 2018. His prolonged exposure to all the segments of a universal bank – in French-speaking Switzerland, Zurich, California and New York – has enabled him to build an in-depth professional background, and to develop his widely recognised leadership skills in a demanding, trilingual, Swiss and international business environment.

Thanks and acknowledgements

The Board of Directors would like to express its warmest thanks to Blaise Goetschin for his exemplary leadership of BCGE and for his indispensable contribution to the rebirth and development of our bank.

He looks forward to the arrival of Nicolas Krügel, who enjoys his full confidence. He wishes him great pleasure and much success in his new duties.

For my part, I sincerely thank our shareholders for their loyalty and confidence.

Thanks also to our clients for their loyalty and for entrusting us with their business, to all our staff, and to the management of BCGE. Without them, this excellent result would not have been possible.

And lastly, a special word of thanks to my colleagues on the Board of Directors for their work and supportive presence.

Our bank is well prepared to face the challenges that await us.



Manuel Leuthold
Chairman of the Board of Directors

Message from the Chief Executive Officer Taking it forward

6



Blaise Goetschin

The 2023 results bear witness to the Bank's solid progress on several fronts. These figures do not reflect the efforts put in during a single financial year; they are the fruit of the investments and the work of several years.

The first gratifying development is the growth of revenues to over CHF 589 million (+24%), an increase of more than 6,200 in the number of clients, to reach a total of 250,447 (natural persons: 228,228, legal entities: 22,092). The Bank has become increasingly competitive, whether in terms of mortgage lending of CHF 13.6 billion (+537 million) or assets under management or administration of CHF 35.3 billion (+1.9 billion). To these commercial achievements we may add the dynamic financial management which enabled the institution to come through the rapid and substantial rise in interest rates unscathed.

As regards productivity, the Bank has maintained an excellent cost/income ratio (48.3%). For all that, it has not sacrificed investment in IT or physical infrastructure (CHF 25 million just this year); nor has it ceased to expand its markets or operations (43 new jobs created). On the profitability front, too, the Bank has continued to grow, with a net profit of CHF 231 million (+31.4%).

Finally, in terms of its stakeholders, the Bank has increased its distribution to its public and private shareholders, with a dividend up 18.2% and a total contribution to the public sector of CHF 86 million (+20%). Moreover, it participates fully in its clients' efforts to reach energy efficiency.

These results have thus made it possible to buttress equity tier 1 capital, to broaden the sources of liquidity and foreign currency supply and to further bolster the confidence of clients and financial partners. These figures provide confirmation that the Bank has chosen the right trajectory, and open up several strategic options. **Three major pathways have allowed BCGE to become one of Switzerland's leading banks.**

Diversifying beyond the traditional business lines

A recent study by the Cantonal Bank of Zurich¹ highlighted BCGE's diversification efforts as one of its strong points. With 14 business lines across 31 sites, the Bank, albeit of average size in Swiss terms, provides a broad offering for both companies and private individuals. Two thirds of its turnover is generated through companies and institutional clients. Thanks to this partnership with the economy and business, the Bank has built up a major international capability. Revenues in USD and in EUR constitute a quarter of the total.

Today, the Bank is of systemic importance for the economy of Geneva and its region. It thus entirely accomplishes the public mission assigned to it by law and the public policy underlying it. Finally, the application of its special competencies, alongside its traditional business lines as a cantonal bank, constitutes a substantial and steady source of cash flow, which strengthens the institution and allows it to maintain a high level of investment. It diversifies and innovates, not just for show, but to maintain its place in an ultra-competitive banking market.

Training and trusting teams

A traditional bank with over 200 years of history owes it to itself to adapt rapidly and powerfully to markets that mutate with infinite speed. The key to success here is the highest-level technical training of each individual colleague. More important still is the quality of team management: teams are the key to successful strategies. This includes all the disciplines for formulating solutions that can be immediately implemented in internal processes or in packages of services for clients. By demonstrating a taste for creativity, a desire to do even better, or pride in the product: this is where our team leaders show their commitment. Thanks to them, in particular, the Bank is in a position to react quickly and seize market opportunities.

¹ "Thanks to its significant business outside the canton, the Bank is interestingly diversified, which marks it out from its peers. A universal bank with a widely diversified revenue stream, in terms of revenue types, client base and geographical spread (two thirds of revenues are from corporate clients and one quarter from international business). The Bank has a subsidiary in France and offices in Zurich, Basel and Lausanne, as well as in Hong Kong and Dubai. In our opinion, BCGE has a wide platform compared to other cantonal banks, and this opens up growth opportunities for it in different areas". *Translation of an extract from Zürcher Kantonalbank | Cantonal Bank Study | December 15, 2023*

“The 2023 results bear witness to the Bank’s solid progress on several fronts. These figures do not reflect the efforts put in during a single financial year; they are the fruit of the investments and the work of several years.”

The reshaping of the Swiss banking landscape is currently opening up interesting perspectives in the business lines that the Bank excels in, such as commodity and export finance, syndicated loans, private equity, M&A, and private banking, for example. The training of new talents and the competencies for the sophisticated and international business lines are at the required level today.

Making technology match market requirements

The financial sector is full of technology. Some of it is indispensable and nothing can stop it. Other gadgets come and go with fashion. The cost of adopting them is considerable, if you add the costs of security tests, process and regulatory updates, staff and client training, etc. to the acquisition costs.

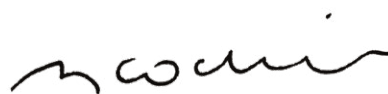
A medium-sized bank, with demanding shareholders, needs to prioritise. It needs to travel a critical path so that it stays competitive while keeping within budget. **But how should priorities be set?**

A primary priority, the constraining priority, is not hard to find: it is the regulatory requirement. A minimum of 35% of the IT budget is absorbed by data processing requirements (compliance, internal checks, anti-money laundering etc.), upgrading services (instant payment, stock-market regulations etc.) or consumer rights (FinSA, ESG regulations etc.).

Freely chosen priorities stem from a functional diagnosis of each of the 14 business lines, followed by an often lively debate among market managers. After arbitration and tough negotiations with the suppliers, an investment plan is drawn up.

Technology – digital, artificial intelligence (AI) or classic, designed to fit market requirements as closely as possible (in terms of quality, prompt availability, price etc.) – allows competitiveness and budgetary prudence to be reconciled. 2023 saw the first client setting up a discretionary wealth management mandate entirely online, allowing the Bank to cross a new threshold in digitalisation.

At this point I should like to thank all my colleagues, still working or already retired, who have lent me their support and committed themselves unreservedly to building a new bank over almost a quarter of a century. I wish my successor every success: he possesses all the qualities needed to build on your work and take it forward.



Blaise Goetschin
CEO BCGE 2000-2024

Stock exchange listing

Share performance

in 2023: +25.3%

8

The BCGE share price rose sharply in 2023 and ended the period at CHF 225.00. Nevertheless, the share's market value is still 74% lower than its book value, which stands at CHF 303.30. Compared to the reported equity value of CHF 2.184 billion, the Bank's market capitalisation amounts to CHF 1.620 billion. The stock's upside potential therefore remains significant.

- Share market value is 74% of the book value (CHF 303.30)
- With market capitalisation at CHF 1.6 billion, the potential for appreciation remains significant (equity: CHF 2.2 billion)

Comparative change in share price

from 2018 to 2023

Index rebased to 100 on 31.12.2017



BCGE stock exchange reference (symbol)

Swiss stock exchange listing	SIX Swiss Exchange
Reuters	BCGE.S
Bloomberg	BCGE SW
Telekurs	BCGE
Stock number	35 049 471
ISIN number	CH0350494719

Structure of BCGE capital of CHF 360 million

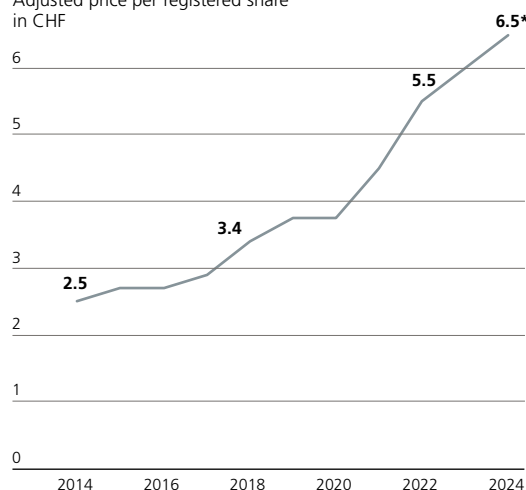
	Number of shares
Registered shares, par value CHF 50	7,200,000

Standard & Poor's (S&P) Rating

AA-/A-1+/Stable

Change in dividend from 2014

Adjusted price per registered share in CHF



* Proposal submitted to the Annual General Meeting on 23 April 2024.

Ratios (%)	2023	2022	2021	2020	2019
Shareholders' equity / total assets	7.2	6.6	6.5	6.2	6.7
Market capitalisation to equity	74.2	65.1	63.3	66.7	84.0
Operating profit to equity	13.2	10.1	9.7	6.7	10.1
Return on Equity (ROE)	10.9	9.1	7.0	6.2	5.9
Cost / income	48.3	54.9	57.8	64.7	56.9
Capital coverage	17.0	16.5	16.5	16.2	16.1
Payout ratio	26.5	29.5	34.3	32.7	34.4

Figures per share (in CHF)

Shareholders' equity	303	276	254	238	232
Operating profit	39	27	24	16	23
Net profit	32	24	17	15	13
Dividend per CHF 50 share	6.5*	5.5	4.5	3.75	3.75

* Proposal submitted to the Annual General Meeting on 23 April 2024.

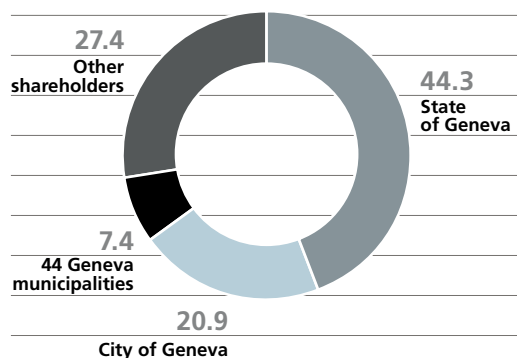
Stock market data (parent company)

Highest and lowest share price (in CHF)					
• highest	229.0	182.0	175.0	204.0	204.0
• lowest	177.0	159.0	153.0	157.0	192.0
• close	225.0	179.5	161.0	159.0	194.5
Market capitalisation (in CHF million as at 31 December)					
	1,620	1,292	1,156	1,145	1,400
Number of shares in thousands (historic information)					
	7,200	7,200	7,200	7,200	7,200
Share price/earnings (P/E*)					
	7.0	7.3	9.3	10.9	14.4

* P/E: price-earnings ratio – multiplying the net profit of a company by the price-earnings ratio gives the current price of the share.
The P/E ratio is often used to assess how profitable a purchase has been.

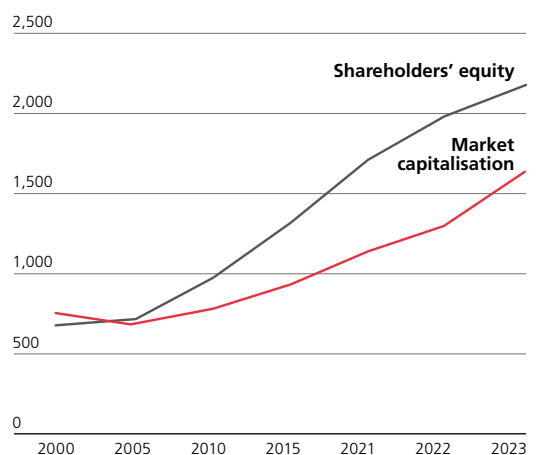
Share ownership and voting rights

in %



Change in shareholders' equity and market capitalisation from 2000 to 2023

in CHF million




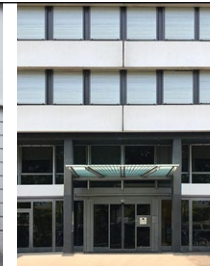
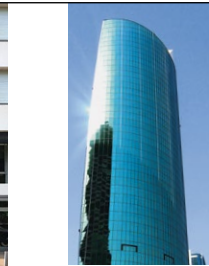
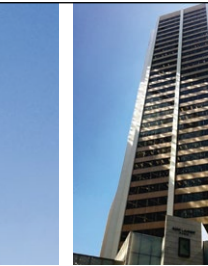


BCGE Group

International presence



REPRESENTATIVE OFFICES

					
Geneva 1816 (Head office)	Lausanne 1997 Marc Brussard <i>until 31.03.2023</i> Richard Sermier <i>As of 01.04.2023</i>	Zurich 1997 Klaus Burger	Basel 2019 Oliver Riberzani	Dubai 2010 Banque Cantonale de Genève – Banking Rep. Office Mario Al Jebouri <i>until 30.06.2023</i> Bertrand Chabot <i>interim</i> <i>As of 01.07.2023</i>	Hong Kong 2011 Banque Cantonale de Genève Hong Kong Representative Office Renaud Chambole

BCGE, banking solutions made in Geneva

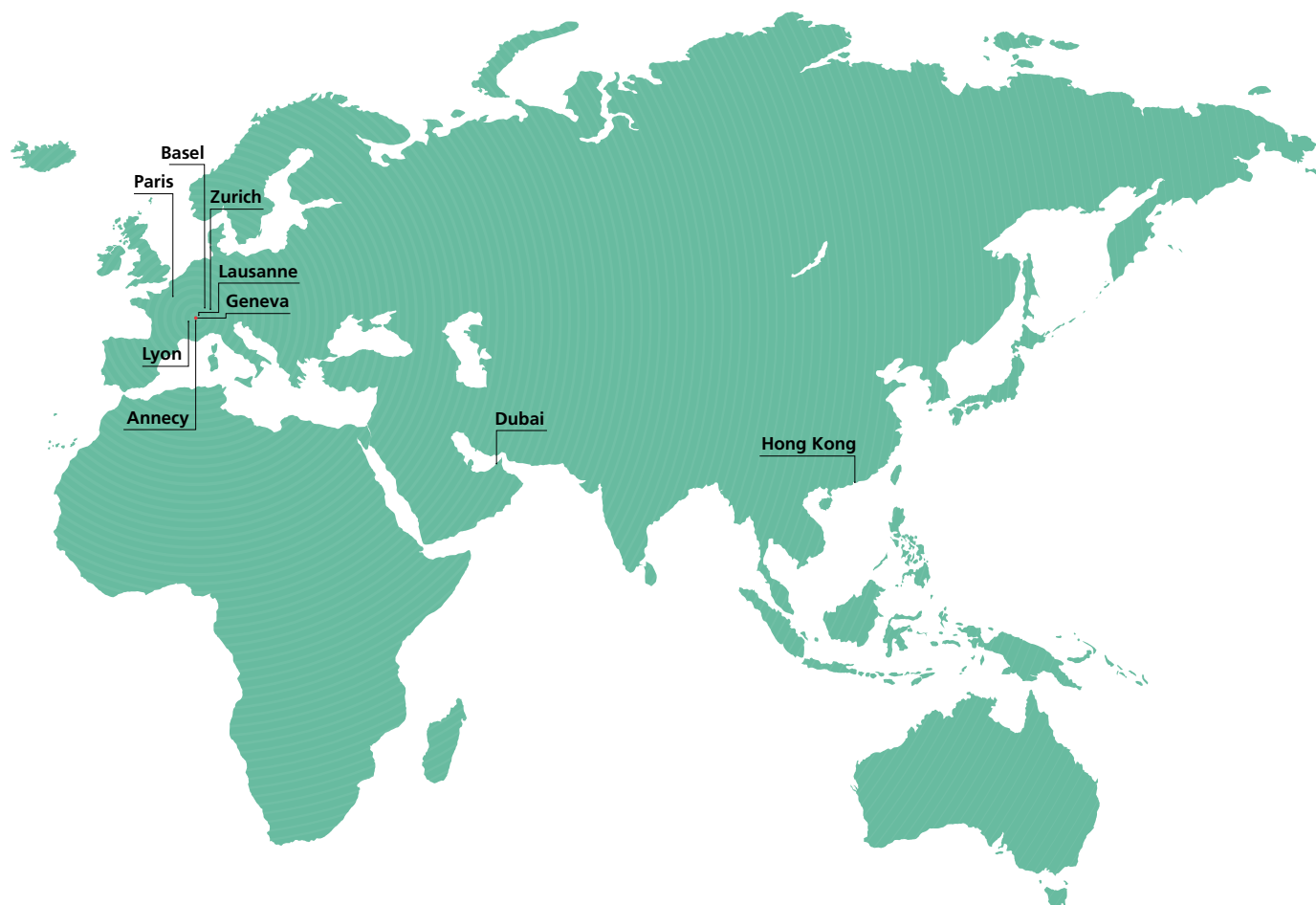
A universal bank since 1816, BCGE provides high-quality banking services for private, business and institutional clients in Geneva and the surrounding area. The bank plays a vital role in supporting and boosting the regional economy.

BCGE's business lines include everyday banking services, private banking, asset management, investment funds, pension planning, mortgages and lending to the private and public sectors. BCGE runs a trading room and offers financial engineering, business valuation and transmission, private equity and trade finance services.

The BCGE Group has 21 branches in Geneva with some of its business activities in Zurich, Lausanne, Basel, Paris, Lyon, Annecy and Hong Kong as well as representative offices in Dubai and Hong Kong. It currently employs 971 people (of whom 916.8 are full-time equivalents, as at 31.12.2023).

BCGE is listed on the Swiss stock exchange, SIX Swiss Exchange (Swiss security no. 35 049 471 / ISIN CH0350494719) and is rated AA-/A-1+/stable by the rating agency Standard & Poor's.

bcge.ch



SUBSIDIARIES

Banque Cantonale de Genève | France



Anney 1993 **Lyon** 1993 **Paris** 2010

Alain Besse

(Head office)

Sébastien Collado

Nicolas Charavner

bcgef.fr

With its head office in Lyon and offices in Anney and Paris, Banque Cantonale de Genève | France (BCGE France) is a wholly-owned BCGE subsidiary.

It offers financing services to businesses and real estate professionals, in addition to wealth management for private clients.

BCGE France contributes to the development of the economic zone stretching from Lyon to Geneva; it has a staff of 77 as at 31.12.2023.

In an economic context where interest rates and inflation remained high, creating tension on the property market, BCGE France achieved a good level of profitability: **net profit was stable at EUR 9.6 million.**

The bank pursued its selective lending policy, while maintaining its position in this area: **lending remained stable at EUR 868 million.**

In private banking, assets under management were EUR 483 million (-73 million), in an economic situation where its clients needed liquidity.

In terms of governance, Ms Sophie Sabran was appointed to the Supervisory Board at the General Meeting of 24.05.2023. Monsieur Pierre-Olivier Vialla, Director of Private Management, joined the Board on 03.07.2023.

At its session of 24.05.2023, the General Meeting of BCGE France decided to increase its capital, which rises from EUR 30 million to EUR 50 million, through incorporation of reserves.

The French subsidiary benefits from the support of its parent company in the area of refinancing. Client deposits constitute a growing complementary source of funding.

CAPITAL TRANSMISSION

Geneva,
Zurich

Frédéric Tixier

2008

capitaltransmission.ch

Capital Transmission SA, Geneva, is a private equity investment company that aims to create long-term added value for the firms it invests in.

Capital Transmission undertakes equity investment in business transfer and expansion operations in the Geneva region and also in Switzerland. In some specific cases it operates in Europe.

It has investment capacity and expertise that allows it to support companies and executives over the long term and to assist their projects by acquiring minority shares, or through mezzanine loans.

Capital Transmission SA has CHF 87.5 million net invested in 19 companies.

In 2023, Capital Transmission SA undertook one new investment and two disposals.

dimension

Lausanne
Geneva, Zurich

Arthur Magis

2015

dimension.ch

Dimension SA is an independent entity, founded in 1994, specialising in the sale, acquisition and evaluation of companies.

The company, based in Lausanne, Geneva and Zurich, has been part of the BCGE Group (as a wholly-owned subsidiary) since 2015.

A company specialised and recognised in its field, Dimension is a key partner for entrepreneurs, by helping them present their companies in the best light and by carrying out company transfer operations (M&A).

In 2023, Dimension SA undertook 10 different merger and acquisition projects.

LOYAL FINANCE

Zurich

Bernhard Urech

2019

loyalfinance.ch

Loyal Finance AG is an independent wealth management company created in Zurich in 1991 with the status of a collective investment scheme manager. The company is a recognised bond management specialist, principally active with institutional investors in German-speaking Switzerland.

In 2023, BCGE became owner of the remaining equity in Loyal Finance AG (2022: 60%), which it acquired in 2019, in accordance with the acquisition plan.

This acquisition broadens BCGE Group's bond management competencies, along with its client relations and service at the national level. The subsidiary Loyal Finance AG has been consolidated since 1 June 2019.

Proximity

A bank rooted in Geneva's neighbourhoods and districts

BCGE offers welcoming, comfortable and secure local premises that facilitate detailed, in-depth conversations, giving rise to the best solutions.

Digitalisation to be closer to clients



- Four main branches (● Head office)
- Four sectors: Centre, West, Right Bank, Left Bank
- 21 BCGE branches, the densest network in the canton, ensuring proximity and personal client service

A leading bank in Switzerland

A response adapted to each market segment

BCGE is a bank with a strategy aimed at long-term, sustainable success. The Bank provides services to individuals (natural persons) and support to companies and institutions (legal entities).

A financial policy made for the long run

To respond competitively to the needs of such a diverse clientèle, the Bank develops specific business lines, organised into strategic activity portfolios. BCGE's business model is that of a universal bank. A number of horizontal operational principles determine the overall structure.

The main financial objective is for the Bank to grow steadily in value. This value is based on the expected total free cash flow. The increase in total free cash flow depends essentially on the organic and qualitative growth of business (incremental growth business model).

Strategic decisions and operational management prioritise long-term growth of the Bank's equity (reflected by market capitalisation) – if necessary, to the detriment of short-term profitability. The intention is to avoid under-investment or an excessively raised risk profile, and to ensure that the Bank's ethical practice is not undermined in any way.

A response adapted to each market segment

BCGE calibrates its business lines, commercial policy and resources on the basis of a detailed study of markets, an evaluation of how accessible these are and what potential they have. Its ambition is to occupy the number one position in Geneva while contributing to the reach of Geneva's economy in Switzerland, France and internationally.

Five of the 14 business lines are centred on individual clients: day-to-day banking services, fundamental financial planning, savings and pensions, private banking and private finance. These represent one-third of the Bank's total income.

Of the eight business lines devoted to companies and institutions, four are associated with lending: corporate finance, business property finance, public authorities finance and trade finance. The remaining business lines are strategic financial advice, financial markets, services to institutional investors and services to banks and insurance companies. Two-thirds of the Group's total income is generated from public and private companies and institutions.

The fourteenth business line creates and manages investment vehicles offered to the Bank's clients or distributed through investment platforms.

The Bank manages this portfolio of 14 business areas with the aim of optimising the profitability/risk ratio of each, while fostering operational synergies among them. It builds competitive positions and seeks to attain leadership in each of its business lines. It capitalises on its reputation as a safe, transparent and innovative bank.

BCGE maximises the use of its available equity, while ensuring its continued existence with a safety margin defined in the regulatory framework and in its own financial policy.

Lastly, a number of the Bank's business lines have an international reach in order to support Swiss economic actors in more geographically distant markets. Consequently, around a quarter of its income is denominated in USD or EUR.

This diversification of business lines and markets offers excellent growth prospects and lowers the Group's risk profile.

Strategic priorities for 2024

- **Core partner for the regional economy and SMEs.**
- **Key player in the financing of private and social housing in Geneva.**
- **Private banking specialist for actors and leaders in the Swiss and international economy.**
- **Expert in asset management and investment funds.**
- **Beacon for the influence of Geneva's economy and trade in Switzerland and around the world.**
- **Promoter of banking digitalisation accessible to all, and with a human face.**
- **Partner to corporate and private clients in energy optimisation.**

Business model

Organisation by strategic activity

MANAGEMENT ENTITIES¹

PARENT COMPANY

Finance Division	Geneva Division	International Division	Corporate Division	Asset Management Division
Frédéric Vernet	Pierrette Jatou Klopfenstein	Yves Spörri	Virginie Fauveau	Urs Ziegler
63 staff in Geneva	264 staff in Geneva	148 staff in Geneva, Lausanne, Basel, Zurich, Hong Kong and Dubai	69 staff in Geneva and Zurich	37 staff in Geneva and Zurich
<ul style="list-style-type: none"> Provides a structured, effective and adaptable framework; generates competitive financial conditions for the Bank and its front office units. Implements risk prevention procedures and ensures the efficiency of the internal control system. Carries out intensive quality control in corporate and individual lending. Actively manages the Bank's balance sheet so as to control the risks inherent in banking activities and guarantee the institution's competitiveness. Undertakes the Bank's financial and strategic planning, and deploys stress test scenarios. 	<ul style="list-style-type: none"> Specifically dedicated to serving Geneva, its people, its small businesses, its tradespeople and its independent professionals. Dense network of 21 branches and automated banking throughout the canton. 24-hour online banking. 7-day hotline. Specialised private banking unit for Geneva clients. 	<ul style="list-style-type: none"> Contributes to the reach of Geneva's economy in Switzerland, France and internationally. Consultancy and financing for companies active in international trade of commodities. International private banking: wealth management and personalised banking services for non-resident private clients (Swiss or foreign). Private Banking Switzerland: BCGE branches in Lausanne, Zurich and Basel. Real estate finance in Rhône Alpes and Ile-de-France for Swiss resident and cross-border clients, directly or in collaboration with Banque Cantonale de Genève France SA. Monitors relationships with banks and insurance companies, with a "bank services for banks" approach. 	<ul style="list-style-type: none"> Dedicated to medium-sized and large companies, multinationals, international organisations, large associations, foundations, diplomatic missions and NGOs. Leader in professional real estate in Geneva. Financial partner for public authorities in Geneva and Switzerland. Comprehensive financial planning for directors of private companies or public authorities. Mergers and acquisitions, private equity and financial engineering. 	<ul style="list-style-type: none"> Advises institutional clients on investment strategies. Centralised management of all the Group's investment mandates, funds and instruments. Distributes the Group's investment products in Swiss and foreign markets.

MAIN BUSINESS LINES

RETAIL BANKING					
Day-to-day banking services					
Savings and pensions					
Financial advice					
Private banking					
Personal loans					
COMPANIES					
Corporate finance					
Commercial property finance					
Financing public authorities					
Global Commodity Finance					
Strategic financial consultancy and M&A					
Financial markets					
Institutional investors					
Banks and insurance companies					
INVESTMENT PRODUCTS					
Collective investment products					

¹ Number of employees: figures as at 31.12.2023.

Legal and Compliance Division

Philippe Marti

48 staff
in Geneva

- Reduces the Bank's legal exposure by providing the divisions and executive bodies with legal support in all areas of activity.
- Monitors the Bank's adherence to current laws and regulations; ensures the introduction and execution of required compliance checks, particularly as regards money laundering. Continuously evaluates the non-compliance risk associated with the institution's activities.
- Monitors compliance of the Bank's activities with Swiss and foreign tax regulations.
- Manages risk positions to their best advantage and minimises potential losses from impaired loans by means of rigorous litigation management.

Operations Division

Jean-Marc Joris

175 staff
in Geneva

- Provides the BCGE Group with an operational service production platform that is able to serve all the business line strategies and regulatory requirements within a highly productive framework.
- Reduces IT and logistics costs by means of a strategy of continuous renegotiation.
- Defines and implements a technological strategy and an organisational plan that allows the Bank to anticipate and adapt to rapid and significant changes in the sector that affect its markets.
- Defines and implements a holistic physical and IT security system.

SUBSIDIARIES



Sébastien Collado

International Division

77 staff
in Lyon, Annecy and Paris

- Real estate, commercial and housing finance: development, estate agents, long-term heritage property.
- Corporate banking: medium- and long-term company financing and transfer operations.
- Private management: helping business leaders manage their personal wealth and professional assets, by applying the Group's asset management and wealth engineering expertise.



Frédéric Tixier

Corporate Division

Staff²
in Geneva and Zurich

- Private equity.
- Growth finance.
- Management buyout.
- Minority participations.



Arthur Magis

Corporate Division

5 staff
in Lausanne, Geneva and Zurich

- Business sale consultancy.
- Business acquisition consultancy.
- Financial evaluation and business improvement.
- Strategic financial consultancy.



Bernhard Urech

Asset Management Division

5 staff
in Zurich

- Institutional management.
- The Group's bond management expertise centre.

DIGITAL



Stefan Schmid

Geneva Division

- Avantage service is the main online savings and loans application (within Switzerland only).
- Opening accounts and arranging financing for private clients.
- Investments: opening online management mandates for private clients.

² Capital Transmission's operations are taken over by the Corporate Division staff.

Operating structure

March 2024

Executive Board



Blaise Goetschin
Chief Executive Officer,
CEO*
until 5 March 2024



Nicolas Krügel
Chief Executive Officer,
CEO*
from 6 March 2024


**Chief of Staff,
Leadership and Planning**
Irene Diez

**Corporate Affairs
& Communications**
Christophe Weber

Marketing
Christian Hamm

Human Resources
Christelle Didier

Finance Division



Frédéric Vernet
Member of the Executive
Board, CFO, CRO*

Finance Chief of Staff
Jérémy Linder

**ALM (Asset and Liability
Management)**
Pierre-Henri Turc

General Accounting
Yvan Nicolet

Financial Controlling
Louis Ghaleb

Financial Markets and Treasury
Richard Christinat


Risk
Nicolas Dervaux

Valuation and Credit Risks

Operating Risk and Data

**Regulatory Oversight
and Risk Reporting**

Geneva Division



Pierrette Jatton Klopfenstein
Member of the
Executive Board

**Branch Network Management
and Business Development**
Marie-Laure Rochet Mantilleri

Online Banking
Paulo Oliveira

Digital Business Development
Paul Mouktar

**SMEs
and Self-Employed**
Claude Bagnoud

**Private Banking
Swiss Clients**
Franco Furcolo


Sector Centre
André Thiévent

Sector West
Céline Duret Quitadamo

Sector Right Bank
Alexandre Scala

Sector Left Bank
David Bottoli

International Division



Yves Spörri
Member of the
Executive Board

International Chief of Staff
Julien Rousseau

Private Banking Switzerland
Oliver Riberzani
**Zurich
Basel
Lausanne**

**International Private
Banking**
Claudio Pietroforte

International Private Clients

**International Private Banking
Geneva**

Independent Asset Managers

Representation Offices
Dubai
Hong Kong

Global Commodity Finance
Nicolas Demierre

Commodity Trade Finance

**Global Commodity
Finance Operations**


Credit and Project Management

**Collateral and Transaction
Management**

**Banks and Insurance
Companies**
Boris Bijleveld

**International Corporate and
Property Finance**
Catherine Raphoz

**Banque Cantonale de
Genève | France SA**



**Sébastien
Collado**

Corporate Division



Virginie Fauveau
Member of the Executive Board

Chief of Staff Corporates and Business Development
Catherine Million

Public Authorities
Alain Voirol

Swiss Corporate Clients
Pierre Meyer

Multinationals and International Institutions
Grégoire Borlat

Real Estate and Construction
Sylvie Hoecht

Personal Finance and Staff Banking
Nicolas Bezaguët

Participations and Workout
José-Luis Rivera

Corporate Finance
Virginie Fauveau *interim*

Corporate Advisory
Private Equity / M&A

Asset Management Division



Urs Ziegler
Member of the Executive Board, CIO*

Asset Management Chief of Staff
Marc Doerks

Institutional Investors
Nicole Crettenand

Investment Policy and Chief Economist
Valérie Lemaigre

Wholesale Clients
Ingo Bionda

Financial Assets Advisory
Thierry Angele

Balanced Portfolio Management
Axel Moser

Institutional Portfolio Management
Bruce Crochat

Wealth Solutions
Albert Gallegos

Legal and Compliance Division



Philippe Marti
Member of the Executive Board

Legal
René-Christian Métrailler

Compliance
Stiliano Ordolli

Tax Compliance
Yael Hen Marie-José Bratcov

Litigation
Marius Hämmig

Operations Division



Jean-Marc Joris
Member of the Executive Board

Service Centre Loans and Services
Stéphane Bonnin

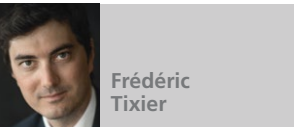
Service Centre Banking Operations
Jean-Michel Comte

IT
Daniel Stocco

Logistics and Purchasing Management
Céline Orlandini

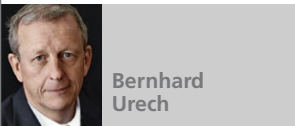
Organisation
Virginie Vandercapellen

Capital Transmission SA



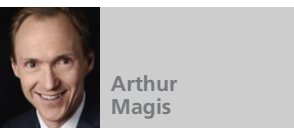
Frédéric Tixier

Loyal Finance AG



Bernhard Urech

Dimension SA



Arthur Magis

* CEO: Chief Executive Officer
CFO: Chief Financial Officer
CIO: Chief Investment Officer
CRO: Chief Risk Officer

Risk management¹

Continuous evolution of the risk functions

18

Initiated in 2021, the Bank's risk management system¹ has been continuously evolving in order to coordinate and anticipate risk control, at the highest level, among the front office units, the Risk business unit, the ALM (Asset and Liability Management) department and the Legal and Compliance division.

All these units monitor risk, controlling and modelling them so that the Bank can maintain the right balance between risk and revenue. Their role is also to track and communicate to the highest levels information on adherence to the regulatory framework and on the limits set by the higher supervisory authorities and by the relevant units within the Bank.

The Risk and the Asset and Liability Management committees

Every month, the Risk committee (CRISK) undertakes an analysis of the main risks and the forecasts (credit, country, interest rate, market, liquidity, own investment, operational, non-compliance and legal, reputational, strategic), and monitors environmental and social risks. The CRISK gathers the information from the other committees. This inventory is compiled in the form of reports and examinations of positions held. In the Banque Cantonale de Genève (France) subsidiary, a specific risks committee examines the situation monthly.

The Asset and Liability Management committee (CALM), which oversees management of the balance sheet and rate risks, meets on a monthly basis at least. It monitors the exposure to interest rate risk, particularly by measuring income sensitivity and sensitivity of the net present value of shareholders' equity, analyses internal transfer rate margins and monitors the liquidity coverage ratios required by regulations, together with risks from the Bank's investments on its own account.

Establishing rolling equity coverage planning for the next few years requires outstanding coordination between the front office entities, the Risk business unit and the ALM department. The Bank's decision to allocate strategic limits by area of business forms a solid basis on which to achieve objectives, while complying with the coverage level.

17.01%

Group equity coverage
31.12.2023

Risk limits are established for all the business activities set out in the Strategic and Financial Plan (SFP), in order to set the maximum acceptable exposure by type of operation. The Bank also defines key indicators for risk management, with linked thresholds and limits. The yield from operations, in terms of income from interest and commissions, is weighed up against the costs of the transaction and against the risks incurred.

In terms of FINMA circular 2011/2, BCGE is classified under category 3 and the minimum threshold of its equity coverage ratio is 12% (NB: the counter-cyclical buffer will lead to a minimum threshold of 12.73%, following its return to 2.5% at the end of September 2022).

Business planning takes these requirements into consideration in growth forecasts in order to guarantee this level of equity coverage. The minimum threshold is easily covered; the publication requirements relating to shareholders' equity are available on the Bank's website (bcge.ch – About BCGE > Publications > Financial reports).

Credit risk

The Bank continuously reviews and closely monitors its loan portfolio in the context of successive negative events:

- the coronavirus crisis of 2020 and 2021. NB: by the end of 2023, the Bank had recorded repayment of approximately 65% of the Covid loans granted;
- the Russia/Ukraine conflict in 2022 which impacted energy prices in Switzerland and commodities prices in general;
- the marked fall in long interest rates in 2023, coupled with Swiss property prices still trending upwards. NB: the regulator is continuing to closely monitor the property sector;

¹ See also on pages 62-65, Summary presentation – Consolidated, Point 3. Risk management.

- the events described in the previous points had no material impact on credit risk in 2023; the Bank is maintaining its prudent lending policy while developing specific anticipatory and monitoring solutions as regards property risk.

Individual value corrections remained within controlled levels in 2023.

Country risks

Country risks are generally well diversified. In France, where the Bank does a significant amount of business through its French subsidiary, Banque Cantonale de Genève | France SA, country limits mainly concern the financing of international trade and client banks.

2023 saw commodity prices returning to earlier levels, easing pressure on inflation and the foreign exchange reserves of emerging economies. There were also numerous political changes in 2023, as there will be in 2024; the Israel-Palestine conflict could spread to the entire region and become a source of instability in the coming months. The Bank closely monitors the world situation.

Market risks

Trading risks are limited (particularly in respect of currencies and rates) in view of the voluntarily targeted and restrained activity in the Bank's proprietary trading. Changes in trading positions and quantities held are checked daily.

Proprietary investment risk

The long-term investment portfolio amounted to CHF 2.577 billion as at 31 December 2023 (parent company). It largely comprises bonds rated AAA or at least A-.

The Bank holds a portfolio of rigorously selected private equity funds and maintains a highly diversified investment strategy in terms of geography, currency and business sectors; this limits risks and ensures long-term yields.

Operational risks

Operational risks are systematically identified, monitored and declared. Risk mapping and related checks are put in place and regularly assessed, to provide as complete an overall view of operational risks as possible.

Moreover, the Bank prepared for the entry into force of the new FINMA circular on operational resilience on 1 January 2024.

Legal and compliance risks

A new tool for automating the monitoring and reporting of compliance risks was introduced in 2021 in parallel with the creation of the Legal and Compliance division at the start of 2022. This made it possible to reinforce oversight of transaction and compliance risks and to meet the numerous requirements arising from the Ukraine crisis in particular. The challenges of 2023 confirmed the adequacy of the measures put in place.

Non-financial risks

The Bank has put in place sufficient measures in respect of the self-regulation guidelines of the SBA (Swiss Bankers Association) that came into force on 1 January 2024. They concern the following areas:

- making ESG (Environmental, Social and Governance) preferences and risks an integral part of investment advice and asset management, with the principal aim of combating greenwashing;
- the framework conditions of these guidelines are backed up by the entry into force of AMAS (Asset Management Association Switzerland) self-regulation as regards transparency and publication of information by collective investments with reference to sustainability;
- guidance for owners of individual firms in taking into account climate and energy risks.

The Bank prepared its corporate social responsibility report for 2023 in accordance with GRI standards. It complies with the provisions of the Code of Obligations (Art. 964 (a) et seq. CO). The Bank engaged Deloitte SA of Geneva to supply an independent statement of assurance in the form of a limited audit. It intends thereby to reinforce the credibility of its process and meet the expectations in terms of transparency as formulated by the regulations and the market.

Enterprise culture

The quality of client relations generates business growth

BCGE is a human, universal and evolving bank that acts responsibly, is motivated by its public interest mission, and considers respect to be at the heart of every client relationship.

A corporate culture is created and lived out through its staff members. As the Bank's primary ambassadors, they are its human capital. Their skills, talent and professionalism are indisputably its key assets required to respond precisely to the needs and expectations of its clients. This is why BCGE ascribes special importance to the formation of its teams, bringing together a diverse and complementary range of personalities in order to foster creativity, competitiveness and company spirit.

A human organisation, BCGE encourages a close bond and interaction between its management and staff. This creates a propitious environment for innovation in the search for solutions aimed at facilitating clients' everyday lives, while encouraging human contact and dialogue with clients in order to offer them truly personalised services.

Universal and highly specialised, BCGE offers top-quality advice and expertise, together with made-to-measure banking and financial solutions. It presents itself as the embodiment of banking expertise; it manages its appointments and key staff with care, to ensure continuity in positions involving a high level of knowledge and specialisation.

The Bank operates no fewer than 14 business lines, serving private individuals, companies and institutions. Its teams comprise banking experts, multi-skilled generalists and specialists, organised by market segment and strategic activity, allowing it to satisfy its clients' requirements competitively and with sophistication.

An evolving institution, BCGE mobilises its expertise and develops its talents. It focuses on a long-term vision in order to ensure its longevity. It fosters its staff members' professional advancement by means of certificated training, which allows them not only to adapt to changes in their sector but also to anticipate them. It thereby guarantees high-level continuing training that covers all areas of banking and finance.

The Bank and its staff in 2023

The BCGE Group comprises 971 staff, 4.86% more than in 2022.

This growth corresponds to the development of new areas, particularly in asset management, financial markets and business activities.

Management development

- Sixty-four executive managers representing all the Group's entities took part in the annual "Management Championship" seminar, a key bank governance event taking place over three days. It focused on BCGE's employer brand and how to enhance its attractiveness, together with an analysis of the major challenges facing the Swiss economy.
- A hundred management staff were officially given the objectives and instructions for development of the Bank's business during the "Strategy 2024-2026" event.
- Two information sessions on the Bank's annual and half-yearly results were organised for all the Group's employees.

Regulatory and continuing training

- Nearly 740 people took courses in areas specific to their business line: cross-border issues, management, law, compliance, audit.

Certifications

- Sixty-six employees received SAQ (Swiss Association for Quality) certification, confirming their qualified status as experts in their profession.
- A hundred and one internal certifications were put in place in the retail, individual or company pensions and investment areas.
- Thirty-two young apprentices, FCPM candidates, BEM and university graduate trainees learn the skills they need at BCGE every year. In 2023, 14 completed their training courses brilliantly, including five apprentices and BEMs who successfully passed their exams.

To find out more about BCGE's commitment towards its staff, see the company's corporate social responsibility Report.

Top-quality advice and expertise

Banking and financial solutions made to measure

Retail banking

Day-to-day banking services

GE CH F INT
 Current accounts / individual accounts
 Bank cards / credit cards
 Safe deposit boxes
 Currencies

Online banking services

GE CH INT
 Netbanking
 Mobile Netbanking app
 Opening of services
 BCGE Twint app
 Main digital wallets
 Electronic safe (e-Safe)

Saving

GE CH
 Short-, medium- and long-term
 Avantage service loyalty programme
 Savings accounts
 Cash bonds

Pension planning

GE CH F
 Personalised financial advice
 Financial planning
 2nd and 3rd pillar accounts
 Life insurance contracts
 Fund savings plan
 Annuities

Investments

GE CH F INT
 Online stock trading
 Investment funds
 Property funds
 Fund savings plans
 Certificates
 Precious metals

Private banking

GE CH F INT
 Discretionary management mandates
 Investment advice mandates
 Lombard loans
 Term and trustee deposit accounts
 Estate planning
 Private equity mandates
 Financial security

Housing financing

GE CH F
 Main residences
 Secondary residences
 Energy efficiency loans

Consumer financing

GE CH
 Vehicle leasing
 Personal loans
 Energy efficiency project loans

Corporate

Corporate finance, cash management and export finance

GE CH F
 SMEs and large companies
 Independent and self-employed persons
 State and related entities
 Municipalities and municipal property trusts
 Parastatal institutions and churches
 Real estate foundations under public law
 Public authorities in Switzerland
 Non-profit making bodies

Property and construction finance

GE CH F
 Real estate investors
 Real estate development
 Commercial real estate and
 Real estate agents
 Construction companies

International commodity trade finance

GE CH INT
 Trade transaction financing
 Structured financing
 Trade and forfaiting

Financial services and markets for banks and insurance companies

GE CH INT
 Currencies
 Online forex platform
 Online stock trading
 Securities, investment funds
 Metals
 Capital markets
 Cash
 Banknotes

Multinationals and international institutions

GE CH INT
 Financing
 Cash management
 Import / export financing

Corporate advice

GE CH
 Strategic financial consultancy
 Mergers and acquisitions (M&A)
 (Dimension)

Equity finance

GE CH F INT
 Minority participation
 Mezzanine finance
 Management buyout
 Company transfer
 Capital increase
 (Capital Transmission)

Institutions

Finance and cash management

GE CH
 Private and public pension funds
 Private and public foundations
 Family offices
 State institutions

Services to independent wealth managers

GE CH INT
 GFI platform

Asset management

GE CH INT
 Made-to-measure mandates
 Active Swiss and foreign
 equity management
 Quantitative management
 Balanced management
 Bond management
 ESG management
 Private equity mandates

Investor advice

GE CH INT
 Financial engineering
 Interest rate management advice
 Exchange rate management advice
 Investment advice

Financial services and markets

GE CH INT
 Stock markets
 Currencies
 Online forex platform
 Metals
 Issues
 Capital markets
 Cash
 Paying agent services for foreign funds

GE Geneva market
 CH Swiss market
 F French market – through BCGE France. Not all the services listed are available in France
 INT International markets

International markets – all the operations are agreed and registered in Switzerland. In Hong Kong and Dubai, BCGE acts through its representative offices. These offices limit themselves to promoting the Bank's activities and do not carry out operations.

Commitment

BCGE supports top-level athletes

Banque Cantonale de Genève is proud to be represented by elite Swiss athletes who embody the same values of commitment and performance as the Bank.

22

Sebastianna Scilipoti

Tennis player, BCGE sports ambassador since 2021.
Ranked 560th worldwide in 2023

"I'm very proud to have been chosen as a sports ambassador for BCGE, based on our shared values of commitment and performance to achieve the best results. I'm delighted that my image was chosen for the campaign for one of the Bank's leading products. Having been invited to take part in "youth" events organised by the Bank, I have the opportunity to send the message that, when you set yourself goals, be it in your sporting, private or professional life, it's important to work hard to achieve them with willpower and determination. It's also a great experience to be able to express myself in public, which will serve me for the rest of my career."



Maxime Chabloz

Kiteboarder and freerider, BCGE sports ambassador since 2019.
Multiple world champion.

"Being a BCGE sports ambassador means carrying the flag for the Bank's values and its commitment to young people, especially via sport, where the principles are conviction, method, preparation... a bit like in finance. Thanks to this win-win partnership, I can achieve my sporting dreams and devote myself to training so as to perform even better in competitions. I'm proud to lend my image to the marketing materials that communicate the Bank's messages. I also really enjoy taking part in BCGE events, where I can talk about my career and my achievements, while trying to open up the audience's perspectives, by showing them that with motivation, you can go far."



Partnerships with sports people are built on strong principles, common to sport and finance, based on a respect for strict rules, shared convictions and application of distinctive methodical choices. The Bank's sports ambassadors are invited to take part in exclusive BCGE events, to talk about their sporting careers and

the work they have put in to be able to climb up to championship level. They also allow their images to be used to illustrate the Bank's various marketing materials, each of them communicating a message specific to an area of expertise.

Eline Rol

**Rower, BCGE sports ambassador since 2019.
World champion.**

"As a BCGE sports ambassador, I enjoy taking part in the Bank's exclusive events and talking to people about the fundamentals that are common to both elite sport and finance, as well as about what my day-to-day life is like, between training and competitions, to be able to get up there with the champions. Thanks to my partnership with the Bank, I can devote myself entirely to my passion, while communicating the Bank's principles of performance and commitment. I'm also proud to lend my image to illustrate its values, especially during the BCGE Tour du Léman rowing event."



Mickaël Matthey

**Wrestler, BCGE sports ambassador since 2018.
Forty-seven titles in all.**

"It's an honour to have been the first Swiss wrestler selected by a cantonal bank to be one of its sports ambassadors. It means I can promote a little-known sporting discipline on a bigger stage, while spotlighting BCGE's commitment values. This partnership allows me to devote myself to my passion and my objectives, but also to talk to people, during the Bank's client events, about the challenges of an elite sport – about what that means in terms of willpower, preparation and perseverance, to keep your place among the best. I'm really happy to interact with people from a world other than my own. I lend my image to the Bank for marketing campaigns. The quality of the photos and videos make the sport that I practise look beautiful, and give it another dimension."



To find out more about BCGE's sports ambassadors

- bcge.ch/en/partenariats > Patronage and Sponsoring > Sports sponsoring;
- [YouTube BCGE Playlist BCGE | Nos sportifs-ambassadeurs](#);
- **Dialogue**: Winter 2020/21 p. 22-23; Summer 2021 p. 20-21; Winter 2021/2022 p. 22.

Digital banking

Secure and resource-friendly access to BCGE's solutions



Become a client and finance your home online

Swiss residents can register independently with BCGE, 100% online, via the Avantageservice.ch website, 24 hours a day, seven days a week, selecting their branch of choice. Avantageservice.ch is BCGE's self-service site, available in French, English and German, and the Bank's loyalty programme that allows you to earn up to 2% extra interest. This multilingual platform allows you to set up a home loan agreement in Switzerland, or a discretionary management mandate, within about 15 minutes – seven days a week, 24 hours a day.

Netbanking

Online Banking

The Netbanking platform allows individual clients and companies to manage their accounts and their deposits independently, 24 hours a day, seven days a week. Over 126,000 regular users interact remotely via the Online portal that is in continuous development. The online call and advice centre, with its several dozen staff, assists and guides clients from Monday to Friday 7:30 a.m. to 7:30 p.m., on Saturday 9 a.m. to 4 p.m. and on Sunday from 9 a.m. to 1 p.m. The e-banking advisers hold several information sessions every month, either online or in our offices, to guide clients through BCGE's digital services.

Online portal

Using services with complete autonomy

From the Online portal, Swiss residents can consult a range of services at their disposal and equip themselves online. Clients can also invest by taking out a discretionary management mandate or a pension fund savings plan, seven days a week, 24 hours a day.



The bank in your pocket

The Mobile Netbanking app gives clients access to Netbanking wherever they may be: secure and easy to use, ergonomic, with biometric authentication, and simplified payment entry (with a scanner function for QR bills).



Card management from your smartphone

This application allows clients to use their mobile phones to check and manage their credit and debit cards, to track their expenditures, to authorise or block payments online, and to control use of each card by geographical area. It also allows the user to block the card and see their PIN or its replacement.



Immediate money transfer between Swiss bank clients

This smartphone solution allows 32,000 users to transfer money immediately and at any time to their phone contacts, without needing to know or enter their bank account number, and to any Swiss bank affiliated to Twint. This nationwide system can also be used to pay at numerous shops and on websites in Switzerland.



BCGE's electronic safe

e-safe is a digital safe, accessible from the Online portal, where all types of important electronic documents can be saved and stored in a secure space, free of charge and located in Switzerland, with no limits on duration or volume.



Online trading platform

With over 12,500 users, the online trading platform, accessible through Netbanking and Mobile Netbanking, continued to develop in 2023. It can be used to buy and sell securities directly in the financial markets, simply and safely, and at very favourable rates, for transactions on Swiss, European, North American and Asian markets. The financial information portal Yourmoney.ch provides the investor with a complete financial dashboard, in French, English and German.



A financial data transfer solution

Business link allows business clients to connect their accounting software to BCGE securely, so that they can receive their electronic statements in international standard formats and submit payment slip files generated by their software for execution. This solution, used in single or multi-bank mode, can be combined with Netbanking and Mobile Netbanking.



Foreign exchange transactions for professionals

The ForXchange platform, which is mainly intended for SMEs and companies with significant foreign exchange volumes, facilitates completely independent spot or future foreign exchange transactions.



Online credit for SMEs

With the help of the BCGE business loan, SMEs and the independent professionals can finance their investments and cover their working capital requirements. Available online, this solution allows them to get a quick decision, on attractive terms, for stable funding at a fixed rate determined in advance. In addition to business loans, the leasing of vehicles for business use and the leasing of capital goods can also be requested online.



Personal loans – vehicle leasing

The procedure is simple: using their device of choice, clients can decide on the solution best suited to their situation for their personal loan, or indeed for an energy efficiency project, then complete the application and send it in. They will receive a response within 24 hours.



eGFI platform

Independent asset managers dealing with BCGE can use the eGFI platform to check their clients' positions and transactions, and also place stock exchange orders (individual or grouped).

Shareholder information and corporate governance

Overview

1. Group structure and shareholding	27
1.1 Group structure	27
1.1.1 <i>Presentation of the Group operating structure</i>	27
1.1.2 <i>Listed company</i>	27
1.1.3 <i>Scope of consolidation</i>	28
1.2 Major shareholders	28
1.3 Cross holdings	28
2. Capital structure	29
2.1 Capital	29
2.2 Capital fluctuation margin	29
2.3 Changes in share capital	29
2.4 Shares and participation certificates	29
2.5 Profit-sharing certificates	29
2.6 Transfer restrictions and registration of nominees	29
2.6.1 <i>Transfer restrictions</i>	29
2.6.2 <i>Reasons for granting exceptions</i>	29
2.6.3 <i>Registration of nominees</i>	29
2.6.4 <i>Procedure</i>	29
2.7 Convertible bonds and options	29
3. Board of Directors	30
3.1 Members	30
3.2 Other activities and vested interests	32
3.3 Number of functions accepted	32
3.4 Election and duration of appointments	32
3.5 Internal organisation	33
3.5.1 <i>Allocation of tasks within the Board of Directors</i>	33
3.5.2 <i>Committees of the Board of Directors</i>	33
3.5.3 <i>Working methods</i>	34
3.6 Powers of the Board of Directors and the Executive Board	34
3.7 Information and control mechanisms	36
3.8 Gender representation threshold	37
4. Executive Board	38
4.1 Members	38
4.2 Other activities and vested interests	40
4.3 Number of functions accepted	40
4.4 Service contracts	40
4.5 Gender representation threshold	40

5.	Remuneration, participations and loans	41
5.1	Contents and procedure for setting remuneration and participation programmes	41
5.2	Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board	43
6.	Shareholders' participation rights	44
6.1	Limitation and representation of voting rights	44
6.1.1	<i>Statutory provisions</i>	44
6.1.2	<i>Additional information to be provided for issuers not subject to the provisions of joint-stock company law pursuant to Art. 620 – 762 CO</i>	44
6.2	Quorum	44
6.3	Convening of General Meetings	44
6.4	Agenda items	44
6.5	Share registration	44
7.	Takeovers and defensive measures	44
7.1	Obligation to make an offer	44
7.2	Takeover provisions	44
7a	Transparency on non-financial questions	44
8.	Independent auditor	45
8.1	Duration of the audit mandate and of the mandate of the auditor-in-charge	45
8.2	Independent auditors' fees (in CHF)	45
8.3	Additional fees (in CHF)	45
8.4	Information on the independent auditors	45
9.	Information policy	46
10.	Trading lock-up periods	47

Shareholder information

Corporate governance

1. Group structure and shareholding

1.1 Group structure

1.1.1 Presentation of the Group operating structure

Banque Cantonale de Genève (hereafter BCGE) is a limited company established by public law according to Art. 763 of the Swiss *Code of Obligations*. It has the status of a cantonal bank as defined by the Federal Banking Act.

The Bank was registered in the Geneva Trade Register on 17 December 1993 and conducts its business under the registered name "Banque Cantonale de Genève SA".

The registered office and management of the Bank are in Geneva.

BCGE operates branches and agencies.

The portrait of the Group and its subsidiaries can be found on pages 10, 11 and 12 of this report.

The scope of consolidation is presented at point 1.1.3 on page 28 and at point 2 on page 60 of this report.

Banque Cantonale de Genève is organised in seven divisions managed by the members of the Executive Board. The missions of the divisions can be found on pages 14-15 of this report (business model).

Coordination of the divisions and benefits from synergies applicable across all divisions are ensured on the one hand by the CEO and his staff and, on the other, by a matrix operating structure.

The functional capability of this structure is reinforced by various strategic committees which have been allocated major responsibilities or controls by the Executive Board.

The operating structure of BCGE as at 1 March 2022 appears on pages 16-17 of this report.

1.1.2 Listed company

The Bank is listed on the SIX Swiss Exchange. As the 7,200,000 registered shares are listed, the market capitalisation is calculated on the basis of a price of CHF 225.00 as at 31 December 2022.

Market capitalisation	CHF 1,620 million
Swiss security number	35 049 471
ISIN number	CH0350494719

1.1.3 Scope of consolidation

In particular, the complete scope of consolidation includes, at 31.12.2023, these subsidiary companies which are at least 50% owned:

- Banque Cantonale de Genève | France SA, Lyon, share capital EUR 50 million;
- Capital Transmission SA, Geneva, share capital CHF 2 million;
- Dimension SA, Lausanne, share capital CHF 160,000;
- Rhône Saône Courtage Sàrl, Lyon, share capital EUR 10,000;
- Rhône Saône Léman 2 SNC, Lyon, share capital EUR 10,000;
- Loyal Finance AG Zurich, share capital CHF 200,000;
- Swiss Public Finance Solutions SA, Geneva, share capital CHF 400,000.

1.2 Major shareholders

Information on the major shareholders known to BCGE:

Major shareholders' equity interests

As at 31.12.2023

Shareholders	Registered shares	Total votes	Total nominal value	% capital and votes
State of Geneva	3,187,715	3,187,715	159,385,750	44.27%
City of Geneva	1,502,646	1,502,646	75,132,300	20.87%
44 Geneva municipalities	534,649	534,649	26,732,450	7.43%
Sub-total, public authorities	5,225,010	5,225,010	261,250,500	72.57%
State of Geneva Pension Fund (CPEG)	428,800	428,800	21,440,000	5.96%
Total major shareholders	5,653,810	5,653,810	282,690,500	78.53%
Other shareholders	1,546,190	1,546,190	77,309,500	21.47%
Existing capital	7,200,000	7,200,000	360,000,000	100%

The publication of acquisitions of equity stakes can be consulted using the following link: ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/

1.3 Cross holdings

BCGE is not aware of the existence of any cross-holdings exceeding 5% of the capital or of the totality of shares.

2. Capital structure

2.1 Capital

The capital of the Bank currently amounts to CHF 360,000,000.

2.2 Capital fluctuation margin

There are no provisions in the Articles authorising the Board of Directors to increase the capital (authorised increase) or to permit a conditional capital increase (conversion or option rights).

2.3 Changes in the share capital

No changes have been made to the share capital over the last three years.

2.4 Shares and participation certificates

The share capital is composed entirely of registered shares, listed on the SIX Swiss Exchange, with a par value of CHF 50, i.e. a total of 7,200,000 shares, all fully paid up.

All the shares have the same financial and ownership rights.

There are no participation certificates.

2.5 Profit-sharing certificates

There are no profit-sharing certificates.

2.6 Transfer restrictions and registration of nominees

2.6.1 Transfer restrictions

The Bank's Articles contain an anti-fiduciary clause stating that a buyer is included on the shareholders' register with voting rights only to the extent that they expressly declare that they acquired the shares in their own name and on their own account. Moreover, the Constitution of the Canton of Geneva, Art. 189, para. 2, states that the Canton and the Municipalities must hold the majority of the votes attaching to the Bank's share capital. Art. 7, para. 3 of the Banque Cantonale de Genève Act (LBCGe; in force since 1 April 2016) specifies that the Canton, the City of Geneva and the other municipalities represented by the Association of Geneva Municipalities must enter into a shareholders' agreement governing the minimum number of shares that each public authority is required to hold.

2.6.2 Reasons for granting exceptions

No exceptions are granted.

2.6.3 Registration of nominees

As at 31 December 2022, there is no statutory or regulatory provision allowing inclusion of nominees in the register of shareholders.

2.6.4 Procedure

Art. 3, para. 11 of the Bank's Articles of Association states that the Board of Directors may specify the procedures and adopt the necessary regulations in respect of application of the said Article. The said regulations must state in which cases the Board or any committee appointed by it may authorise exceptions to the limitation on inclusion or to the regulation in respect of fiduciaries or nominees. To date, no such regulation has been promulgated.

2.7 Convertible bonds and options

BCGE has not issued any convertible bonds or options.

3. Board of Directors

3.1 Members

The Board of Directors is composed of 11 non-executive members. They are independent within the meaning of FINMA Circular 2017/1: Corporate governance – banks.

No Director:

- has any operational position within BCGE or any BCGE Group company;
- is or has been a member of the Executive Board of BCGE or of a BCGE Group company during the last three financial years preceding the period under review;
- has any close business relationships with BCGE or a BCGE Group company.



Manuel Leuthold

born 21 December 1959, Swiss.
Chairman, appointed by the State Council of the Canton of Geneva in 2021.

Manuel Leuthold has been Chairman of compensswiss, the Swiss Federal Social Security Funds OAI/IIIC, Geneva, since January 2016. He is also a member of the Board of Directors of several Swiss companies. Manuel Leuthold has extensive experience in the banking sector. He worked for more than 30 years in various groups, during which time he held senior positions in commercial and institutional client management as well as in commodities trading finance. He holds Master's degrees in law and economics from the University of Geneva.



Jean Olivier Kerr

born 19 June 1956, Swiss.
Deputy Chairman, elected in 2017 by the shareholders other than the public authorities.
Chairman of the Appointments and Remuneration Committee.

With postgraduate degrees from the International Agri-food Management Institute (IGIA) and from the Institute for Advanced Studies in Rural Law and Agricultural Economics (IHEDREA, Paris), Jean-Olivier Kerr's expertise is in risk management, strategy analysis and execution, organisational change management and leadership. Having joined Cargill as a trader in 1980, he occupied various positions in Paris, Amsterdam, Milan, Geneva and Minneapolis before being appointed Manager at Cargill Europe, Geneva (1999-2007), then Vice-Chairman of Cargill International, Geneva (2008-2014). He is a member of Entreprendre Suisse Romande, the business creation network in French-speaking Switzerland.



Michel Pasteur

born 20 December 1953, Swiss.
Secretary, appointed by the State Council of the canton of Geneva in 2018.
Member of the Control Committee.

The holder of a degree in economics from the University of Geneva and a Swiss Federal chartered accountancy diploma, Michel Pasteur has wide experience of bank auditing and compliance. From 1978 to 1995, including two years in the United States, he worked in two large international trust companies as a bank auditor. From 1995 to 2013, he held various positions of responsibility in three banking institutions in Switzerland and abroad; in one of these, he was a member of the Swiss executive committee, in the compliance departments. Since 2014, he has been an independent compliance consultant.



Jean-Philippe Bernard

born 16 June 1958, Swiss and French.
Member, elected in 2021 by the shareholders other than the public authorities.
Chairman of the Risk and Strategy Committee.

The holder of a civil engineering degree from the Ecole Polytechnique Fédérale de Lausanne, Jean-Philippe Bernard has a wealth of experience in the areas of risks and controls, strategy and management, organisation, and security. Active in various consultancy firms and banks, in 1999 Jean-Philippe Bernard founded BERYL Management Sàrl, of which he was owner and managing director until its sale in 2013, and CEO until 2019. Since 2020, he has been an independent expert and consultant on strategic missions.



Fabienne Bertolucci

born 14 April 1967, French.
Member, appointed by the State Council of the Canton of Geneva in 2022.
Member of the Risk and Strategy Committee.

Fabienne Bertolucci founded Orphée Consulting in 2015. She has a wealth of experience in financial control, acquired in a range of companies. She also managed the family firm JFG from 1986 to 1996. She has a Master's degree in finance and management from HEC Geneva and a Master's degree from the University of Aix-Marseille Institute of Business Law. She holds a diploma in the Valuation of Companies and Financial Assets from IAE Paris-Sorbonne Business School.



Michèle Costafrolaz

born 2 August 1954, French. Member, elected in 2017 by the shareholders other than the public authorities.
Chairman of the Control Committee.

A graduate of the Lyon School of Management in Finance and Accounting, the expertise of Michèle Costafrolaz is in financial audit and business advisory services in the accounting and financial field. Starting her career in external audit with Deloitte Haskins & Sells in Paris in 1977, she occupied several management positions in the company before becoming Managing Partner Audit with Deloitte SA, Geneva (1984-2013). An accredited senior auditor with the Federal Audit Oversight Authority, Ms Costafrolaz has been a founding shareholder and board member of MCT Audit & Advisory, Geneva since 2013. She was Chair of the audit committee of the Global Alliance for Improved Nutrition Foundation from 2015 to 2018, a member of the Supervisory Board of Ermewa Holding SA, France from 2014 until 31 October 2021, and Chair of the Audit Committee from 2018 until 31 October 2021. Since June 2023 she has also been a member of the Board of Directors of the Foundation for Innovative New Diagnostics (FIND), Geneva.



Sophie Dubuis

born 25 September 1974, Swiss.
Member, appointed in 2020 by the Administrative Council of the City of Geneva.
Member of the Risk and Strategy Committee.

A holder of qualifications in tourism management from HES-SO Valais and in team management from CRPM Lausanne. Having trained in management in Lausanne and holding an Executive MBA in Project Management from the University of Geneva, Sophie Dubuis is also a qualified coach. Founder and director of sow consulting sàrl, Chair of the Fondation Genève Tourisme & Congrès and a member of the executive committee of the Swiss Employers' Union. In addition, she has held a range of management positions: at Bucherer SA, the International Conference Centre Geneva (CICG), Palexpo and Forum Fribourg.



Serge Fasel

born 28 January 1957, Swiss.
Member, appointed in 2018 by the Administrative Council of the City of Geneva.
Member of the Appointments and Remuneration Committee.

Serge Fasel holds a law degree from the University of Geneva and was admitted to the Geneva Bar in 1991. He has been a member of the FBT Avocats legal practice in Geneva since 1993 and manages its judicial group. He has extensive experience both in cases heard in ordinary courts and in national and international arbitration. His areas of activity include all forms of commercial litigation, in particular in banking and finance. He is also active in the areas of bankruptcy law, labour law and economic crime. He is also a deputy judge at the Court of Justice and has completed a course in military law. FBT has undertaken litigation work for the Bank for many years.



Bernard Girod

born 5 February 1956, Swiss.
Member, appointed by the State Council of the Canton of Geneva in 2018.
Member of the Appointments and Remuneration Committee.

Bernard Girod, who holds a mechanical technician diploma, has enjoyed a long career as an entrepreneur. He is Chairman of the boards of Serbeco, Satigny and ED Energie Durable, and director of ProP SA, Satigny. He is also a member of several boards of directors, including that of Autobritt Genève, and Chairman of CAD Energie 1 SA, Confignon and Mobilitri SA, Satigny.



Vincent Mottet

born 17 December 1972, Swiss.
Member, appointed in 2022 by the Association of Geneva Municipalities.
Member of the Risk and Strategy Committee.

Vincent Mottet has been councillor for strategic affairs of the state of Geneva's Cantonal Information Systems and Digital Office (OCSIN) since 2019. He has acquired specialist experience in public finance by holding, over almost 20 years, various positions in the infrastructure (DI), land management (DT) and education (DIP) departments. He holds a Master's degree in political science from the University of Geneva, an MBA from HEC Geneva and a doctorate in business administration (DBA) from the University of Lyon 3.



Sandrine Salerno

born 28 August 1971, Swiss / French / Italian.
Member, appointed by the State Council of the Canton of Geneva in 2022.
Member of the Appointments and Remuneration Committee.

Sandrine Salerno has been the Executive Director of Sustainable Finance Geneva (SFG) since 2021 and was previously a member of the Administrative Council of the City of Geneva between 2007 and 2020. During this period, she was head of the Department of Finance and Housing. She holds a degree in political science from the University of Geneva and a diploma of further study in public administration and management.

3.2 Other activities and vested interests

Manuel Leuthold

Chairman of the Boards of Directors of VARIA US Properties AG, Zug; Patrimonium Asset Management AG, Baar; Enki Capital SA, Nyon; NID SA, La Chaux-de-Fonds. Chairman of the committee COPTIS Association Suisse des Professionnels en Titrisation Immobilière [Swiss association of property securitisation professionals], Petit-Lancy. Chairman and founder of ML Leuthold SA, Petit-Lancy. Member of the Boards of Directors of FUNDIM SA, Lausanne; Sustainable Real Estate Investment SICAV, Zurich; Clinique Générale-Beaulieu Holding SA, Geneva; Clinique Générale-Beaulieu SA, Geneva.

Jean Olivier Kerr

Member of the Boards of Directors of Oceana Shipping AG, Morges, Suisse Atlantique Group, Morges and Oceana Bulk SA, Morges.

Michel Pasteur

Member of the Board of Directors of The Forum Finance Group SA, Geneva (until 1 April 2023).

Jean-Philippe Bernard

Managing partner since 2007 at MV4 Production Sàrl and partner at OPCIS Services Sàrl.

Fabienne Bertolucci

Treasurer of the Fondation Madeleine Moret, Lausanne.

Michèle Costafrolaz

Chairman of the Board of Directors of ID Logistics SA, Geneva. Member of the Board of Directors of Helvetia Conseils & Révisions SA, Geneva. Manager of Mesoblast International Sàrl, Meyrin.

Sophie Dubuis

Member of the Board of Directors of Migros Geneva, member of the Management Board of FER (Fédération des Entreprises Romandes); Chairman of Thyon Région Tourisme SA (until June 2023).

Serge Fasel

N/A.

Bernard Girod

Chairman of Fondation 14-16 Jean-Simonet, Carouge, and of the Les Recycleurs de Genève association, Geneva (until 24 May 2022); Vice-Chairman of Le Caré (Caritas Accueil Rencontres Echanges), Geneva. Member of the committee of ASTAG (Swiss Road Transport Association), Geneva (until 30 June 2022).

Vincent Mottet

Mayor of the municipality of Avully, Geneva; board member of the Groupement SIS [fire and rescue service], Geneva.

Sandrine Salerno

Member of the Board of Directors of Serbeco SA, Satigny and of Transports Publics Genevois (TPG), Geneva; manager of Groupement des communautés tarifaires Sàrl, Geneva. Chairman of the Théâtre des marionnettes Genève, Geneva; Deputy Chairman of the Grand-Théâtre de Genève, Geneva.

3.3 Number of functions accepted

The Bank's Articles of Association of 26 April 2016 do not provide for any limitation of functions. Art. 14, "Duties and functions" of the Articles stipulate that:

- the members of the Board of Directors may not have any other activities within the Bank;
- they are required to adhere strictly to banking secrecy, and where applicable, to secrecy of function.

3.4 Election and duration of appointments

The 11 directors are elected or appointed as follows:

- Five members appointed by the State Council of the Canton of Geneva;
- Two members appointed by the City of Geneva;
- One member appointed by the other Geneva municipalities;
- Three members individually elected by the General Meeting; at the time of these elections, the public authorities do not have the right to vote in respect of the shares that they are required to hold pursuant to the LBCGe and the Articles of Association.

The duration of a director's appointment is four years, renewable twice. If the appointment is made during a term, the duration of the appointment is limited to the duration of that term.

The appointment ends on the day of the General Meeting following the date on which a director has reached his/her seventieth birthday at the latest. The procedures for appointing and proposing candidates are governed by Art. 12a of the LBCGe¹ and Art. 9 para. 2 of the Bank's Articles of Association².

¹ www.ge.ch > Geneva legislation section (in French).

² bcge.ch – About BCGE > Organisation > Regulatory framework.

Director	Year first appointed	Current term ends	Number of times reappointed	Eligible for reappointment
Manuel Leuthold	2021	2026	1	yes
Jean Olivier Kerr	2017	2026	2	no
Michel Pasteur	2018	2024	1	no
Jean-Philippe Bernard	2021	2026	1	yes
Fabienne Bertolucci	2022	2026	0	yes
Michèle Costafrolaz	2017	2025	2	no
Sophie Dubuis	2020	2026	1	yes
Serge Fasel	2018	2026	1	yes
Bernard Girod	2018	2026	1	no
Vincent Mottet	2022	2026	0	yes
Sandrine Salerno	2022	2026	0	yes

3.5 Internal organisation

3.5.1 Allocation of tasks within the Board of Directors

Chairman of the Board: Manuel Leuthold

Deputy Chairman of the Board: Jean Olivier Kerr

Secretary to the Board: Michel Pasteur

3.5.2 Committees of the Board of Directors

Appointments and Remuneration Committee

The role of the Appointments and Remuneration Committee is to propose the appointment of the Chief Executive Officer, his/her Deputy and the members of the Executive Board and to give notice of senior management appointments.

It gives notice of the remuneration of the Chief Internal Auditor as put forward by the Control Committee and proposes changes to the Regulations relating to remuneration of the members of the Board of Directors and the Executive Board.

It is composed of four members of the Board of Directors: Jean Olivier Kerr, Chairman, Serge Fasel, Bernard Girod, Sandrine Salerno, members. It meets when an appointment requires it to do so but at least once a year. In 2023, it met 13 times, 8 of these in respect of the CEO's succession (8 times in 2022).

Risk and Strategy Committee

The Risk and Strategy Committee studies the risk environment in which the Bank operates or intends to operate. It gives the Board of Directors prior notice of any important decision of a strategic nature or relating to identifying and managing risks.

It is composed of four members of the Board of Directors: Jean-Philippe Bernard, Chairman, Fabienne Bertolucci, Sophie Dubuis, Vincent Mottet, members. In 2023, it met 6 times (5 times in 2022).

Control Committee

The Control Committee takes its powers and duties from Art. 24 and subsequent of the Bank's Articles of Association. Among other things, the Control Committee aims to supervise compliance with the legal, statutory and regulatory provisions applicable to the Bank, as well as bank practices, and to ensure liaison and coordination between the Board of Directors, internal audit and the independent auditor. It is composed of three members, two directors appointed by the Board of Directors and the third member appointed by the State Council. The member of the Control Committee appointed by the State Council cannot be a civil servant. He/she is subject to banking secrecy.

The members appointed by the Board of Directors are as follows: Michèle Costafrolaz, Chairman and Michel Pasteur, member. The member appointed by the State Council of the Canton of Geneva (SC) was Alain Heck, until 31 August 2023. Simone Terranova was appointed by the State Council of the Canton of Geneva on 1 December 2023. In principle, the Control Committee meets at least once every two weeks. In 2023, it held 26 ordinary meetings (26 in 2022).

3.5.3 Working methods

The Board of Directors meets at least 15 times a year (Art. 17, para. 1 of the Bank's Articles of Association). In 2023, it met 15 times, with meetings lasting an average of five hours. The level of participation in these meetings was 93.3%. It is chaired by the Chairman of the Board of Directors or, in his/her absence, by the Deputy Chairman or Secretary. It may hold extraordinary meetings if business so requires or at the request of four of its members or of the auditors.

The Board can only make decisions if the majority of its members are present. Decisions are made by simple majority of the members present and the Chairman casts the deciding vote if there is a tie.

Minutes are taken of each meeting, approved at the next meeting and signed by the Chairman of the meeting and the Secretary. The members of the Board of Directors must be able to consult files relating to the points placed on the agenda twenty-four hours before the meeting starts at the latest.

The Chief Executive Officer or his/her replacement participates with a consultative vote in the meetings of the Board of Directors but does not take part in the votes or the elections. He/she may require the presence of other members of the Executive Board or third parties if he/she deems it necessary. In 2023, this was the case at each meeting of the Board of Directors.

Should there be conflicts of interest, the members of the Board of Directors must decline to make any comment whenever they are directly or indirectly involved. It is the duty of the Secretary to give notice of the occurrence of a potential conflict of interest when dealing with a particular matter.

The Board of Directors can set up standing or ad hoc committees to study particular subjects. These committees have no decision-making authority and are responsible for reporting to the Board of Directors. The Chairman of the Board of Directors may attend committee meetings. In 2023, the Board had two standing committees, in addition to the Control Committee: an Appointments and Remuneration Committee and a Risk and Strategy Committee.

In order to deal with the increasing complexity of banking business, the members of the Board of Directors benefit from training sessions regularly organised by the Bank. Each member is able to request training in a specific area from the Chairman, who has a budget for this purpose.

3.6 Powers of the Board of Directors and the Executive Board

The powers and duties of the Board of Directors are defined in Art. 14 of the Bank's Articles of Association and in Art. 12 of the LBCGe. In addition, the management and organisational guidelines dictate that the Board of Directors decides on:

1. the strategic and financial plan and, on its proposal by the Executive Board and with prior notice by the Risk and Strategy committee, the risk management master plan. The Board of Directors takes responsibility for regulating, putting in place and monitoring effective risk management, together with the management of overall risks, on a consolidated basis;
2. the appropriate organisation of the Bank;
3. the annual budget put forward by the Executive Board;
4. approval, on its proposal by the Control Committee, of a three-year plan of the tasks to be carried out by the Internal Audit department to cover all controls deemed necessary;
5. the overall framework for limiting risk;
6. granting overall credit risk parameters, as well as granting loans which are within its powers;
7. risk-related policies, particularly regarding credit, rates, countries and insurance, put forward by the Executive Board; it reviews these policies as required by events;
8. information to be obtained in the risk management area;
9. the strategic framework for the Executive Board's role in setting lending rates and savings deposit rates;
10. the strategic framework for the Executive Board's role in cash management, foreign exchange, investments and share deposits as well as other securities;

11. the Bank's policy regarding property assets;
12. approval of any permanent acquisition or disposal of holdings;
13. acquisition and disposal of any capital equipment used by the Bank, of any holdings representing long-term financial investments as well as premises, unless otherwise stipulated in the Executive Board's powers as defined in Art. 24 ch. 3 of these regulations;
14. cancellation of debts, observance of out-of-court settlements, postponing debts or transfers of debts for amounts higher than CHF 2,000,000 or if the commitment was the subject of a decision by the Board of Directors;
15. the appointment within it of two directors as members of the Control Committee and the appointment of its Chairman;
16. the appointment of the members of the Executive Board;
17. the appointment of the Chief Risk Officer (CRO);
18. the appointment of the deputy members of management and the members of management;
19. the policy relating to salaries and employee insurance;
20. the salaries and variable remuneration of the members of the Executive Board and members of the Internal Audit department;
21. periods of prohibition of the purchase and sale of shares in the Bank or other sensitive shares for staff and units during closed periods;
22. ratifying proposals for appointments of representatives of the Bank as directors of holdings included in the scope of consolidation;
23. the appointment of representatives of the employer within the Council of the staff pension fund on the proposal of the Executive Board;
24. to propose for ratification the appointment of representatives of the Bank as directors of holdings included in the scope of consolidation;
25. to appoint representatives of the Bank as directors of holdings not included in the scope of consolidation.

The powers and responsibilities of the Executive Board are defined in Art. 21 of the Bank's Articles of Association. Additionally, management and organisational regulations provide for the following tasks:

1. to prepare and submit the strategic and financial plans of the Bank and the risk management master plan to the Board of Directors;
2. to draw up the necessary documents and proposals for the senior management of the Bank to make decisions;
3. to prepare the annual budget and submit it to the Board of Directors;
4. to ensure that the structures and organisation of the Bank comply with legal obligations and the best practices of the profession;
5. to ensure that the Bank has a sufficiently high profile in economic circles;
6. to guarantee that the decisions of the Bank's senior management are correctly implemented;
7. to propose for ratification the appointment of representatives of the Bank as directors of holdings included in the scope of consolidation;
8. to propose for ratification the appointment of representatives of the Bank as directors of holdings not included in the scope of consolidation.

The management and organisational regulations state that, in addition to the powers expressly attributed to it by the law and the Articles of Association, the Executive Board shall decide on:

1. setting interest rates within the strategic framework provided by the Board of Directors;
2. loans, cash management, investments, foreign-exchange operations and securities investment in accordance with the guidelines of the Board of Directors;
3. acquisition and disposal of any capital equipment used by the Bank, representing long-term financial investments and premises not intended for use by the Bank, for an amount not exceeding CHF 5,000,000. This ceiling does not apply to negotiable securities, which are authorised within the general framework for limiting risk;
4. the maintenance and renewal of real estate for a maximum of CHF 3,000,000 per building;
5. the appointment of executives and commercial agents;
6. setting the salaries of all the Bank's staff except itself and the Internal Audit employees;
7. internal regulations on Bank operations, to the extent that they are not governed by law, the Articles of Association or these regulations;
8. supervising compliance with regulations on liquidity, shareholders' equity and risk sharing;
9. determining the necessary rules for the application of risk management and submitting these for approval by the Board of Directors;
10. submitting the system of overall limits to the Board of Directors for approval; this includes in particular market operation limits, bank limits or country limits;
11. regularly submitting to the Board of Directors reports on business development (financial statements, analyses, major transactions and events, etc.) and any other reports that may be requested by the Board;
12. preparing a quarterly list of all the major risks as defined by the Federal Ordinance on the Capital Adequacy and Risk Diversification of Banks and Securities Firms (CAO), for the Board of Directors.

3.7 Information and control mechanisms

The Board of Directors periodically evaluates information resources, their content and their adequacy to its needs, as well as the internal control system. It evaluates its effectiveness, and whether it is adequate for the activity and the Bank's size. It sets up an information system among the Bank units of which the Chairman of the Board is the guarantor. The Executive Board informs the Board of Directors of the progress of the Bank's business at each meeting and reports on the issues. The Chairman of the Board of Directors, the Executive Board, the Control Committee, the Internal Audit department and the independent auditor must provide the Board of Directors with any information that would enable it to perform its supervisory function, particularly on the progress of business and operations in various sectors, including subsidiaries. This is executed in the following ways, among others:

- the Chairman of the Board of Directors is provided with weekly reports of the Executive Board's meetings;
- report by the Chairman of the Executive Board at each meeting of the Board of Directors on the progress of business;
- quarterly risk reports by the Chief Risk Officer;
- quarterly report of results by the Chief Financial Officer;
- reports on control tasks carried out within the Group by the internal audit manager and half-yearly follow-up of the internal and independent audits;
- verbal report on the activity of the control committee at each meeting, by its Chairman; half-yearly reports by the independent auditors.

Internal Audit



Monique Seiss Baudry

Head of Internal Audit
(reports to the Board of Directors)

Internal Audit is an independent unit of the Executive Board, reporting directly to the Board of Directors. It carries out regular controls on all the Bank's business and that of its subsidiaries and therefore has an unlimited right to information. When evaluating processes relating to management, risk, control and governance, it assures the Board of Directors and Executive Board that the internal control system is effective and, if necessary, makes suggestions for improvement.

Its organisation, field of activity, and operations are governed by Art. 16A of the Banque Cantonale de Genève Act (LBCGe), Articles 28 and 29 of the Bank's Articles of Association, by Articles 28 to 31 of the Bank's Management and Organisational Regulations and by the Charter on Internal Audit approved by the Board of Directors.

The person responsible for the internal audit annually undertakes a three-year audit planning exercise on the basis of a risk analysis. This planning is coordinated with that of the independent auditors, deliberated on and then announced in advance by the Control Committee, before being approved by the Board of Directors. If required, this planning may be subject to modification during the year with the agreement of the Control Committee (in response to changes in the organisation, activity or the risks).

Based on the activity plan and at the end of its work, the Internal Audit submits detailed reports relating to its audits to the Executive Board, the Control Committee and the Board of Directors, and produces for its attention half-yearly reports monitoring recommendations made and an annual activity report. All these documents are also submitted to the Independent auditor.

Supervision and regular assessment of the Internal Audit is assigned to the Control Committee, which assesses Internal Audit's performance annually, ensuring that it has the necessary resources and appropriate skills and that it is performing its duties independently and objectively.

The Internal Audit meets the professional quality criteria of the supervisory authorities and professional organisations. In this regard, the Board of Directors has an external assessment of the Internal Audit carried out every five years, in addition to the annual assessments by audit firm Deloitte. The audit firms authorised by FINMA and appointed to carry out these assessments have confirmed to the Bank's management bodies that the Internal Audit performs its duties in accordance with IIA (Institute of Internal Auditors) standards and best practices.

Consisting of 10 auditors as at 31 December 2018, the Internal Audit is headed by Monique Seiss Baudry, who holds a Master's degree in economics from the University of Geneva, a certificate of advanced studies (CAS) in Compliance Management, a Certified Internal Auditor (CIA) diploma, Certification in Risk Management Assurance (CRMA) from the Institute of Internal Auditors (IIA), the Asset-Liability Management (ALM) certificate awarded by the *Groupe des Ecoles Nationales d'Economie et de Statistique* (GENES) of Paris and the ISFB's specialist certificate in Sustainable Finance.

Members of the Internal Audit team collectively possess vast professional experience and all the skills needed for the proper performance of their audit assignments. They all hold qualifications and professional certifications required for their duties (Master's degree in economics or equivalent, Executive Doctorate (DBA) in business administration, Executive MBA in finance, international IIA certification in internal audit and risk management and, in some cases, in IT audit, ALM and sustainable finance).

Internal Audit comprises four sections, encompassing auditors with expertise in the Bank's main business lines, functions and areas of activity; these are, namely, lending and international trade finance, wealth management, asset management, trading room, compliance, risk management, asset and liability management (ALM), sustainable finance, ESG, accounting and financial control, and IT and cyber-risks.

3.8 Gender representation threshold

In 2023, the Board of Directors had four female members. Women constituted 36% of its members, men 64%.

4. Executive Board¹

4.1 Members

As at 31 December 2023, the Executive Board comprised eight members, and was chaired by Blaise Goetschin. It is appointed for an indeterminate period; its members are retired on reaching the legal age of retirement, in the absence of any previous agreement between the Board of Directors and the Executive Board member concerned.

No member of the Executive Board:

- has permanent management or consultancy functions for groups with major Swiss or foreign interests;
- holds an official position or a political mandate.



Blaise Goetschin

born 1 September 1957, Swiss.
CEO.

Holds a degree in Business Management from the HEC / Lausanne University. 1982, Senior auditor, PriceWaterhouse, Geneva. 1985, Deputy Vice-President, Credit Suisse Capital Markets department, Zurich. 1988, Senior Vice-President, CS Corporate Banking department, New York. 1990, member of the Executive Board in charge of CS Corporate Finance in French-speaking Switzerland, Berne and Basel. 1993, head of CS Corporate Finance: private companies in Switzerland. 1995, head of Cantonal finance administration, Canton of Vaud. Major (ret.) Swiss Army 1998, CEO of Fiduciary Trust International Bank, Geneva (private banking and asset management), the Swiss subsidiary of the New York-based group. 1 October 2000, Chief Executive Officer of Banque Cantonale de Genève.



Frédéric Vernet

born 25 June 1974, Swiss and French.
Head of the Finance Division (CFO).
Deputy to the Chief Executive Officer.
Chief Risk Officer (CRO).

An IT and robotics engineer by training, with a Master's degree in business administration from IAE (Paris) and a degree in civil engineering from the University of Lyon, Frédéric Vernet started his career in 1999 as a project engineer with Capgemini Ernst & Young. He joined Banque Cantonale de Genève in 2003 as organiser in charge of the credit+ project, to which he contributed by implementing a new front-to-back lending process. For two years from 2006, he managed the Network Management and Business Development department in the Retail and Networks division. In 2007, he created the MIS unit within the Finance and Risk Management division, where he developed the Bank's analytical reporting model. From 2012 to 2020, he headed the Financial Management department, where, in particular, he put in place the Strategic and Financial Plan and continued to develop the MIS. In January 2021 he was appointed to the Executive Board, with responsibility for the Finance Division. Frédéric Vernet has also occupied the position of CRO (Chief Risk Officer) since 1 March 2021.



Pierrette Jatton Klopfenstein

born 24 April 1970, Swiss.
Head of the Geneva Division.

Holder of an HEC degree from the University of Lausanne, a Swiss federal marketing technician diploma, SAQ individual client adviser certification and an advanced management diploma from the University of St Gallen Executive School (ES-HSG), Pierrette Jatton Klopfenstein was initially mainly active in the areas of pensions (with Swiss Life) and marketing (BCV). She joined Banque Cantonale de Genève in 2003 as a product manager and then took over responsibility for business development. Subsequently, she took charge of a number of departments: as Head of Marketing (2007–2011), Chief of Staff and Planning (2011–2012), Head of Logistics (2012–2013) and then as Head of the Centre Sector of the Geneva Division. She was appointed to the Executive Board as member responsible for the Geneva Division, from 1 April 2018.



Yves Spörri

born 17 September 1968, Swiss.
Head of the International Division.

A graduate in agricultural engineering from the Swiss Federal Institute of Technology, Zurich (ETH). From 1994 to 2001, Yves Spörri held a number of different positions in the correspondent banking department at Bank Kreiss AG in Frankfurt. In 2001, he joined the Banking Relationships section at Banque Cantonale de Genève as a manager, and was appointed a member of senior management in 2004, head of the Financial Institutions and Public Authorities department in 2007 and manager of the Banks and International Institutions business unit in 2011. In July 2016, he assumed responsibility for the Banks and Insurance Companies business unit and the Multinationals and International Institutions department. In January 2017 he was appointed to the Executive Board, as head of the Corporate and Institutional Clients Division. Since January 2020, head of the International Division.

¹ See operating structure at 1 March 2024 on pages 16-17.


Virginie Fauveau

born on 2 June 1970,
Swiss and French.
Head of the Corporate Division.

Holder of a Master's degree in financial engineering from ESLSCA, Paris, Virginie Fauveau started her career at Banque Vernes, a Paris merchant bank. Benefiting from nearly 25 years of professional experience, gained mainly in family firms and in several financial institutions in France and Switzerland, in particular with Lombard Odier et Cie in Geneva, she developed consultancy expertise in corporate governance, transfer and finance. She joined the Banque Cantonale de Genève Corporate Finance department in 2008, becoming its head in 2010 and subsequently director of Capital Transmission, the Bank's private equity subsidiary (until 31 December 2019). In January 2020 she was appointed to the Executive Board, with responsibility for the Corporate Division.


Urs Ziegler

born 19 December 1964, Swiss.
Head of the Asset Management Division.
Chief Investment Officer (CIO)

Holder of a political science degree from the University of Lausanne and a Certified International Investment Analyst (CIIA®), Urs Ziegler began his career with the Société de Banque Suisse (SBS) until its merger with UBS, where he became head of Product Management in the Corporate and Institutional Clients department. In 1998, he joined Julius Bär Asset Management as a Sales and Relationship Manager. In 2006, he was engaged by Banque Cantonale Vaudoise to head up Business Development in the Asset Management department. In December 2020, he joined Banque Cantonale de Genève as head of the BCGE Asset Management business unit. On 1 January 2022, he was appointed to the Executive Board with responsibility for the Asset Management Division.


Philippe Marti

born 7 April 1962, Swiss and French.
Head of the Legal and Compliance Division.

Holder of a law degree from the University of Geneva and a member of the Geneva bar. Philippe Marti started at UBS in 1987, within the legal department, then in 1995 moved to Banque Populaire Suisse in Geneva (today Credit Suisse) as head of the legal department. 1997-2003, administrative director of legal services in Suisse Romande Private Banking and Retail and member of management. In 2004, he joined BNP Paribas Private Bank (Switzerland) SA as assistant to the manager of the private bank legal department and as a member of management. In 2007, he joined Crédit Agricole (Suisse) SA as head of legal services in the private banking unit. During this period, he represented the Association of Foreign Banks in Switzerland in the working group of the legal affairs subcommittee of the Swiss Bankers Association and was in charge of revising the directive on the management mandate. At the beginning of 2010, he joined the BCGE Group as head of the legal department (CEO Office). In 2015, he was appointed head of the legal and litigation business unit. From 1 January 2020, he headed the Legal, Compliance and Litigation business unit within the Finance division. In January 2022, he was appointed to the Executive Board with responsibility for the Legal and Compliance Division.


Jean-Marc Joris

born 10 September 1968, Swiss and Belgian.
Head of the Operations Division.

Holder of a degree in business and finance from ICHEC, Brussels. In 1993, Jean-Marc Joris worked in the Capital Markets department of Dexia Luxembourg. From September 1993 to June 1997, project manager in the information risk management department of KPMG. From June 1997 to March 2002, Deputy Manager and head of business development at ING Baring Private Bank in Geneva. In April 2002, he joined Banque Cantonale de Genève as a member of management, responsible for the Organisation department and for the IT department on an interim basis. He has been a member of the Executive Board since 1 July 2003, heading the Operations Division.

4.2 Other activities and vested interests

Blaise Goetschin

Chairman of the Boards of Directors of Capital Transmission SA, Geneva and Dimension SA, Lausanne. Chairman of the Supervisory Board of Banque Cantonale de Genève | France SA, Lyon. Deputy Chairman of the Higher Institute for Training in Banking in Geneva. Member of the Board of Directors and Deputy Chairman (until 31 December 2023) of the Association of Swiss Cantonal Banks, Basel, and a member of the appointments and remuneration committee of the Association of Swiss Cantonal Banks, Basel. Member of the Boards of Directors of the Swiss Bankers' Association, Basel, of economiesuisse, Zurich and of Investissements Fonciers SA, Lausanne. Member of the Boards of the occupational pension fund of the Banque Cantonale de Genève, of the Geneva Financial Centre Foundation and of the Fondation H. Dudley Wright, Geneva. Member of the Board of the Chambre Genevoise Immobilière [Geneva association for real estate owners].

Frédéric Vernet

Deputy Chairman of the Supervisory Board of Banque Cantonale de Genève | France SA, Lyon.

Pierrette Jatton Klopfenstein

BCGE representative member on the council of the GENILEM association. Treasurer of the Saubraz Development Association.

Yves Spörri

Chairman of the Supervisory Board at Banque Cantonale de Genève | France SA, Lyon.

Virginie Fauveau

Member of the Board of Directors of Dimension SA, Lausanne. Member of the technical committee of the Union of Geneva Employers' Associations (UAPG). Member of the Board of Directors of the Mortgage Bond Centre of the Swiss cantonal banks, Zurich.

Urs Ziegler

Chairman of the Board of Directors of Loyal Finance AG, Zurich.

Philippe Marti

Chairman of the board of directors of Swiss Public Finance Solutions SA, Genève (SPFS). Member of the legal committee of the Association of Swiss Cantonal Banks. Member of the economiesuisse working group on financial markets.

Jean-Marc Joris

Committee member of the Swiss Financial Sector Cyber Security Centre, Berne.

4.3 Number of functions accepted

Art. 20 "Duties and functions" of the Banks' Articles of 26 April 2016 stipulates that:

- the members of the Executive Board owe all their time to the Bank;
- however, with the express consent of the Board of Directors and when this is justified by the interest of the Bank, they may accept external mandates or functions.

4.4 Service contracts

The Bank has not entered into any service contracts.

4.5 Gender representation threshold

In 2023, the Executive Board had two female members. Women constituted 25% of its members, men 75%.

5. Remuneration, participations and loans

5.1 Contents and procedure for setting remuneration and participation programmes

Remuneration of the Board of Directors

Regulations relating to the BCGE Board of Directors' remuneration fall under the Board's authority; they were approved by the Board on 17 September 2010 and took retroactive effect on 1 July 2010. They were last amended on 17 December 2020 and came into effect retroactively on 5 May 2020.

Remuneration of members of the Board of Directors is based on their workload, their duties, the risks incurred, and on market and cantonal bank practices. Directors do not benefit from any preferential terms for BCGE services and are not members of its occupational pension fund.

Fixed remuneration of the Board of Directors

In remuneration for their work on behalf of the Board of Directors and its committees, BCGE Directors receive fixed annual compensation plus compensation for their office. The Board can also decide to compensate specific assignments undertaken by its members or to bring in external experts; it has an annual budget of CHF 50,000 available for this purpose.

Share option plan

Since 2019, directors who have sat on the Board for a full year, from one General Meeting to the next, may receive, per CHF 3,000 tranche of remuneration, four bonus shares, on condition that two shares are purchased at market price. There is a moratorium on these shares for a period of five years, even if the directorship expires during that period.

The aim of this change is to associate the directors even more closely with BCGE's long-term performance. It respects the principle of aligning the interests of the shareholders with those of the management bodies.

Variable remuneration of the Board of Directors

In order to guarantee their independence and promote their interest in the Bank's long-term growth, members of the Board of Directors receive no variable remuneration.

Remuneration policy for all employees

The regulations relating to employee remuneration fall under the authority of the Board of Directors. The regulations applicable to the period under review were approved by the Board on 15 November 2015 and last amended on 17 December 2020.

Staff remuneration includes a basic salary, variable remuneration (not systematically granted) and share option schemes. The basic salary constitutes the majority of employees' remuneration and is assessed using several benchmarks, including market and competitor salary levels. Each year, the Board of Directors decides on changes in the fixed payroll.

The amount of variable remuneration is decided by the Board of Directors each year at year-end closing. It includes an amount for individual variable remuneration and, potentially, an additional amount if results for the current year show strong growth compared with the three previous years.

Part of the variable amount, the proportion of which may be as much as 50%, can be distributed as shares in the event of an additional budget being available. These shares are subject to a five to ten-year moratorium.

In certain front office business areas, such as private banking, trade finance, lending or network banking, partly or wholly quantitatively-based remuneration models defining the variable proportion of the salary have been implemented. They were developed taking account of the following main parameters:

- protection of the clients' interests;
- recognition of individual or collective expertise;
- no incitement to take excessive risks;
- administrative rigour, correlation between variable remuneration and the Bank's revenues.

The remuneration of the control roles does not directly depend on the results of the entities they audit.

Plan	Criterion for attribution	Description	Moratorium period ¹
1 Ordinary variable remuneration	Minimum variable remuneration of CHF 3,000	4 bonus shares in tranches of CHF 3,000 on condition 2 shares are bought at market price	5 to 10 years, as preferred
Complementary amount	Level of consolidated annual results compared to the three preceding years	50% in shares for members of the Executive Board ² and senior management, 20% in shares for other employees	5 years ³
2 Length of service	From 3 years' service	From 4 to 14 ⁴ shares	5 years
3 Loyalty	From 10 years' service and in 5-year tranches	CHF 4,000 in shares	5 years
4 Minority shareholdings	From one year's service	4 bonus shares on condition 4 shares are bought at market price	5 to 10 years, as preferred

¹ The moratorium is cancelled in the event of the end of employment, except for staff whose employment contract is terminated by retirement or disability; in this case, they may choose to maintain the moratorium.

² The Board of Directors may decide each year to modify the proportion of blocked shares and cash attributed to members of the Executive Board.

³ The moratorium is maintained beyond the end of the employment contract for members of the Executive Board.

⁴ From 25 years' service.

The blocking periods for the Bank's shares acquired by all parent company staff through the share option schemes and the associated tax conditions are explained in the table above and at point 4.22 of the parent company accounts on page 106.

Employees benefit from various preferential conditions on a number of BCGE banking services. The Bank provides them with services at no margin or at a small commercial margin. In addition to the amounts stated in the staff regulations, the terms and conditions for clients also apply.

No external consultant was used with regard to the introduction of remuneration policies.

Share option schemes for all employees

All the Bank's employees, including members of the Executive Board, benefit from four share option schemes enabling them to align their personal financial interests with those of the Bank. These plans provide for the free or conditional granting of BCGE shares subject to a five to ten-year moratorium on sale according to the employees choice for certain plans. When the granting of bonus shares involves a purchase by the employee, the shares acquired by the employee are blocked for the same period.

These plans are described in staff regulations, any changes to which must be submitted to the Board of Directors.

Principles of the Executive Board's remuneration

Remuneration of members of the Executive Board forms part of BCGE's overall remuneration policy. It aims to guarantee the Bank's competitiveness in a highly developed financial centre and to enable it to attract and retain the best skills and talents. It takes individual responsibilities and performance assessments into account and reflects market realities.

Members of the Executive Board receive fixed and variable remuneration; they do not benefit from incentive plans in respect of new business in the areas of mortgage loans and wealth management, which are open to other Bank staff.

In addition, remuneration received by members of the Executive Board in the course of their duties on other Boards of Directors is passed on to the Bank in its entirety.

The contracts of employment of members of the Executive Board stipulate six to twelve months' notice of termination.

Remuneration of members of the Executive Board consists of the following items:

- **Fixed remuneration of the Executive Board**

The fixed portion of remuneration compensates members' basic duties, responsibilities and the achievement of standard objectives. This component is chiefly determined at time of appointment based on salary norms for comparable functions in the banking sector. It is then adjusted on the basis of changes in responsibilities and performance, in accordance with the same rules as those applicable to all the Bank's staff.

- **Variable remuneration of the Executive Board**

Variable remuneration of members of the Executive Board rewards exceptional individual or collective performance over and above their basic duties. The overall budget for the Executive Board's variable remuneration is determined by the Board of Directors. The Board of Directors makes its decision with reference to a model assessing the Bank's performance, based on profitability, productivity, competitiveness and risk control criteria.

The overall budget for variable remuneration is then shared among the Executive Directors, based on the degree to which their individual objectives and their division's performance are achieved. In addition, in the event of the Bank's results being exceptionally positive, the Executive Board receives an additional one-off amount, 50% of which is paid in the form of Bank shares subject to a five-year moratorium.

This amount is used if the operating results for the year under review are higher than the average two best years of three previous years, which was the case in 2023. Total compensation for members of the Executive Board may therefore vary to a certain extent from year to year depending on whether or not the additional budget is allocated.

Both overall and as a trend, the variable component of the Executive Board's remuneration should not exceed the fixed component. In 2023, variable remuneration, including share option schemes, represented between 69.27% and 50.90% of total remuneration.

The fixed and variable components of the remuneration of each member of the Executive Board are decided by the Board of Directors based on a proposal by the Chief Executive Officer (excluding his/her own remuneration) and notice being given by the Appointments and Remuneration Committee.

Members of the Executive Board, like all the Bank's other employees, are eligible for the four share option schemes described above.

5.2. Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board

Information is found on page 106 of this report, point 4.22.

6. Shareholders' participation rights

6.1 Limitation and representation of voting rights

6.1.1 Statutory provisions

There are no limitations on voting rights, nor any clauses in the Articles of Association that provide for the granting of exceptions to institutional representatives.

6.1.2 Additional information to be provided for issuers not subject to the provisions of joint-stock company law pursuant to Art. 620 – 762 CO

There are no limitations on voting rights or clauses dealing with the granting of exceptions for institutional representatives nor exceptions in fact granted during the year under review.

6.1.3 to 6.1.6: not relevant

6.2. Quorum

The General Meeting shall be validly constituted, irrespective of the number of shares represented. Decisions and elections are by an absolute majority of the votes allocated to the shares represented. Decisions concerning the adoption and amendment of the Articles of Association, such as notice of a merger, split, transformation or dissolution of the Bank, require a two-thirds majority of the share capital. For a second round of voting in elections, if required, a relative majority suffices. In the event of a tie, the Chairman of the General Meeting shall have the casting vote. Elections are by secret ballot. At the request of 30% of the voters represented, other decisions may also be made by secret ballot.

6.3 Convening of General Meetings

The General Meeting is held annually within six months of the end of the financial year. An Extraordinary General Meeting may be convened as often as necessary. One or more shareholders together representing at least one tenth of the share capital, may also convene an Extraordinary General Meeting, indicating their objective in doing so. If necessary, the Independent Auditor may also convene an Extraordinary General Meeting. The General Meeting must be convened by the Board of Directors at least 20 days in advance by placing a notice in the *Feuille d'avis officielle de la République et canton de Genève* (FAO) and in the *Feuille officielle suisse du commerce* (FOSC).

6.4 Agenda items

One or more shareholders who represent shares totalling a par value of CHF 1 million may propose in writing an item for the agenda, within 40 days preceding the General Meeting.

6.5 Share registration

The Bank keeps a share register. Only persons whose names are included in the share register as shareholders with voting rights are considered to be shareholders by the Bank and may exercise their right to vote at the General Meeting. In general, the share register is closed 20 days before the General Meeting. The precise date is communicated to the Swiss stock exchange on average two months before a General Meeting. No exceptions are currently planned.

7. Takeovers and defensive measures

7.1 Obligation to make an offer

No statutory 'opting out' or 'opting up' provision exists.

7.2 Takeover provisions

There is no agreement nor any prepared programme for the benefit of members of the Board of Directors and/or the Executive Board in respect of takeovers.

7a Transparency on non-financial questions

Not relevant, as BCGE is subject to the regulation on non-financial issues (Art. 964a et seq. CO). In this regard, the Bank's corporate social responsibility report provides information on non-financial issues.

8. Independent auditor

At the Ordinary General Meeting, the renewal of the mandate of the Bank's independent auditor, Deloitte SA, was accepted for 2023.

8.1 Duration of the audit mandate and of the mandate of the auditor-in-charge

The independent auditor is re-elected each year by the General Meeting of shareholders.

Since 2019, the auditor-in-charge, within the meaning of the legal provisions applicable to banks, has been Alexandre Buga.

The Bank issued a call for tenders for the selection of the independent auditor in 2018. The tender by Deloitte was accepted.

8.2 Independent auditor's fees (in CHF)

These auditor fees are paid to Deloitte.

	31.12.2023	31.12.2022
Audit of the BCGE Group	664,000	654,000
<i>of which BCGE only</i>	<i>550,000</i>	<i>540,000</i>

Ex-VAT and fee disbursements

8.3 Additional fees (in CHF)

Additional audit fees essentially consist of the cost of a brief examination of the half-yearly consolidated financial statements as well as various other certifications required in accordance with specific legal requirements.

	31.12.2023	31.12.2022
Audit of the BCGE Group	134,000	99,000
<i>of which BCGE only</i>	<i>134,000</i>	<i>99,000</i>

Additional fees amounting to CHF 385,000, not connected with the audit, were paid in 2023 to a company in the Deloitte network (CHF 381,000 in 2022). These fees relate chiefly to work concerning the preparation of tax statements.

8.4 Information on the independent auditor

In 2023, the auditor was invited to attend part of three meetings with the Board of Directors as a whole (three in 2022) and six meetings with the Control Committee (six in 2022). The meetings related primarily to the planning and presentation of work associated with the BCGE Group audit.

The Board of Directors, Control Committee and Internal Audit department receive reports from the auditor.

9. Information policy

- The Board of Directors expresses its views through its Chairman. The Chief Executive Officer is the official spokesperson of the Bank. He/she delegates the management of information to the Corporate Affairs and Communications department. The head of this department reports directly to him/her.
- Shareholders, clients and the public can access all relevant information on the BCGE Group using our website and our mobile app. Shareholders are invited to address their questions to the Board of Directors or to the Executive Board, particularly by using the e-mail address info@bcge.ch.
- Press releases are distributed according to news events and needs. The Bank also addresses journalists and financial analysts as a means of keeping its shareholders informed. It notifies them of business developments and prospects at press conferences and when it publishes annual and half-yearly results.
- The Bank maintains regular relations with the Geneva public authorities, particularly through conferences organised on its premises or theirs.
- The Bank regularly produces financial and corporate publications for investors and shareholders.

Channels	Languages	Frequency	Form	Where available
Website	Fr / En / De	permanent	electronic publication	bcge.ch > About BCGE
Annual Report – Corporate social responsibility Report	Fr / En	annual	<ul style="list-style-type: none"> • electronic publication • printed 	bcge.ch – About BCGE > Publications > Financial reports available in branches and at the Bank's head office or via info@bcge.ch
Half-year report	Fr / En	annual	<ul style="list-style-type: none"> • electronic publication • printed 	bcge.ch – About BCGE > Publications > Financial reports available in branches and at the Bank's head office or via info@bcge.ch
General Meeting	Fr	annual	live	event or “live online”
Press conferences on results	Fr	twice a year	live	event or “live online”
Press releases	Fr / En / De	occasional	published and sent electronically	bcge.ch – About BCGE > News > Press releases
BCGE's corporate guidelines	Fr / En	permanent	<ul style="list-style-type: none"> • electronic publication • printed 	bcge.ch – About BCGE > Publications > BCGE's corporate guidelines available in branches and at the Bank's head office or via info@bcge.ch
	Fr	permanent	<ul style="list-style-type: none"> • <i>Financement des entreprises</i> (only in French) • <i>Financement de l'immobilier</i> (only in French) 	bcge.ch – About BCGE > Publications > BCGE's corporate guidelines available in branches and at the Bank's head office or via info@bcge.ch
Dialogue Magazine	Fr / En Fr	twice a year	<ul style="list-style-type: none"> • electronic publication • printed 	bcge.ch – About BCGE > Publications > Dialogue available in branches and at the Bank's head office or via info@bcge.ch
Electronic mailbox	Fr / En / De	permanent	email	info@bcge.ch / communication@bcge.ch
BCGE LinkedIn page	Fr	permanent	digital communication	linkedin.com/company/bcge
BCGE YouTube page	Fr / En	permanent	digital communication	youtube.com/c/BanqueCantonaledaGenève

Contacts

Corporate Affairs & Communications

communication@bcge.ch

- Christophe Weber (spokesperson)
Tel. +41 (0)22 809 24 02
christophe.weber@bcge.ch
- Grégory Jaquet (deputy spokesperson)
Tel. +41 (0)22 809 32 39
gregory.jaquet@bcge.ch

Investor Relations

- Jérémy Linder
Tel. +41 (0)22 809 38 11
jeremy.linder@bcge.ch
- Marc Doerks
Tel. +41 (0)22 809 24 63
marc.doerks@bcge.ch

Banks and Insurance Companies

- Boris Bijleveld
Tel. +41 (0)22 809 34 73
boris.bijleveld@bcge.ch

10. Trading lock-up periods

A lock-up period associated with the preparation and publication of the Bank's results is announced by the head of the Finance division and starts at the latest two weeks before the close of the annual or half-year accounting period. This period ends when the results are published.

The lock-up period applies to the following persons:

- the members of the Executive Board;
- the members of the Board of Directors and the member of the Control Committee appointed by the State Council;
- the staff of the Accounting, Management Control and ALM departments;
- the staff of the Risk business unit;
- the staff of Internal Audit;
- the director of the Financial Markets and Treasury department, as well as the staff in charge of the Bank's Treasury and market-making in the Bank's share;
- staff having access to the Executive Board's SharePoint, and those with access to the Finnova accounting module;
- all persons appointed by name by the head of the Finance division.

Persons subject to a lock-up period are prohibited from:

- carrying out personal transactions, i.e. to purchase or sell the Banque Cantonale de Genève registered shares, on or off the stock market, directly or indirectly, through a third party (e.g. an asset manager) or not, by agreement with a third party or not, or to undertake any transaction having an economic effect similar to a sale or purchase of the Bank's shares;
- revealing in any manner whatever confidential information to other Bank staff or to third parties;
- advising others in respect of transactions in the Bank's shares or other specifically designated securities.

BCGE Group 2023 consolidated financial statements and notes

Overview

Comments on the Group financial statements	51
Essential regulatory key figures	55
1. BCGE balance sheet items and off-balance-sheet transactions	56
2. Profit and loss account items	57
3. Statement of shareholders' equity	58
Summary presentation	59
1. Registered name, legal form, registered office and goal	59
2. Accounting and valuation principles	60
3. Risk management	62
4. Policy in respect of derivative financial instruments and hedge accounting	66
4. Details relating to the items in the notes to the consolidated financial statements	68
4.01 Breakdown of securities financing transactions (assets and liabilities)	68
4.02 Presentation of collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables	69
4.03 Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)	70
4.04 Presentation of derivative financial instruments (assets and liabilities)	70
4.05 Breakdown of financial investments	71
4.06 Presentation of participations	71
4.07 Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation	72
4.08 Presentation of tangible fixed assets	72
4.09 Presentation of intangible assets	73
4.10 Breakdown of other assets and liabilities	73
4.11 Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership	73
4.12 Disclosure of liabilities relating to own pension funds and of the number and type of the Bank's own equity instruments held by these institutions	73
4.13 Disclosure of the economic position of own pension funds	74
4.14 Presentation of the issued structured products	74
4.15 Presentation of outstanding mandatory bonds, convertible bonds and mortgage bonds	75
4.16 Presentation of valuation adjustments and provisions, reserves for general banking risks and changes therein during the current year	76
4.17 Presentation of the Bank's capital	76

4.18	Number and value of equity securities or options on equity securities held by all executives and directors and by employees, and disclosures of any employee participation schemes	77
4.19	Disclosure of amounts due from/to related parties	77
4.20	Disclosure of holders of significant participations	78
4.21	Disclosure of own shares and composition of equity capital	78
4.22	Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board	79
4.23	Presentation of the maturity structure of the financial instruments	79
4.24	Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle	80
4.25	Breakdown of total assets by country or group of countries (domicile principle)	81
4.26	Breakdown of total assets by credit rating of country groups (risk domicile)	81
4.27	Presentation of assets and liabilities broken down by the most significant currencies for the Bank	82
4.28	Breakdown and explanation of contingent assets and liabilities	83
4.29	Breakdown of credit commitments	83
4.30	Breakdown of fiduciary transactions	83
4.31	Breakdown of managed assets and presentation of their development	83
4.32	Breakdown of the trading activities results and the fair value option	83
4.33	Disclosure of material refinancing income under the item Interest and discount income as well as material negative interest	84
4.34	Breakdown of personnel expenses	84
4.35	Breakdown of other operating expenses	84
4.36	Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks and value adjustments and provisions no longer required	84
4.37	Disclosure of and reasons for revaluations of investments and tangible fixed assets up to the acquisition value	84
4.38	Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment	85
4.39	Presentation of current taxes, deferred taxes, and disclosure of tax rate	86
4.40	Disclosures and explanations of the earnings per equity security	86
5.	Presentation of the cash flow statement	87
	Statutory auditors' report	88

Comments on the Group financial statements

Record profit and dividend

BCGE's performance in 2023 was remarkable¹.

- Net profit rose by 31.4% to reach a record CHF 231.2 million.
- Revenues rose by 24.0% to CHF 589.9 million, reflecting the Bank's timely strategic positioning, which has enabled it to capture the dynamism of buoyant economic sectors.
- Performance indicators remain high. Assets under management and administration rose to CHF 35.3 billion while client receivables and mortgage loans totalled CHF 19.2 billion.
- Operating profit rose significantly to CHF 281.7 million.
- Shareholders' equity increased 10.1% to CHF 2.184 billion, and the coverage ratio reached 17.0%, demonstrating that BCGE is part of a circle of well-capitalised and sound banks.
- The dividend to be proposed at the General Meeting of Shareholders reflects an increase of 18%, amounting to a record CHF 6.50.

Main consolidated figures for the financial year 2023

Results, in CHF thousand	31.12.2023	31.12.2022	Variation 2023 vs. 2022	
Operating income	589,876	475,667	114,209	24.0%
Operating expenses	284,950	261,291	23,659	9.1%
Operating profit	281,720	194,986	86,734	44.5%
Net profit	231,240	175,950	55,290	31.4%
ROE (return on equity)	10.87%	9.09%	178 basis points	19.6%
Dividend per share in CHF	6.50*	5.50	1.00	18.2%
Balance sheet volumes, in CHF thousand				
Balance sheet total	30,269,565	30,034,414	235,151	0.8%
Mortgage loans	13,582,289	13,045,695	536,594	4.1%
Assets under management and administration	35,264,056	33,411,277	1,852,779	5.5%
Shareholders' equity	2,183,526	1,983,651	199,875	10.1%
Tier 1 capital ratio	16.08%	15.27%	81 basis points	5.3%
Available regulatory capital ratio	17.01%	16.46%	55 basis points	3.4%
Employees (full-time equivalents)	916.8	874	43	4.9%

* Proposal submitted to the Annual General Meeting on 23 April 2024.



¹ See the video with commentary on BCGE's 2023 results, available on the [BCGE YouTube channel](#) > Playlist BCGE | Nos résultats > BCGE Annual results 2023. This presentation also covers the Bank's priorities and outlook for 2024.

Bank revenues surpass the CHF 500 million mark

2023 proves to have been a record year for BCGE with net profit increasing 31.4% to CHF 231.2 million (including an extraordinary result of CHF 10.5 million) and operating profit up 44.5%, for a total of CHF 281.7 million. Growth in revenues, which rose 24.0% to CHF 589.9 million, reflects the Bank's ability to capture the dynamism of buoyant economic sectors.

Assets under management and administration increased 5.5% to CHF 35.3 billion while client and mortgage loans rose a total of 3.7% to CHF 19.2 billion. Net interest income reached CHF 390 million, while commissions totalled CHF 133 million and trading income CHF 38 million. Operating expenses are keeping pace with company growth and have grown to CHF 285 million, with a cost/income ratio that at 48.3% falls just under 50%.

Reflecting the success of international business, the share of revenues in EUR and USD stands at 23.5%. The Group created 43 new jobs in 2023, bringing its total headcount to 917 (full-time equivalents).

BCGE: a major financier of Geneva's economy and the region

Loans granted by the Bank to companies and private individuals increased by CHF 677 million, now totalling CHF 19.2 billion.

More than 22,000 businesses trust BCGE to support them, an increase of 735 from last year.

The moderate share of mortgages in the Bank's balance sheet total (45%) is evidence of the high degree of diversification of its business lines and markets.

Growth in assets under management and administration

Private client assets rose CHF 870 million over the period to CHF 19.7 billion. The net contribution of new discretionary mandates was CHF 227 million while funds in the Synchrony range totalled CHF 3.9 billion. The online trading platform 1816 passed the 12,000-investor threshold. Institutional client assets rose 6.7% to CHF 15.6 billion.

Continued increase in shareholders' equity

Shareholders' equity continued to grow, increasing by CHF 200 million to CHF 2.184 billion. At 17.0%, the consolidated equity coverage ratio proved excellent, well above the required 12.7%. BCGE is part of a circle of well-capitalised and sound banks. This is demonstrated by the Bank's AA-/A-1+/stable rating by Standard & Poor's, which was confirmed in 2023.

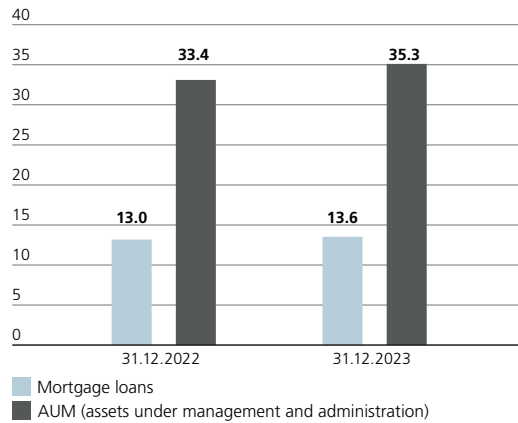
BCGE share performance: +25.3%

The BCGE share price rose sharply in 2023 and ended the period at CHF 225.00. Nevertheless, the share's market value is still 74% lower than its book value, which stands at CHF 303.30. Compared to the reported equity value of CHF 2.184 billion, the Bank's market capitalisation amounts to CHF 1.620 billion. The stock's upside potential therefore remains significant.

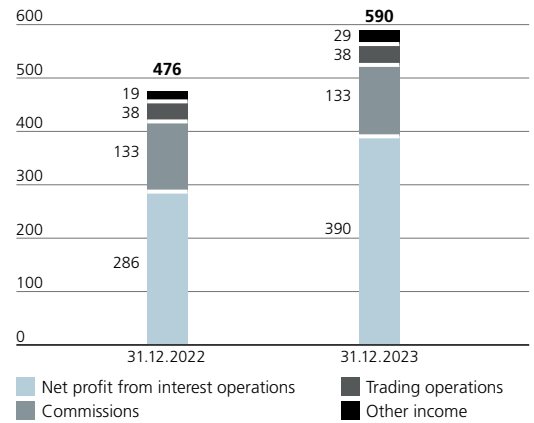
Slight decrease in the number of private shareholders

The overall number of private and institutional shareholders decreased in 2023, coming to a total of 15,237 shareholders, of which 14,831 private shareholders. Despite this change, the free float remains widely distributed, with 83% of shareholders holding between 1 and 50 shares. The percentage of Bank employees that are Bank shareholders remains stable at 76%. Together, these employees own 3.1% of the Bank's capital.

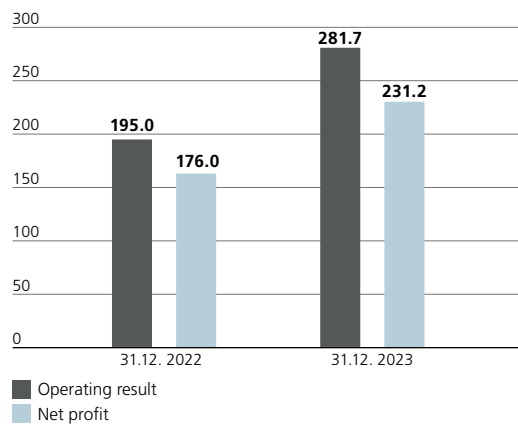
Changes in mortgage lending and AUM in CHF billion



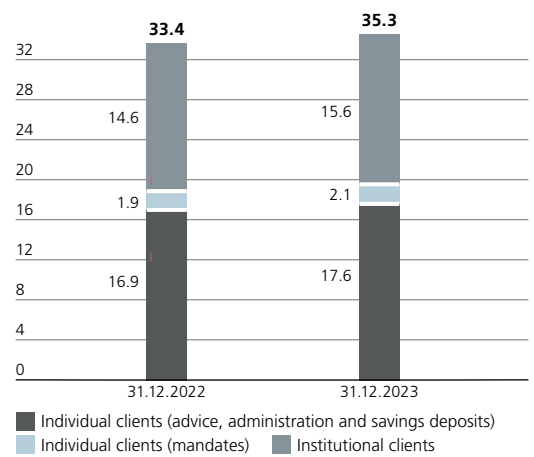
Changes in revenues in CHF million



Changes in operating income and net profit in CHF million



Increase in assets under management and administration in CHF billion



Strategic priorities

For 2024, our strategic priorities are to be a(n):

- Core partner for the regional economy and SMEs.
- Key player in the financing of private and social housing in Geneva.
- Private banking specialist for the Swiss and international economies.
- Expert in asset management and investment funds.
- Important pillar of influence in Geneva's economy, Swiss trade, and around the world.
- Promoter of banking digitalisation accessible to all and with a human touch.
- Source of support for corporate and private clients looking to optimise their energy consumption.

The Bank continues to expand and capture the dynamism of growth sectors. It is able to do so thanks to the diversity of its expertise and the alignment of its business model with the specific demands of the Geneva and Swiss economies.

The Bank is anticipating profitability comparable to the past year, provided there is no major deterioration in the economic situation or a significant fall in interest rates.



Manuel Leuthold
Chairman of the Board of Directors



Frédéric Vernet
Member of the Executive Board (CFO)

Outlook for 2024

- **The growth of high added-value business and the loyalty of its clients reaffirm BCGE's favourable strategic positioning.**
- **The Bank's financial strength makes it a safe and stable financial guardian.**
- **The Bank expects a moderate drop in interest rates and a contracting economy, conditions likely to slow growth in revenue.**
- **The increase in lending will remain measured due to the regulations governing capital requirements and a policy of caution, particularly in real estate financing.**
- **The Bank is continuing to develop businesses that require less capital (e.g. private and institutional wealth management, business advice) and offers a wider range of services for businesses, such as equity financing and M&A.**

Essential regulatory key figures

Consolidated

Equity taken into consideration in CHF 1,000		2023	2022
1	Core Equity Tier 1 capital (CET1 ¹)	2,127,388	1,935,327
2	Core Equity Tier 1 capital (T1 ²)	2,258,923	2,070,327
3	Total capital	2,389,441	2,231,082
Risk-weighted assets (RWA³) in CHF 1,000			
4	RWA ³	14,044,154	13,554,628
4a	Minimum capital requirements	1,123,532	1,084,370
Risk-based capital ratios as percentage of RWA ³			
5	CET1 ratio ¹	15.1%	14.3%
6	Core capital ratio	16.1%	15.3%
7	Total equity ratio	17.0%	16.5%
CET1¹ buffer requirements as percentage of RWA ³			
8	Capital buffer according to Basel minimum standard (2.5% from 2019)	2.5%	2.5%
9	Countercyclical buffers (Art. 44a CAO ⁴) according to Basel minimum standard	–	–
10	Additional capital buffer according to international or domestic systemic risk	–	–
11	Total of bank CET1-specific requirements according to Basel minimum standard ¹	2.5%	2.5%
12	CET1 ¹ available to cover buffer requirements according to Basel minimum standard (after deduction of CET1 ¹ allocated to cover minimum requirements and if applicable to cover TLAC requirements ⁵)	9.0%	8.5%
Target capital ratios according to Annex 8 CAO⁴ as percentage of RWA ³			
12a	Capital buffer according to Annex 8 CAO ⁴	4.0%	4.0%
12b	Countercyclical buffers (Art. 44 and 44a CAO ⁴)	0.7%	0.7%
12c	Target CET1 ¹ ratio (as %) according to Annex 8 CAO ⁴ with addition of countercyclical buffers according to Art. 44 and 44a CAO ⁴	8.5%	8.5%
12d	Target T1 ² ratio (as %) according to Annex 8 CAO ⁴ with addition of countercyclical buffers according to Art. 44 and 44a CAO ⁴	10.3%	10.3%
12e	Total target capital ratio (as %) according to Annex 8 CAO ⁴ with addition of countercyclical buffers according to Art. 44 and 44a CAO ⁴	12.7%	12.7%
Basel III leverage ratio			
13	Total assets	31,893,896	31,725,431
14	Basel III leverage ratio (core capital as percentage of total assets)	7.1%	6.5%
Liquidity coverage ratio (LCR⁶)			
15	LCR ⁶ : numerator: total high-quality liquid assets	8,362,687	8,766,380
16	LCR ⁶ : denominator: total net cash outflows	5,097,610	5,152,940
17	Liquidity coverage ratio, LCR ⁶	164%	170%

¹ Common equity tier 1.

² Tier 1.

³ Risk weighted assets.

⁴ Capital Adequacy Ordinance.

⁵ Total loss-absorbing capacity.

⁶ Liquidity coverage ratio.

All the publication requirements relating to shareholders' equity will be available on the Bank's website at the latest by 30 April 2024 (bcge.ch – About BCGE > Publications > Financial reports). The Bank applies the standard international approach, otherwise known as SA-BIS, for the regulatory disclosures of credit risk, the standard approach for market risk and the base indicator approach for operational risk.

Risk of interest rate changes in the banking book

In the event of a change in the interest rate curve, the market value of the Bank's equity would oscillate between CHF –174 million (in the event of an interest rate rise of 100 basis points) and CHF 200 million (in the event of an interest rate fall of 100 basis points). The impact on revenues would vary respectively between CHF 26.8 million and CHF –105.1 million, with a floor benchmark rate of 0% for client services.

1. BCGE balance sheet items and off-balance-sheet transactions

Consolidated

Assets	Notes	31.12.2023 in CHF 1,000	31.12.2022 in CHF 1,000	Change in CHF 1,000
Liquid assets	4.23	6,710,001	6,715,699	-5,698
Amounts receivable from banks	4.23	700,448	1,162,774	-462,326
Amounts due from securities financing transactions	4.23	389,992	718,692	-328,700
Amounts due from clients	4.23	5,619,271	5,478,939	140,332
Mortgage loans	4.23	13,582,289	13,045,695	536,594
Trading portfolio assets	4.03	63,335	51,132	12,203
Positive replacement values of derivative financial instruments	4.04	22,595	12,355	10,240
Financial investments	4.05	2,648,593	2,339,186	309,407
Accrued expenses and deferred income		66,870	49,896	16,974
Participations	4.06	72,044	69,198	2,846
Tangible fixed assets	4.08	107,237	128,315	-21,078
Intangible assets	4.09	-	333	-333
Other assets	4.10	286,890	262,200	24,690
Total assets	4.25	30,269,565	30,034,414	235,151
Total subordinated claims		48,090	46,223	1,867
<i>of which, subject to mandatory conversion and/or debt waiver</i>		-	-	-

Liabilities

Amounts due to banks	4.23	2,084,209	3,125,773	-1,041,564
Liabilities arising from securities financing transactions	4.23	100,000	18,490	81,510
Amounts due in respect of client deposits	4.23	20,449,267	19,446,818	1,002,449
Trading portfolio liabilities	4.03	2,728	1,565	1,163
Negative replacement values of derivative financial instruments	4.04	30,826	9,438	21,388
Cash bonds	4.23	3,282	740	2,542
Bond issues and central mortgage institution loans	4.15	4,719,535	4,776,505	-56,970
Accrued expenses and deferred income		151,661	133,080	18,581
Other liabilities	4.10	536,716	532,518	4,198
Provisions	4.16	7,815	5,836	1,979
Reserves for general banking risks	4.16	290,000	270,000	20,000
Bank's capital	4.17	360,000	360,000	-
Capital reserve		291,315	299,171	-7,856
Retained earnings reserve		1,059,968	921,818	138,150
Currency translation reserve		-36,545	-29,467	-7,078
Own shares		-12,452	-14,292	1,840
Minority interests in equity capital		-	471	-471
Profit/loss (result for the period)		231,240	175,950	55,290
<i>of which minority interests in consolidated profit</i>		-	62	-62
Total liabilities	4.25	30,269,565	30,034,414	235,151
Total subordinated liabilities	4.15	241,535	331,545	-90,010
<i>of which, subject to mandatory conversion and/or debt waiver</i>	4.15	241,535	245,000	-3,465

Off-balance-sheet transactions

Contingent liabilities	4.28	1,028,702	914,546	114,156
Irrevocable commitments	4.02	976,413	768,782	207,631
Commitments to free up and execute additional transfers	4.02	272,183	304,085	-31,902
Approved credit line	4.29	18,453	114,811	-96,358

2. Profit and loss account items

Consolidated

	Notes	31.12.2023 in CHF 1,000	31.12.2022 in CHF 1,000	Change in CHF 1,000
Result from interest operations				
Interest and discount income	4.33	572,926	306,466	266,460
Interest and dividend income from trading portfolios		204	60	144
Interest and dividends from financial investments		17,243	5,641	11,602
Interest expenses		-192,582	-20,808	-171,774
Gross result from interest operations		397,791	291,359	106,432
Changes in value adjustments for default risks and losses from interest operations	4.16	-7,530	-5,348	-2,182
Subtotal net result from interest operations		390,261	286,011	104,250
Result from commission business and services				
Commission income from securities trading and investment activities		60,320	60,635	-315
Commission income from lending activities		38,319	44,046	-5,727
Commission income from other services		44,210	40,355	3,855
Commission expenses		-9,789	-12,287	2,498
Subtotal result from commission business and services		133,060	132,749	311
Result from trading activities and the fair value option				
Subtotal result from trading activities and the fair value option	4.32	37,900	37,784	116
Other ordinary income				
Income from sale of financial investments		23,570	10,394	13,176
Income from participations		8,188	11,048	-2,860
Result from real estate		1,262	1,104	158
Other ordinary income		5,390	7,830	-2,440
Other ordinary expenses		-9,755	-11,253	1,498
Subtotal other results from ordinary activities		28,655	19,123	9,532
Total operating income		589,876	475,667	114,209
Operating expenses				
Personnel expenses	4.34	-176,235	-164,437	-11,798
General and administrative expenses	4.35	-108,715	-96,854	-11,861
Subtotal operating expenses		-284,950	-261,291	-23,659
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	4.36	-20,332	-18,717	-1,615
Changes to provisions and other value adjustments and losses	4.16	-2,874	-673	-2,201
Operating profit		281,720	194,986	86,734
Extraordinary income	4.36	10,525	34,583	-24,058
Extraordinary expenses	4.36	-45	-	-45
Change in reserves for general banking risks	4.16	-20,000	-20,000	-
Taxes	4.39	-40,960	-33,619	-7,341
Profit/loss (result for the period)		231,240	175,950	55,290
<i>of which minority interests in Group profit</i>		-	62	-62

3. Statement of shareholders' equity Consolidated

(in CHF 1,000)

	Bank's capital	Statutory capital reserve	Statutory retained earnings	Reserves for general banking risks	Currency translation reserve	Own shares (negative item)	Minority interests	Result for the period	Total
Equity at start of current period	360,000	299,171	921,818	270,000	-29,467	-14,292	471	175,950	1,983,651
Acquisition of own shares						-6,287			-6,287
Disposal of own shares						9,502			9,502
Profit/(loss) from the disposal of own shares		1,375				-1,375			-
Currency translation differences					-7,078				-7,078
Dividends and other distribution		489						-39,600	-39,111
Special allocation to the State of Geneva (20% of the dividend paid)								-7,920	-7,920
Other allocations to (transfers from) the reserves for general banking risks				20,000					20,000
Other allocations to (transfers from) the other reserves		-9,720	138,150				-471	-128,430	-471
Profit/loss (result for the period)								231,240	231,240
Equity at end of current period	360,000	291,315	1,059,968	290,000	-36,545	-12,452	-	231,240	2,183,526

Summary presentation

Consolidated

1. Registered name, legal form, registered office and goal

Banque Cantonale de Genève (hereafter BCGE) is a limited company established by public law according to Art. 763 of the Swiss Code of Obligations. It has the status of a cantonal bank as defined by the Federal Banking Act. The Bank was registered in the Geneva Trade Register on 17 December 1993 and conducts its business under the registered name of "Banque Cantonale de Genève SA". The registered office and management of the Bank are in Geneva.

The Banque Cantonale de Genève Group provides the services of a regional full-service bank and has the particular role of contributing to the economic development of the Canton and of the region.

Its activities include providing mortgage lending and commercial and personal loans as well as loans for international trade. The Group is also active in asset management and manages public offerings and placements in the financial markets.

The Bank bases its commercial operations on the diversity of its skills and the fact that its business model is aligned with the specific features of Geneva's economy.

Staff numbers	31.12.2023	31.12.2022
Full-time equivalents	916.77	873.62
Average full-time equivalents	889.38	860.34
Headcount	971.00	926.00
Average headcount	943.08	909.42

Activity report

The business component of the activity report appears in the chapter Comment on the Group accounts. The Bank publishes its capital adequacy in the document entitled "Publication requirements relating to shareholders' equity", in accordance with the Basel III guidelines. It applies the standard Swiss approach in respect of credit risk, the standard approach for market risk, and the base indicator approach (BIA) for operational risk.

The Bank's strategy is to outsource its operations so as to concentrate on high value-added client business.

Outsourced relationships are governed by service level agreements (SLAs), in compliance with the FINMA 2018/3 circular on bank outsourcing. The contracts with Swisscom chiefly concern money transfer and securities operations (enabling a quality of service comparable with that offered by the best Swiss banking institutions), operation of the central IT system, the hosting thereof, data storage, the printing and sending of bulk documents, online identification services and the maintenance of certain items of infrastructure.

Agreements with the majority shareholder

Chapter 5 of Art. 33 of the Bank's Articles of Association, adopted by the General Meeting of 3 May 2005, formalises the repayment of loans granted by the State of Geneva to the *Fondation de valorisation* of the Banque Cantonale de Genève at the start of the previous decade. The Bank makes repayments pro rata to the dividends distributed to shareholders (20% of the dividends paid). Following the *Fondation's* dissolution, the State Council, in accordance with the decree of 21 October 2011, set the remaining amount of the loans to be repaid by the Bank at CHF 370,661,634 on 31 December 2009. For the 2023 financial year, an amount of CHF 9.4 million will be paid, an increase of CHF 1.4 million compared with the previous year, provided that the Board of Directors' proposed dividend is adopted by the General Meeting. As a result, a total amount of CHF 72.8 million will have been repaid since 2009, thus bringing repayments made by the Bank to a total of CHF 100.2 million since the Bank's consolidation in 2000.

2. Accounting and valuation principles

Terms of reference

The Group's consolidated accounts comply with the Swiss Code of Obligations, the Federal Banking Act and its implementing ordinance, FINMA circular 2020/1 on accounting rules for banks (ARB-FINMA) and the FINMA accounting ordinance (OEPF-FINMA).

The Group accounts have been prepared according to the "true and fair view" principle.

Closing date for consolidated accounts

The accounts are closed on 31 December of each year.

Scope of consolidation

Firms whose consolidation makes an important financial difference have been included in these financial statements as follows: The perimeter has changed very slightly since 31 December 2022, following the inclusion of Compagnie Foncière Whympier within the BCGE group and the winding up of Rhône Saône Léman SNC I.

All Group companies in banking, finance and real estate, held as permanent assets in which the parent company has a direct or indirect stake of more than 50%, are fully consolidated. All permanently held Group companies in banking, finance and real estate, in which the parent company has a direct or indirect stake of between 20% and 50%, are consolidated under the equity method.

Balance sheet total	in CHF 1,000
Banque Cantonale de Genève, Geneva	30,058,776
Capital Transmission SA, Geneva	100,691
Investissements Fonciers SA, Lausanne	25,555
Swiss Public Finance Solutions SA, Geneva	18,976
Loyal Finance AG, Zurich	1,968
Dimension SA, Lausanne	562
Banque Cantonale de Genève France SA, Lyon	931,601
Compagnie Foncière du Saint Gothard SAS, Puteaux	43,414
Compagnie Foncière Franco-Suisse SAS, Lyon	32,169
Compagnie Foncière Whympier SAS, Lyon	66
Rhône Saône Courtage Sàrl, Lyon	26
Rhône Saône Léman SNC II, Lyon	14

Consolidation process

• Share capital consolidation

During the purchase of an equity interest, the net book value of the equity in the consolidated company is offset against the proportion of the company's total net assets those shares represent. Any difference is recorded either as a valuation adjustment on the consolidated balance sheet or as goodwill. Capital is consolidated according to the purchase method, which allows for the compensation of the equity interest purchase price

with the part that the Group holds in revalued shareholders' equity (monetary value of net assets) at the time of the acquisition.

• Goodwill

Goodwill and the difference of first consolidation are shown on the balance sheet as "intangible assets" and depreciated through the profit and loss account over a maximum period of 10 years.

• Intercompany transactions

Liabilities and receivables, as well as income and expenses from intercompany transactions, are eliminated.

• Treatment of foreign currency exchange differences

Other assets, balance sheet debt and depreciation and amortisation of tangible assets of entities domiciled outside Switzerland and recorded in foreign currencies are converted into Swiss francs at the rate applying at year end. Income statement items of these entities, other than depreciation and amortisation of tangible assets, are converted into CHF at the average closing rates of the 12 months of the year. The shareholders' equity of these entities is converted at the historic average rates of each balance-sheet item. The resulting exchange differences are directly accounted for in equity under "Foreign exchange reserve".

Valuation methods

The Group's consolidated accounts are based on the individual annual financial statements of the Group's various companies and established using uniform accounting principles and valuation methods. Adjustments to conform to the "true and fair view" are generally made to own shares and bonds by deducting the corresponding liabilities.

Recording dates

All transactions are recorded on the books at the date of transaction.

Currencies, banknotes and precious metals

Positions held in currencies are converted into Swiss francs at the following year-end rates:

Main currencies	Unit (currency)	Exchange rate 31.12.2023	Exchange rate 31.12.2022
US dollar	1	0.8394	0.9245
Euro	1	0.9278	0.9856
Pound sterling	1	1.0678	1.1119
Yen	100	0.5920	0.7009

Income and expenses are converted at the rate applying on the transaction date. Exchange gains and losses arising from conversion are reported under the heading "Results from trading operations".

Liquid assets

Cash is reported on the balance sheet at its face value.

Due from banks, clients and mortgage loans

Receivables and liabilities are recorded at their face values. Pledged collateral is valued prudently, systematically and periodically, applying uniform principles and based, other than in exceptional cases, on a market value.

The Bank values real estate either using an expert system (hedonic approach) or by internal valuations for unusual or luxury items, or, in the case of income properties, by discounting future cash flows.

Receivables on the balance sheet are valued at no more than the value they represent for the Bank. Value adjustments made to cover potential losses known or estimated at the balance sheet date are booked as a reduction in the value of the corresponding assets. Interest and corresponding commissions which are unpaid 90 days from the due date are considered outstanding and are booked under value adjustments which are deducted from the corresponding assets. In such cases, they are only shown in the profit and loss account at the time when the payment is actually made.

For consumer-credit portfolios (personal loans and leasing) consisting of many similar loans, individual provisions are determined on a portfolio basis using general historical data.

Amounts due/liabilities from securities financing transactions

Amounts due/liabilities from transactions in securities or formerly operations using repurchase and reverse repurchase agreements are recorded on the books as follows:

- sums in cash that are transacted are recorded on the balance sheet;
- the transfer of securities is not recorded on the balance sheet as long as the seller retains the rights to them;
- the subsequent transfer of received securities is entered on the balance sheet. The subsequent transfer of received securities is entered on the balance sheet as a non-monetary liability at market value.

Trading portfolio assets

Securities held in portfolios are recorded on the balance sheet at their year-end market value. Results are recorded under "Results from trading operations and the fair value option".

In accordance with the Group's principle of true and fair view, its own treasury bonds are not marked at market value, but recorded at their face values and reported by reducing the corresponding liability positions.

Own treasury shares are recorded at Group level by deducting their acquisition cost from shareholders' equity, under a separate position called "Own shares". Payment of dividends and results of subsequent transfers are attributed to "Statutory capital reserve".

Hedging operations

The Bank uses derivative financial instruments to protect itself from market risks. Hedging transactions are valued in the same way as hedged items and the result is recorded under the same accounting item.

Financial investments

Financial investments include securities held for the long term and companies bought for strategic purposes and which are likely to be sold in the medium term.

Other debt and equity investments are valued either using the principle of valuation at the lower of cost or market, or on the accrual principle for securities that are to be held to maturity. The net impact of the changes in value is recorded in ordinary income or expenses. Buildings acquired in the course of lending operations and intended for resale are carried on the balance sheet at cost, less any adjustments in value and liquidation costs, on the principle of lowest market value.

Tangible fixed assets

Fixed assets are carried on the balance sheet at acquisition cost and are subject to straight-line depreciation over their foreseeable life, not exceeding the following:

Bank buildings	100 years
Fixtures	10 years
Furniture and fittings	5 years
Office machines	5 years
Software and IT equipment	3 to 10 years depending on their life cycle

Taxes

An assessment of the taxes due for the year is entered into the accounts according to the income earned. The impact of delimiting the Group's taxes is shown under deferred taxes.

Amounts due to banks

Receivables and liabilities are recorded at their face values.

Amounts due in respect of client deposits

Receivables and liabilities are recorded at their face values.

Positive and negative replacement values of derivative financial instruments

Positions in financial instruments open at year end are either reported at their market values, or by means of a valuation model in line with the type of derivative financial instrument in the "Positive/negative replacement values of derivative financial instruments" items and are accounted for according to the purpose of the underlying transaction:

- active trading positions, at market price in the income statement,
- hedging positions in accordance with the valuation of the underlying transaction hedged.

Provisions

Provisions include those intended to cover necessary operational risks, provisions for inherent off-balance-sheet default risks, valuation adjustments for off-balance-sheet default risks and provisions for deferred taxes.

Reserves for general banking risks

The reserves for general banking risks are precautionary reserves accumulated via the "Change in reserves for general banking risks" item to cover general business risks. These reserves are taxed.

Contingent liabilities

Contingent liabilities record, in particular, guarantees to secure credits issued in the form of bill guarantees, bank securities and sureties.

Irrevocable commitments

Irrevocable commitments relate to the granting of loans or other services that have not been used by the year end date but are granted definitively. Commitments to pay under the terms of the deposit guarantee are posted under this item.

Commitments related to additional payments and further contributions for shares

Commitments to pay under the terms of the deposit guarantee are posted under this item.

Change in accounting principles

Premiums related to swaption transactions carried out as part of interest-rate risk management are now written down over the lifetime of the underlying swap rather than that of the hedging instrument, in order to better manage the volatility effects in the interest margin and to correspond even better to the management intention. Other than this, no changes were made to the accounting and evaluation principles in 2023.

3. Risk management

The Board of Directors establishes risk policy according to legal requirements and the Executive Board applies this in all the Group's entities using the same methodology. The Bank has set up specialised risk committees for the parent company and the most significant subsidiaries to enable it to assess, monitor and manage risks incurred.

The Board of Directors undertakes a quarterly analysis of the Group's principal risks. This analysis takes account of various sources available to the risk-monitoring units and is regularly reviewed by the Risk Committee and the Executive Board.

Basic principles

Aiming at targeted and controlled allocation of its equity, while ensuring that the risks taken are diversified, the Bank defines risk segments and applies limits to them in line with the business area. This procedure is validated by the Board of Directors. Similarly, in accordance with regulatory provisions, the Board of Directors sets the country limits and

bank limits, taking account of financial fluctuations and geopolitical risks. The Executive Board monitors all risks through constant supervision of business activities and through monitoring by specific committees.

All members of the Executive Board are responsible for the revenues and costs from risk positions taken in their divisions, and must take the necessary action to manage and/or reduce risk.

Independent risk monitoring of the revenue-generating operating units is performed throughout the Bank. Hence, the Risk, Compliance and ALM departments underpin regular monitoring by the specialised front office and control functions. Their role is to anticipate, analyse, evaluate and inform the various dedicated committees on the financial, legal and compliance-related impacts of exposure to the risks, paying particular attention to thoroughness and the objective assessment of the risks incurred and potential risks impacting the Bank (financial and non-financial risks, including environmental and social risks and operational risks).

Consolidated supervision

The organisation of risk control within the Group is structured on the basis of the management principles used by the Bank in Geneva with the aim of ensuring a comprehensive understanding of risks and their uniform control at consolidated level.

The Risk business unit and the ALM department in the Finance division consolidate the Group's overall positions. The distribution of reports and their systematic review with the front-office divisions during Risk (CRISK) and the Asset and Liability Management committee (CALM) meetings provide a formal framework for this effective overall approach.

The results are reported to the Executive Board and the Board of Directors on a regular basis.

Types of risks

- **Credit risk**

Credit or counterparty risks are the loss the Group suffers if a counterparty defaults.

Credit is granted under a specific system of delegation of authority, based on the size of the loan, and subjected to a system of expert rating. This lays down different conditions which are to be applied depending on the borrower's financial situation and the type of transaction.

The Credit Committee examines applications within the scope of its expertise and authorises operations in line with the delegated authority and the policy defined. This policy encompasses the undertakings of the Group's clients and corresponding institutions

originating in the loan and guarantee issuance businesses, together with undertakings in respect of currency transactions.

Risk for commercial loans is assessed every year.

For mortgage loans, the interval for reviewing collateral is defined by the loan-to-value ratio and the type of property. In all cases, new risk indicators or an increase in existing risks result in specific analysis of the loan portfolios in question.

Ratings are allocated to borrowers by an expert rating system (10 grades from A+ to E-) and are updated by dedicated systems. New rating models are provided by a system used jointly by around 12 cantonal banks and other large financial institutions. A significant drop in ratings triggers a risk-assessment process, and if necessary, the setting up of valuation adjustments and the transfer of the case to the Participations and Workout department or the Litigation department.

Non-performing and impaired loans are assessed individually and the reduction in value is expressed in adjustments to individual valuations. Non-performing loans and collateral obtained are valued at liquidation value, taking into account any individual adjustment for the debtor's solvency. Off-balance sheet transactions are also included in this assessment.

To complement the valuation adjustments, the Bank, as a category 3 institution, makes valuation adjustments for inherent default risks, as defined in Art. 25 (1) (b) OEPC-FINMA. Non-impaired loans/receivables, unlike the other receivables described above, result from situations where it is apparent that debtors will be in a position to meet their future commitments. The method for calculating value adjustments for inherent default risks was defined by the Bank in 2019, and consists of grouping the volumes of risk weighted assets (RWA¹) by activity segment, taking account of on- and off-balance sheet lending. Eight activity segments² were defined, and a loss coefficient was calculated for each one. These coefficients transcribe the loss estimated over a medium-term time horizon and are revised annually in the course of the review of the strategic and financial plan (SFP), based on the Bank's historical losses on the loan portfolio. The estimated potential loss may, moreover, be adapted to an appraisal value when the potential loss seems too low or inappropriate.

¹ RWA: Risk Weighted Assets.

² Consumer financing, Swiss property for private individual clients, Swiss property for corporate clients, Swiss corporate clients, property and corporates France, public authorities, trade finance, banks and financial markets.

By multiplying the risk-weighted assets by these loss coefficients, it is possible to calculate a valuation adjustment for inherent default risk relating to each activity segment. The sum of the amounts for these eight segments is equal to the overall amount of the valuation adjustments for the Bank's inherent risks. The volumes of risk-weighted assets by segment are re-evaluated at each year-end closing and the amounts of the value adjustments for inherent risks are adjusted in consequence.

If the valuation adjustments made for inherent default risk are used, the amount drawn off is reconstituted in a linear manner, over a maximum of five years, starting in the financial year after the amount has been drawn. The Executive Board is able to use the valuation adjustments for inherent default risks as soon as the provisions made for risks are greater than the annual loss budget taken into account in the budget planning. The valuation adjustments for inherent default risks on amounts due from clients, mortgage loans and receivables from banks are deducted from the corresponding balance sheet items. The part attributable to off-balance sheet positions and financial investments appears in the Provisions item. The consolidated amounts are presented in note 4.16, page 76.

Country commercial limits are in place, mainly for international trade finance; they are monitored and checked daily by the Risk business unit. Country limits for direct risks (the debtor's country of incorporation) and indirect risks (the country of economic risk) are validated annually by the Board of Directors and reviewed when the political or economic situation of a country changes.

- **Concentration risk**

Major risks (large risks in the meaning of Art 95 CAO³) are continuously monitored and reported quarterly to the Board of Directors and to the independent auditors.

The integrated IT system for risk control calculates the funding requirements for each transaction and aggregates them by economic group. For the purpose of risk prevention, additional attention is paid to potential concentration of loans. These positions are constantly monitored and, if values approach thresholds, management is notified immediately. Simulations are systematically carried out in the run-up to prospective large operations.

- **Rate risk, liquidity risk, market risk and proprietary investment risk**

These risks reside in the potential for losses from exchange-rate fluctuations, interest rates and property prices and indices for any position held by the Group.

The control of these risks requires that open positions must be identified, measured and controlled. Evaluation of the trading portfolio and supervision of limits are carried out on a single ad hoc system, allowing risks incurred to be evaluated, and a report is produced on a daily basis. An independent department is tasked with permanently monitoring compliance with limits and stop-loss in the Financial Markets & Treasury department. The Bank has a policy of maintaining low exposure to market risks in commodities trading. In addition, the ALM (asset and liabilities management) Committee meets on a monthly basis. The Committee oversees management of the Bank's balance sheet in the light of potential changes in the business and financial market situation and other parameters. The ALM Committee monitors all financial risks.

- **Rate risk**

Rate risks are those risks arising from fluctuations in the value of non-trading portfolio positions as a result of changes in interest rates. Exposure to risk rates arises when maturity rates and asset volumes are mismatched with the refinancing of liabilities. These asymmetries are the cause of this risk and have an effect on interest income and on the Bank's equity valuation. Fixed rate or at-sight banking products without maturities are modelled in order to respond as effectively as possible to rate changes made when market rates move. These models are reviewed periodically and adapted to market conditions if necessary. Dynamic simulations are carried out in order to monitor revenue risks to the interest margin in the light of various rate scenarios. The policy on interest-rate risks is approved by the Board of Directors, which delegates operational management to the Executive Board. In compliance with legal requirements, the ALM Committee analyses the effects of rate fluctuations on income (short-term) and on value (long-term) and manages them within the limits defined by the Board of Directors.

- **Liquidity risk**

Loan limits for other banks are tightly controlled in response to increased risks. Investments in money markets have largely been replaced by investments of the repurchase agreement type. With great prudence, and with repo operations being continued, money market business is conducted with a number of partner banks and the Swiss public authorities, in compliance with strict limits. BCGE is keeping to its prudent approach, maintaining high

³ Capital Adequacy Ordinance.

levels of liquidity and managing a bond portfolio that is widely diversified and to which sale and repurchase agreements can be applied. This means that credit facilities can be obtained with a large number of counterparties at all times. Bonds included under the long-term financial investment item are restricted to those with AAA ratings or at least A- or equivalent.

The Bank manages its liquidity risk by monitoring exposure through use of a schedule of balance sheet items and balance sheet structure, and by calculating the regulatory liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR). It also manages the risk dynamically, by modelling the growth of business and the need for refinancing. Through its ALM Committee, the Bank monitors liquidity risk within the limits set by the Board of Directors.

- **Exchange-rate risk**

Exchange positions that must be managed by the Bank mainly involve interest and commission income, mostly denominated in USD and EUR. Exchange-rate risks arising from the balance sheet, including treasury operations and transactions, are centralised and managed for the Bank as a whole. A hedging system is in place, enabling financial transactions to be executed that protect specific exchange positions while taking related costs into account.

• **Operational risk**

Operational risks are defined as the risk of losses resulting from inadequate or failing internal procedures, persons or systems or from external events. The level of automation of such processes together with internal control measures can limit these risks. The Bank has implemented a model of production processes to monitor points of control, function separation and validation in operations processing. The Operational Risk section ensures that the architecture is consistent. This makes it possible to monitor and record incidents with the aim of improving the operational risk system and more effectively detecting potential problems. Administrative instructions and other internal guidelines are regularly updated and made accessible to all staff members on the Bank's Intranet. Furthermore, the Bank monitors compliance with procedures and the analysis of information flows.

The approach to overall operational risk management was complemented in 2023 by an additional system for specific risks, as detailed in FINMA circular 2023/1. These comprise ICT risk, cyber risk, critical data management, business continuity management and cross-border operation management.

• **Non-compliance and legal risk**

These risks are the responsibility of the Legal and Compliance division, whose mission it is to:

- identify legal risks, defend the Bank's interests and support asset managers in their client relationships. It is involved once a risk has been identified. It assesses the problem and, if appropriate, retains an external lawyer with whom it handles the case. The funding of legal risks is examined on a case-by-case basis. Provisions for legal risks are booked as liabilities under Provisions;
- implement a process for combating money-laundering, and monitoring sanctions and transactions that is appropriate and adapted to the Bank's activities. It will also monitor developments in regulations and internal instructions;
- institute cross-border rules.

4. Policy in respect of derivative financial instruments and hedge accounting

Risk management strategy

The principles of risk management are set out on page 62 of this report. In general, the Bank makes use of derivative financial instruments to hedge against and manage banking book exposures sensitive to market risk factors such as interest rates, exchange rates or share prices and indices. Specifically for the management of interest rate risk in the banking book, the Bank holds a strategic portfolio of hedges mainly composed of interest rate swaps, and to a lesser extent of interest-rate options. Hedging is undertaken solely with external counterparties.

Derivative financial instruments are also used for trading purposes on behalf of third parties, to hedge risks associated with trading on behalf of third parties, and also, to a lesser extent, on the Bank's own behalf. Derivative financial instruments used for trading purposes are "standardised" derivative instruments listed on regulated stock exchanges and also over-the-counter (OTC) derivative instruments. The underlyings of derivative financial instruments used are interest rates, exchange rates, equity securities/indices or commodities (such as precious metals).

Underlying operations and hedging transactions

The Bank uses hedging accounting mainly for the following operations:

Underlying operations	Hedging operations
Interest rate risks in the banking book	
<ul style="list-style-type: none"> • Mortgage loans • Amounts due from clients • Financial investments: bonds • Amounts due to clients • Bonds and mortgage-backed bonds 	<ul style="list-style-type: none"> • Interest rate swaps (IRS) • Futures and interest rate options
Equity risk in the banking book	
<ul style="list-style-type: none"> • Financial investments: equity investments, investment funds 	<ul style="list-style-type: none"> • Futures and index options

Constitution of financial instrument groups

Management of interest rate risk in the Bank's portfolio is mainly undertaken through macro-hedging. The Bank may use micro-hedging for specific operations, although in practice this approach remains exceptional. Macro-hedging is undertaken globally, and underlying operations sensitive to interest rates held in the Bank's portfolio are considered in aggregate.

Management of equity risk in the Bank's portfolio is mainly undertaken through macro-hedging. Macro-hedging is applied to groups of underlying transactions sensitive to the prices of equities or the main stock exchange indices, such as the residual part of investment funds on the point of being marketed (seed money).

Relationship between underlying operations and hedging transactions

As regards management of interest-rate risk in the Bank's portfolio, when a hedging transaction is complete, the economic relationship between the derivative financial instrument and the group of underlying operations concerned is documented. The units in charge of accounting, the units in charge of monitoring interest-rate risk and the units in charge of managing interest-rate risk are informed. Among other things, the documentation records the objectives of the interest-rate risk management and the risk strategy in respect of the hedging transaction.

Measurement of hedging effectiveness

The effectiveness of the hedging by means of derivative financial instruments is evaluated at aggregate level. The sensitivity of the economic value of all the underlying operations sensitive to interest rates held in the Bank's portfolio is evaluated according to two antagonistic scenarios (+/-100 bp of parallel shift of the interest rates). The sensitivity of the economic value of all the strategic operations using derivative financial instruments is evaluated according to two scenarios (+/-100 bp of parallel shift of the interest rates).

The effectiveness of the hedging is thus confirmed for each scenario:

- the sensitivity of the economic value of the underlying operations is opposite in sign to the sensitivity of the economic value of the hedging transactions (negative economic correlations);
- and the sensitivity of hedging transactions is lower in absolute value than the sensitivity of the economic value of the underlying operations.

The effectiveness of the hedging is evaluated at each period end (end of the month) and is presented to the Bank's Asset and Liability Management Committee (CALM).

Absence of effectiveness of hedging with derivative financial instruments

When the effectiveness of hedging with derivative financial instruments is no longer in evidence, then either the effectiveness is recovered by a change to the strategic hedging portfolio with derivative financial instruments, or the hedging transactions causing the ineffectiveness are identified, transferred and recorded in the trading portfolio. The excess component of the result of hedging transactions with derivative instruments is allocated to "Result from trading activities and the fair value option". The Bank puts in place a monitoring system to prevent all ineffectiveness of hedging with derivative instruments subject to additional monitoring prior to half-year ends.

4. Details relating to the items in the notes to the consolidated financial statements

Consolidated

4.01 Breakdown of securities financing transactions (assets and liabilities)

(in CHF 1,000)

	31.12.2023	31.12.2022
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions	389,992	718,692
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions	100,000	18,490
Book value of securities held for own account, lent or transferred as collateral for securities lending or repurchase transactions	100,019	18,642
<i>with unrestricted right to resell or repledge</i>	<i>100,019</i>	<i>18,642</i>
Fair value of securities received and serving as collateral in connection with securities lending or securities received in connection with securities borrowing, as well as securities received in connection with reverse repurchase agreements with an unrestricted right to resell or repledge	394,063	717,626
<i>of which, repledged securities</i>	–	–
<i>of which, resold securities</i>	–	–

4.02 Presentation of collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables

(in CHF 1,000)

	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Loans (before netting with value adjustments)				
Amounts due from clients	1,118,534	803,690	3,745,517	5,667,741
Mortgage loans	13,599,919	–	–	13,599,919
<i>Residential property</i>	11,344,904	–	–	11,344,904
<i>Office and business premises</i>	1,574,803	–	–	1,574,803
<i>Commercial and industrial premises</i>	463,706	–	–	463,706
<i>Other</i>	216,506	–	–	216,506
Total loans (before netting with value adjustments)				
31.12.2023	14,718,453	803,690	3,745,517	19,267,660
31.12.2022	14,137,786	1,089,020	3,385,797	18,612,603
Total loans (after netting with value adjustments)				
31.12.2023	14,700,823	801,726	3,699,012	19,201,560
31.12.2022	14,121,073	1,079,657	3,323,904	18,524,634
Off-balance sheet				
Contingent liabilities	–	54,183	974,519	1,028,702
Irrevocable commitments	–	128,428	847,985	976,413
Commitments related to additional payments and further contributions for shares	–	–	272,183	272,183
Credit commitments	–	405	18,048	18,453
Total off-balance sheet				
31.12.2023	–	183,016	2,112,735	2,295,751
31.12.2022	–	162,241	1,939,983	2,102,224
Impaired loans/receivables Consolidated				
	Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
31.12.2023	159,807	117,983	41,824	41,171
31.12.2022	171,333	110,708	60,625	56,149

The difference between the net amount of impaired loans/receivables and the individual value adjustments results from a restrictive definition of collateral value, and from taking into account debtors' solvency.

4.03 Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)

(in CHF 1,000)

Assets	31.12.2023	31.12.2022
Trading portfolio assets		
Debt securities	–	610
<i>of which, listed</i>	–	610
Equity investments	189	41
Precious metals and commodities	63,081	50,465
Other trading portfolio assets	65	16
Total assets	63,335	51,132
<i>of which, based on an evaluation model</i>	–	–
<i>of which, collateral eligible for repos in accordance with liquidity requirements</i>	–	–

Amounts due to	31.12.2023	31.12.2022
Trading portfolio assets		
Equity investments	–	–
Other trading portfolio liabilities	2,728	1,565
Total liabilities	2,728	1,565
<i>of which, based on an evaluation model</i>	–	–

4.04 Presentation of derivative financial instruments (assets and liabilities)

(in CHF 1,000)

		Trading instruments			Hedging instruments		
		Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
Interest rate instruments	Swaps	–	–	–	367,984	218,418	12,181,868
	Options (OTC ¹)	2,254	2,254	34,459	–	–	–
Currencies / precious metals	Forward contracts	37,945	80,819	4,259,380	267	44,039	1,389,710
	Options (OTC ¹)	764	764	100,711	–	–	–
Equity securities / indices	Futures	–	–	–	193	472	41,376
Total before netting agreements							
31.12.2023		40,963	83,837	4,394,550	368,444	262,929	13,612,954
<i>of which, based on an evaluation model²</i>		3,018	3,018	135,170	–	–	–
31.12.2022		20,527	19,656	1,814,072	818,374	616,770	19,350,287
<i>of which, based on an evaluation model²</i>		4,604	4,604	244,386	–	1,363	200,000

¹ Over the counter.² Including instruments the evaluation of which is determined by a model populated essentially with market parameters.

No hedging operation was judged ineffective in 2023 (2022 – no change).

	Positive replacement values (cumulative)	Negative replacement values (cumulative)	
Total after netting agreements			
31.12.2023	22,595	30,826	
31.12.2022	12,355	9,438	
Breakdown by counterparty			
	Compensation centres	Banks and securities firms	Other clients
Positive replacement values after netting agreements	–	4,219	18,376

4.05 Breakdown of financial investments

(in CHF 1,000)

	Book value		Fair value	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Debt securities	2,410,105	2,106,831	2,399,063	1,988,185
<i>of which, intended to be held to maturity</i>	2,182,882	1,991,644	2,168,194	1,871,313
<i>of which, not intended to be held to maturity</i>	227,223	115,187	230,869	116,872
Equity investments	238,014	231,808	296,219	312,287
<i>of which, qualified participations¹</i>	13,529	29,332	13,529	29,332
Buildings & vehicles	474	547	474	547
Total	2,648,593	2,339,186	2,695,756	2,301,019
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	2,119,723	1,871,360	2,086,148	1,759,781

¹ At least 10% of capital or votes.

Breakdown of counterparties by rating²

	AAA to AA-	A+ to A-	BBB to BBB-	BB+ to B-	Below B-	Without rating
Debt securities, book value	2,199,265	72,495	–	–	–	138,345
Debt securities, book value previous year	2,070,905	35,926	–	–	–	–

² The rating categories are based on the Standard & Poor's scale.

4.06 Presentation of participations

(in CHF 1,000)

	2023							Value as at end of current year	Market value
	Acquisition cost	Accumulated amortisation changes in book value (valuation using the equity method)	Value at previous year end	Investments	Disposals	Depreciation	Changes in book value in the case of participations valued using the equity method/ depreciation reversals		
Participations valued using the equity method									
without market value	20,247	12,797	33,044	3,351	–1,130	–	639	35,904	N/A
Other participations									
with market value	66	–	66	–	–4	–	–	62	62
without market value	38,156	–2,068	36,088	5	–15	–	–	36,078	N/A
Total participations	58,469	10,729	69,198	3,356	–1,149	–	639	72,044	

4.07 Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation

Company name and registered office	Business		Bank's capital (in CHF 1,000)	Share of capital (as %)	Share of votes (as %)	Held directly (as %)	Held indirectly (as %)
Full consolidation							
Banque Cantonale de Genève France SA, Lyon	Bank	EUR	50,000	100	100	100	
Rhône Saône Courtage Sàrl, Lyon	Real estate brokerage	EUR	10	100	100		100
Rhône Saône Léman II SNC, Lyon	Real estate company	EUR	10	100	100		100
Capital Transmission SA, Geneva	Investments	CHF	2,000	100	100	100	
Dimension SA, Lausanne	Valuing and selling companies	CHF	160	100	100	100	
Swiss Public Finance Solutions SA, Geneva	Financial advice	CHF	400	100	100	100	
Loyal Finance AG, Zurich	Asset management	CHF	200	100	100	100	

Integration by the equity method

Compagnie Foncière Franco-Suisse SAS, Lyon	Real estate transactions	EUR	2,088	33.3	33.3		33.3
Compagnie Foncière Whymper SAS, Lyon	Real estate transactions	EUR	100	33.3	33.3		33.3
Compagnie Foncière du Saint Gothard SAS, Puteaux	Real estate transactions	EUR	12,075	35.2	33.3	33.3	1.9
Investissements Fonciers SA, Lausanne	Institutional asset management	CHF	1,000	42.8	42.8	42.8	

Other participations

Centrale de lettres de gage des banques cantonales suisses SA, Zurich	Issue of mortgage bonds	CHF	2,225,000	5.9	5.9	5.9	
SIX Group Ltd, Zurich	Financial industry service provider	CHF	19,522	1.6	1.6	1.6	

No significant changes between 2022 and 2023.

4.08 Presentation of tangible fixed assets

(in CHF 1,000)

	2023						
	Acquisition cost	Accumulated depreciation	Book value at the end of the previous period	Additions	Disinvestments ¹	Depreciation	Book value at the end of the period under review
Group buildings	131,579	-56,484	75,095	-	-27,148	-2,461	45,486
Other real estate	26,431	-11,914	14,517	-	-	-528	13,989
Software developed internally or acquired separately	40,891	-23,113	17,778	8,650	-	-11,517	14,911
Other tangible fixed assets	30,920	-9,995	20,925	16,449	-	-4,523	32,851
Total tangible fixed assets	229,821	-101,506	128,315	25,099	-27,148	-19,029	107,237

¹ See explanation on extraordinary income of note 4.36 consolidated.

4.09 Presentation of intangible assets

(in CHF 1,000)

	Acquisition cost	Accumulated depreciation	Book value at the end of previous year	2023			
				Additions	Disinvestments	Depreciation	Book value at the end of current year
Goodwill	900	-645	255	970	-	-1,225	-
Other intangible assets	377	-299	78	-	-	-78	-
Total intangible assets	1,277	-944	333	970	-	-1,303	-

4.10 Breakdown of other assets and liabilities

(in CHF 1,000)

	Other assets		Other liabilities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Changes in replacement values of derivative financial instruments	-	-	146,706	252,183
Interest rate components of financial investments intended to be held to maturity but sold prior to maturity	294	329	-	212
Interest rate components of hedging transactions sold prior to maturity	223,855	73,999	295,046	109,217
Sub-total	224,149	74,328	441,752	361,612
Issuing / borrowing costs of bonds and mortgage-backed bonds of the CLG ¹ to be depreciated	846	1,234	-	-
Spread of penalties for early loan repayments	-	-	20,064	24,964
Operation of continuously linked settlement system under way	52,879	132,978	53,102	133,900
Other internal banking transactions	5,319	48,911	5,415	5,492
Indirect taxes	3,697	4,749	16,383	6,550
Total	286,890	262,200	536,716	532,518

¹ The Mortgage Bond Centre of the Swiss cantonal banks.

4.11 Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership

(in CHF 1,000)

Assets pledged / assigned to	2023		2022	
	Book values	Effective commitments	Book values	Effective commitments
SNB	128,960	-	117,787	-
Esisuisse (Swiss depositors' guarantee)	59,747	-	-	-
SIX Swiss Exchange (Swiss electronic stock exchange)	31,342	-	26,380	-
Euroclear (international central securities depository)	10,602	-	-	-
Mortgage Bond Centre of the Swiss cantonal banks: <i>nominal value of mortgage securities kept separately</i>	6,766,252	3,958,000	6,322,297	3,938,000

4.12 Disclosure of liabilities relating to own pension funds and of the number and type of the Bank's own equity instruments held by these institutions

	Number		Value (in CHF 1,000)	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
As custodian bank	-	-	40,686	27,252
Negative replacement values	-	-	71	-
BCGE shares held by the Foundation	60,000	60,000	13,500	10,770

4.13 Disclosures on the economic position of own pension funds

(in CHF 1,000)

a) Employer contribution reserves (ECR)

The BCGE Group did not record contribution reserves in its books, either during the period under review, or in the previous period.

b) Presentation of the economic benefit/obligation of the pension costs (in CHF 1,000)

	Overfunding/ underfunding at end of current year ¹	Economic share of the Group		Change in economic interest (benefit/ obligation) versus previous year	Contributions paid for the current period	Personnel pension expenses	
		31.12.2023	31.12.2022			31.12.2023	31.12.2022
Pension schemes without overfunding or underfunding	–	–	–	–	17,512	17,837	16,999

¹ The Pension Fund's audited annual accounts as at 31 December 2023 are not available. The surplus is based on the audited financial statements as at 31 December 2022.

The BCGE pension fund is the Group's main pension fund and covers all the employees of the parent company and Swiss subsidiaries.

4.14 Presentation of the issued structured products

No positions were present on the closing date of the financial period under review or the previous financial period.

4.15 Presentation of outstanding mandatory bonds, convertible bonds and mortgage bonds

(in CHF 1,000)

		2023					
		Weighted average interest rate	Maturities	Amounts issued in foreign currencies	Amounts issued in CHF	Own bonds held	Book value in the balance sheet
CHF loan issued on 10.06.2015	Non-subordinated ¹	0.500%	10.06.2024	–	150,000	–	150,000
CHF loan issued on 23.04.2019	Non-subordinated ¹	0.125%	23.04.2026	–	120,000	–	120,000
CHF loan issued on 16.03.2022	Non-subordinated ¹	0.625%	16.03.2029	–	150,000	–	150,000
CHF loan issued on 9.12.2022	Non-subordinated ¹	1.875%	09.12.2030	–	100,000	–	100,000
Subordinated CHF loan issued on 28.06.2017	Subordinated with PONV ² clause	1.125%	28.06.2027	–	110,000	–	110,000
AT1 type CHF long-term loan issued on 12.11.2019	Subordinated with PONV ² clause	1,875%	N/A	–	135,000	–3,465	131,535
Total			–	–	765,000	–3,465	761,535
	Total non-subordinated	0.714%	–	–	520,000	–	520,000
	Subordinated with PONV ² clause	1,538%	–	–	245,000	–3,465	241,535
Total 2023		0,978%	–	–	765,000	–3,465	761,535
Total 2022		1,086%	–	–	855,000	–16,495	838,505

¹ Loans that cannot be cancelled before maturity.

² Point of non-viability (PONV).

		2023						
Overview of maturities of bonds outstanding	Within 1 year	More than 1 year and less than 2 years	More than 2 years and less than 3 years	More than 3 years and less than 4 years	More than 4 years and less than 5 years	More than 5 years	Total	
	Bonds (nominal) 2023	150,000	–	120,000	110,000	–	385,000	765,000
Bonds (according to the balance sheet) 2023	150,000	–	120,000	110,000	–	381,535	761,535	
Bonds (according to the balance sheet) 2022	86,545	150,000	–	119,500	110,000	372,460	838,505	
	2023	2022						
Loans from central mortgage institution	3,958,000	3,938,000						

4.16 Presentation of valuation adjustments and provisions, reserves for general banking risks and changes therein during the current year

(in CHF 1,000)

	Previous year end	Use in conformity with designated purpose	Reclassifications	Currency differences	Past due interest, recoveries	New creations charged to income	Releases to income	Current year end
Provisions for default risks	3,177	–	–	–	–	910	–	4,087
<i>of which, provisions for inherent default risks of off-balance sheet transactions</i>	<i>2,300</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>910</i>	<i>–</i>	<i>3,210</i>
Provisions for other business risks	1,100	-775	–	–	–	753	–	1,078
Other provisions	1,559	-91	–	-20	–	2,096	-894	2,650
Total provisions	5,836	-866	–	-20	–	3,759	-894	7,815
Reserves for general banking risks ¹	270,000	–	–	–	–	20,000	–	290,000
Valuation adjustments for default and country risks	90,389	-22,548	–	-2,504	2,934	13,031	-5,501	75,801
<i>of which, valuation adjustments for default risks in respect of impaired loans / receivables</i>	<i>56,149</i>	<i>-22,548</i>	<i>–</i>	<i>-2,504</i>	<i>2,934</i>	<i>12,641</i>	<i>-5,501</i>	<i>41,171</i>
<i>of which, valuation adjustments for inherent default risks</i>	<i>34,240</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>390</i>	<i>–</i>	<i>34,630</i>

¹ The creation or release of reserves for general banking risks are not subject to tax on income.

5.17 Presentation of the Bank's capital

(in CHF 1,000)

	31.12.2023			31.12.2022		
	Total book value	Number of shares	Capital eligible for dividend	Total book value	Number of shares	Capital eligible for dividend
Bank's capital						
Registered shares of CHF 50	360,000	7,200,000	360,000	360,000	7,200,000	360,000
Share capital	360,000	7,200,000	360,000	360,000	7,200,000	360,000
<i>of which, fully paid up</i>	<i>360,000</i>	<i>7,200,000</i>	<i>360,000</i>	<i>360,000</i>	<i>7,200,000</i>	<i>360,000</i>
Total Share capital	360,000	7,200,000	360,000	360,000	7,200,000	360,000

4.18 Number and value of equity securities or options on equity securities held by all executives and directors and by employees, and disclosures of any employee participation schemes

	Number Equity securities		Value (in CHF 1,000) Equity securities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Members of the Board of Directors ¹	1,412	1,278	290	214
Members of the executive bodies ^{2,3}	8,760	7,905	1,966	1,415
Employees ⁴	24,173	26,174	4,961	4,376
Total	34,345	35,357	7,217	6,005

¹ Number of bonus shares issued during the financial period.

² Paid in 2024 based on 2023 results.

³ Amounts calculated on the basis of a closing share price on 31.12.2023 of CHF 225 (at 31.12.2022 CHF 179.50).

⁴ The variable remuneration components have not yet been paid to employees, who have not been able to exercise their rights.

No options on the participation rights have been granted to the members of the Board of Directors or of the Executive Board, or to employees.

The contractual conditions for the attribution of the various plans are explained in point 5 of the section on Shareholder information and corporate governance, on page 41. Plans associated with the remuneration of the ordinary variable component and that are part of the profit-sharing plan at the time of share purchase are subject to a moratorium of between 5 and a maximum of 10 years, as the beneficiary chooses. The other profit-sharing plans are subject to a moratorium of 5 years.

4.19 Disclosure of amounts due from/to related parties

(in CHF 1,000)

Amounts due from/to	Amounts due from		Amounts due to	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Holders of qualified participations	59,593	68,044	663,310	227,609
Group companies	11,626	9,759	4,375	2,147
Affiliates	1,553,870	1,520,494	251,050	336,218
Transactions with members of governing bodies	1,651	4,075	5,535	4,500
Other related parties	–	34	40,757	27,252

Possible amounts due from/to	Amounts due from		Amounts due to	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Holders of qualified participations	–	–	50	50
Group companies	–	–	–	–
Affiliates	–	–	50,479	26,033
Transactions with members of governing bodies	–	–	–	–
Other related parties	–	–	–	–

The Group's companies are defined in note 4.07 to the consolidated accounts.

Amounts due from affiliates (mortgages) and amounts due to affiliates (current accounts) mainly relate to property development foundations created under public law of the State of Geneva.

Loans to officers of the Bank are mainly mortgage loans granted to directors and members of the Executive Board. Members of the Executive Board benefit from the same conditions as those granted to the Bank's employees, but members of the Board of Directors do not.

Loans and liabilities in respect of qualifying persons result from banking transactions executed at conditions granted to public bodies, which may be subject to significant fluctuations from one financial year to the next.

4.20 Disclosure of holders of significant participations

	31.12.2023		31.12.2022	
	Nominal	Share as %	Nominal	Share as %
Single registered shares				
State of Geneva	159,385,750	44.3	159,385,750	44.3
City of Geneva	75,132,300	20.9	75,132,300	20.9
44 Geneva municipalities	26,732,450	7.4	26,732,450	7.4
Sub-total, public authorities	261,250,500	72.6	261,250,500	72.6
CPEG – State of Geneva Pension Fund	21,440,000	6.0	21,440,000	6.0
Other shareholders ¹	77,309,500	21.4	77,309,500	21.4
Total	360,000,000	100.0	360,000,000	100.0

¹ No other shareholder holds more than 5% of the single type of registered share.

4.21 Disclosure of own shares and composition of equity capital

Own shares

		2023	2022
BCGE shares	As at 1 January	83,588	106,765
	Purchases	30,212	22,130
	Sales	46,594	45,307
	As at 31 December	67,206	83,588
Average transaction price (average market value) in CHF		205.6	167.7
Shares held by its pension fund		60,000	60,000

Own shares were traded at market prices. The proceeds from the sale of own shares were credited to the capital reserve. There are no conditional commitments contingent on the transfer acquisition of the Bank's own equity securities (no change compared with the previous year). The composition of the share capital with the rights and restrictions attaching to the shares is stated in table "4.17 Share capital". Non-distributable reserves correspond to half the nominal capital (CHF 360 million) pursuant to Art. 671 (2) of the Swiss Code of Obligations. There is no statutory limit on the distributable part of the statutory retained earnings reserve or the statutory capital reserve. It should be noted that the Bank must maintain part of its capital to adhere to capital regulation requirements. All transactions with participants were financed with liquid assets and were not offset against other transactions.

4.22 Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board

See note 4.22 of the parent company accounts, page 106.

4.23 Presentation of the maturity structure of financial instruments

(in CHF 1,000)

	Due							Total
	At sight	Terminable	Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	No maturity	
Assets / financial instruments								
Liquid assets	6,710,001	–	–	–	–	–	–	6,710,001
Amounts receivable from banks	168,444	19	352,232	179,145	608	–	–	700,448
Amounts due from securities financing transactions	–	–	389,992	–	–	–	–	389,992
Amounts due from clients	1,137,477	478,836	992,829	359,803	1,391,275	1,259,051	–	5,619,271
Mortgage loans	4,066	2,731,323	706,962	664,795	3,683,817	5,791,326	–	13,582,289
Trading portfolio assets	63,335	–	–	–	–	–	–	63,335
Positive replacement values of derivative financial instruments	22,595	–	–	–	–	–	–	22,595
Financial investments	267,368	–	105,016	181,603	1,056,069	1,038,063	474	2,648,593
Total								
31.12.2023	8,373,286	3,210,178	2,547,031	1,385,346	6,131,769	8,088,440	474	29,736,524
31.12.2022	8,091,989	2,616,486	3,381,288	1,629,406	5,900,225	7,904,531	547	29,524,472
Debt capital / financial instruments								
Amounts due to banks	299,622	32,121	1,702,609	49,857	–	–	–	2,084,209
Liabilities arising from securities financing transactions	–	–	100,000	–	–	–	–	100,000
Amounts due in respect of client deposits	10,483,161	6,298,506	3,236,051	424,503	7,046	–	–	20,449,267
Trading portfolio liabilities	2,728	–	–	–	–	–	–	2,728
Negative replacement values of derivative financial instruments	30,826	–	–	–	–	–	–	30,826
Cash bonds	–	–	400	210	2,488	184	–	3,282
Bond issues and central mortgage institution loans	–	–	27,000	344,000	1,436,000	2,912,535	–	4,719,535
Total								
31.12.2023	10,816,337	6,330,627	5,066,060	818,570	1,445,534	2,912,719		27,389,847
31.12.2022	12,543,327	6,120,676	3,481,276	769,858	1,491,187	2,973,005		27,379,329

4.24 Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle

(in CHF 1,000)

Assets	2023		2022	
	Switzerland	Foreign	Switzerland	Foreign
Liquid assets	6,655,430	54,571	6,685,443	30,256
Amounts receivable from banks	292,568	407,880	584,059	578,715
Amounts due from securities financing transactions	389,992	–	718,692	–
Amounts due from clients	3,554,600	2,064,671	3,412,343	2,066,596
Mortgage loans	13,228,296	353,993	12,696,536	349,159
Trading portfolio assets	63,325	10	51,119	13
Positive replacement values of derivative financial instruments	19,150	3,445	11,317	1,038
Financial investments	2,156,203	492,390	2,006,209	332,977
Accrued expenses and deferred income	62,266	4,604	44,719	5,177
Participations	46,131	25,913	44,958	24,240
Tangible fixed assets	104,140	3,097	124,604	3,711
Intangible assets	–	–	333	–
Other assets	285,600	1,290	260,276	1,924
Total assets	26,857,701	3,411,864	26,640,608	3,393,806
Liabilities	Switzerland	Foreign	Switzerland	Foreign
Amounts due to banks	453,575	1,630,634	901,140	2,224,633
Liabilities arising from securities financing transactions	100,000	–	18,490	–
Amounts due in respect of client deposits	16,499,589	3,949,678	15,788,830	3,657,988
Trading portfolio liabilities	2,728	–	1,521	44
Negative replacement values of derivative financial instruments	1,973	28,853	2,427	7,011
Cash bonds	3,282	–	740	–
Bond issues and central mortgage institution loans	4,719,535	–	4,776,505	–
Accrued expenses and deferred income	145,582	6,079	128,234	4,846
Other liabilities	534,985	1,731	531,000	1,518
Provisions	7,484	331	5,520	316
Reserves for general banking risks	290,000	–	270,000	–
Bank's capital	360,000	–	360,000	–
Capital reserve	291,315	–	299,171	–
Retained earnings reserve	1,059,968	–	921,818	–
Own shares	–12,452	–	–14,292	–
Currency translation reserve	–36,545	–	–29,467	–
Minority interests in equity capital	–	–	471	–
Profit/loss (result for the period)	231,240	–	175,950	–
Total liabilities	24,652,259	5,617,306	24,138,058	5,896,356

4.25 Breakdown of total assets by country or group of countries (domicile principle)

(in CHF 1,000)

Assets	2023		2022	
	Absolute	Share as %	Absolute	Share as %
Europe • France	1,946,898	6.4	1,862,789	6.3
• Luxembourg	188,876	0.6	190,546	0.6
• Germany	159,304	0.5	120,868	0.4
• Other European countries	419,903	1.4	496,969	1.7
Singapore	153,424	0.5	157,453	0.5
United States and Canada	107,568	0.4	69,796	0.2
Other	435,891	1.4	495,385	1.6
Assets held abroad	3,411,864	11.2	3,393,806	11.3
Switzerland	26,857,701	88.8	26,640,608	88.7
Total assets	30,269,565	100.0	30,034,414	100.0

4.26 Breakdown of total assets by credit rating of country groups (risk domicile)

(in CHF 1,000)

Rating category (according to SERV ¹ , Swiss insurance against export risks)	Net foreign exposure/ current year-end		Net foreign exposure/ preceding year-end	
	Absolute	Share as %	Absolute	Share as %
0/II	3,021,180	80.0	2,920,923	74.1
1	–	0.0	8	0.0
2	108,580	2.8	86,199	2.2
3	63,465	1.7	31,830	0.8
4	187,593	5.0	28,231	0.7
5 and 6	109,545	2.9	301,689	7.6
7	15,162	0.4	29,776	0.8
Unallocated assets (changes in replacement values of derivative financial instruments)	272,558	7.2	544,008	13.8
Total	3,778,083	100.0	3,942,664	100.0

¹ The SERV rating is recognised by FINMA.

4.27 Presentation of assets and liabilities broken down by the most significant currencies for the Bank

(in CHF 1,000)

Assets	Currencies					
	CHF	EUR	USD	GBP	OTHER	METALS
Liquid assets	6,611,487	96,970	737	248	559	–
Amounts receivable from banks	179,369	46,622	401,364	3,873	28,664	40,556
Amounts due from securities financing transactions	185,000	37,112	167,880	–	–	–
Amounts due from clients	2,735,829	1,776,304	1,020,253	69,906	16,797	182
Mortgage loans	13,406,827	172,440	3,022	–	–	–
Trading portfolio assets	189	65	–	–	–	63,081
Positive replacement values of derivative financial instruments	22,595	–	–	–	–	–
Financial investments	2,233,284	192,023	213,866	3,198	6,222	–
Accrued expenses and deferred income	62,266	4,604	–	–	–	–
Participations	52,217	19,682	145	–	–	–
Tangible fixed assets	104,140	3,097	–	–	–	–
Other assets	232,574	8,179	45,483	–	654	–
Total assets shown in balance sheet	25,825,777	2,357,098	1,852,750	77,225	52,896	103,819
Delivery entitlements from spot exchange, forward forex and forex options transactions	1,908,767	544,641	3,160,961	86,297	31,101	18,034
Total assets	27,734,544	2,901,739	5,013,711	163,522	83,997	121,853
Liabilities	CHF	EUR	USD	GBP	OTHER	METALS
Amounts due to banks	511,708	292,227	1,225,220	19,089	2,860	33,105
Liabilities arising from securities financing transactions	100,000	–	–	–	–	–
Amounts due in respect of client deposits	16,795,332	1,530,320	2,006,517	57,544	35,246	24,308
Trading portfolio liabilities	1,359	–	1,318	48	3	–
Negative replacement values of derivative financial instruments	30,826	–	–	–	–	–
Cash bonds	3,282	–	–	–	–	–
Bond issues and central mortgage institution loans	4,719,535	–	–	–	–	–
Accrued expenses and deferred income	145,582	6,079	–	–	–	–
Other liabilities	533,701	2,662	27	321	5	–
Provisions	7,815	–	–	–	–	–
Reserves for general banking risks	290,000	–	–	–	–	–
Bank's capital	360,000	–	–	–	–	–
Capital reserve	291,315	–	–	–	–	–
Retained earnings reserve	1,059,968	–	–	–	–	–
Own shares	–12,452	–	–	–	–	–
Currency translation reserve	–36,545	–	–	–	–	–
Profit/loss (result for the period)	231,240	–	–	–	–	–
Total liabilities shown in the balance sheet	25,032,666	1,831,288	3,233,082	77,002	38,114	57,413
Delivery obligations from spot exchange, forward forex and forex options transactions	2,891,092	970,215	1,772,329	86,296	44,840	64,369
Total liabilities	27,923,758	2,801,503	5,005,411	163,298	82,954	121,782
Net position per currency 2023	–189,214	100,236	8,300	224	1,043	71
Net position per currency 2022	–148,652	111,799	2,803	–99	1,009	177

4.28 Breakdown and explanation of contingent assets and liabilities

(in CHF 1,000)

	2023	2022
Guarantees to secure credits and similar	41,627	42,174
Guarantees to provide guarantees and similar	58,079	53,311
Irrevocable commitments arising from documentary letters of credit	928,296	818,361
Other contingent liabilities	700	700
Total contingent liabilities	1,028,702	914,546

Irrevocable commitments are linked mainly with the trade finance credit business and with commodities pricing.

4.29 Breakdown of credit commitments

(in CHF 1,000)

	2023	2022
Commitments arising from deferred payments	18,453	114,811
Liabilities arising from acceptances	–	–
Total credit commitments	18,453	114,811

4.30 Breakdown of fiduciary transactions

(in CHF 1,000)

	2023	2022
Fiduciary investments with third-party companies	389,173	178,412
Total fiduciary transactions	389,173	178,412

4.31 Breakdown of managed assets and presentation of their development

According to Art. 32 (3) OEPC- FINMA, the Bank is not obliged to publish this note.

4.32 Breakdown of the trading activities results and the fair value option

(in CHF 1,000)

Trading result from	2023	2022
Interest rate instruments (including funds)	553	97
Equity securities (including funds)	61	-27
Currencies	36,474	36,766
Commodities/precious metals	812	948
Total trading income	37,900	37,784

4.33 Disclosure of material refinancing income under the item Interest and discount income as well as material negative interest

The Group does not deduct financing costs from trading positions.

4.34 Breakdown of personnel expenses

(in CHF 1,000)

	2023	2022
Salaries (attendance fees and fixed compensation to members of the Group's governing bodies, salaries and benefits)	138,330	128,118
<i>of which, expenses relating to share-based compensation and alternative forms of variable compensation¹</i>	6,754	5,812
Social insurance benefits	32,820	31,402
Other personnel expenses	5,085	4,917
Total personnel costs	176,235	164,437

¹ On the basis of the distributions made during the calendar year (on a cash basis).

4.35 Breakdown of other operating expenses

(in CHF 1,000)

	2023	2022
Office space expenses	12,832	11,436
Expenses for information and communications technology	43,346	40,493
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	227	255
Fees of audit firms	983	860
<i>of which, for financial and regulatory audits</i>	919	833
<i>of which, for other services</i>	64	27
General and administrative expenses	51,327	43,810
Total other operating expenses	108,715	96,854

4.36 Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks and value adjustments and provisions no longer required

The Group realised a capital gain following the sale of its administrative head office at Lancy. This constituted by far the greater part of extraordinary income in 2023.

Following changes in risks, the Group has made value adjustments and provisions for these new circumstances.

4.37 Disclosure of and reasons for revaluations of investments and tangible fixed assets up to the acquisition value

The Group has not revalued its participations or tangible assets.

4.38 Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

(in CHF 1,000)

	2023		2022	
	Switzerland	Foreign	Switzerland	Foreign
Result from interest operations				
Interest and discount income	550,715	22,211	284,452	22,014
Interest and dividend income from trading portfolios	204	–	60	–
Interest and dividends from financial investments	17,242	1	5,640	1
Interest expenses	–193,322	740	–20,595	–213
Gross result from interest operations	374,839	22,952	269,557	21,802
Changes in value adjustments for default risks and losses from interest operations	–6,549	–981	–4,539	–809
Subtotal net result from interest operations	368,290	21,971	265,018	20,993
Result from commission business and services				
Commission income from securities trading and investment activities	58,956	1,364	59,193	1,442
Commission income from lending activities	34,865	3,454	39,421	4,625
Commission income from other services	43,518	692	39,194	1,161
Commission expense	–10,011	222	–12,295	8
Subtotal result from commission business and services	127,328	5,732	125,513	7,236
Result from trading activities and the fair value option				
Subtotal result from trading activities and the fair value option	37,900	–	37,784	–
Other ordinary income				
Income from sale of financial investments	23,570	–	10,394	–
Income from participations	6,183	2,005	5,270	5,778
Result from real estate	1,262	–	1,104	–
Other ordinary income	5,390	–	7,830	–
Other ordinary expenses	–9,755	–	–11,253	–
Subtotal other results from ordinary activities	26,650	2,005	13,345	5,778
Total operating income	560,168	29,708	441,660	34,007
Operating expenses				
Personnel expenses	–167,511	–8,724	–155,586	–8,851
General and administrative expenses	–101,500	–7,215	–90,271	–6,583
Subtotal operating expenses	–269,011	–15,939	–245,857	–15,434
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	–19,447	–885	–17,737	–980
Changes to provisions and other value adjustments and losses	–2,839	–35	–673	–
Operating profit	268,871	12,849	177,393	17,593

4.39 Presentation of current taxes, deferred taxes, and disclosure of tax rate

(in CHF 1,000)

	Rate in % ¹	2023	Rate in % ¹	2022
Current tax				
Banque Cantonale de Genève	14.6%	37,803	17.1%	30,145
Banque Cantonale de Genève France SA	23.9%	2,941	26.1%	3,430
Capital Transmission SA, Geneva	1.2%	110	-1.7%	-26
Loyal Finance AG, Zurich	20.9%	105	21.9%	44
Various ²	–	9	–	6
Deferred taxes	25.0%	-8	25.0%	20
Total		40,960		33,619

¹ Weighted average rate used on the basis of the operating result.

² The other Group companies do not have a significant tax item.

4.40 Disclosures and explanations of the earnings per equity security

(in CHF 1,000)

	31.12.2023	31.12.2022
Net earnings to be allocated to the shareholders	231,240	175,950

Registered shares

Average number of shares in circulation	7,200,000	7,200,000
Earnings per share (in CHF)	32.12	24.44

Banque Cantonale de Genève has no outstanding transactions that might dilute its profits per share.

5. Presentation of the cash flow statement

Consolidated

(in CHF 1,000)

	2023		2022	
	Sources	Cash outflow	Sources	Cash outflow
Cash flow from operating income (internal financing)				
Result for the period	231,240	–	175,950	–
Change in reserves for general banking risks	20,000	–	20,000	–
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	20,332	–	18,717	–
Provisions and other value adjustments	–	–1,069	391	–
Changes in value adjustments for default risk and losses	910	–	–	917
Accrued income and prepaid expenses	–	16,974	–	11,361
Accrued expenses and deferred income	18,581	–	22,978	–
Other positions	–	20,492	306,492	–
Previous year's dividend	–	39,600	–	32,400
Special allocation to the State of Geneva	–	7,920	–	6,480
Subtotal	–	207,146	–	493,370
Cash flows from transactions relating to equity				
Recognised in reserves	–	5,685	–	4,636
Change in own equity securities	1,840	–	3,995	–
Subtotal	3,845	–	641	–
Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets				
Participations	–	2,846	–	5,156
Buildings	27,148	–	–	–
Other tangible fixed assets	–	25,099	–	17,979
Intangible assets	–	970	–	–
Subtotal	1,767	–	23,135	–
Cash flow from banking activities				
Medium- and long-term transactions (more than 1 year)				
Amounts due to banks	–	–	–	–
Amounts due in respect of client deposits	1,049	–	5,997	–
Cash bonds	2,542	–	–	63
Bonds	–	76,970	34,260	–
Central mortgage institution loans	20,000	–	145,000	–
Amounts receivable from banks	–	186	–	24
Amounts due from clients	–	151,729	6,068	–
Mortgage loans	–	536,594	–	379,803
Financial investments	–	277,830	–	100,449
Short-term transactions				
Amounts due to banks	–	1,041,564	–	68,653
Liabilities arising from securities financing transactions	81,510	–	–	144,574
Amounts due in respect of client deposits	1,001,400	–	1,207,417	–
Trading portfolio liabilities	1,163	–	–	2,360
Negative replacement values of derivative financial instruments	21,388	–	790	–
Amounts receivable from banks	462,512	–	–	304,963
Amounts due from securities financing transactions	328,700	–	–	718,692
Amounts due from clients	11,397	–	204,601	–
Trading portfolio assets	–	12,203	2,812	–
Positive replacement values of derivative financial instruments	–	10,240	4,739	–
Financial investments	–	31,577	–	113,961
Liquidity				
Liquid assets	5,698	–	–	247,736
Subtotal	201,534	–	469,594	–
Total balances	207,146	207,146	493,370	493,370

Report of the Statutory Auditor

To the General Meeting of Banque Cantonale de Genève, Genève

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Banque Cantonale de Genève and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 56 to 87) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with the Swiss 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.

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.

Value adjustments for default risks on amounts due from clients and mortgage loans

 Risk level similar to previous year



Key audit matters

The book values of amounts due from clients and mortgage loans amount respectively to CHF 5,619 mio and CHF 13,582 mio (total of balance sheet of CHF 30,270 mio).

These amounts are presented net of value adjustments of CHF 76 mio including a value adjustment for inherent risks (CHF 35 mio). The estimated value adjustments are based on internal regulations. The value adjustments include an inherent part of significant judgement from Management. Considering the amounts due from clients and mortgage loans, the value adjustments for default risks are considered as a key audit matter.

Please refer to pages 61 to 64 and to notes 4.02 and 4.16 of the notes to the consolidated financial statements on pages 69 and 76 for further information.

Our audit response

We verified and tested the key controls relating to the credit activity, in particular the processes for granting credits, the monitoring of credits, the assessment of value adjustments for default risks (provisioning rules) and the controls relating to the determination of value adjustments for inherent default risks. We considered the results of our tests on key controls to define our detailed procedures.

Furthermore, we tested on a sample:

- The different types of credit (mortgage, commercial and Global Commodity Finance), including those that had not been identified as eligible for value adjustment, in order to form our own opinion and to evaluate the need of an impairment and whether it has been properly recognised ;
- Assumptions retained for the value adjustments ;
- Credits which are closely monitored due to higher risks of default but not yet adjusted ;
- The judgement level applied and approval of value adjustments in accordance with internal authorization rules ;
- The opinions of external law firms consulted in the context recovery files ;
- The correct booking of the value adjustments.

Based on our procedures performed, we have collected sufficient appropriate audit evidences in order to cover the risk of valuation of value adjustments for default risks.

Valuation of the provisions for legal risks

 Risk level similar to previous year



Key audit matters

Due to its activity of universal and cantonal bank involving a significant number of clients, the Group is exposed to legal risks. A list of litigation cases, procedures and prosecutions is established by Management. The valuation of those provisions includes an inherent part of judgement from Management.

Please refer to page 65 and to note 4.16 to the consolidated financial statements on page 76 for further information.

Our audit response

We tested the adequacy of the design and the implementation of key controls for legal risks regarding the identification, the valuation of provisions and the proper recording of related provisions.

We considered the results of our tests on key controls to define our detailed procedures below:

- Review of the list of litigation cases, procedures and prosecutions established by Management ;
- Review of the assumptions used by Management for the estimation of the level of provision of the significant cases and discuss them with Management and Head of Legal ;
- Sending confirmations requests to the external lawyers consulted in connection with litigation or potential litigation ;
- Test the proper recording of these provisions.

Based on the procedures performed, we have collected sufficient appropriate audit evidences to cover the risk of valuation of the provisions for legal risks.

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 consolidated financial statements, the 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 the consolidated financial statements that give a true and fair view of the consolidated balance sheet, its consolidated income statements and its consolidated cash flows in accordance with the Swiss accounting rules for banks and comply with Swiss law. The board of directors is also responsible for the internal control deemed 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which 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.

Deloitte SA



Alexandre Buga
Licensed Audit Expert
Auditor in charge



Vida Gratteau
Licensed Audit Expert

Geneva, 29 February 2024

2023 financial statements and notes, parent company

Overview

1.	BCGE balance sheet items and off-balance-sheet transactions	95
2.	Profit and loss account items	96
3.	Statement of shareholders' equity	97
	Summary presentation	98
1.	Registered name, legal form, registered office and goal	98
2.	Accounting and valuation principles	98
3.	Change in accounting principles	98
4.	Risk management	98
4.	Details relating to the items in the notes to the annual financial statements	99
4.01	Breakdown of securities financing transactions (assets and liabilities)	99
4.02	Presentation of collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables	99
4.03	Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)	100
4.04	Presentation of derivative financial instruments (assets and liabilities)	100
4.05	Breakdown of financial investments	101
4.06	Presentation of participations	101
4.07	Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation	102
4.08	Presentation of tangible fixed assets	102
4.09	Presentation of intangible assets	102
4.10	Breakdown of other assets and liabilities	102
4.11	Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership	103
4.12	Disclosure of liabilities relating to own pension funds and of the number and type of the Bank's own equity instruments held by these institutions	103
4.13	Disclosure of the economic position of own pension funds	103
4.14	Presentation of the issued structured products	103
4.15	Presentation of outstanding mandatory bonds, convertible bonds and mortgage bonds	103
4.16	Presentation of value adjustments and provisions, reserves for general banking risks and changes therein during the current year	104
4.17	Presentation of the Bank's capital	104
4.18	Number and value of equity securities or options on equity securities held by all executives and directors and by employees and disclosures of any employee participation schemes	104

4.19	Disclosure of amounts due from/to related parties	105
4.20	Disclosure of holders of significant participations	105
4.21	Disclosure of own shares and composition of equity capital	105
4.22	Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board	106
4.23	Presentation of the maturity structure of the financial instruments	108
4.24	Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle	109
4.25	Breakdown of total assets by country or group of countries (domicile principle)	110
4.26	Breakdown of total assets by credit rating of country groups (risk domicile)	110
4.27	Presentation of assets and liabilities broken down by the most significant currencies for the Bank	111
4.28	Breakdown and explanations of contingent assets and liabilities	112
4.29	Breakdown of credit commitments	112
4.30	Breakdown of fiduciary transactions	112
4.31	Breakdown of managed assets and presentation of their development	112
4.32	Breakdown of the trading activities results and the fair value option	112
4.33	Disclosure of material refinancing income under the item Interest and discount income as well as material negative interest	112
4.34	Breakdown of personnel expenses	113
4.35	Breakdown of other operating expenses	113
4.36	Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks and value adjustments and provisions no longer required	113
4.37	Disclosure of and reasons for revaluations of investments and tangible fixed assets up to the acquisition value	114
4.38	Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment	114
4.39	Presentation of current taxes, deferred taxes, and disclosure of tax rate	114
4.40	Disclosures and explanations of the earnings per equity security	114
	Proposed appropriation of available earnings	115
	Statutory auditors, report	116

1. BCGE balance sheet items and off-balance-sheet transactions

Parent company

Assets	Notes	31.12.2023 in CHF 1,000	31.12.2022 in CHF 1,000	Change in CHF 1,000
Liquid assets	4.23	6,668,964	6,692,591	-23,627
Amounts receivable from banks	4.23	1,376,901	1,855,445	-478,544
Amounts due from securities financing transactions	4.23	389,992	718,692	-328,700
Amounts due from clients	4.23	4,829,015	4,637,910	191,105
Mortgage loans	4.23	13,582,289	13,045,695	536,594
Trading portfolio assets	4.03	63,326	51,119	12,207
Positive replacement values of derivative financial instruments	4.04	22,595	12,455	10,140
Financial investments	4.05	2,576,655	2,265,224	311,431
Accrued expenses and deferred income		59,725	43,843	15,882
Participations	4.06	99,719	96,010	3,709
Tangible fixed assets	4.08	104,105	124,570	-20,465
Intangible assets	4.09	-	78	-78
Other assets	4.10	285,490	260,259	25,231
Total assets	4.25	30,058,776	29,803,891	254,885
Total subordinated claims		8,066	5,948	2,118
<i>of which, subject to mandatory conversion and/or debt waiver</i>		-	-	-
Liabilities				
Amounts due to banks	4.23	2,078,036	3,089,611	-1,011,575
Liabilities arising from securities financing transactions	4.23	100,000	18,490	81,510
Amounts due in respect of client deposits	4.23	20,354,594	19,349,485	1,005,109
Trading portfolio liabilities	4.03	2,728	1,565	1,163
Negative replacement values of derivative financial instruments	4.04	30,920	9,485	21,435
Cash bonds	4.23	3,282	740	2,542
Bond issues and central mortgage institution loans	4.15	4,719,535	4,776,505	-56,970
Accrued expenses and deferred income		145,329	127,727	17,602
Other liabilities	4.10	534,704	530,918	3,786
Provisions	4.16	7,334	5,300	2,034
Reserves for general banking risks	4.16	290,000	270,000	20,000
Bank's capital	4.17	360,000	360,000	-
Statutory capital reserve		279,570	289,290	-9,720
<i>of which, tax-exempt capital contribution reserve</i>		148,872	158,592	-9,720
Statutory retained earnings reserve		953,131	828,080	125,051
Own shares		-12,452	-14,292	1,840
Profit carried forward/loss carried forward		-	421	-421
Profit/loss (result for the period)		212,065	160,566	51,499
Total liabilities	4.25	30,058,776	29,803,891	254,885
Total subordinated liabilities	4.15	241,535	331,545	-90,010
<i>of which, subject to mandatory conversion and/or debt waiver</i>	4.15	241,535	245,000	-3,465
Off-balance-sheet transactions				
Contingent liabilities	4.28	999,351	882,711	116,640
Irrevocable commitment	4.02	1,041,865	817,644	224,221
Commitments to free up and execute additional transfers	4.02	272,183	304,085	-31,902
Approved credit line	4.29	18,453	114,811	-96,358

2. Profit and loss account items

Parent company

	Notes	31.12.2023 in CHF 1,000	31.12.2022 in CHF 1,000	Change in CHF 1,000
Result from interest operations				
Interest and discount income	4.33	547,964	283,582	264,382
Interest and dividend income from trading portfolios		204	58	146
Interest and dividend income from financial investments		15,776	4,282	11,494
Interest expenses		-191,419	-19,563	-171,856
Gross result from interest operations		372,525	268,359	104,166
Changes in value adjustments for default risks and losses from interest operations	4.16	-6,424	-4,485	-1,939
Subtotal net result from interest operations		366,101	263,874	102,227
Result from commission business and services				
Commission income from securities trading and investment activities		56,588	57,425	-837
Commission income from lending activities		34,865	39,158	-4,293
Commission income from other services		41,728	38,868	2,860
Commission expense		-9,966	-12,287	2,321
Subtotal result from commission business and services		123,215	123,164	51
Result from trading activities and the fair value option				
Subtotal result from trading activities and the fair value option	4.32	38,331	38,061	270
Other ordinary income				
Income from sale of financial investments		13,897	9,038	4,859
Income from participations		7,446	5,554	1,892
Result from real estate		1,262	1,104	158
Other ordinary income		6,737	7,413	-676
Other ordinary expenses		-9,489	-11,191	1,702
Subtotal other results from ordinary activities		19,853	11,918	7,935
Total operating income		547,500	437,017	110,483
Operating expenses				
Personnel expenses	4.34	-165,050	-153,443	-11,607
General and administrative expenses	4.35	-100,774	-88,400	-12,374
Subtotal operating expenses		-265,824	-241,843	-23,981
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	4.36	-19,239	-17,767	-1,472
Changes to provisions and other value adjustments and losses	4.16	-2,901	-1,279	-1,622
Operating profit		259,536	176,128	83,408
Extraordinary income	4.36	10,332	34,583	-24,251
Extraordinary expenses	4.36	-	-	-
Change in reserves for general banking risks	4.16	-20,000	-20,000	-
Taxes	4.39	-37,803	-30,145	-7,658
Profit/loss (result for the period)		212,065	160,566	51,499

3. Statement of shareholders' equity

Parent company

(in CHF 1,000)

	Bank's capital	Statutory capital reserve	Statutory retained earnings reserve	Reserves for general banking risks	Profit brought forward	Own shares (negative item)	Result for the period	Total
Equity at start of current period	360,000	289,290	828,080	270,000	421	-14,292	160,566	1,894,065
Acquisition of own shares						-6,287		-6,287
Disposal of own shares						9,502		9,502
Profit/(loss) from the disposal of own shares			1,375			-1,375		-
Dividends and other distribution			489				-39,600	-39,111
Special allocation to the State of Geneva (20% of the dividend paid)							-7,920	-7,920
Other allocations to (transfers from) the reserves for general banking risks				20,000				20,000
Other allocations to (transfers from) the other reserves		-9,720	123,187		-421		-113,046	-
Profit/loss (result for the period)							212,065	212,065
Equity at end of current period	360,000	279,570	953,131	290,000	-	-12,452	212,065	2,082,314

97

Summary presentation

Parent company

1. Registered name, legal form, registered office and goal

Banque Cantonale de Genève (hereafter BCGE) is a limited company established by public law according to Art. 763 of the Swiss Code of Obligations. It has the status of a cantonal bank as defined by the Federal Banking Act.

The Bank was registered in the Geneva Trade Register on 17 December 1993 and conducts its business under the registered name of "Banque Cantonale de Genève SA".

The registered office and management of the Bank are in Geneva.

Activity report

The business of the Bank, and outsourced activities are described in the notes to the consolidated accounts.

Staff numbers	31.12.2023	31.12.2022
Full-time equivalents	830.85	799.20
Headcount	883.00	848.00

2. Accounting and valuation principles

The financial statements of the parent company are drawn up according to Group principles with the exception of the restatement of certain items to present a true and fair representation of the consolidated financial statements, principally the treatment of BCGE bonds and treasury shares.

In addition, companies within the scope of consolidation and set out in note 2, page 60 to the summary presentation of the consolidated financial statements are valued at the acquisition cost less depreciation where judged appropriate.

3. Change in accounting principles

Premiums relating to swaption transactions carried out as part of interest-rate risk management are now written down over the lifetime of the underlying swap rather than that of the hedging instrument, in order to better manage the volatility effects of the interest margin and to correspond even better to the management intention. Other than this, no changes were made to accounting and evaluation principles in 2023.

4. Risk management

With regard to comments about risk control, readers are referred to point 3 on (pages 62-65) of the Summary presentation of the consolidated financial statements.

4. Details relating to the items in the notes to the annual financial statements

Parent company

4.01 Breakdown of securities financing transactions (assets and liabilities)

The parent company figures are identical to the consolidation figures because only the parent company handles these transactions. Please see note 4.01 to the consolidated accounts on page 68.

4.02 Presentation of collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables

(in CHF 1,000)

	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Loans (before netting with value adjustments)				
Amounts due from clients	421,060	685,206	3,758,255	4,864,521
Mortgage loans	13,599,919	–	–	13,599,919
<i>Residential property</i>	11,344,819	–	–	11,344,819
<i>Office and business premises</i>	1,573,313	–	–	1,573,313
<i>Commercial and industrial premises</i>	463,706	–	–	463,706
<i>Other</i>	218,081	–	–	218,081
Total loans (before netting with value adjustments)				
31.12.2023	14,020,979	685,206	3,758,255	18,464,440
31.12.2022	13,410,271	961,794	3,386,070	17,758,135
Total loans (after netting with value adjustments)				
31.12.2023	14,003,349	683,242	3,724,713	18,411,304
31.12.2022	13,393,558	952,431	3,337,616	17,683,605
Off-balance sheet				
Contingent liabilities	–	41,132	958,219	999,351
Irrevocable commitments	–	48,862	993,003	1,041,865
Commitments to free up and execute additional transfers	–	–	272,183	272,183
Approved credit line	–	405	18,048	18,453
Total off-balance sheet				–
31.12.2023	–	90,399	2,241,453	2,331,852
31.12.2022	–	180,325	1,938,926	2,119,251
Impaired loans/receivables				
31.12.2023	105,194	73,897	31,297	30,898
31.12.2022	131,913	82,457	49,456	45,230

The difference between the net amount of impaired loans/receivables and the individual value adjustments results from a restrictive definition of collateral value, and from taking into account debtors' solvency.

4.03 Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)

(in CHF 1,000)

Assets	31.12.2023	31.12.2022
Trading portfolio assets		
Debt securities	–	610
<i>of which, listed</i>	–	610
Equity investments	180	28
Precious metals and commodities	63,081	50,465
Other trading portfolio assets	65	16
Total assets	63,326	51,119
<i>of which, based on an evaluation model</i>	–	–
<i>of which, collateral eligible for repos in accordance with liquidity requirements</i>	–	–

Amounts due to	31.12.2023	31.12.2022
Trading portfolio assets		
Equity investments	–	–
Other trading portfolio liabilities	2,728	1,565
Total liabilities	2,728	1,565
<i>of which, based on an evaluation model</i>	–	–

4.04 Presentation of derivative financial instruments (assets and liabilities)

(in CHF 1,000)

		Trading instruments			Hedging instruments		
		Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
Interest rate instruments	Swaps	–	–	–	367,984	218,418	12,181,868
	Options (OTC ¹)	2,254	2,254	34,459	–	–	–
Currencies / precious metals	Forward contracts	37,945	80,913	4,268,713	267	44,039	1,389,711
	Options (OTC ¹)	764	764	100,711	–	–	–
Equity securities / indices	Futures	–	–	–	193	472	41,375
Total before netting agreements							
31.12.2023		40,963	83,931	4,403,883	368,444	262,929	13,612,954
<i>of which, based on an evaluation model²</i>		3,018	3,018	135,170	–	–	–
31.12.2022		20,627	19,703	1,824,365	818,374	616,770	19,350,287
<i>of which, based on an evaluation model²</i>		4,604	4,604	244,386	–	1,363	200,000

¹ Over the counter.² Including instruments the evaluation of which is determined by a model populated essentially with market parameters.

No hedging operation was judged ineffective in 2023 (2022 – no change).

Positive replacement values (cumulative)

Negative replacement values (cumulative)

Total after netting agreements

31.12.2023	22,595	30,920
31.12.2022	12,455	9,485

Breakdown by counterparty

Compensation centres

Banks and securities firms

Other clients

Positive replacement values after netting agreements	–	4,219	18,376
---	----------	--------------	---------------

4.05 Breakdown of financial investments

(in CHF 1,000)

	Book value		Fair value	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Debt securities	2,368,430	2,079,080	2,355,617	1,958,925
<i>of which, intended to be held to maturity</i>	2,180,543	1,989,305	2,164,855	1,868,974
<i>of which, not intended to be held to maturity</i>	187,887	89,775	189,762	89,951
Equity investments	207,751	185,597	265,955	266,076
Buildings & vehicles	474	547	474	547
Total	2,576,655	2,265,224	2,622,046	2,225,548
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	2,119,723	1,871,360	2,086,148	1,759,781

Breakdown of counterparties by credit rating¹

	AAA to AA-	A+ to A-	BBB to BBB-	BB+ to B-	Below B-	Without rating
Debt securities, book value	2,199,264	72,495	–	–	–	96,671
Debt securities, book value previous year	2,043,154	35,926	–	–	–	–

¹ the rating categories are based on the Standard & Poor's scale.

4.06 Presentation of participations

(in CHF 1,000)

	Acquisition cost	Accumulated value adjustments and changes in book value (valuation using the equity method)	Total value at previous year end	2023			Total value as at end of current year	Market value
				Investments	Disposals	Depreciation		
Other participations								
with market value	66	–	66	–	–4	–	62	62
without market value	104,006	–8,062	95,944	4,761	–15	–1,033	99,657	N/A
Total participations	104,072	–8,062	96,010	4,761	–19	–1,033	99,719	

4.07 Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation

The parent company figures are identical to the consolidation figures. See note 4.17 to the consolidated accounts on page 72.

4.08 Presentation of tangible fixed assets

(in CHF 1,000)

	Acquisition cost	Accumulated depreciation	Book value at end of previous period	2023			Book value at end of current period
				Investments	Disposals ¹	Depreciation	
Bank buildings	131,579	-56,484	75,095	-	-27,148	-2,461	45,486
Other real estate	26,431	-11,914	14,517	-	-	-528	13,989
Software developed internally or acquired separately	38,278	-23,098	15,180	8,791	-	-10,883	13,088
Other tangible fixed assets	29,758	-9,980	19,778	16,020	-	-4,256	31,542
Total tangible fixed assets	226,046	-101,476	124,570	24,811	-27,148	-18,128	104,105

¹ See explanation on extraordinary income of note 4.36 to the consolidated accounts on page 84.

4.09 Presentation of intangible assets

(in CHF 1,000)

	Acquisition cost	Accumulated depreciation	Book value at end of previous year	2023			Book value at end of current year
				Investments	Disposals	Depreciation	
Other intangible assets	377	-299	78	-	-	-78	-
Total intangible assets	377	-299	78	-	-	-78	-

4.10 Breakdown of other assets and liabilities

(in CHF 1,000)

	Other assets		Other liabilities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Changes in replacement values of derivative financial instruments	-	-	146,706	252,183
Interest rate components of financial investments intended to be held to maturity but sold prior to maturity	294	329	-	212
Interest rate components of hedging transactions sold prior to maturity	223,855	73,999	295,046	109,217
Sub-total	224,149	74,328	441,752	361,612
Issuing / borrowing costs of bonds and mortgage-backed bonds of the CLG ¹ to be depreciated	846	1,234	-	-
Spread of penalties for early loan repayments	-	-	20,064	24,964
Operation of continuously linked settlement system under way	52,879	132,978	53,102	133,900
Other internal banking transactions	4,014	46,980	3,469	3,902
Indirect taxes	3,602	4,739	16,317	6,540
Total	285,490	260,259	534,704	530,918

¹ The Mortgage Bond Centre of the Swiss cantonal banks.

4.11 Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership

The parent company figures are identical to the consolidation figures because only the parent company handles these transactions. See note 4.11 to the consolidated accounts on page 73.

4.12 Disclosure of liabilities relating to own pension funds and of the number and type of the Bank's own equity instruments held by these institutions

The parent company figures are identical to the consolidation figures because only the parent company handles these transactions. See note 4.12 to the consolidated accounts on page 73.

4.13 Disclosures on the economic position of own pension funds

(in CHF 1,000)

a) Employer contribution reserves (ECR)

The Bank did not record contribution reserves in its books, either during the period under review, or in the previous period.

b) Presentation of the economic benefit/obligation of the pension costs

(in CHF 1,000)

	Overfunding/ underfunding at end of current year ¹	Economic share of the Group		Change in economic interest (benefit/ obligation) versus previous year	Contributions paid for the current period	Personnel pension expenses	
		31.12.2023	31.12.2022			31.12.2023	31.12.2022
Pension schemes without overfunding or underfunding	–	–	–	–	17,314	17,581	16,769

¹ The pension fund's audited annual accounts as at 31 December 2022 are not available. The surplus is based on the audited financial statements as at 31 December 2022.

The BCGE pension fund is the Group's main pension fund and covers all the employees of the parent company and the Swiss subsidiaries.

4.14 Presentation of the issued structured products

No positions were present on the closing date of the financial period under review or the previous financial period.

4.15 Presentation of outstanding mandatory bonds, convertible bonds and mortgage bonds

The parent company figures are identical to the consolidation figures. Only the parent company issues bonds and holds a part of its own issued bonds. Please see note 4.15 to the consolidated accounts on page 75.

4.16 Presentation of value adjustments and provisions, reserves for general banking risks and changes therein during the current year

(in CHF 1,000)

	Previous year end	Use in conformity with designated purpose	Currency differences	Past due interest, recoveries	New creations charged to income	Releases to income	Current year end
Provisions for default risks	2,958	–	–	–	980	–1	3,937
<i>of which, provisions for inherent default risks of off-balance sheet transactions</i>	<i>2,080</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>980</i>	<i>–</i>	<i>3,060</i>
Provisions for other business risks	1,100	–776	–	–	754	–	1,078
Other provisions	1,242	–91	–	–	1,750	–582	2,319
Total provisions	5,300	–867	–	–	3,484	–583	7,334
Reserves for general banking risks ¹	270,000	–	–	–	20,000	–	290,000
Valuation adjustments for default and country risks	77,480	–20,890	–	364	10,500	–4,076	63,378
<i>of which, valuation adjustments for default risks in respect of impaired loans / receivables</i>	<i>45,230</i>	<i>–20,890</i>	<i>–</i>	<i>364</i>	<i>10,270</i>	<i>–4,076</i>	<i>30,898</i>
<i>of which, valuation adjustments for inherent default risks</i>	<i>32,250</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>230</i>	<i>–</i>	<i>32,480</i>

¹ The creation or release of reserves for general banking risks are not subject to tax on income.

4.17 Presentation of the Bank's capital

The parent company figures are identical to the consolidation figures. See note 4.17 to the consolidated accounts on page 76.

4.18 Number and value of equity securities or options on equity securities held by all executives and directors and by employees and disclosures of any employee participation schemes

	Number Equity securities		Value (in CHF 1,000) Equity securities	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Members of the Board of Directors ¹	1,412	1,278	290	214
Members of the executive bodies ^{2,3}	8,760	7,905	1,966	1,415
Employees ⁴	23,926	26,174	4,911	4,376
Total	34,098	35,357	7,166	6,005

¹ Number of bonus shares issued during the financial period.

² Paid in 2024 based on 2023 results.

³ Amounts calculated on the basis of a closing share price on 31.12.2023 of CHF 225 (at 31.12.2022 CHF 179.50).

⁴ However, the variable remuneration components have not yet been paid to employees, who have not been able to exercise their rights.

See note 4.18 to the consolidated accounts on page 77.

4.19 Disclosure of amounts due from/to related parties

(in CHF 1,000)

Amounts due from/to	Amounts due from		Amounts due to	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Holders of qualified participations	59,593	68,044	663,310	227,609
Group companies	773,592	799,581	22,023	26,836
Affiliates	1,553,870	1,520,494	251,050	336,218
Transactions with members of governing bodies	1,651	4,075	5,535	4,500
Other related parties	–	34	40,757	27,252

Possible amounts due from/to	Amounts due from		Amounts due to	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Holders of qualified participations	–	–	50	50
Group companies	–	–	165,095	187,094
Affiliates	–	–	50,479	26,033
Transactions with members of governing bodies	–	–	–	–
Other related parties	–	–	–	–

The Group's companies are defined in note 4.07 to the consolidated.

Amounts due from affiliates (mortgages) and amounts due to affiliates (current accounts) mainly relate to property development foundations created under public law of the State of Geneva.

Loans to officers of the Bank are mainly mortgage loans granted to directors and members of the Executive Board. Members of the Executive Board benefit from the same conditions as those granted to the Bank's employees but members of the Board of Directors do not.

Loans and liabilities in respect of qualifying persons result from banking transactions executed at conditions granted to public bodies, which may be subject to significant fluctuations from one financial year to the next.

4.20 Disclosure of holders of significant participations

The parent company figures are identical to the consolidation figures. See note 4.20 to the consolidated accounts on page 78.

4.21 Disclosure of own shares and composition of equity capital

The parent company figures are identical to the consolidation figures. See note 4.21 to the consolidated accounts on page 78.

4.22 Disclosure of credits, loans, remunerations and shareholdings of the Board of Directors and the Executive Board

Credits, loans, remunerations and shareholdings of the Board of Directors

	Remuneration (before taxes)		Loans ¹	Number of BCGE shares held at 31.12.2023			By family	
	Fixed compensation ²	In locked up shares ^{3,4}		Total	Unlocked	Locked up ³		Total
Board of Directors								
Manuel Leuthold, Chairman	280,500	54,281	334,781	0	0	1,005	1,005	0
Jean Olivier Kerr, Deputy Chairman	88,000	18,930	106,930	3,000,000	1,208	680	1,888	0
Michel Pasteur, Secretary	105,600	22,846	128,446	0	0	848	848	0
Jean-Philippe Bernard	77,000	16,421	93,421	0	0	303	303	0
Fabienne Bertolucci	70,400	15,013	85,413	0	0	138	138	0
Michèle Costafrolaz	126,500	27,416	153,916	0	8	1,016	1,024	0
Sophie Dubuis	70,400	15,013	85,413	0	0	243	243	0
Serge Fasel	70,400	15,013	85,413	0	40	560	600	0
Bernard Girod	70,400	15,013	85,413	1,700,000	40	560	600	40
Vincent Mottet	70,400	15,013	85,413	0	0	138	138	0
Sandrine Salerno	70,400	15,013	85,413	327,660	0	138	138	0
Total, Board of Directors	1,100,000	229,972	1,329,972	5,027,660	1,296	5,629	6,925	40

Previous year	Remuneration (before taxes)		Loans ¹	Number of BCGE shares held at 31.12.2022			By family	
	Fixed compensation ²	In locked up shares ^{3,4}		Total	Unlocked	Locked up ³		Total
Board of Directors								
Manuel Leuthold, Chairman	280,500	43,719	324,219	0	0	504	504	0
Jean Olivier Kerr, Deputy Chairman	88,000	15,217	103,217	3,000,000	1,200	514	1,714	0
Michel Pasteur, Secretary	105,600	18,365	123,965	0	0	638	638	0
Jean-Philippe Bernard	77,000	13,118	90,118	0	0	150	150	0
Fabienne Bertolucci (from 04.05.2022)	45,982	5,365	51,347	0	0	0	0	0
Michèle Costafrolaz	126,500	22,038	148,538	0	0	772	772	0
Sophie Dubuis	70,400	10,315	80,715	0	0	105	105	0
Gina Empson (until 03.05.2022)	23,982	3,842	27,824	⁵	⁵	⁵	⁵	⁵
Serge Fasel	70,400	12,069	82,469	0	40	422	462	0
Bernard Girod	70,400	12,069	82,469	4,015,000	40	422	462	40
Jean-Marc Mermoud (until 03.05.2022)	23,982	3,842	27,824	⁵	⁵	⁵	⁵	⁵
Vincent Mottet (from 04.05.2022)	45,982	5,365	51,347	0	0	0	0	0
Sandrine Salerno (from 04.05.2022)	45,982	5,365	51,347	331,330	0	0	0	0
Total, Board of Directors	1,074,712	170,689	1,245,401	7,346,330	1,280	3,527	4,807	40

¹ Maximum limits on Lombard loans, secured with securities or with mortgage guarantees.

² BCGE directors receive a fixed annual salary plus, in some cases, compensation for their office. The remuneration regulations are applied here. There has been no exception to their principles or procedures.

³ There is a moratorium on BCGE shares for a period of 5 years. This moratorium on sales of shares is maintained in the event of leaving the Bank. BCGE has no stock option plan.

⁴ The members of the Board of Directors benefit from a profit-sharing plan for each full year of service from one annual general meeting to the next:

Period from January to April 2023: average real purchase price at 12.06.2023 of CHF 205.15, discounted value CHF 153.30. Period from May to December 2023: estimate on price at 31.12.2023 of CHF 225.00, discounted value CHF 168.13.

Period from January to April 2022: average real purchase price at 13.06.2022 of CHF 167.65, discounted value CHF 125.28. Period from May to December 2022: estimate on price at 31.12.2022 of CHF 179.50, discounted value CHF 134.13).

⁵ No longer a member of the Board of Directors at 31.12.2022, so the corresponding number is not stated.

Executive Board remuneration, before tax

	Remuneration in cash			Remuneration in shares ^{1,2,3}	Total remuneration	Social security contributions ⁴
	Fixed	Variable ¹	Total	Variable	Total in CHF	Total
Blaise Goetschin, CEO	728,196	1,204,239	1,932,435	415,052	2,347,487	339,755
Total, Executive Board	2,923,990	3,814,250	6,738,240	1,362,016	8,100,256	1,461,713
Blaise Goetschin, CEO (previous year)	728,196	1,058,196	1,786,392	301,407	2,087,799	329,312
Total, Executive Board (previous year)	2,872,680	3,307,356	6,180,036	983,531	7,163,567	1,347,013

The members of the Executive Board remitted their director's fees to BCGE as follows:

(in CHF)

Blaise Goetschin, CEO	66,235.50
Virginie Fauveau	15,593.51
Total, Executive Board	81,829.01
Blaise Goetschin, CEO (previous year)	66,235.50
Total, Executive Board (previous year)	79,257.51

Number of shares held by members of the Executive Board or their family members and loans granted

	Number of shares locked up during the 2023 financial year			Number of BCGE shares held at 31.12.2023			Loans granted ⁷	
	Free		Purchased ⁶	Unlocked	Locked up	Total	By family	
	Unconditional	Conditional ⁵						
Blaise Goetschin, CEO	1,630	1,124	564	1,030	17,521	18,551	40	130,000
Frédéric Vernet				34	3,654	3,688	0	666,205
Pierrette Jaton Klopfenstein				0	2,996	2,996	0	435,000
Virginie Fauveau				117	1,974	2,091	0	0
Jean-Marc Joris				68	4,319	4,387	0	640,812
Yves Spörri				966	3,653	4,619	0	635,000
Philippe Marti				0	3,017	3,017	0	500,000
Urs Ziegler				0	1,140	1,140	0	491,600
Total, Executive Board	5,192	3,568	1,798	2,215	38,274	40,489	40	3,498,617
Blaise Goetschin, CEO (previous year)	1,450	1,068	536	1,375	15,239	16,614	40	130,000
Total, Executive Board (previous year)	4,561	3,344	1,684	2,938	30,512	33,450	40	3,832,053

¹ Paid in 2024 based on 2023 results.

² Shares subject to a 5 to 10-year moratorium, on the basis of the closing price (discounted value) as at 31.12.2023. BCGE does not allocate stock options.

³ Amounts calculated on the basis of a closing price of CHF 225.00 on 31.12.2023 (discounted value) (as at 31.12.2022 CHF 179.50, discounted value).

⁴ Cumulative amount of social insurance and pension fund contributions; projected figures based on total remuneration.

⁵ Bonus shares received by the Executive Board, conditional on the simultaneous acquisition of shares at market price.

⁶ Shares subject to moratorium acquired at market price within the participation programmes.

⁷ Maximum limits on Lombard loans, secured with securities or with mortgage guarantees.

The principles of remuneration are explained on pages 41 to 45. No indemnity was paid indirectly to the members of the Executive Board. No indemnity was paid directly or indirectly, in 2023 to former members of the Board of Directors or to any person in close relationship with the members of the Board of Directors or the Executive Board.

At 31.12.2023, no indemnities not complying with market practices were awarded to any person in close relationship with the members of the Board of Directors or the Executive Board.

At 31.12.2023, no outstanding credits or loans not complying with market practices were awarded to any person in close relationship with the members of the Board of Directors or the Executive Board.

4.23 Presentation of the maturity structure of financial instruments

(in CHF 1,000)

	Due							Total
	At sight	Terminable	Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	No maturity	
Assets / financial instruments								
Liquid assets	6,668,964							6,668,964
Amounts receivable from banks	159,335	–	354,207	235,132	186,308	441,919	–	1,376,901
Amounts due from securities financing transactions	–	–	389,992	–	–	–	–	389,992
Amounts due from clients	1,140,460	434,142	973,035	301,643	1,066,570	913,165	–	4,829,015
Mortgage loans	4,066	2,731,323	706,962	664,795	3,683,817	5,791,326	–	13,582,289
Trading portfolio assets	63,326	–	–	–	–	–	–	63,326
Positive replacement values of derivative financial instruments	22,595	–	–	–	–	–	–	22,595
Financial investments	207,751	–	105,016	179,092	1,048,599	1,035,723	474	2,576,655
Total								
31.12.2023	8,266,497	3,165,465	2,529,212	1,380,662	5,985,294	8,182,133	474	29,509,737
31.12.2022	7,986,162	2,595,261	3,372,867	1,517,716	6,036,407	7,770,171	547	29,279,131
Debt capital / financial instruments								
Amounts due to banks	303,015	32,121	1,702,609	40,291	–	–	–	2,078,036
Liabilities arising from securities financing transactions	–	–	100,000	–	–	–	–	100,000
Amounts due in respect of client deposits	10,426,463	6,298,538	3,208,381	418,859	2,353	–	–	20,354,594
Trading portfolio liabilities	2,728	–	–	–	–	–	–	2,728
Negative replacement values of derivative financial instruments	30,920	–	–	–	–	–	–	30,920
Cash bonds	–	–	400	210	2,488	184	–	3,282
Bond issues and central mortgage institution loans	–	–	27,000	344,000	1,436,000	2,912,535	–	4,719,535
Total								
31.12.2023	10,763,126	6,330,659	5,038,390	803,360	1,440,841	2,912,719	–	27,289,095
31.12.2022	12,487,016	6,120,708	3,431,925	748,037	1,485,190	2,973,005	–	27,245,881

4.24 Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle

(in CHF 1,000)

	2023		2022	
	Switzerland	Foreign	Switzerland	Foreign
Assets				
Liquid assets	6,655,430	13,534	6,685,443	7,148
Amounts receivable from banks	292,009	1,084,892	583,510	1,271,935
Amounts due from securities financing transactions	389,992	–	718,692	–
Amounts due from clients	3,627,405	1,201,610	3,479,461	1,158,449
Mortgage loans	13,228,296	353,993	12,696,536	349,159
Trading portfolio assets	63,326	–	51,119	–
Positive replacement values of derivative financial instruments	19,149	3,446	11,417	1,038
Financial investments	2,096,289	480,366	1,944,959	320,265
Accrued expenses and deferred income	59,725	–	43,843	–
Participations	61,540	38,179	59,931	36,079
Tangible fixed assets	104,105	–	124,570	–
Intangible assets	–	–	78	–
Other assets	285,490	–	260,259	–
Total assets	26,882,756	3,176,020	26,659,818	3,144,073
Liabilities				
Amounts due to banks	453,575	1,624,461	901,140	2,188,471
Liabilities arising from securities financing transactions	100,000	–	18,490	–
Amounts due in respect of client deposits	16,513,648	3,840,946	15,795,360	3,554,125
Trading portfolio liabilities	2,728	–	1,521	44
Negative replacement values of derivative financial instruments	2,067	28,853	2,474	7,011
Cash bonds	3,282	–	740	–
Bond issues and central mortgage institution loans	4,719,535	–	4,776,505	–
Accrued expenses and deferred income	145,329	–	127,727	–
Other liabilities	534,704	–	530,918	–
Provisions	7,334	–	5,300	–
Reserves for general banking risks	290,000	–	270,000	–
Bank's capital	360,000	–	360,000	–
Statutory capital reserve	279,570	–	289,290	–
Statutory retained earnings reserve	953,131	–	828,080	–
Own shares	–12,452	–	–14,292	–
Profit carried forward/loss carried forward	–	–	421	–
Profit/loss (result for the period)	212,065	–	160,566	–
Total liabilities	24,564,516	5,494,260	24,054,240	5,749,651

4.25 Breakdown of total assets by country or group of countries (domicile principle)

(in CHF 1,000)

Assets	2023		2022	
	Absolute	Share as %	Absolute	Share as %
Europe • France	1,716,238	5.7	1,618,207	5.4
• Luxembourg	188,034	0.6	189,487	0.6
• Germany	158,817	0.5	120,707	0.4
• Other European countries	416,048	1.4	493,038	1.7
Singapore	153,424	0.5	157,453	0.5
United States and Canada	107,568	0.4	69,796	0.2
Other	435,891	1.5	495,385	1.7
Assets held abroad	3,176,020	10.6	3,144,073	10.5
Switzerland	26,882,756	89.4	26,659,818	89.5
Total assets	30,058,776	100.0	29,803,891	100.0

4.26 Breakdown of total assets by credit rating of country groups (risk domicile)

(in CHF 1,000)

Rating category (according to SERV ¹ , Swiss insurance against export risks)	Net foreign exposure/ current year-end		Net foreign exposure preceding year-end	
	Absolute	Share as %	Absolute	Share as %
0/Hi	2,100,801	73.5	1,955,223	65.7
1	–	0.0	8	0.0
2	108,580	3.8	86,171	2.9
3	63,465	2.2	31,830	1.1
4	187,593	6.6	28,231	0.9
5 and 6	109,545	3.8	299,953	10.1
7	15,150	0.5	29,760	1.0
Unallocated assets (changes in replacement values of derivative financial instruments)	272,558	9.6	544,108	18.3
Total	2,857,692	100.0	2,975,284	100.0

¹ The SERV rating is recognised by FINMA.

4.27 Presentation of assets and liabilities broken down by the most significant currencies for the Bank

(in CHF 1,000)

Assets	Currencies					
	CHF	EUR	USD	GBP	OTHER	METALS
Liquid assets	6,611,487	55,933	737	248	559	–
Amounts receivable from banks	178,810	723,634	401,364	3,873	28,664	40,556
Amounts due from securities financing transactions	185,000	37,112	167,880	–	–	–
Amounts due from clients	2,792,403	929,474	1,020,253	69,906	16,797	182
Mortgage loans	13,406,827	172,440	3,022	–	–	–
Trading portfolio assets	180	65	–	–	–	63,081
Positive replacement values of derivative financial instruments	22,595	–	–	–	–	–
Financial investments	2,173,370	179,999	213,866	3,198	6,222	–
Accrued expenses and deferred income	59,725	–	–	–	–	–
Participations	91,660	7,914	145	–	–	–
Tangible fixed assets	104,105	–	–	–	–	–
Other assets	232,464	6,889	45,483	–	654	–
Total assets shown in balance sheet	25,858,626	2,113,460	1,852,750	77,225	52,896	103,819
Delivery entitlements from spot exchange, forward forex and forex options transactions	1,908,768	553,974	3,160,961	86,297	31,101	18,034
Total assets	27,767,394	2,667,434	5,013,711	163,522	83,997	121,853
Liabilities	CHF	EUR	USD	GBP	OTHER	METALS
Amounts due to banks	511,709	286,053	1,225,220	19,089	2,860	33,105
Liabilities arising from securities financing transactions	100,000	–	–	–	–	–
Amounts due in respect of client deposits	16,809,177	1,421,751	2,006,568	57,544	35,246	24,308
Trading portfolio liabilities	1,359	–	1,318	48	3	–
Negative replacement values of derivative financial instruments	30,920	–	–	–	–	–
Cash bonds	3,282	–	–	–	–	–
Bond issues and central mortgage institution loans	4,719,535	–	–	–	–	–
Accrued expenses and deferred income	145,329	–	–	–	–	–
Other liabilities	533,629	722	27	321	5	–
Provisions	7,334	–	–	–	–	–
Reserves for general banking risks	290,000	–	–	–	–	–
Bank's capital	360,000	–	–	–	–	–
Statutory capital reserve	279,570	–	–	–	–	–
Statutory retained earnings reserve	953,131	–	–	–	–	–
Own shares	–12,452	–	–	–	–	–
Profit/loss (result for the period)	212,065	–	–	–	–	–
Total liabilities shown in the balance sheet	24,944,588	1,708,526	3,233,133	77,002	38,114	57,413
Delivery obligations from spot exchange, forward forex and forex options transactions	2,900,541	970,215	1,772,329	86,296	44,840	64,369
Total liabilities	27,845,129	2,678,741	5,005,462	163,298	82,954	121,782
Net position per currency 2023	–77,735	–11,307	8,249	224	1,043	71
Net position per currency 2022	–39,473	2,819	2,726	–99	1,007	177

4.28 Breakdown and explanation of contingent assets and liabilities

(in CHF 1,000)

	2023	2022
Guarantees to secure credits and similar	22,447	21,459
Guarantees to provide guarantees and similar	47,908	42,191
Irrevocable commitments arising from documentary letters of credit	928,296	818,361
Other contingent liabilities	700	700
Total contingent liabilities	999,351	882,711

Irrevocable commitments are linked mainly with the trade finance credit business and with commodities pricing.

4.29 Breakdown of credit commitments

The parent company figures are identical to the consolidation figures. See note 4.29 to the consolidated accounts on page 83.

4.30 Breakdown of fiduciary transactions

The parent company figures are identical to the consolidation figures. See note 4.30 to the consolidated accounts on page 83.

4.31 Breakdown of managed assets and presentation of their development

According to Art. 32 (3) OEPC- FINMA, the Bank is not obliged to publish this note.

4.32 Breakdown of the trading activities results and the fair value option

(in CHF 1,000)

Trading result from	2023	2022
Interest rate instruments (including funds)	553	97
Equity securities (including funds)	61	-27
Currencies	36,905	37,043
Commodities/precious metals	812	948
Total trading income	38,331	38,061

4.33 Disclosure of material refinancing income under the item Interest and discount income as well as material negative interest

The Bank does not deduct financing costs from trading positions.

4.34 Breakdown of personnel expenses

(in CHF 1,000)

	2023	2022
Salaries (attendance fees and fixed compensation to members of the Bank's governing bodies, salaries and benefits)	131,292	121,243
<i>of which, expenses relating to share-based compensation and alternative forms of variable compensation¹</i>	6,704	5,769
Social insurance benefits	29,768	28,445
Other personnel expenses	3,990	3,755
Total personnel costs	165,050	153,443

¹ On the basis of the distributions made during the calendar year (on a cash basis).

4.35 Breakdown of other operating expenses

(in CHF 1,000)

	2023	2022
Office space expenses	11,754	10,451
Expenses for information and communications technology	41,174	37,565
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	140	155
Fees of audit firms	745	712
<i>of which, for financial and regulatory audits</i>	681	685
<i>of which, for other services</i>	64	27
General and administrative expenses	46,961	39,517
Total other operating expenses	100,774	88,400

4.36 Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks and value adjustments and provisions no longer required

The parent company position is identical to that of the Group. See note 4.36 to the consolidated accounts on page 84.

4.37 Disclosure of and reasons for revaluations of investments and tangible fixed assets up to the acquisition value

The Bank has not revalued its participations or tangible assets.

4.38 Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

BCGE is not operationally domiciled in foreign countries. All its profits are generated in Switzerland, as in the previous year.

4.39 Presentation of current taxes, deferred taxes, and disclosure of tax rate

(in CHF 1,000)

	Rate in % ¹	2023	Rate in % ¹	2022
Current taxes, BCGE	14.6%	37,803	17.1%	30,145
Total		37,803		30,145

¹ Weighted average rate used on the basis of the operating result.

4.40 Disclosures and explanations of the earnings per equity security

See note 4.40 to the consolidated accounts on page 86.

Proposed appropriation of available earnings

Dividend of CHF 6.50 / share

At the General Meeting, to be held on 23 April 2024, the Board of Directors will propose a dividend of 13% (2022: 11%).

The amount available to the General Meeting to distribute is as follows:

(in CHF 1,000)	31.12.2023	31.12.2022
Result for the period	212,065	160,566
Profit brought forward from the prior year	–	421
Release from the tax-exempt capital contribution reserve	11,520	9,720
Total available to the General Meeting	223,585	170,707
Dividend of 13% (2022: 11%)	46,800	39,600
<i>of which 3.2% tax-exempt dividend (2022: 2.7%)</i>	11,520	9,720
Special allocation to the State of Geneva (20% of the dividend paid)	9,360	7,920
Total distributed	56,160	47,520
Allocation to the legal reserve resulting from the earnings	167,425	123,187

Report of the Statutory Auditor

To the General Meeting of Banque Cantonale de Genève, Genève

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Banque Cantonale de Genève (“the Bank”), which comprise the balance sheet as at 31 December 2023, the income statement and the statement of changes in equity 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 95 to 115) as at 31 December 2023 comply with Swiss law and the Bank’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 Bank 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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.

Value adjustments for default risks on amounts due from clients and mortgage loans

 Risk level similar to previous year



Key audit matters

The book values of amounts due from clients and mortgage loans amount respectively to CHF 4,829 mio and CHF 13,582 mio (total of balance sheet of CHF 30,059 mio).

These amounts are presented net of value adjustments of CHF 63 mio including a value adjustment for inherent risks (CHF 32 mio). The estimated value adjustments are based on internal regulations. The value adjustments include an inherent part of significant judgement from Management. Considering the amounts due from clients and mortgage loans, the value adjustments for default risks are considered as a key audit matter.

Please refer to pages 61 to 64 and to notes 4.02 and 4.16 of the notes to the financial statements on pages 99 and 104 for further information.

Our audit response

We verified and tested the key controls relating to the credit activity, in particular the processes for granting credits, the monitoring of credits, the assessment of value adjustments for default risks (provisioning rules) and the controls relating to the determination of value adjustments for inherent default risks. We considered the results of our tests on key controls to define our detailed procedures.

Furthermore, we tested on a sample:

- The different types of credit (mortgage, commercial and Global Commodity Finance), including those that had not been identified as eligible for value adjustment, in order to form our own opinion and to evaluate the need of an impairment and whether it has been properly recognised ;
- Assumptions retained for the value adjustments ;
- Credits which are closely monitored due to higher risks of default but not yet adjusted ;
- The judgement level applied and approval of value adjustments in accordance with internal authorization rules ;
- The opinions of external law firms consulted in the context recovery files ;
- The correct booking of the value adjustments.

Based on our procedures performed, we have collected sufficient appropriate audit evidences in order to cover the risk of valuation of value adjustments for default risks.

Valuation of the provisions for legal risks

 Risk level similar to previous year



Key audit matters

Due to its activity of universal and cantonal bank involving a significant number of clients, the Bank is exposed to legal risks. A list of litigation cases, procedures and prosecutions is established by Management. The valuation of those provisions includes an inherent part of judgement from Management.

Please refer to page 65 and to note 4.16 to the financial statements on page 104 for further information.

Our audit response

We tested the adequacy of the design and the implementation of key controls for legal risks regarding the identification, the valuation of provisions and the proper recording of related provisions.

We considered the results of our tests on key controls to define our detailed procedures below:

- Review of the list of litigation cases, procedures and prosecutions established by Management ;
- Review of the assumptions used by Management for the estimation of the level of provision of the significant cases and discuss them with Management and Head of Legal ;
- Sending confirmations requests to the external lawyers consulted in connection with litigation or potential litigation ;
- Test the proper recording of these provisions.

Based on the procedures performed, we have collected sufficient appropriate audit evidence to cover the risk of valuation of the provisions for legal risks.

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 consolidated financial statements, the 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 the financial statements in accordance with the provisions of Swiss law and the Bank'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 Bank'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 Bank 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Furthermore, we confirm that the proposed appropriation of available earnings complies with Swiss law and the Bank's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Deloitte SA



Alexandre Buga
Licensed Audit Expert
Auditor in charge



Vida Gratteau
Licensed Audit Expert

Geneva, 29 February 2024

Publishing information

Publisher

Banque Cantonale de Genève
Corporate Affairs & Communications Department
communication@bcge.ch

Coordination

Nathalie Vernaz,
Corporate Affairs & Communications

Special thanks to BCGE staff closely involved in the production of this report:

Finance Division

- General Staff: Jérémy Linder, Lisa Lippuner, Brice Tétrel
- Accounting: Yvan Nicolet, Paul Tomassi, Calina Pletosu
- Financial Controlling: Hamid Bensouna, Louis Ghaleb
- Risk: Nicolas Dervaux
- ALM: Pierre-Henri Turc

Geneva Division

Marie-Laure Rochet, Patrick Senger

International Division

Julien Rousseau, Léa Pasche, Margaux Schmutz

Corporate Division

- General Staff: Cédric Liraki
- Personal Finance and Staff Banking: Nicolas Bezaguet

Asset Management Division

Marc Doerks, Urs Ziegler

Legal and Compliance Division

Grégory Denizou, Daniel Käslin, Philippe Marti

Operations Division

Catalina Roth

Chief of Staff, Leadership and Planning

Irene Diez, Marcel Mettler

Human Resources

Nathalie Bezaguet Grin, Denis Buff, Christelle Didier, Grégory Eltschinger, Xavier Guillot, Romaine Jordan

Marketing

Abdelhak Belkaid, Benjamin Braun, Philip Van Woerden

Corporate Affairs & Communications

Grégory Jaquet, Christophe Weber

Special thanks as well as to all other BCGE staff and partners who contributed.

Concept and design

Alternative Communication SA
Alternative.ch

Photolithography

rs solutions

Printing

Atar Roto Presse SA, Geneva

Photography

Fred Merz | Lundi 13
Loris von Siebenthal
Gilles Aymar
Alain Besse

Languages

French, English

Copyright

This report is not to be reproduced, in whole or in part, without the authorisation of the publisher.

Disclaimer

This is a free translation of the original French version. In case of discrepancies, the French version shall prevail.



May 2024

Banque Cantonale de Genève SA

Contact details

Head office

bcge.ch
Tel. +41 (0)22 809 21 00
E-mail: info@bcge.ch
Quai de l'Île 17 – CP 2251 – 1211 Geneva 2

 [linkedin.com/company/bcge](https://www.linkedin.com/company/bcge)
 [youtube.com/c/BanqueCantonaledesGenève](https://www.youtube.com/c/BanqueCantonaledesGenève)

21 branches in Geneva

Branches in Switzerland

Lausanne: Avenue de la Gare 50 – CP 159 – 1001 Lausanne – Tel. +41 (0)21 321 07 07
Basel: Aeschengraben 10 – 4051 Basel – Tel. +41 (0)61 226 61 00
Zurich: Lintheschergasse 19 – Postfach 4068 – 8021 Zurich – Tel. +41 (0)44 224 65 65

Subsidiaries

Banque Cantonale de Genève | France SA

bcgef.fr
Tel. +33 (0)4 72 07 31 50
Lyon: 20, place Louis-Pradel – F-69001 Lyon
Annecy: 1, rue Paul Guiton – F-74000 Annecy
Paris: 5, rue de la Baume – F-75008 Paris

Capital Transmission SA

capitaltransmission.ch
Tel. +41 (0)22 809 21 00
Geneva: Quai de l'Île 17 – 1204 Geneva (head office)
Zurich: Lintheschergasse 19 – 8021 Zurich

Dimension SA

dimension.ch
Tel. +41 (0)21 317 52 10
Lausanne: Avenue de la Gare 20 – 1003 Lausanne (head office)
Geneva: Quai de l'Île 17 – 1211 Geneva 2
Zurich: Lintheschergasse 19 – 8021 Zurich

Loyal Finance AG

loyalfinance.ch
Tel. +41 (0)44 215 50 90
Zurich: Gessnerallee 38 – 8001 Zurich

BCGE (Asia) Company Limited

Tel. +852 280 81 80
Hong Kong: Unit 808-809, Alexandra House – Chater Road 18 – Central – Hong Kong – China

Representative offices

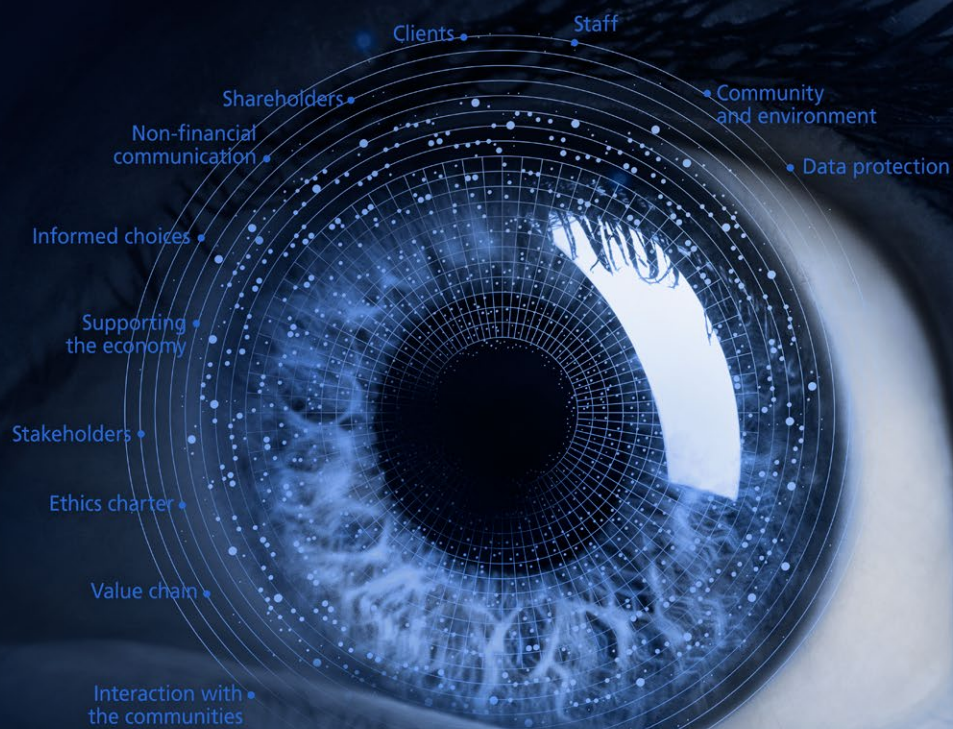
Dubai: Banque Cantonale de Genève – Banking Rep. Office

Sheikh Zayed Road, Park Place – 14th Floor – PO Box 102810 – Dubai – UAE
Tel. +971 4 329 83 00

Hong Kong: Banque Cantonale de Genève Hong Kong Representative Office

Unit 808-809, Alexandra House – Chater Road 18 – Central – Hong Kong – China
Tel. +852 280 81 80

CORPORATE SOCIAL RESPONSIBILITY REPORT 2023



Corporate social responsibility Report Overview

Foreword: a bank useful to society	2
1. Foundations of social responsibility	3
1.1. Organisation, format and reporting practices	3
1.2. BCGE and its mission as a cantonal bank	4
1.3. The concept of Corporate Social Responsibility within BCGE	4
1.4. Commitments to stakeholders and materiality matrix	5
2. Ethics, transparency and corporate governance	8
2.1. Corporate governance and compliance	8
2.2. System for companies corruption	12
2.3. Regulatory system for client complaints and whistleblowers	14
2.4. Client data protection and cybercrime	14
2.5. Responsible purchasing	17
3. Integrating ESG criteria into the four pillars of the business model	20
3.1. Environmental impact of the Bank's operations	21
3.2. Lending to companies and individuals	26
3.2.1. <i>Actions taken to help combat climate risks</i>	27
3.2.2. <i>A Group-wide climate action plan</i>	28
3.2.3. <i>Integrating ESG risks, and climate risks in particular, in the business of financing the economy</i>	28
3.3. Managing clients' assets	32
3.4. Managing the Bank's own assets	37
4. The Bank at the service of its stakeholders	38
4.1. The Bank at the service of its shareholders	38
4.2. The Bank at the service of its clients	40
4.2.1. <i>Services meeting ethical and environmental standards</i>	40
4.2.2. <i>Quality of products and services</i>	41
4.2.3. <i>Obtaining a high level of client satisfaction</i>	41
4.3. The Bank at the service of its staff	42
4.3.1. <i>Context and organisation of work</i>	43
4.3.2. <i>Developing talents</i>	47
4.4. The Bank at the service of the community and the environment	51
4.4.1. <i>Providing members of the community with quality information on finance and the economy</i>	51
4.4.2. <i>Contributing a high level of expertise to Geneva's financial centre</i>	52
4.4.3. <i>Values and convictions – partnerships and local support</i>	52
GRI index	54
Basis for reporting specific indicators	68
Statutory auditor's report	69
Appendix	72
Glossary	74

Corporate social responsibility Report

Activity report 2023

**A cantonal bank is
by nature based on
the concept of serving
the community**

A bank useful to society

Foreword

The origin of what is today known as “sustainable finance” lies in the stakeholder approach. This concept emerged from Harvard University and the World Economic Forum. Initially, it was based on extending the concept of what a company is, by listing its interactions with all the communities concerned: shareholders, clients, employees, partners (suppliers, external advisers etc.), the public authorities (in terms of job creation, regulation, taxation etc.) and the environment in the broader sense (natural and social). Subsequently, objectives and a plan of action were set for the company, with these twin aims:

- To determine how the added value it generates should be distributed amongst its stakeholders.
- To minimise the harms it could cause them.

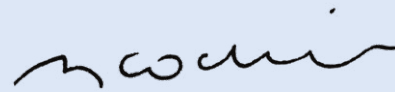
BCGE has integrated this thinking into its strategies for over 15 years. Enshrined in the Ethical and Environmental Responsibility Policy in 2016 by the Board of Directors, this process is especially related to the Ethics Charter adopted by the Geneva legislature in 2003. Since then, the Bank has progressively developed this model, transparently presenting the results of these changes in its successive annual reports.

The 2023 activity report goes a step further. Of course, it has more to say about the contributions made to its stakeholders. There are whole new chapters, particularly about governance, ethical rules on advice provision and internal staff protection processes. The report describes in detail the energy optimisation programme and its progress. It also provides information on a number of investment, pension planning and housing finance solutions that allow clients to make informed choices and express their preferences or expectations regarding the environmental or social impact of their transactions.

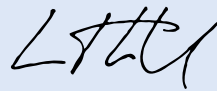
In this way, the report – quite distinct from the annual financial report, even if the two are physically bound together – meets the needs of many institutional investors and rating agencies.

The Bank has set itself the aim of acting concretely while communicating its message in a measured way. It has also done everything to avoid grounds for accusations of greenwashing, either relating to the Bank itself or the products and advice it supplies. Having its roots in the public sphere, it is under a greater obligation than its fellow institutions to be neutral and to avoid any ideological discrimination when granting loans or making investment recommendations.

BCGE, the bank of all the people of Geneva, finds itself, in all modesty, in the ranks of the best institutions in terms of “non-financial” behaviour. This situation stems almost naturally from its internal culture and the motivation of its staff. As it proceeds on this course, the Bank will in the future be able to make of this responsible profile a feature attractive to investors, depositors and a talented body of staff.



Blaise Goetschin
CEO BCGE 2000-2024



Manuel Leuthold
Chairman of the Board of Directors

1. Foundations of social responsibility

1.1. Organisation, format and reporting practices

This activity report is a statement of BCGE's social responsibility. It sets out, as at 31 December 2023, how the Bank integrates non-financial issues in its business model.

Corporate Social Responsibility comprises a set of standards encompassing respect for human rights, standards in the workplace, the environment and combating corruption. In this respect, BCGE takes as its basis the framework set out by the Swiss federal legislature. According to SECO, the Swiss Confederation's Centre of Expertise, which is BCGE's model in matters of political economy, "Corporate Social Responsibility (CSR) aims to optimise the benefit to an enterprise's stakeholders and to prevent or dampen the potential adverse effects of its activities". This concept takes into account the impact that a company has on society (S) and the environment (E); to these elements can be added the concept of good corporate governance (G), which is considered "the lodestar of sensible Corporate Social Responsibility" (economiesuisse: Swiss Code of Good Practice for Corporate Governance).

Thus CSR is intended to apply the principles with which to treat non-financial issues as formulated by Art. 964b of the Swiss Code of Obligations. On certain questions, it aims to exceed the regulatory expectations in terms of non-financial practice, provided this does not contradict or hinder its mission as enshrined in the Banque Cantonale de Genève Act (LBCGe). **As a limited company established by public law (according to Art. 763 of the Code of Obligations), BCGE is under a duty to set an example in dealing with non-financial issues, which it undertakes to substantiate by means of a transparent and factual normative approach.**

BCGE has prepared this report on the basis of the standards of the Global Reporting Initiative (GRI) for the period from 1 January 2023 to 31 December 2023. The aim of this report is to present the non-financial practices adopted by Banque Cantonale de Genève as parent company¹ (BCGE Suisse) and by its subsidiary in France, (Banque Cantonale de Genève | France SA). The scope of consolidation of the 2023 CSR report has been defined in line with the importance of the various entities within the BCGE Group. The scope of consolidation will be evaluated and updated annually, at year end.

By default, the information published focuses on the approach to Corporate Social Responsibility initiated and applied by the parent company. This is based on the premise that its principles are in general shared by its French subsidiary. Nonetheless, the two entities have business models, organisational structures and procedures that diverge and respond to different regulatory constraints. Consequently, without any claim to completeness and as far as possible, certain significant particularities of the regime applicable to the French subsidiary will be set out.

The BCGE Annual Report, which can be found on the bcge.ch website, provides further information. It presents the BCGE Group, its strategy, its business model, its operational organisation, its risk management and its banking and financial services.

The 2023 CSR report was examined and approved by the Executive Board and subsequently by the Board of Directors on 29 February 2024. It was then put to a vote of the shareholders at the general meeting of 23 April 2024.

Currently, the Code of Obligations contains no provision that the report be subjected to an external audit by an independent third party. Nevertheless, the Bank agreed to ask Deloitte SA, Geneva – the Bank's independent auditors – to undertake a limited examination of the CSR report for financial year 2023. It intends thereby to reinforce the credibility of its process and meet the expectations in terms of transparency as formulated by the regulations and the market.

¹ Unless specified otherwise, this does not include Dimension or Loyal Finance.

1.2. BCGE and its mission as a cantonal bank

A cantonal bank is by nature based on the notion of service to a community. In accordance with Art. 2 (1) and (3) of the Banque Cantonale de Genève Act of 24 June 1993¹, “BCGE’s principal aim is to contribute to the economic development of the canton and of the region. [...] It shall be managed according to tried and tested economic and ethical banking principles.”

BCGE is a universal bank subject to market laws, which is expected to be competitive and profitable. Its stock-market listing testifies to the desire of its public-sector shareholder to see it fully subjected to the competitive environment without any special protection or favour.

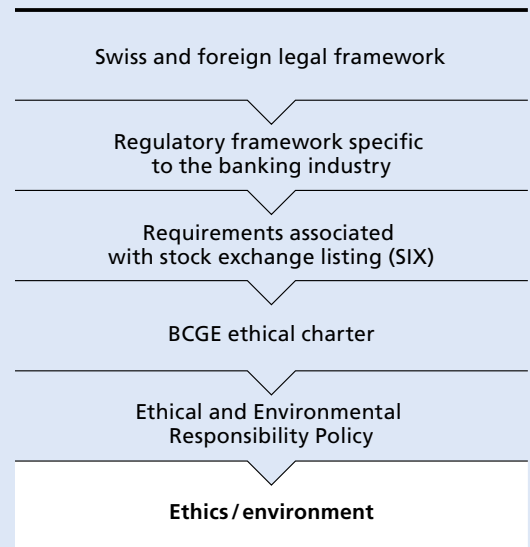
Moreover, as a financial actor, it must comply with existing regulations, ensure effective risk management and ethical behaviour within all its business lines, and maintain regular, accurate and transparent reporting.

All decisions taken concerning non-financial practices take account of the relevant regulations in force, and also of the directives relating to Banque Cantonale de Genève’s stated mission.

BCGE must therefore reconcile these requirements with the need to adjust to the extremely dynamic demands of the banking market.

1.3. The concept of Corporate Social Responsibility within BCGE

BCGE seeks to combine fulfilment of its mission as required by the Banque Cantonale de Genève Act with its plans for sustainable development. The main principles of its approach are set out in the Ethics Charter², a text adopted by the Bank’s general meeting of shareholders and by the Grand Council of Geneva in 2003. The Bank seeks to conduct itself in a way that respects this Ethics Charter and its social responsibilities in general. It does so as much out of respect for its own values and ideals as out of strategic and



commercial interest. Indeed, the very fact of being open to scrutiny by the regional economic community as a public-law banking institution, listed on the stock exchange and rated by a major rating agency, obliges it to manage its reputational risk with care.

The Bank is also subject to the very detailed normative rules of Swiss and international banking (covering many aspects of its business). Surveillance mainly by FINMA, but also by the SNB, together with various compliance requirements (MROS, MPC, SECO, COMCO, etc.) create a prescribed framework in terms of good conduct that is already very restrictive (see the above graphic).

BCGE’s Ethical and Environmental Responsibility Policy (EERP) gives practical expression to the Ethics Charter’s specifications by detailing the Bank’s conduct as regards social responsibility through the voluntary inclusion of environmental, social and ethical requirements in its business model. The latest version of the EERP was approved by the Board of Directors in November 2022. It describes BCGE’s approach to social responsibility, and is set out in two main sections:

- Its commitments to its stakeholders: shareholders, clients, staff, community and the environment.
- Its contribution to combating climate risks.

¹ [bcge.ch/en/organisation](https://www.bcge.ch/en/organisation) > Regulatory framework > Law on BCGE

² [bcge.ch/en/organisation](https://www.bcge.ch/en/organisation) > Regulatory framework > Charter of ethics

The Bank is progressively integrating ESG criteria, in particular as regards climate, throughout its business activities. It commissioned an external firm of consultants to produce a roadmap detailing the measures to be taken. This process aims to:

- Strengthen integration of ESG criteria in general risk policy, where this would be deemed relevant.
- Produce the TCFD (Task Force on Climate-Related Financial Disclosures) report in accordance with the requirements set out in the Ordinance on mandatory climate disclosures.

A description of the action plan deployed to achieve these objectives is detailed in section 3.2, page 26.

1.4. Commitments to stakeholders and materiality matrix

Commitments to stakeholders

The Bank's commitments to its stakeholders constitute the heart of its CSR approach. They alone encompass all the non-financial considerations involved in the Bank's business model. Each commitment is evaluated in terms of the GRI standards associated with it³.

In the latest version of its Ethical and Environmental Responsibility Policy (EERP), the Bank identifies four stakeholders: (i) shareholders, (ii) clients, (iii) staff, (iv) community and environment. This process of identifying stakeholders is undertaken internally on the basis of a proposal by the EERP committee, which is then validated by the Board of Directors and then by the Executive Board. The choice of stakeholders is mainly based on the preponderant position they occupy in the Bank's value chain.

Shareholders

They provide the equity base and the risk capital needed for all banking activities. It is important to motivate them with positive financial performance and a balanced dividend policy. Economic success enables value to be created for public and private shareholders in the form of dividends, taxes and increased wealth. BCGE's shareholder base is a particular one, as it is mixed (public and private), with an important role played by the State of Geneva, the City of Geneva and the Geneva municipalities in addition to a number of private shareholders, mainly comprising clients, staff and institutions.

³ Cf. Appendix.

Clients

BCGE aims to earn the loyalty of individual clients and their families, as well as that of its corporate clients – over several generations if possible. This long-term commitment requires sincerely respecting client interests and providing them with high quality advice (which includes ethical norms). The production processes of its banking services must offer optimum quality and be formalised in order to provide consistency over time. In the field of business finance, specific rules of engagement must enable small firms and tradespeople to be treated with fairness and respect. In the area of lending and investment, care must be taken that no projects contrary to the Bank's principles of social responsibility are supported. Moreover, clients must be offered investment vehicles that are credible, relevant and high-yielding and which contribute to the development of a sustainable economy.

Staff

In a services and advisory company, staff quality, commitment and company loyalty are necessary for the company's success and growth. A company mindful of its future development applies itself to recruiting good staff, maintaining their loyalty and motivating them. In addition to its obligation to reward individual performance and expertise fairly, the company should treat its staff with respect, in a non-discriminatory manner, and support their professional development. BCGE's human resources policy puts these principles into practice.

Community and environment

This stakeholder was included in the last version of the EERP. It takes the place of the former "community" stakeholder. It encompasses, on the one hand, the public sector and its institutions and, on the other, living things (plants, animals, micro-organisms and human beings), together with the non-animate environment (air, earth and water). By choosing this additional stakeholder, BCGE is affirming its awareness of the possible impact of the Bank's activities on society, particularly on the local community and its institutions, and on the balance of the ecological environment; it is also conscious of the long-term risks it may incur if this environment deteriorates. BCGE takes measures aimed at mitigating the impact of this double materiality.

Examples of interactions between BCGE and its stakeholders



State of Geneva as shareholder	Other shareholders (apart from the State of Geneva)	Clients	Community and environment*	Staff
<ul style="list-style-type: none"> • Regular meetings • Representatives of the State of Geneva on the Board of Directors 	<ul style="list-style-type: none"> • General meeting • Regular meetings with professional investors 	<ul style="list-style-type: none"> • Regular meetings with clients • Satisfaction surveys and studies • Monitoring and analysis of client complaints 	<ul style="list-style-type: none"> • Regular meetings with the Swiss Financial Market Supervisory Authority (FINMA) and the Swiss National Bank 	<ul style="list-style-type: none"> • Regular information meetings and discussions at all levels of management • Staff Committee

* We have also included suppliers and supervisory authorities as stakeholders in this category.

Materiality matrix

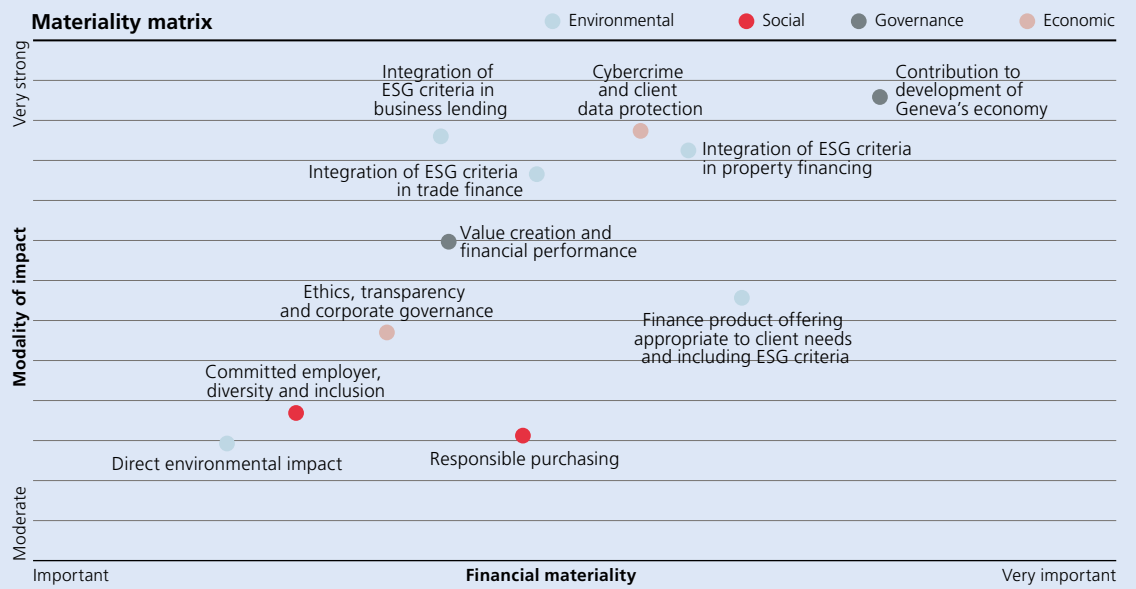
To evaluate materiality requirements, an analysis of real and potential impact was undertaken, based on an overview of the Bank's activities, its business relationships, its stakeholders and local and worldwide expectations as regards sustainable development. In this way, a list of pertinent subjects was drawn up. Within this framework, the EERP committee and the CSR manager, with the aid of an external firm, set about identifying and prioritising stakeholders' expectations. Subjects are considered important if they are relevant either in terms of their impact or from a financial point of view.

For negative impacts, we considered the criteria of severity and probability of occurrence. For positive impact, we weighed up the factors of scale, range and probability.

The GRI standards require that these factors be weighted in accordance with two dimensions of analysis:

- The importance of the factor for the stakeholders.
- The breadth of the Bank's economic, social or environmental impact linked with the whole.

Thus, for each of the relevant factors identified, an evaluation was undertaken throughout the value chain of the positive/negative and actual/potential impacts according to the economic, social and environmental dimensions. The size of each impact was also evaluated in terms of its extent and severity, its remediability, the probability of its occurrence and its direct or indirect nature.



The double materiality approach also means that the potential or real financial impact of ESG risk factors on the Bank must be taken into account. Initially, there needs to be an evaluation of the risks and opportunities generated by the impact of social and environmental changes on the Bank's business model. After defining its risk appetite, the Bank reflects on the resources and mechanisms that it needs in

order to honour the commitments it has made to its stakeholders. Factors with an impact that is considered at least "moderate" or with a greater effect are considered "relevant" and are described in this report.

Each of these relevant themes is addressed in this report in line with the approach implied by the GRI standards.

Relevant topics	Reference
Ethics, transparency and corporate governance	p. 8
Cybercrime and data protection	p. 14
Responsible purchasing	p. 17
Direct environmental impact	p. 21
Integrating ESG criteria in property finance	p. 28
Integrating ESG criteria in corporate lending	p. 29
Integrating ESG criteria in trade finance	p. 30
Finance product offering appropriate to client needs and including ESG criteria	p. 32
Value creation and financial performance	p. 39
Employee commitment, diversity and inclusion	p. 42
Contribution to the development of Geneva's economy	p. 51

2. Ethics, transparency and corporate governance

Beyond the adherence to legal and regulatory requirements that are part and parcel of irreproachable business conduct, banking practice at BCGE is led by the following ethical principles: **integrity, equity, loyalty, independence and transparency**. The Bank's Ethics Charter, adopted by its general meeting and the Grand Council of Geneva, underlies the rules of conduct of all the Bank's staff, at whatever level.

The Bank monitors developments in corporate governance and takes the necessary measures to permanently guarantee regulatory compliance and adherence to the applicable legislation, as well as to the Ethics Charter. With the aim of translating this Charter into practice, the Bank is working on establishing a Code of Conduct which, embodying the Charter's fundamental principles, documents and updates procedures relating to anti-corruption measures, whistleblowing and conflicts of interest. These texts will enter into force in early 2024.

The Bank also has an Ethical and Environmental Responsibility Policy, the aims of which are to ensure compliance with regulatory requirements as well as to integrate non-financial issues in its business model.

The duties of the EERP committee include ensuring effective application of the Bank's commitments to stakeholders and those in respect of combating climate risk. The process of drawing up the CSR report creates the opportunity of establishing transparently the progress made by the Bank in the non-financial area.

Moreover, the Staff Regulations¹, made available to all employees and accessible at any time on the Bank's intranet, detail the ethical principles guiding the relationship between the Bank and its staff. They include rules of conduct and, in particular, respect of the staff's emotional and sexual integrity; in addition, staff are to keep up-to-date and extend their professional knowledge, stay informed as regards new banking regulations and internal procedures, and adhere to internal procedures aimed at combating corruption.

2.1. Corporate governance and compliance

Corporate governance

Governance in respect of non-financial issues, in particular those relating to climate, has been in place since 2017. On 1 March 2022, prior to the previously announced change in the regulatory framework applying to non-financial matters, the Board of Directors strengthened its governance by means of the two following measures:

- Appointment of two members of the Executive Board as Chairman and Co-Chairman of the EERP committee.
- Appointment of a CSR manager, with the additional function of manager of non-financial risks.

Currently, the EERP committee includes a representative of each division, together with the director of the Legal and Compliance division, the head of Human Resources, a representative of BCGE France and a representative of the Corporate Affairs & Communications department.

The main role of the EERP committee is to formulate recommendations for the Executive Board and Board of Directors regarding non-financial initiatives that need to be undertaken by the Bank. These recommendations concern the following points:

- Updating EERP policy (every three years), coordinating its implementation and ensuring monitoring through use of indicators.
- Ensuring regulatory compliance through regulatory and market monitoring.
- Supervising implementation of non-financial initiatives within the Bank, such as SBA guidelines.
- Compiling CSR and TCFD reports.

This committee meets on average every two months. The points dealt with, the opinions expressed and the recommendations formulated are detailed in the minutes, which are sent to the CEO.

¹ BCGE France has its own internal regulations.

The Executive Board sets the operational objectives at EERP level, monitors the achievement of these and produces a succinct report for the Board of Directors.

The role of the Board of Directors then consists of:

- Adopting the updated Ethical and Environmental Responsibility Policy and informing shareholders of its application by means of the CSR report.
- Validating inclusion of ESG risks (climate-related in particular) in the general risk policy.
- Defining non-financial considerations that must be taken into account in the Bank’s strategic and financial plan.
- Validating the Bank’s CSR report (starting from 2024 for the 2023 financial year).

Currently, responsibility for managing social impacts has not yet been specifically or formally delegated. Sustainability issues are addressed by all members of the Board. However, the Risk and Strategy committee monitors the effective application of the EERP by the Executive Board and the inclusion of non-financial risks in general risk policy. The Control committee, for its part, examines and verifies the quality of the non-financial report.

Appointment and selection of the members of the Board of Directors

The required profile of members of the Board of Directors is set out in Art. 12A of the Banque Cantonale de Genève Act (rsGE D 2 05, LBCGe): “The Board of Directors comprises members with specific competencies in the banking, economics and legal domains. Its composition must as far as possible reflect various trends in the economic and social life of the canton. Its members must fulfil their duties independently and must not have any conflicts of interest in so doing”.

As regards BCGE France, it designates the members of its Supervisory Board in compliance with French law (Art. L.225-57 et seq. of the Commercial Code). It complies with the conditions of expertise, honour and availability of the directors defined in Art. L.511-51 of the Monetary and Financial Code.

Currently, the update sessions organised by the Risk and Strategy committee and the Control committee in the presence of representatives of the EERP committee (Chairman, Vice-Chairman and/or CSR manager) are the main measures in

place to advance shared knowledge of sustainability within the Board of Directors and its ad hoc committees.

The members of the Board of Directors have the required competencies in the banking and regulatory areas. One of its members in particular possesses recognised competencies in the area of sustainability.

Please see pages 30 to 36 of the Annual Report for further information.

Gender distribution of the Board of Directors at 31.12.2023

	BCGE (parent company)	BCGE France (supervisory board)
Female	36.36%	16.7%
Male	63.64%	83.3%

Remuneration policies in respect of the Board of Directors and the Executive Board

Currently, remuneration policies in respect of the Board of Directors and the Executive Board do not include criteria based on targets or performance regarding management of the Bank’s impact on the environment and society.

The Bank does not engage independent remuneration consultants in the process of determining remuneration.

BCGE is a limited company established by public law pursuant to Art. 763 of the Code of Obligations, and as such is not legally subject to the obligation of a vote on the remuneration of the Board of Directors and the Executive Board by the general meeting of shareholders.

Please see pages 41 to 43 of the Annual Report for a detailed description of remuneration policies and page 33 of the Annual Report for a description of the role of the Appointments and Remuneration committee and of the process of remuneration.

	BCGE Switzerland		BCGE France	
	2023	2022	2023	2022
Total annual remuneration ratio ¹	17.55	18.15	5.64	4.40
Change in total annual remuneration, in %	BCGE Switzerland		BCGE France	
	2023	2022	2023	2022
Median remuneration	3.92	0.40	-1.19	19.77
Highest remuneration	0.46	47.15	24.64	-42.26

The 47.15% change in the highest remuneration seen in 2022 for BCGE Switzerland stems from an additional amount distributed due to an exceptional operating profit recorded in 2021 compared to 2020. The changes observed in the highest remuneration for BCGE France are the consequence of a change in management that occurred between 31 December 2021 and 31 December 2023.

Compliance

The Bank has implemented a solid organisational framework that enables it to adhere to legislation and its activities to comply with regulations in the wider sense. The organisational framework comprises operational directives adopted by the Executive Board. A special directive deals with the process of building this organisational framework. A directive may thus be modified at any time to correspond to a legislative amendment, a change in business policy or other operational needs. However, each internal directive is subject to review every five years by the Executive Board.

In particular, the Bank ensures adherence to provisions on combating money laundering and terrorism financing, adherence to national and international sanctions and it also ensures the safeguarding of its good reputation. The Bank also continuously monitors relevant legislative developments and anticipates national and international regulations likely to have an impact on the activities or the strategy of the group. These various concerns all stand in relation to the guarantee of irreproachable business practice that the Bank must permanently ensure.

Combating money laundering and terrorism financing together make up one of the Compliance department's fundamental activities. It comprises protecting the Bank from any ill-intentioned persons who might use its services to carry out illegal activities. The Bank is required to systematically identify its

clients and thoroughly check certain of their transactions. It has also developed a model for classifying its clients according to several risk criteria². This model also takes account of corruption risk, based particularly on the Corruption Perceptions Index developed by the Transparency International organisation. In line with the anti-money-laundering rules, the Bank periodically reviews any higher-risk relationships and updates information in respect of its clients. In addition, effective systems are implemented to verify the transactions of all the Bank's business units. Every unusual transaction is subject to checking by the manager and their immediate superior. If the checks appear not to be sufficient, the case is forwarded to Compliance, which undertakes deeper analysis and may even communicate it to MROS. PEPs and their families, and PEPs in key positions within inter-governmental organisations or international sporting federations and their families, are subject to annual review. In-depth risk reviews are also carried out into particular business relationships identified by the Bank.

Within this context, the Compliance department may be required to give its opinion at the start of a relationship, during the relationship, or when it is terminated. Its specialists take a position on the basis of in-depth research, reflected in a thorough and complete analysis of the clients or prospects concerned. In order to ensure the independence of the positions taken by its Compliance department while avoiding any possible conflict with the front office, the Bank has implemented an internal entity which may be called upon if their opinions diverge. This is the Compliance Authority committee, comprising staff from various units, other than the front office. The decisions of this committee may, at the Compliance department's request, be referred to the Executive Board.

If it is suspected that funds are of criminal origin, the Compliance department's anti-money laundering specialists communicate with the Money Laundering Reporting Office (MROS)³. The presumed infractions are those which may occur in the course of a universal bank's business.

¹ Total annual remuneration ratio = Annual remuneration of the best-paid person / Median total annual remuneration of all staff (except the best-paid person).

² BCGE France has its own LCB-FT risk classification.

³ TRACFIN for BCGE France.

Every year, Compliance, working together with Risk, submits to the Executive Board and the Board of Directors an analysis of money laundering and terrorism financing risks in line with the requirements of FINMA's Anti-Money Laundering Ordinance (AMLO).

Correct application of national and international sanctions is another crucial aspect of the Compliance department's activity, which protects the Bank from major penal and reputational risk. The Bank applies the Swiss Confederation's sanction regimes as administered by the State Secretariat for Economic Affairs (SECO), incorporating the sanctions regimes adopted by the United Nations Security Council. International sanctions regimes, and those applied by the US, EU and UK, are also taken into consideration. In this way, the Compliance department ensures that it can detect and prevent operations involving countries, persons, entities and/or assets affected by such sanctions.

Regulatory monitoring is also implemented by Compliance to ensure that the Bank keeps up with normative and legislative amendments and integrates them to best effect within its operations. The aim is to proactively prepare the ground for implementing new regulatory standards and requirements. Legislative amendments that have a direct impact on the Bank's business are subject to particularly close scrutiny: such as those relating to laws governing the financial markets, or introducing new offences preceding money laundering, following the example of the environmental protection law as currently being amended⁴.

Adherence to cross-border standards allows the Bank to comply with the legislation of countries in which it is active. Such adherence is essential, as practice that is transparent and compliant with local standards not only fosters healthy and long-term business development, but also helps ensure that foreign authorities do not enter into proceedings against the Bank. Cross-border risks are continuously analysed and managed across the board with regard to all countries of commercial interest and the Bank's international business.

The Compliance department undertakes the consolidated supervision of the Bank's subsidiaries and representative offices. Swiss legislation requires that this supervision be carried out by the parent company. The Compliance department therefore closely supervises all these entities and on-the-spot checks are regularly carried out.

Second level⁵ controls, carried out by the Compliance department or other specialised support entities, help improve the quality of work and make front office colleagues more aware of adherence to quality-related requirements. This essential activity ensures that statutory standards and other internal requirements are uniformly applied.

In terms of tax compliance, the Bank's business policy is based on accepting client assets that are tax-compliant; it prohibits any assistance in avoiding tax-related statutory requirements.

The Bank strictly adheres to Swiss regulatory requirements and applies international standards in respect of the OECD's (Organization for Economic Cooperation and Development) automatic exchange of information on financial accounts. The Bank also ensures application of and adherence to the provisions of FATCA (Foreign Account Tax Compliance Act), concluded between Switzerland and the United States, together with those relating to the Qualified Intermediary Agreement (QI).

As a universal bank, BCGE ensures that the rules it puts in place are implemented across the board, in all its activities and products, and take into account foreign tax requirements when they have an impact on its clients, its operations or its tax compliance.

The Tax Compliance department comprises a team of proactive specialists with in-depth technical knowledge, and a committee dedicated to "Development of Swiss and international taxation" which can be activated on specific subjects. Tax supervision undertaken by the Tax Compliance department makes it possible to anticipate tax events and/or possible complaints affecting the Bank.

⁴ fedlex.admin.ch/eli/fga/2023/240/fr

⁵ Independent checks on operational activities consistent with the concept of second line of defence as proposed by FINMA Circular 2017/1 Corporate governance – banks.

In 2023, 209 staff members increased their knowledge of due diligence and the LBA (anti-money-laundering law), as well as KYC (“Know Your Client”) rules. New employees joining the Bank are trained on this subject through a specific anti-corruption course.

In terms of the areas under consideration, the Group has not been the subject of procedures leading to sanctions by the authorities in the last three years.

Identification and communication of critical concerns

The Bank describes as “critical concerns” any risk likely to endanger its economic activity and negatively impact the interests of its stakeholders.

To this end, the Bank adopts a general risks policy, supplemented by other specific policies (regarding lending, ALM, physical security, operational risk etc.), with the main object of ensuring an adequate risk profile in terms of the strategic and financial plan. In so doing, it takes care to:

- Maintain a high level of physical safety for people on the Bank’s premises.
- Ensure the protection of clients’ financial interests under all circumstances.
- Reduce to a minimum the cost of risk associated with the business model.
- Protect the Bank’s wealth from financial market fluctuations.
- Guarantee the safety of physical and IT assets.
- Ensure the continuity of the Bank’s activities in the event of a crisis situation.
- Maintain the Bank’s good reputation among all its stakeholders.
- Assist the entrepreneurial process by setting risk tolerances for each business unit.
- Ensure that the Group’s activities comply with legal and regulatory requirements.

To determine the Bank’s risk tolerance, the Board of Directors approves a framework (dashboard) that is defined in the general risks policy. This dashboard, displaying the major indicators of the main risks, is submitted to and reviewed by the Executive Board and Board of Directors at least once a year. In 2023, no “major concern” was identified.

While the “major concerns” listed are shared with BCGE France, the French subsidiary’s risk governance is nonetheless quite distinct from that of the parent company.

2.2. System for combating corruption

The Bank applies a known and accepted definition of corruption, namely “the abuse of entrusted power for private gain¹”. Conflict-of-interest situations may arise between the Bank’s own interests and those of its stakeholders. In order to prevent such situations, the Bank draws on its guiding ethical and normative principles and frames the management of conflicts of interest within internal directives that set organisational rules and measures to detect, prevent, limit or resolve conflict-of-interest situations. Moreover, these directives aim to make concrete and explain the law, which is applied to all the Bank’s staff in all circumstances. Independent checks are performed by specialised entities and periodically by internal audit as part of its duties. Using these means, the Executive Board and the Board of Directors ensure that conflicts of interest are prevented and managed.

In particular, internal directives focus on the correct application of the rules of conduct defined in the legislation and regulations. The use of insider information about the Bank or its clients or third parties for personal use or for the benefit of third parties is strictly prohibited. The management and organisational regulations set the rules to prevent conflicts of interest for the members of the Board of Directors. The staff regulations supplement employees’ obligations as regards executing their own transactions. Where there is a conflict of interest, or the risk of one arising, staff members must inform the head of their division.

The Bank has implemented an effective risk management system regarding money-laundering law and for checking transactions, including those within the sanctions framework. These systems are also fully applicable to staff. There is also a specialised unit, supported by a compliance specialist, to deal with staff matters, with a greater degree of confidentiality. Specific

¹ Transparency International. *Prévention et lutte contre la corruption, guide à l’usage des PME Suisses* (2021), p. 7 (Transparency International, *Prévention de la corruption dans les PME – guide à l’usage des PME.pdf*).

measures are applied in connection with breaches of stock-market rules. To this end, the Bank has ruled that there are periods in which staff with access to sensitive data may not execute securities transactions. Periodic checks are carried out in this respect. Where unusual transactions by staff members are thought to have occurred, the head of Compliance is informed and intervenes personally to carry out investigations or other analyses.

Gifts and invitations must only be accepted within a clear and precise framework, and offering them must be subject to checks so as to avoid conflicts of interest. This is to ensure that these benefits comply with accepted custom and do not influence a business decision. In line with the recommendations of the national authorities and international organisations, BCGE has implemented guidelines that specify clearly and fully the circumstances in which a gift may be accepted. The Staff Regulations set these out in general terms. More detailed internal documents specify, in particular, that gifts must not exceed a value of CHF 300, and impose a complete ban on cash gifts. They also set out the procedure to be followed for declaring gifts or reporting when prohibited gifts are offered. Where these rules are infringed, the sanctions contained in the Staff Regulations shall apply.

Other activities carried out by staff are also subject to particular scrutiny, as stated in the guidelines in place. These activities must be declared and are subject to an authorisation procedure. Employees may not commit themselves to such an activity without the internal authorisations required. In particular, the Bank ensures through this process that the additional activity concerned entails no conflict of interest.

Moreover, for the sake of transparency and in order to avoid abuses, the Bank has implemented standards in respect of business travel and the reimbursement of associated expenses, as well as for business meals on or off its premises.

A donations policy also sets out rules for giving and the limits on amounts. Intended donations must always be communicated to the Board of Directors.

The various topics covered in this chapter are governed by a number of different provisions and internal directives. In order to achieve permanent improvements of its structures and its organisational framework, the Bank has decided to combine them within a code

of conduct, which will be realised in a new operational process. The work of drawing up the code has already started, and it is planned that the documents will enter into force during 2024. It will contain a description of measures for fighting corruption, particularly under the following main headings: visibility of the commitment by the Bank's highest organisational bodies to fighting corruption; identification of the sectors of risk; and implementation of the measures, including checking mechanisms.

Finally, the general purchasing conditions that the Bank's business partners must adopt have recently been updated, in order to reinforce consideration of social practices and the fight against corruption. These new general purchasing conditions will be signed by all the Bank's new service providers or agents as of 2024. The general purchasing conditions already signed by service providers or agents will be gradually replaced in the course of any future contract renewals².

By virtue of these measures, the Bank reduces its exposure to risks relating to conflicts of interest, or to private corruption.

In 2023, the Group did not identify any cases of active or passive corruption among its staff or business partners.

Similarly, BCGE France has, in addition to the legal provisions specific to France, its own distinct policy as regards conflicts of interest which sets out measures for preventing, detecting and managing such cases. In particular, BCGE France has implemented measures to encompass the following: variable staff remuneration; personal transactions by staff subject to potential conflicts of interest; gifts and donations; the launch and marketing of products and services.

² This does not apply to BCGE France.

2.3. Regulatory system for client complaints and whistleblowers

Client complaints

If clients are dissatisfied with the Bank's services, they can report their experiences and complaints to their main adviser. The Bank is scrupulous in dealing with complaints, doing so within a well-defined framework and with all necessary diligence. The Executive Board is regularly informed as to the type and number of complaints lodged by our clients. As the Bank is a member of the Swiss Bankers Association (SBA), clients may also forward their questions and claims to the Swiss Banking Ombudsman, who acts as an information point and mediator between banks and their clients.

1,063 complaints were recorded during the year, for a total number of clients of 250,447 as at 31.12.2023. 805 of these complaints were deemed justified, i.e. a 6.8% decrease from the previous year (total clients having increased by 2.5% in 2023).

There is also a system allowing a complaint to be lodged with BCGE France. Clients may lodge their complaint with their adviser or submit it in writing to the registered office of BCGE France, which is a member of the mediation body of the French Banking Federation. The system is described in detail online.

Protection of whistleblowers

BCGE protects whistleblowers acting in good faith, in order to promptly shut down any irregularities, save effort and avoid any reputational damage. Employees may access their line management, the Compliance department, the Risk business unit or Internal Audit. An internal directive has recently been produced describing the whistleblowing system, specifying the rules for reporting and dealing with cases confidentially, in order to protect the employee from any risk of reprisals. An external and confidential mediation service has been in place for several years, which an employee may make use of at any time to express their disquiet. In general, there has been an improvement of internal awareness in this respect compared to 2022.

In 2023, there were no cases of whistleblowing at the Bank.

In terms of monitoring at Group level, the Bank checks that its French subsidiary has also implemented an effective whistleblowing system. BCGE France has also taken action to ensure a complete procedure in this respect.

2.4. Client data protection and cybercrime

The new, completely revised, Federal Act on Data Protection (LPD), entered into force on 1 September 2023, along with the related Ordinance on Data Protection (OPDo) and the Ordinance on Certification in Matters of Data Protection (OCPD).

The new data protection law now applies exclusively to the processing of personal data of natural persons and introduces several innovations inspired by the European regulation (GDPR¹), such as the obligation to respect principles of data protection by design and by default.

According to the first of these principles, the person responsible for the processing is required, as of the start of processing to implement technical and organisational measures that adhere to data protection rules.

By virtue of the principle of data protection by default, the person responsible for processing is required to guarantee, by means of appropriate settings, that the processing of the personal data is limited to the minimum required by the intended purpose, provided that the person concerned does not decide otherwise.

Other general data processing principles stem from the Data Processing Act (particularly lawfulness, good faith, proportionality, transparency, respect for processing purposes, security and data accuracy) and must be observed.

When the processing envisaged is liable to pose a high risk to the personality or fundamental rights of the person concerned, the data processing manager must then carry out an impact assessment in respect of personal data protection. Such risks exist in particular in the case of processing of large-scale sensitive data. The impact analysis contains a description of the processing envisaged, an assessment of the risks for the personality or fundamental rights of the person concerned, as well as the measures planned to protect his or her personality and fundamental rights.

¹ General Data Protection Regulation of the European Union.

The new Data Protection Act also provides for considerable strengthening of the powers of the Federal Data Protection and Information Commissioner (FDPIC), with a requirement that the Commissioner be informed of breaches of data security likely to lead to a high risk for the personality or fundamental rights of the persons concerned. The new Data Protection Act provides for specific rules in respect of automated individual decisions (AID), profiling, portability of data, processing by processors or cross-border communication of personal data. Requirements as regards informing persons concerned and sanctions have been increased.

As a result, internal regulations as regards data protection have been completely reviewed. The principles embodied in them are intended to become a minimum standard within the BCGE Group, subject to local constraints and specificities that apply, in particular, to the Group's entities abroad. These entities rely mainly on local legal advice, or have their own data protection officer, when this is justified, as in the case with the French banking subsidiary.

The Bank publishes and updates on its website² a notice regarding data protection and the processing of its clients' personal data. This document, which is linked to its general conditions, describes the principles applied by the Bank and sets out personal rights in this respect (right of access to personal data, right to rectification when it is inaccurate or incomplete, right to oppose its use for marketing purposes, etc.). Internally, the protection of employees' personal data is described in a specific annex to the staff regulations. The above-mentioned client notice and employee annex invite the persons concerned to contact the Bank via a dedicated email address to obtain any information that they may require in respect of their personal data.

Within the Bank, governance in respect of data protection is set out in the Bank's internal directives. The "Data Protection" function, which is attached to the Legal department, advises and supports the Bank's various entities and staff in charge of processing personal data. It reports to the Personal Data Protection committee, which is composed of representatives of the main departments potentially concerned with this matter. The Personal Data Protection committee itself reports to the Executive Board, one of whose members, the head of the Legal and Compliance division, serves as Chairman of the committee. Internal governance also covers the other aspects of data protection (in particular AID, logging, impact assessment, client request processing, staff and authorities, incidents, maintaining the register of processing activities, and use of cookies).

The existing personal data register has been reviewed and will continue to be regularly updated on the basis of organisational changes within the Bank. This document describes the various processing activities, particularly from the point of view of data categories and persons concerned, the system used, the recipients of the data or the states concerned by possible cross-border transfers. The personal data processing register, now required by law, will thus facilitate the systematic application of the new requirements within the framework of the Bank's various internal processes.

With a view to data minimisation and data security, use of subcontractors is subject to additional due diligence, and solutions favouring anonymisation, pseudonymisation, data encryption are preferred whenever possible. In the framework of its digitalisation initiatives and in the same spirit, the Bank is currently revising its data retention policy. Personal data processing may be entrusted to a subcontractor to the extent that a contract or the law allows and the conditions set by the data protection act are respected, including in the case of cross-border transmission of personal data.

The Bank retains data for as long as necessary to achieve the aims for which it has been collected, or in order to comply with the legal obligations to which the Bank is subject. Consequently, it is for the manager responsible for processing to set the duration of retention and to define the operative deletion process.

² bcge.ch/en/protection-des-donnees

To complement an introductory presentation during their onboarding days, all new Bank employees were required to undertake the training completed by all the Bank's staff the previous year.¹ Refresher courses, as well as more specific inputs for certain units, are under consideration for 2024.

The IT Security unit is responsible for guaranteeing the confidentiality, integrity and availability of the Bank's IT system. The best security and cyber security practices are applied, in order to maintain an appropriate and optimised level of IT security in line with the demanding requirements of the financial sector. Regular revision of the system of standards and procedures allows the Bank to guarantee a high degree of security

Governance and principles of security

The IT security policy and concept underpin the global governance framework, the security principles and the various roles and responsibilities. The entities and persons involved are as follows:

- The Board of Directors.
- The Executive Board.
- The IT strategy committee.
- The IT security committee.
- The heads of departments concerned (e.g. IT, Risk).
- The staff.

The IT security policy and concept are translated into internal directives and the Staff Regulations. These directives concern the following main security areas in particular:

- Data security: document classification, application of need-to-know principle, management of electronic data life-cycle (storage, saving and disposal of data that has become obsolete) and prevention of data leaks.
- Access control: application of principle of least privilege using lists based on groups and access profiles, as they appear in the company directory and contained in the HR records; strong password policy, network and multifactor authentication.
- Machine security (endpoint): inventory management and update processes, restricted and controlled use of external peripherals, threat detection and prevention measures, restricted machine settings.
- Application security and resilience: central management of deployment and updates, continuity and security tests.

Monitoring and managing risks

Permanent monitoring of cyber threats, linked to diversified partnerships with cyber protection services and use of normative structural frameworks (ISO27k, Mitre Att&Ck, NIST) together underpin a plan encompassing cyber risk management and multilevel security. This covers the life-cycle of every infrastructure component. The system also features intrusion tests ("pen tests") that are regularly undertaken, both on applications with Internet exposure and on the Bank's internal components. Since 2019, the Security Operation Center (SOC) operates 24/7 surveillance of the Bank's infrastructure. In addition, the Bank is extending the surveillance perimeter regarding potential cases of cyber criminality.

Security and compliance developments

The Bank applies a continuous and evolving process to its surveillance and information security systems, in association with leading Swiss service providers and publishers. The critical function service providers produce annual and independent audit reports certifying their regulatory compliance and level of security.

Cyber security training

All new employees are required to take an e-learning course on cyber security. This training is given every two years to all staff. Raising the awareness of all employees improves the

¹ This does not apply to BCGE France.

Bank's ability to detect cyber threats. By means of regular simulated phishing tests, users' skills are maintained and reinforced, particularly as regards social engineering fraud, phishing and spearphishing.

Cyber defence exercise

In 2023, procedures in respect of cyber attacks and crisis organisation were successfully tested in a life-size exercise that required the application of major external resources and numerous employees over several days.

Cyber attacks in 2023

In 2023, in compliance with current regulations, the Group announced that no successful cyber attacks had occurred, nor had there been any leak, theft or loss of data.

2.5. Responsible purchasing²

BCGE Switzerland intends to apply its principles of social responsibility to its entire value chain. It constantly reinforces its responsible purchasing practices in relation to its suppliers. Its efforts in this direction are based on the fundamental principles of a responsible economic, social and environmental approach, by:

- Favouring local partners, i.e. those based in the Canton of Geneva.
- Combating unacceptable working conditions, such as all forms of forced labour, discrimination or pay inequality between men and women.
- Minimising the negative impact on the environment by preferring suppliers with the best practices in this respect.
- Favouring rigorous management of the quality and volume of purchases made, in order to reduce financial costs and energy and environmental impacts.
- Encouraging innovation.

The Bank has updated its general purchasing conditions in this respect; these will be applied to all new suppliers as of 2024. In doing so, it has strengthened its criteria as regards respect for the environment and social practices. In an internal administrative instruction concerning central purchasing and supplier selection, the Bank includes respect for environmental standards as one of its principal criteria. Regarding current service providers, the Bank will replace the general purchasing conditions already signed with new ones as contracts come up for renewal.

Apart from the labour regulations applicable in Switzerland, the Bank expects its service providers or agents to respect the fundamental standards contained in the conventions of the International Labour Organization (ILO), particularly those regarding elimination of child labour, abolition of forced labour, equal remuneration of men and women, and combating employment and professional discrimination.

² BCGE France does not have a responsible purchasing policy and does not depend on the parent company in this respect.

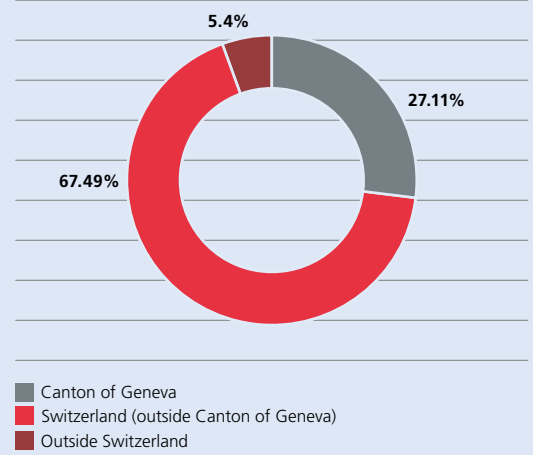
In terms of the fight against corruption, the Bank expects the service provider or agent to take all action necessary to avoid corruption and in particular to desist from offering gifts or financial advantages to the Bank's staff and their families.

If the service provider or agent violates any current laws in respect of environmental protection, fundamental ILO standards, or the fight against corruption, the Bank will have the right to break off business relations with them, without notice.

The latest tenders issued by BCGE's central purchasing unit included a request for three additional documents:

- A declaration on honour to adhere to legal provisions in respect of equality between women and men, particularly equal pay; by signing it, service providers also commit to verifying that their own subcontractors similarly adhere to them, if in that agreement, subcontractors are accepted.
- A detailed questionnaire to evaluate the service provider's contribution to sustainable development; a false submission (e.g. pretending to be certified when this is not the case) or the absence of required evidence may lead to the offer being excluded from the procedure; once the questionnaire has been completed, a rating is awarded to evaluate the candidate's profile.
- A form to declare on honour that the service provider commits to respecting the fundamental principles of ILO conventions including, among others, the abolition of child labour.

Breakdown of supplier expenditure



This procedure was directly inspired by practices applied in public tenders. It is to be extended to all the Bank's requests for tender and will be added to all the declarations required before any contract is signed. One of these declarations refers to "adherence to professional practices and fundamental worker protections" governing, for example, forced labour. This proof may be replaced by a commitment to respect these conditions made to the competent organisation at the place of execution of the contract. In Geneva, the competent organisation is the Cantonal Inspection and Workplace Relations department (OCIRT), which reserves the right to undertake an audit.

In 2024, the Bank's purchasing department intends to generalise these practices by formally issuing a responsible purchasing policy in line with the principles of the Bank's CSR initiative and the mission incumbent upon Banque Cantonale de Genève. It should be noted that 94.6% of expenditure on BCGE Switzerland's suppliers is located in Switzerland; 27.11% is directed to "local" suppliers operating in the Canton of Geneva.

Due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labour

Here we refer to companies whose registered office, central administration or main premises are located in Switzerland and which:

- Trade freely in Switzerland or process in Switzerland minerals or metals containing tin, tantalum, tungsten or gold coming from zones of conflict or high risk zones, or
- Offer goods or services for which there is well-founded suspicion of use of child labour.

These companies must, pursuant to Art. 964j CO, respect due diligence requirements in the supply chain and acknowledge this in a report.

Due diligence and transparency in relation to minerals and metals from conflict-affected areas

The concept of “trading freely in Switzerland” refers to the import of metals or minerals, while the concept of “processing” refers to a process of physical transformation or handling. The financing activities (including trade finance) undertaken by BCGE imply neither the import nor the physical transformation or manipulation of metals or minerals.

For BCGE, only transactions involving gold are relevant to the requirements of Art. 964j CO. Nonetheless, BCGE buys gold almost exclusively on the Swiss interbank market; the rest is bought (or repurchased) from clients on the understanding that in these cases the gold that is being transacted must in all cases be LBMA (London Bullion Market Association) certified. BCGE therefore neither freely trades nor processes in Switzerland minerals or metals containing gold. Consequently, it is not subject to the due diligence or reporting requirements pursuant to Art. 964j CO.

Moreover, the gold purchased by BCGE on the Swiss interbank market or from its clients is without exception LBMA-certified; this is considered sufficient, in that this certification corresponds to minimum OECD standards.

Due diligence and transparency in relation to child labour

In respect of child labour, companies are required to verify if there exists a well-founded suspicion of use of child labour, unless one of the exceptions contained in the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (ODiTr) applies to them.

According to Art. 7 ODiTr, companies with a low level of risk in relation to child labour are not required to verify if there exists a well-founded suspicion of use of child labour and are exempt from due diligence and the reporting requirement. The ordinance specifies that the risks are considered to be low when a company undertakes the following business in countries whose “due diligence response” is rated as “basic” in the UNICEF Children’s Rights in the Workplace Index:

- Purchases or manufactures products in accordance with the indication of origin;
- Primarily procures or provides services.

BCGE primarily procures services in countries whose “due diligence response” is rated as “basic” in the UNICEF Children’s Rights in the Workplace Index. Therefore it fulfils the exemptions pursuant to Art. 7 ODiTr and is not subject to the due diligence or reporting pursuant to Art. 964j CO.

Moreover, pursuant to Art. 7 (3) ODiTr, BCGE has documented the extent to which it has a low risk in relation to child labour.

3. Integrating ESG criteria into the four pillars of the business model

This section focuses on the interaction between the Bank's activities and the ecological and social environment. It provides details on how the Bank integrates non-financial matters within its business model. Environmental issues, particularly concerning climate, are of great importance. From 2025 (for financial year 2024), the climate will be the subject of a specific focus, in the form of a TCFD (Task Force on Climate-Related Financial Disclosures) report. For all of the non-financial issues considered, this section details BCGE's social responsibility in terms of the Bank's four pillars:

- The company.
- Financing the economy.
- Managing clients' financial assets.
- Financial investments on its own account.

Four areas of impact

The company	Financing the economy	Managing financial assets while heeding clients' wishes	Financial investments on its own account
<p>BCGE is an enterprise committed to reducing its direct environmental impact</p> <ul style="list-style-type: none"> • It has set a target of reducing its CO₂ emissions by 3% to 5% a year by 2030. • It wishes to approach carbon neutrality by 2030. • It was awarded the <i>Swiss Climate</i> CO₂ <i>Optimised</i> label in 2023 for its 2022 carbon audit. 	<p>In accordance with its mandate, BCGE is at the service of all companies without discrimination</p> <ul style="list-style-type: none"> • BCGE Switzerland undertook an initial assessment of the energy efficiency of its mortgage portfolio on the basis of a representative sample. • As Geneva's main provider of finance for housing, particularly social housing, the Bank is adapting its finance offering to facilitate the energy transition of the housing stock. • As a local pillar of financing for the public authorities and SMEs, the Bank maintains a dialogue with its clients about the energy transition through such events as "l'essentiel de la finance". • Providing finance to commercial import/export companies, including commodity trading companies, the Bank includes ESG criteria in its analysis of client companies when making lending decisions; it also applies an "energy transition" tool when analysing its "Energy" clients. 	<p>BCGE has been providing its clients with ESG investment solutions for over 20 years</p> <ul style="list-style-type: none"> • The Asset Management division is a signatory to the United Nations Principles for Responsible Investment (UNPRI). • The market offering is strengthened by its ability to respond to its clients' ESG preferences. • Continuing training in responsible investment (RI) is broadened for investment professionals. • The Bank manages CHF 2.6 billion incorporating ESG or responsible investment strategies (RI). 	<p>BCGE provides full disclosure as regards the ESG profile of its own financial investments</p> <ul style="list-style-type: none"> • Only 0.21% of all the assets under management is invested in the energy sector (oil and gas). • The Bank participated (as co-lead) in the city of Geneva's Swiss green bond issue in a total amount of CHF 140 million in November 2023. • The Bank also structured the Canton of Geneva's first socially responsible private placement of CHF 50 million in 2021.

3.1. Environmental impact of the Bank's operations

The Bank considers that minimising the environmental impact of its own operational activity is an important objective. There are two main reasons for this:

- An awareness of its impact on the environment and the duty incumbent upon it to minimise its effects.
- The opportunity to reduce its operating costs in the long term.

Management of greenhouse gas emissions

In 2022, in order to better control and manage its efforts to reduce its carbon footprint and resource consumption, the Bank once again commissioned the Swiss Climate company to undertake a carbon audit¹. This is the third time it has done so. The Bank plans to repeat the exercise regularly on an annual basis.

The aim of the report is to present in a detailed and transparent manner the audit of greenhouse gas emissions in line with the Swiss Climate CO₂ label, the ISO 14064-1 standard and the accounting principles of the Greenhouse Gas Protocol on which the label is based. To make the observations more readable and easier to understand, this report only uses the term "CO₂ emissions". However, other greenhouse gases targeted by the Kyoto Protocol (CH₄, N₂O, HFCs, PFCs, SF₆, NF₃) are also included; these are converted into CO₂ (CO₂e).²

By focusing on this carbon audit, BCGE seeks to progressively diminish its carbon footprint in all areas of the carbon audit.

In 2022, the Bank implemented a specific action plan to achieve carbon neutrality by 2030, by acting primarily on areas where CO₂ emissions can be significantly reduced. Areas affected by measures undertaken to diminish its footprint include the following:

- Improved energy efficiency management.
- Reduced energy consumption in the Bank's buildings

- Optimised work-related staff travel.
- Moderate use of recycled paper.
- Adoption of responsible waste management.

It should be noted that measures aimed at improving the energy efficiency of buildings have been implemented since 2009, in response to the Cantonal Energy Act; this requires consumers – including the Bank – to reduce their overall energy consumption by 20% between 2015 and 2025. Thanks to the efforts made by the Bank, this target was achieved in 2019.

For all these reasons, and after obtaining Swiss Climate's CO₂ Footprint label for the 2020 and 2021 audits, the Bank decided, in 2022, to aim for the Swiss Climate CO₂ Optimised label. This it obtained in December 2023. The requirements of the label are as follows:

- Analysis of the risks and opportunities brought about by climate change for all the Bank's activities (operational, financing, asset management for clients and proprietary management).
- Setting ambitious but realistic targets for reducing carbon emissions. Currently, these targets relate only to operational activities covered by the carbon audit.
- Determining measures to be implemented to attain targets set.

The "carbon" emissions reduction plan envisaged by the Bank with the aim of approaching carbon neutrality by 2030 is perfectly compatible with the requirements of the "Certified CO₂ Optimised by Swiss Climate" label. The reduction targets are within a range of 3% to 5% annually by 2030. 2022 is considered the base year for the following reasons:

- Over the three years in which the carbon audit has been carried out (2020, 2021 and 2022), it is the only economically "normal" year not impacted by an extraordinary event such as Covid-19.
- With the third of the audits complete, BCGE now has confidence in the quality of the data produced over all three years.

¹ Due to data collection constraints, the carbon audit reported on in this 2023 CSR Report refers to 2022. We therefore refer to the 2022 carbon audit.

² CO₂e or CO₂-eq. = equivalent CO₂. Each greenhouse gas may be converted to carbon dioxide (CO₂) to assess its effect on the climate.

In 2030, the Bank will evaluate the extent to which its emissions can no longer be reduced and will keep in mind the possibility, if transparency conditions allow, of compensation solutions.



In 2023, the Bank was awarded the Swiss Climate CO₂ Optimised label for its 2022 carbon audit for the first time. This is presented to companies which pursue a global climate strategy policy (comprising a CO₂ audit, an emissions reduction target, implementation of ambitious emission reduction targets, a document explaining climate policy and an analysis of climate-related risks and opportunities). The Swiss Climate label has been recognised by PUSCH¹ (the Swiss practical environmental foundation) as being the best in the area of climate protection. It is also validated by an independent auditor and adheres to the ISO 14064-1 and Greenhouse Gas Protocol international standards, guaranteeing its traceability and independence.

Governance

At the end of each carbon audit, a restitution meeting is held, attended by the representatives of Swiss Climate, the Chairman of the EERP committee (the general director of the Asset Management division), the director of Human Resources, the CSR manager and representatives of the Operations division. At this meeting, the audit is analysed on the basis of the measures implemented. Discussions are then held to consider ways to pursue and further improve the reduction of the Bank's carbon footprint in future years. Carrying out a carbon audit thus offers the opportunity to evaluate, completely transparently, the effectiveness of the measures undertaken to reduce emissions.

Results of the carbon audit

In order to make 2022 a reliable baseline year, a critical eye was applied to the 2020 and 2021 audits before processing the 2022 audit. This preliminary analysis revealed three evaluation errors perpetuated year after year. These impacted the following categories:

- Heating: for a number of buildings owned by the Bank, the volume of CO₂ emissions previously reported related to the buildings in their entirety, whereas the Bank occupied only a part of them³.

Scope	Emissions (tCO ₂)			Change compared to 2021
	2022	2021	2020	
Commuter journeys	701	662	710	
Heating	475	530	629	
IT equipment	318	308	303	
Business travel	256	117	89	
Food services	103	116	157	
Paper and printing	100	84	173	
Shipments	41	48	48	
Waste	25	25	14	
Electricity consumption	16	17	17	
Chemicals	9.60	9.70	0	
Water	3.70	8.20	8	
Transport	1.30	1.20	1.20	
Supplies and materials	0.50	0.60	0.60	
Refrigerant fluids	0	0	0.60	
Total emissions	2,051	1,925	2,151	+6.50%
FTE²	797.15	761.60	739.35	+4.70%
Intensity of greenhouse gas emissions	2.57	2.53	2.90	+1.60%

Source: Swiss Climate

¹ Pusch is committed to conservation of the environment, the sustainable use of resources, and to richly biodiverse habitats. pusch.ch/fr/pusch-en-bref

² Full-time equivalent – Data at 31.12.2023.

³ The volume of CO₂ emissions reported changes from 769 tCO₂ to 629 tCO₂ for 2020 and from 610 tCO₂ to 530 tCO₂ for 2021.

- IT equipment: the emission factor applied to the servers was revised upwards, thereby increasing the volume of CO₂ emissions initially estimated⁴.
- Transport⁵: this category generates only 1.2 tonnes of CO₂ (tCO₂) rather than the 294 tCO₂ counted initially.

The 2022 audit shows total emissions of 2,051 tCO₂ i.e. an increase of 6.5% compared with the 2021 audit.

Total emissions increased by 6.5% (+126 tCO₂) compared with 2021. CO₂ emissions linked to heating again fell significantly (-10.4%, -55 tCO₂). But this effort made by the Bank is more than made up for by:

- An increase in CO₂ emissions from the biggest emitter: commuter journeys (+5.9%, +39 tCO₂)
- An increase in CO₂ emissions linked to business travel (+118.8%, +139 tCO₂)

These increases are a consequence of the resumption of business activity after the lifting of Covid-19 restrictions in 2022.

However, carbon intensity per employee increased only by 1.58% (+0.04 tCO₂/FTE) compared with 2021.

Through its social responsibility initiative, BCGE contributes to the pursuit of the following sustainable development goals:

Every year, BCGE undertakes a carbon audit of its operational activities, with the aim of reducing its carbon impact by 3% to 5% a year by 2030. It is therefore in line with the thirteenth of the United Nations sustainable development goals.

BCGE is constantly seeking to improve the energy efficiency of the buildings it owns, through its preference for clean forms of energy. It is therefore in line with the seventh of the United Nations sustainable development goals.

Commuter journeys

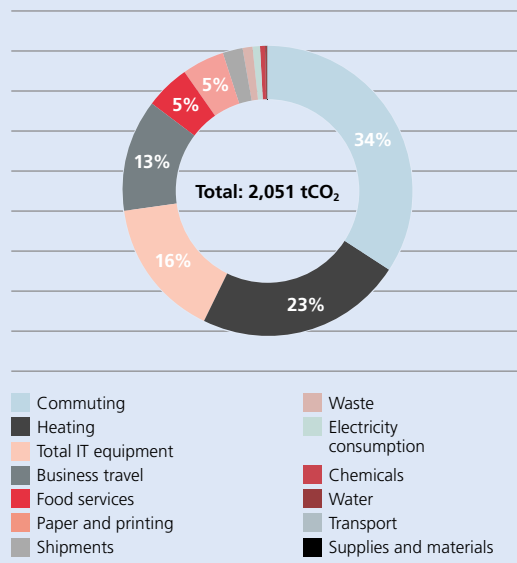
At 701 tCO₂, commuter journeys, from home to place of work, were the greatest source of emissions in the Bank's 2022 CO₂ audit, representing 34% of total emissions. Emissions generated saw an increase of 5.9% compared with 2021 (+39 tCO₂). This increase is attributed to the lifting of Covid-19 restrictions in 2022.

The Bank encourages the use of public transport by providing staff with a TPG (Geneva public transport) season ticket together with an incentive allowance. 27% of staff working in Geneva benefit from this perk, at a total cost of CHF 195,030, which is entirely covered by the Bank. Special conditions are offered to staff at sites outside Geneva. Through an incentive policy, the Bank recommends that its employees, when travelling on business, take trains and other public transport as much as possible. In 2023, the Bank increased the number of bicycle parking spaces available and should continue to do so in 2024.

Flexibility among modes of transport is a long-term objective, in order to encourage climate-friendly mobility and reduce the use of private vehicles, so that these are only used when strictly necessary. For example, since 2022 it has been possible to book a BCGE parking space invoiced on a one-day basis (rather than on the previous season-ticket basis).

BCGE's CO₂ Footprint

2022



⁴ The volume of CO₂ emissions reported changes from 212 tCO₂ to 303 tCO₂ for 2020 and from 217 tCO₂ to 308 tCO₂ for 2021.

⁵ Utility vehicles belonging to the company ISS, deployed to transport mail and waste.

It should be noted, however, that the Bank has a limited influence on this category, to the extent that employees are free to choose their means of transport. Comfort and safety have an impact on health and individual psychology, and so the matter is up to each individual staff member.

With the highest density of branches in the Canton of Geneva (21), the Bank has prioritised its geographical proximity to clients, so that they can keep their car journeys to a minimum and use the public transport links connecting all the Group's branches. Thus, commuter journeys are partly compensated by the proximity to its clients that the Bank wishes to promote.

Buildings: heating and electricity consumption and energy efficiency

Producing 475 tCO₂, heating was the second biggest source of emissions in BCGE's 2022 CO₂ audit, representing 23% of total emissions. Emissions linked to heating saw a decrease of 10.4% compared with 2021 (-55 tCO₂). This is mainly due to the change in the type of heating operating at the Quai de l'Île head office.

The share of renewable energy was 27% in 2022. This improvement is a result of the efforts made to transform and renovate the Bank's premises, operated in a cost-effective, ecological way, in cooperation with the cantonal authorities, architects and engineering firms. Consequently, fossil fuel consumption decreased (-12.5% for oil and -49.6% for natural gas) compared with last year, in favour of transition-oriented energies. The share of fossil fuels (oil + natural gas + mixed electricity

consumption) decreased during 2022, from 33.97% to 24.58%. Over the same period, total energy consumption fell by 4.5% and energy intensity by 8.8%.

The Bank uses electricity produced in an environmentally respectful way, entirely generated from hydropower in Switzerland, and provided by its current supplier, SIG (*Services Industriels de Genève*). When modernising its facilities, the Bank implements energy efficiency measures and systematically seeks to implement eco-efficient solutions. Since 2009, BCGE has been working to improve the energy efficiency of its 21 branches and two main sites (Quai de l'Île and Lancy). These constant energy optimisation measures, generating savings of 130.7%, have thus allowed it to surpass the canton's objective of 120% overall energy savings over the 2015-2025 period.

The Bank is pursuing its project of modernising the technical infrastructure of the Île building (located at Quai de l'Île 17 in Geneva), specifically the power supply and heating / ventilation / air conditioning (HVAC). After undertaking a variety of studies, it decided in 2017 to link its Île building to the GeniLac® ecological thermal network. This solution is 100% renewable and local, and does not generate any greenhouse gases. It has been developed by SIG and uses the water from Lake Geneva and 100% renewable electricity. The Bank is also taking advantage of this project to upgrade the building's insulation, to install solar panels on the roof and to completely refurbish its main branch at Île, the client meeting rooms and the work spaces.

Energy consumption (in kWh)	2022	2021	2020	Change compared with previous year
Fuel oil	845,282	966,288	975,554	-12.5%
Natural gas	483,953	960,659	1,365,458	-49.6%
Mixed electricity consumption	7,853	8,326		-5.7%
District heating	604,759	320,658	20,599	+88.6%
District cooling	366,912	138,270		+165.3%
Electrical heat pump	69,939	44,890		+55.8%
Electricity consumption, 100% renewable	3,060,572	3,257,403	3,339,209	-6.0%
Total energy consumption	5,439,270	5,696,494	5,700,820	-4.5%
FTE	797.15	761.6	739.35	+4.7%
Energy intensity	6,823	7,480	7,711	-8.8%

Source: Swiss Climate

SIG Energy Transition prize

In 2022, BCGE received the SIG Energy Transition trophy for its energy optimisation measures and systematic research into eco-efficient solutions, such as:

- Use of 100% electricity from hydropower, produced in Switzerland.
- Linking the BCGE head office to the GeniLac[®] network.
- Its participation in SIG's *Ambition Négawatt Vision*² programme and obtaining the SIG-éco21³ certificate.

At the same time, the Bank is continuing to renovate its branches in the Canton of Geneva. This renovation programme systematically includes optimisation of the HVAC (heating / ventilation / air conditioning) facilities when the Bank owns the property:

- 2023: partial renovation of the Vernier branch with upgrade of the HVAC system.
- 2024: complete renovation of the Plainpalais branch.

Green IT and energy performance

At 318 tCO₂, emissions generated by the "IT equipment" category remain at a relatively stable level. The Bank, which has adhered to the principle of "green IT" since 2011, is improving the energy performance of its computer hardware. When it has to choose new equipment, the Bank takes decisions based on economic and environmental criteria. Continuous renewal of all IT infrastructure enables access to the latest technology (virtualisation, centralised storage, shared computer capacity, the cloud⁴), while ensuring compliance with future environmental standards for data centres. Mindful of the need for simplification and optimisation, the Bank has chosen to host the majority of its IT infrastructure in external data centres, thus enabling it to reduce electricity consumption and heat generation. At the same time, the Bank is continuing to extend use of its collaboration tools (including video conferencing), in particular with its more distant sites. The aim is to foster staff communication, while reducing business travel.



Transport (material)

The category comprises three internal combustion vehicles and one electric vehicle. The internal combustion vehicles generate up to 99% of the transport emissions. Most internal mail deliveries are made by a service provider who is asked to use vehicles in the least polluting category of the Euro⁵ N5 standard. To assist in technical maintenance operations in its various buildings, the Bank possesses a 100% electric utility vehicle.

Waste management

Within the ambit of recycling, the Bank's facilities management pursues its mission responsibly, by centralising and sorting business consumables (paper, used ink cartridges, IT components) on the Bank's premises. Staff contribute by disposing of personal waste (batteries, plastics, aluminium) at dedicated collection points. Each employee has two waste bins, one for paper, the other for non-recyclable waste. Since 2019, the Bank has recycled its coffee capsules.

¹ sig-ge.ch/actualites/genilac-le-plus-grand-reseau-thermique-ecologique.

² sig-ge.ch/index.php/entreprises/optimisation-energetique-et-environnementale/eco21-entreprises/ambition-negawatt.

³ sig-ge.ch/a-propos-de-sig/nous-connaître/le-programme-eco21.

⁴ Cloud computing refers to the use of remote servers hosted on the internet to store, manage and process data rather than a local server or a personal computer (source: Wikipedia).

⁵ admin.ch/gov/en/accueil/documentation/communiqués/msg-id-28796.html

Bike to work

In spring 2023, the Bank participated in the sixth “Bike to work” challenge, a national event to promote health in the workplace. Fifty-four Bank employees, divided into 14 teams, went to work by bike during May and June. In so doing, they covered 23,672 km, which the organisers say led to a reduction of 3,409 kg of CO₂ (“We do not calculate the savings but the equivalence, i.e. we look at the quantity of CO₂ that would have been produced if the kilometres cycled had been done in a car emitting 144g/km of CO₂.”, Bike to work). Keen to promote environmentally friendly mobility, the Bank has taken part in this national PRO VELO Suisse event since 2017.

Genève Région Terre Avenir

The Bank’s staff restaurant chose its service provider, Eldora, on the basis of its environmentally responsible positioning. The company selects suppliers as far as possible according to the tenets of GRTA (*Genève Région Terre Avenir*, or “Geneva region, land of the future”). This label emphasises:

- The quality of the products selected, which exclude any genetically modified ingredients.
- Local suppliers, by preferring short supply chains, thereby reducing its transport-related carbon footprint.
- Traceability, by processing the product as little as possible between the producer and the plate.
- Fairness, by guaranteeing working conditions respecting the collective agreements for farmers.
- Doing business locally, in the interests of the producer and consumer, is one of the commitments the service provider has to make.

Moreover, since 2019, the Bank has used, for its takeaway offering, the reCIRCLE system (supplied by a Berne-based company which provides an ecological alternative to disposable crockery and cutlery). No single-use products have been used in catering areas since the end of 2022.

3.2. Lending to companies and individuals

Integration of ESG criteria in financing activities was pursued in 2023. This initiative mainly aims at reinforcing BCGE’s contribution to combating climate risks¹, which constitutes one of the two aspects of its Ethical And Environmental Responsibility Policy. It also recognises that the growing impact of climate risks requires that they be dealt with specifically. The Bank also takes into account the entry into force on 1 January 2024 of the implementing ordinance on climate disclosures. The Bank is taking the necessary steps to facilitate application of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

To respond to these recommendations, it has drawn up a plan of action with the aim of laying the foundations of its climate strategy: one of the four pillars of the TCFD. Its purpose is to define, in accordance with the implementing ordinance on climate disclosures, “**a transition plan that is comparable with Swiss climate goals**”. This action plan is based on the three other pillars of the TCFD: governance, management of climate risk, and use of relevant indicators (metrics) and realistic objectives. The action plan applies to the BCGE Group as a whole. It takes account both of the regulatory requirements in force in Switzerland and of the European (SFDR) and French (Law on Climate and Energy) regulations that apply to the BCGE France subsidiary. Currently, the action plan is applied in a differentiated manner to the Bank’s business lines. But its objective remains the same: to reduce climate risks, their impact on the company, and to implement the applicable regulations.

As regards BCGE France, no ESG criteria have currently been formally included in its lending policy.

¹ Physical risks, transition risks and regulatory risks.

3.2.1. Actions taken to help combat climate risks

The effectiveness of the action plan is based on the following three fundamental pillars:

- **Governance**, which ensures that the issue of climate in all its aspects is followed through at every level.
- **Climate risk management**, which has the function of understanding the impact of climate risk factors on all the Bank's business lines.
- **Relevant indicators (metrics) and realistic objectives** that allow the company's impacts on the climate to be reduced and contribute to a healthy environment.

Governance of climate issues

See section 2.1, pages 8 and 9.

Management of climate risk

BCGE's approach involves aiming to map its climate risks, gradually and by focusing initially on its main activities², with the ultimate goal of integrating such climate risks in the Bank's general risk policy by December 2024. According to the terms defined by FINMA, these risks are perceived as being risk factors with a potential impact on classic banking risks. As regards the approach adopted for preventing and managing these risk factors, BCGE relies both on the TCFD recommendations and on the FINMA circular 2016/1 "Disclosure – Bank" on monitoring climate-related financial risks. These risks and opportunities are analysed in a differentiated manner taking account of the specificities of each business line. Nonetheless, the objective remains the same: to understand the impact of climate risk on all the Bank's activities and, as far as possible, the impact of its activities on the ecological and social environment. In order to align itself with the regulatory constraints and to apply relevant practices, BCGE has appointed an external partner to prepare a roadmap detailing the action necessary. This roadmap should be delivered at the end of March 2024.

Relevant indicators (metrics) and realistic objectives

Implementation of the action plan is based on three main factors:

- The Bank must have access to reliable data allowing it to assess the climate profile³ of its activities.
- The Bank must be sure of the quality and relevance of its climate indicators. BCGE wishes to analyse, understand and disclose the underlying evaluation models and thus be sure that they are reliable.
- The Bank intends to set realistic transition objectives that do not impair its development and are in line with the expectations formulated by the regulator.

The Bank's approach is based on a general principle of prudence. It sees this as a principle of responsibility that it needs to preserve in its transparent approach. The Bank always takes care to ensure that actions in line with its objectives do not compromise its mission as defined in the Banque Cantonale de Genève Act of 24 June 1993⁴.

² Operational activities, mortgage financing activities and client asset management activities.

³ Analysing the climate profile of an asset comprises, among other things, demonstrating its exposure to fossil fuels, evaluating the carbon emissions generated (carbon intensity and absolute emissions) and/or, if necessary, publishing energy efficiency indicators in order to understand the impact of climate risk factors and adjust climate strategy.

⁴ [bcege.ch/en/organisation](https://www.bcege.ch/en/organisation) > Regulatory framework > Law on BCGE

3.2.2. A Group-wide climate action plan

Increasing expectations as regards inclusion of non-financial matters in companies' business models are intensifying under the influence of regulation, with the introduction of Title 32 on business accounting in Chapter VI of the Code of Obligations, entitled "Transparency on non-financial matters". These Articles entered into force on 1 January 2022. The Bank wishes to apply this requirement on a Group basis and integrate its French subsidiary BCGE France in its thinking. The same approach is expected on the climate question in the context of the entry into force of the implementing ordinance on climate disclosures. The Bank has therefore taken all necessary measures to anticipate these requirements. This is particularly true in the sense that two main factors justify that it should adopt today a detailed plan of action in this document:

- The criteria relating to the award of the certified "CO₂ Optimised by Swiss Climate" label for carrying out the carbon audit of its business.
- Application of Art. 29 of the French Law on Climate and Energy and the European regulatory framework on sustainable finance to which the BCGE France subsidiary is subject.

These two factors therefore appear as the precursors of future expectations as formulated in Swiss regulations.

3.2.3. Integrating ESG risks, and climate risks in particular, in the business of financing the economy¹

BCGE's financing activities are divided into three categories:

- Property financing.
- Financing of SMEs and large companies.
- Trade financing.

The approach to integrating ESG risks, and particularly climate risk, pursues two main objectives:

- Understanding the exposure of the Bank's financing portfolio to climate risks and integrating them into the lending process (risk management approach).
- Possessing tools in order to better guide clients on the energy transition pathway (opportunity management approach).

¹ The contents of this section apply only to BCGE Switzerland.

² This register references, among other things, type of heating, year of construction, type of property, habitable area, of the property in question.

Property financing

Risk management approach

Since late 2021, BCGE has been studying the possibility of analysing its portfolio's climate profile. Until then, it had judged such an initiative to be premature, given the lack of reliable data and methodologies. In the space of a year, however, it has seen a significant improvement in the quality of current evaluation methodologies. This was facilitated by improved access to real estate data. The improvement was mainly due to the following factors:

- Intervention by the regulator enabling free access to the RegBL (Registre du Bâtiment et du Logement / Building and Housing Register) database².
- The data enhancement methods applied by a number of companies specialising in the climate evaluation of property portfolios; these methods make it possible to supplement and update information required for such evaluation.

BCGE decided to submit a portfolio of 139 properties, representative of its overall portfolio, to its partner CIFI SA, which specialises in Swiss real estate. This portfolio comprises 37 detached houses, 65 condominiums and 37 apartment buildings. The main aim was to determine the energy efficiency of this sample. The test was returned in October 2023.

The methodology applied by CIFI SA was in several stages:

1. **Analysis of the quality of the data submitted:** of the 139 properties, 133 were located (95.7%).
2. **Data enhancement:** thanks to the access to the RegBL and CIFI's data enhancement method, it was possible to complete the information in respect of construction date or type of heating for 131 properties.

- 3. Evaluation of the portfolio's climate profile:** the analysis carried out by CIFI enabled the following results to be generated for both the chosen sample and for the types of properties which it comprises:
- Energy requirement per annum expressed as kWh/m².
 - The energy rating.
 - The CO₂ emissions per year expressed as kg/m².
 - The CO₂ rating.

In 2024, BCGE should extend the climate profile analysis to the entire mortgage portfolio in order to refine its approach.

On the basis of the results obtained, it will set realistic transition objectives, which will be a function of the instruments available to it and the incentives offered by the regulatory framework in force.

Opportunity management approach

Applying SBA guidelines, the Bank makes owners of detached houses aware of the energy challenges that are liable to impact the value of their properties. To this end, it invites owners of detached houses to make a precise assessment of their building, evaluate the renovation costs, and to inform themselves both about the financial possibilities (grants, tax rebates and bank financing) and their legal obligations. It also encourages them to consider the climate risks (direct damage, natural phenomena such as hail, fire etc.) and energy risks (shortages, price fluctuations etc.).

BCGE has thus adapted its standard property financing offering to enable its clients to move towards a better energy transition and compliance³. For this, it offers two financing products.

- **The Energy Efficiency Renovation Loan:** this is an economical, simple and rapid solution to finance renovation work or installation of high-performance energy equipment such as solar panels, modernising heating or hot water systems, renovating the building envelope or replacing interior fittings.⁴

- **Its mortgage loans for improving energy efficiency:** for all very high⁵ or high⁶ energy performance renovations (including Minergie^{®7}); clients with a BCGE mortgage benefit from an accelerated process allowing them to finance all the work on the basis of a CECB+⁸.

Financing of SMEs and large companies

The Bank's SME and large company clients also face non-financial challenges, in particular those associated with the energy transition. All the more so as the real estate sector represents around 76.5% of outstanding loans (as represented by the "Property and Construction" and "Public Authorities" clients). Nearly 61% of these loans are located almost entirely in the Canton of Geneva and are thus subject to the "Plan directeur cantonal 2030" (PDCn), an essential instrument of Geneva's environmental transition. BCGE is therefore conscious of the importance of guiding its clients through this energy transition. It made this one of the major themes of the "essentiel de la finance" event organised in September 2023 for the benefit of real estate professionals.

In accordance with its mandate, the Bank is at the service of all businesses. It does not discriminate in the granting of credit or in its conditions. It does, however, have a system for gauging the degree of environmental risk – climate risk, in particular – to assess possible financial materiality as regards its financing portfolio as a whole. The objective of this system is:

- To strengthen the decision-making process for the granting of credit by including non-financial criteria, in particular climate-related criteria.
- To equip the Bank with an objective and pragmatic tool to better guide the client in the energy transition.

³ bcge.ch/en/bcge-partenaire-de-votre-efficience-energetique

⁴ bcge.ch/en/credit-renovation-energetique

⁵ THPE: *Très Haute Performance Energétique* (Very High Energy Performance).

⁶ HPE: *Haute Performance Energétique* (High Energy Performance).

⁷ Minergie[®] is a quality label for new or renovated buildings that comply with certain criteria to limit their environmental impact and for minimum energy consumption.

⁸ bcge.ch/en/pret-hypothecaire-renovation-energetique

Is becoming more energy efficient a strategic goal for businesses?

Energy production and management is an opportunity for businesses to strengthen their competitive positioning, mitigate risks (price, supply, workforce, etc.) and face up to the constraints of the energy transition. All by transforming their conception of energy productivity and consumption.

- What influence do geopolitics and access to fossil and renewable energy have on companies and consumers?
- Why is energy management important for companies? ■



© MyImage

The geopolitics of the world of energy.

(in French only)
Laurent Horvath,
Geeconomist in
energies and
Founder of
2000Watts.org



Systemic analysis as an aid to decision-making.

(in French only)
Thomas Norway,
Expert in
energy systems.



Energy reengineering, a user's manual.

(in French only)
Olivier Epelly, Co-director of
the CAS in Energy Strategy
and Management, University
of Geneva, Head of the
Energy Strategy Consultancy
Department,
Amstein+Walthert
Geneva.



The importance of energy for growing vegetables.

(in French only)
Alexandre Cudet,
Market gardener and
co-director, *Les Serres des
Marais*, Chairman of the
Board of Directors,
Union Maraîchère
Genève.



The Bank is studying the possibility of submitting its SME and large company financing portfolio to an analysis of its climate profile, in order to evaluate the efforts made towards this transition and to guide them more effectively. As mentioned in section 3.2.1., the reliability of the climate assessment of a financing portfolio depends, on the one hand, on the quality and relevance of the available data, and on the other hand on the reliability of the underlying evaluation methodology. Currently, however, these two sets of conditions are not completely fulfilled in the case of unlisted companies. Consequently, the Bank is studying solutions offered on the market to help deal with this constraint. Methodologies currently on the market may help to make up for the possible absence of data by use of one or the other of the two following approaches, or a combination of them:

- Sending out a detailed or targeted (optional) questionnaire.
- Undertaking a sector analysis of the portfolio and applying a statistical ratio based on a pool of "benchmark" companies.

In 2024, BCGE will decide on the relevance of integrating its portfolio of unlisted companies within the area of its business subject to climate transition objectives. Its decision will depend on the reliability of the evaluation tools at its disposal.

Trade financing

Switzerland is the world's leading centre of international commodity trading. The sector is largely based in the Lake Geneva region, mainly in Geneva itself. It accounts for 4% of Switzerland's GDP, and directly provides about 10,000 jobs. Switzerland has about 550 companies which contribute significantly to the prosperity of the region, including through tax payments.

As part of its mission to support the economy, the Bank works with international commodity trade companies in such diverse sectors as energy, chemicals, gas, steel, industrial metals, and agricultural products such as cereals, coffee and sugar. The business mainly comprises short-term transaction financing of cargoes of raw materials moving from a producer country to a consumer country, thus actively meeting the needs of the real economy by enabling a constant supply of basic resources and thus fostering price stability.

The Bank also supports commodities traders with longer term financing, for periods of over one year, through, for example, cash flow support, and funding for the construction of logistics and industrial facilities.

The Bank employs a team of 60 specialists in this area, within a dedicated business unit that was established over 20 years ago. Apart from guiding companies as they develop, the unit constantly evaluates the fundamentals of and changes in the international trading sector. This enables it to respond as precisely as possible to the evolving needs of the local economic fabric and provide appropriate risk management, particularly through increased business diversification.

Since 2012, lending decisions have integrated material selective sustainability criteria in the analysis of client companies in terms of commodities (human rights, environment, labour conditions, fair practices). The criteria are based on standard ISO 26000 "Social Responsibility" and the principles of the Global Compact¹. This non-financial review makes it possible, firstly, to grasp the challenges inherent in traders' activities and, secondly, to analyse a company's exposure to these criteria in its markets, its history and its pre-emptive or compensatory action undertaken in this area. Conducted annually, the review enables the Bank to monitor developments of particular points and the advances made by each company in terms of sustainability.

The assessment uses a standard methodology and its conclusions are independently checked by a dedicated lending review team.

Loans in this sector are all treated in a similar manner, through a process which may comprise up to seven levels of decision-making, with reference to either financial or non-financial factors.

As part of its mission of supporting the economy, diversifying its risks and anticipating changes in the commodities sector, the business line has been significantly extended in the last ten years to include the financing of metals associated with the energy transition and electrification, addressing the challenges faced by companies today.

In 2023, the Bank implemented an additional evaluation of the energy transition process of energy trading companies. In particular, this examines the existence and quality of a transition strategy and how it is reported, the existence of a carbon audit and its depth, and the extent of any investments and/or business flows in the fields of energy transition and sustainable energy. This evaluation is carried out independently during the lending process, and makes it possible to follow the progress achieved by companies in this area.

The conclusions of this range of assessments determine whether or not the loan is advanced to the company, but have no bearing on the charges applied. This underscores the fact that these lending criteria are absolute and non-negotiable.

The methodology is regularly adjusted in order to meet the regulator's increasing requirements in terms of transparency. The process of financing companies active in the commodities sector is presented every year to the Bank's governing bodies (Executive Board and Board of Directors).

¹ unglobalcompact.org

3.3. Managing clients' assets

More and more investors expect investment specialists to base their investment decisions not only on traditional financial criteria, but also on Environmental, Social and Governance (ESG) factors. For over 20 years, BCGE has been developing expertise based on integrating ESG in financial analysis, with the aim of optimising the risk/reward ratio. Its aim is to meet the needs of investors seeking responsible investments that combine credibility and performance.



Since 2019, the Asset Management division has been a signatory to the United Nations Principles for Responsible Investment, which encourage the development of a more sustainable financial system.

Governance

In terms of responsible investment, the BCGE Group's initiative is inspired by the guiding principles defined in its "Responsible performance"² brochure, which set out the general framework. The Asset Management division is nonetheless required to produce a responsible investment policy that coheres with the Bank's philosophy.

Examples of ESG questions:

Environmental	Social	Governance
<ul style="list-style-type: none"> • Climate change • Conservation of resources • Waste management • Combating pollution • Protecting forests 	<ul style="list-style-type: none"> • Respect for human rights • Fighting modern slavery • Defence of children's rights • Labour conditions • Employee relations 	<ul style="list-style-type: none"> • Rejection of corruption • Executive pay • Diversity and structure of the Board of Directors • Monitoring lobbying and financing of political parties • Tax strategy

Source: *Principles for Responsible Investment (PRI)*

January 2024 saw the entry into force of two measures based on SBA directives on integrating ESG preferences into the advisory process:

- BCGE is reinforcing its advisory process for investment and wealth management; in this way, the Bank strives to ensure a match between its clients' ESG preferences and the investment solutions on offer.
- At the same time, the Bank is adding to its product offering by including themed investments that target sustainable development goals. It groups these around three major themes: climate, biodiversity and quality of human life¹.

In so doing, the Bank wishes its processes to be transparent and to avoid the pitfall of "greenwashing".

Governance in terms of responsible investment was strengthened within the Asset Management division when, in late 2023, a dedicated ESG committee was established. This committee supervises the deployment of the Bank's strategy in the responsible investment area and integration of ESG criteria in the product range, with the support of working groups and the business line teams. The ESG committee is chaired by the head of the general staff of the Asset Management division and reports on its activities to the EERP committee. The responsible investment specialist ensures its coordination and development.

¹ Themed investments orientated towards climate issues give preference to investments in companies fostering climate change mitigation, e.g. those active in renewable energies, energy efficiency or environmentally friendly mobility. Themed investments orientated towards biodiversity give preference to investments in companies that contribute to preserving and restoring biodiversity, e.g. those active in sustainable agriculture, the circular economy or in the treatment and management of water. Themed investments with a focus on the quality of human life give preference to companies active in areas such as medical diagnostics, access to education or personal safety.

² See bcge.ch/en/performance-responsible

Responsible investment policy and processes

The Bank defines responsible investment as the combination of traditional investment approaches with ESG factors. The prime objective is to improve risk management and long term performance.

In compliance with its fiduciary duty towards the client and its adherence to the United Nations Principles for Responsible Investment, the Asset Management division is progressively integrating appropriate and relevant ESG factors in its investment approaches. This commitment puts into practice the conviction of managers with a responsibility to their clients, partners and the companies in which they invest. Moreover, recognising the principle of double materiality³, it is also intended to create greater awareness of positive or negative impacts on the environment and society that may result from its investment decisions.

The Bank is continually improving its approach in line with best market practices. In 2023, it implemented several major initiatives aimed at reinforcing integration of ESG criteria in its investment management processes⁴.

Exclusions

Since 2020, the Bank has implemented a policy of excluding controversial activities in all its direct equity investments. This applies to cluster munitions, anti-personnel mines and nuclear weapons destined for countries that have not signed the Treaty on the Non-Proliferation of Nuclear Weapons. In so doing, the Bank is following the recommendations of the Swiss Association for Responsible Investments (SVVK-ASIR).

The Bank has instituted a new exclusion policy, to take effect in 2024, regarding a number of investment products. It aims to eliminate companies whose business models are contrary to regulations or whose practices we consider to be incompatible with our stance as a responsible investor. It is applicable to companies and to sovereign and quasi-sovereign issuers and relates to controversial activities judged to be harmful to society and or the environment, as well as to serious violations of international standards in respect of human rights, labour rights, environmental protection and the fight against corruption. For sovereign issuers, exclusions are based on the probability that a country is affected by violent conflicts or on its perceived degree of corruption. The exclusions are based on distinct revenue thresholds corresponding to the extent to which sustainability criteria are integrated in the various investment products concerned.

To implement this, the Asset Management division relies on the research and evaluation produced by the external rating agency MSCI ESG Research⁵.

Positive selection

For some of the funds it manages, BCGE has formalised the integration of ESG criteria in the investment process to a greater extent through positive screening (favourable orientation). This approach consists of investing in companies or bonds according to ESG⁶ ratings or numerical indicators. Within this framework, managers select companies showing good evidence of sustainability on the basis of their rating, with the aim of building a portfolio that presents, on average, an ESG rating above that of the benchmark index.

To implement this, the Asset Management division relies on the research and evaluation produced by the external rating agency MSCI ESG Research⁵.

Sustainable themed investments

This approach relates to investment in companies offering sustainable solutions in the environmental fields (e.g. renewable energy, energy efficiency, water treatment) and social fields (e.g. education, healthcare, poverty reduction).

³ The double materiality principal considers the impact of the environment on companies and the impact of companies on the environment.

⁴ An investment process taking account of ESG criteria generally combines several responsible investment approaches (e.g. exclusions, positive filtering, ESG integration, themed investments, impact investing or active shareholding).

⁵ msci.com

⁶ ESG ratings aim to evaluate the resilience of companies in the face of ESG risks. It also takes account of the extra-financial opportunities of the E, S and G pillars. In general, ESG rating does not measure a company's impact on society and the environment, nor its "sustainability" profile.

For clients aiming at greater impact, the Bank offers themed investments oriented towards the United Nations Sustainable Development Goals (SDG), which it has decided to group around the themes of climate, biodiversity and quality of human life. In line with its open architecture approach (see below), the Bank aims to select the best available solutions in the market in order to offer its clients a wide range of products corresponding to chosen themes.

Active shareholding

In terms of active shareholding, the Bank has chosen to actively exercise its voting rights to encourage companies to take account of ESG criteria in their sphere of influence. With this in mind, the Asset Management division has adopted a voting policy based on the principles of good governance, which will take effect in 2024 for a range of investment products.

The objective of our voting policy is to protect and promote the long-term interests of our clients as shareholders. In line with the United Nations Principles of Responsible Investment (PRI), the Bank believes that good management of Environmental, Social and Governance factors contributes to shareholder value as well as to risk management in the long term. As such, it considers that it is responsible for supporting a solid culture of corporate governance, effective management of social and environmental matters and reporting that is complete and compliant with relevant standards.

The Asset Management division engages the company Institutional Shareholder Services (ISS)¹ to ensure that its voting policy is implemented.

Open architecture

The management mandates and asset allocation funds are administered according to open-architecture principles, i.e. they comprise both in-house funds (Synchrony²) and funds of third parties. To create transparency in the ESG profile of the external funds selected, the Bank has implemented a rigorous selection process. In 2022, it produced ESG questionnaires for external managers. These consist of two sections, dealing with qualitative and quantitative criteria: one section focuses on the management companies' positioning as regards responsible investment and sustainable development (entity level), the other on inclusion of ESG criteria in the investment process (investment product level). The information gathered thus makes it possible to classify products in terms of their ESG characteristics, by identifying the approaches applied and the sustainability objectives pursued.

Moreover, when external funds are selected, the Bank consistently gives preference to investments that are more closely in line with ESG criteria if they are judged to be equivalent to traditional products. 70% of the external funds we follow include or aim to contribute to a sustainability theme³.

70%

of the external funds we follow include or aim to contribute to a sustainability theme

Expansion of the existing business offering⁴

In 2023, the Bank continued to increase its offering of responsible investment products. Today, it offers one range of traditional products and two ranges of products integrating ESG criteria, thereby responding to differing investor expectations.

- The Classic range is aimed at clients who do not express an ESG preference and whose goal is to attain optimum performance. In this range, investment decisions are mainly governed by financial objectives and criteria. This option therefore concentrates on traditional financial risks, to guarantee optimum management in terms of a portfolio's reward/risk ratio. However, this does not exclude

¹ [issgovernance.com](https://www.issgovernance.com)

² [synchronyfunds.com](https://www.synchronyfunds.com)

³ Data at 31.12.2023. Funds integrating ESG criteria are funds that apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding); among these approaches, themed investments and impact investing aim more specifically to contribute to a sustainability issue.

⁴ BCGE France has a distinct business offering.

taking into account sustainability criteria if these have a proven impact on financial performance.

- The Synthetic range is aimed at clients interested in investments including sustainability criteria and who wish to achieve performance adjusted for ESG risks. It constitutes BCGE's benchmark in terms of responsible investment. It aims to take account of companies' exposure to ESG risks and their capacity to manage them. This means the long-term resilience of portfolios can be improved as regards sustainability risks.
- The Specific range is aimed at clients who are very interested in investments integrating sustainability criteria and whose objective is a positive and measurable change in the economy, society and the environment. More specifically, it is intended for investors with a marked preference for management whose declared objective is to generate a positive impact. In the environmental segment, this involves, for example, investing in renewable energies, water treatment or the effective use of resources. In the social segment, it entails investing in education or healthcare systems.

Changes in BCGE Switzerland's advisory process

The regulation of sustainable investment was a major focus throughout 2023, with the entry into force of the new Swiss Bankers Association (SBA) directives⁵. This provided the opportunity for the Bank to strengthen its business offering and integrate ESG investment preferences into the advisory process for its private clients. ESG preferences are now taken into account in drawing up a client profile, in addition to traditional characteristics⁶.

Implementation of these regulations was accompanied by extended training on sustainability within the Bank. In 2023, all our client advisers undertook training in the fundamentals of responsible investment, the regulatory context and the avoidance of money laundering risks. Now, when providing advice, advisers are in a position to present different investment solutions and to orientate clients in line with their sensitivity to ESG investment factors.

Transparency and reporting

Transparency is an essential element in our approach to responsible investing. The Asset Management division annually publishes details of how its responsible investment practices have been implemented, by means of its own reporting, the United Nations PRI⁷ evaluation and the present CSR report.

The Bank is also pursuing its efforts to formalise its principles as regards application of ESG investment criteria, thereby responding to its PRI commitments, to the requirements set by Swiss financial sector associations, and to Swiss and European regulations. In particular, it may refer to the "Responsible investment products" brochure supplied to its clients⁸. This document describes in detail the Bank's approach in the responsible investment area, its investment product offering and its management methods. In this sense, it constitutes a reference in terms of the rules of conduct for responsible investment as applied to our clients' assets.

For many years, the Bank has applied a policy of transparency to its financial products, by communicating the ESG profile of the instruments offered. This additional information, which takes into account the carbon footprint of the portfolios, is intended for clients who wish to know more about the non-financial performance of their investments, whether or not they include ESG criteria in their investment processes. Other than the real estate funds and the investment funds under Luxembourg law, all the Synchrony funds publish a fact sheet concerning ESG data.

⁵ Directives for financial service providers relating to integration of ESG preferences and ESG risks in investment advice and asset management, October 2023, SBA Directives.

⁶ e.g. investment objectives, financial capacity, risk aversion and investment horizon.

⁷ In compliance with the sixth United Nations PRI principle, we commit ourselves to regularly taking account of our activities and progress in the area of responsible investment.

⁸ SAM ESG directives, bcge.ch/en/standards-conformite. This applies only to BCGE Switzerland.

To conclude, in 2023 the Bank invested substantially in augmenting its data sources. The regulated market is evolving rapidly. Against this background, the availability, accessibility and quality of data, along with the underlying methodologies, are becoming crucial, both for managing portfolios and reporting on them. We have accessed more sources in order to meet our requirement for ratings and are pursuing our efforts to select data suppliers specialising in targeted areas of expertise, such as climate or the exposure of portfolios to the Sustainable Development Goals.

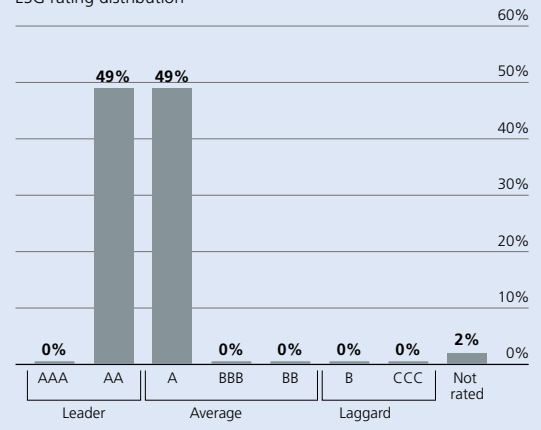
Evaluation of measures taken in respect of the relevant theme

The Asset Management division administers several responsible investment funds and mandates. At 31 December 2023, the Synchrony investment funds managed according to ESG¹ criteria totalled CHF 1.6 billion, representing 42.2% of the whole Synchrony range. The number of ESG private mandates continued to increase during the year, reaching a total of 1,263 mandates at 31 December 2023. This represents almost one mandate in six, reflecting the level of client interest in this approach.

Most Synchrony funds are awarded an ESG² rating between AA and A, which reflects the overall effectiveness of the companies held in terms of managing the risks and opportunities associated with Environmental, Social and Governance (ESG) problems. None of the funds is rated B or CCC (laggard).

Range of Synchrony funds

ESG rating distribution



Data at 31.12.2023.

© 2020 MSCI ESG Research LLC. Reproduced by permission.

Investment offering: volume of total assets, proportion of ESG investment vehicles and products taking account of ESG criteria in BCGE's discretionary management 1)

(Figures at 31 December 2023)

Investment vehicles	Total assets (CHF million)		Proportion of assets included in ESG investment vehicles (%) 2)		Proportion of assets taking account of ESG criteria (%) 3)	
	2023	2022	2023	2022	2023	2022
Synchrony funds	3,857	3,429	42.2	41.4	51.9	51.8
Mandates (private and institutional)	4,533	4,334	21.9	22.4	50.4	49.3
Total	8,390	7,763	31.3	30.7	51.1	50.4

- 1) Discretionary management, i.e. with no advisory mandate and free management. Neither certificates nor private equity funds are included. In addition, investment funds applying only ASIR³ exclusion recommendations are not included.
- 2) ESG investment vehicles are the Synchrony funds or the mandates consistently including ESG criteria in their investment processes. They apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding).
- 3) The assets taking account of ESG criteria are the underlying funds that comprise the investment vehicles (Synchrony funds and mandates) and apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding).

¹ Investment funds applying only the exclusion recommendations of the Swiss Association for Responsible Investments (ASIR) are not included.

² The ESG rating aims to evaluate the resilience to material ESG risks of the companies held. It also takes account of the extra-financial opportunities of the E, S and G pillars. In general, ESG rating does not measure a company's impact on society and the environment, nor its "sustainability".

³ The aim of the SVVK-ASIR association is to provide members with services that allow them to fully meet their investment management responsibilities, while respecting the environment, civil society and the economy.

3.4. Managing the Bank's own assets

Management of the Bank's own assets mainly comprises the administration of a bond portfolio ("Immofin") and a private equity portfolio. The overall volume of the Bank's own positions on 31 December 2023 for the "Immofin" portfolio was CHF 2.4 billion. As shown by the table detailing the industry distribution of the "Financial Investments" portfolio, only 0.21% of all the assets under management is invested in the energy sector (oil and gas).

3.82%

of the bond portfolio is invested in sustainable bonds

BCGE participated (as co-lead) in the issue of the first Swiss public sector green bond (for the Canton of Geneva), in a total amount of CHF 620 million in 2017⁹ and CHF 660 million in 2019¹⁰. It played the same role for the City of Geneva in a total amount of CHF 140 million in November 2023 (green bond). BCGE also structured the Canton of Geneva's first socially responsible private placement (CHF 50 million in 2021)¹¹.

As regards the private equity fund portfolio, 2.83% of total commitments (data as at 30 September 2023) are allocated to an "Art. 9"¹² fund in accordance with the European SFDR (Sustainable Finance Disclosure Regulation) classification.

Share of GSS bonds in BCGE's "Immofin" portfolio

(%)	BCGE's "Immofin" portfolio	Equally weighted index of Swiss AAA-BBB bonds
Green bond ⁵	2.06	7.5
Social bond ⁶	0.61	0.5
Green and social bond ⁷	1.15	0.2
Sustainability-linked bond ⁸	0	0.3
GSS bond	3.82	8.5

⁵ Green Bond: a bond the issuance proceeds of which are used to finance new and/or existing green projects.

⁶ Social bond: a bond the issuance proceeds of which are used to finance projects directly fostering the improvement of social well-being of, or having a positive social impact on underprivileged, low-income, marginalised, excluded or disadvantaged groups of people.

⁷ Green and social bond: a bond the issuance proceeds of which are used to finance sustainable social projects (a combination of eligible green and social projects).

⁸ Sustainability-linked bond: debt instrument the financial and/or structural characteristics of which may vary as the predefined sustainability/ESG performance objectives are achieved or not by the issuer.

⁹ Emission de "green bonds": une première réussite pour Genève | ge.ch

¹⁰ Nouvel emprunt vert pour le canton de Genève | ge.ch

¹¹ Première obligation sociale émise par des acteurs suisses | ge.ch

¹² "Art. 9" funds are those funds that pursue a sustainable development goal.

4. The Bank at the service of its stakeholders

The Bank has stated its commitments¹ to its stakeholders. Adherence to these commitments constitutes one of the two pillars of its social responsibility initiative. It is one of the major prerequisites to ensure the Bank's long-term economic equilibrium.

There is one main objective relating to these commitments for each class of stakeholder:

- For the shareholders: to create value and generate financial performance.
- For the clients: to offer products and services appropriate to their needs.
- For the staff: to improve employee commitment.
- For the community and the environment: to contribute to the economic and social development of the community while minimising the impact on the environment.

4.1. The Bank at the service of its shareholders

Value creation, financial performance and contribution to the development of Geneva's economy

By virtue of its mission as a universal bank, BCGE's strategy is to create value for all its stakeholders. Shareholders are essential for the Bank. They provide the equity base and the risk capital needed for all banking business. In order to attract and heighten shareholder interest, the Bank has set itself three main objectives:

- To operate a form of corporate governance that complies with the stakeholders' highest expectations.
- To inspire loyalty in our community of public, private and institutional shareholders.
- To guarantee a return in line with the market and compatible with the Bank's long-term development.

One way it achieves this is by implementing a strategic plan to ensure its long-term prosperity. In this way it aims to achieve year-on-year profitability, associated with a moderate risk profile befitting its mission as a cantonal bank. This mission is realised in the form of the services offered to its clients, to companies and to Geneva's public and parastatal organisations, and by generating dividends, stock market gains, and taxes that directly benefit Geneva's public authorities.

The Bank is also active in serving both individuals (natural persons) and companies and institutions (legal entities). To respond competitively to the needs of such a diverse clientèle, the Bank operates specific business lines, organised into portfolios of strategic activities². In addition to diffusing the influence of Geneva's economy and trade in Switzerland, it provides guidance to Swiss economic actors in more distant markets.

This diversification of business lines and markets, which makes BCGE a universal bank, offers excellent growth prospects and lowers the Group's risk profile. The risk management system that has been implemented is organised in such a way as to sustain long-term growth, avoiding any pursuit of short-term profits.

The Bank's level of capitalisation (CET 1 ratio of 15.15%) exceeds the regulatory requirement of 8.53% as set for Category 3 banks.

The Bank's financial strength, confirmed by its AA- rating awarded by the rating agency Standard & Poor's, creates a climate of quiet confidence for the Bank's shareholders.

The Bank's creation of value is reflected over the long term in the outperformance of its share, which significantly exceeds the sector average, with a total return of +145.42% over 10 years (between 30.12.2013 and 29.12.2023), as opposed to -8.95% for the Swiss Exchange Supersector Banks Price Return Index.

The concurrence of these conditions creates value and generates performance over the long term. As the majority shareholders, holding 72.6% of the equity, the State of Geneva, the city of Geneva and the Geneva municipalities greatly benefit from these circumstances. In 2023, the BCGE Group paid the equivalent of CHF 362 per household in dividends and taxes to the State of Geneva, the City of Geneva and the Geneva municipalities, i.e. a total of nearly CHF 85.8 million. Since 2000, it has created value of over CHF 2.1 billion, with 77% of this amount

¹ Appendix to the report.

² See Annual Report 2023, pp. 14-15.

(CHF 1.63 billion) accruing to the public authorities. BCGE receives no public subsidy and benefits from no state guarantee.

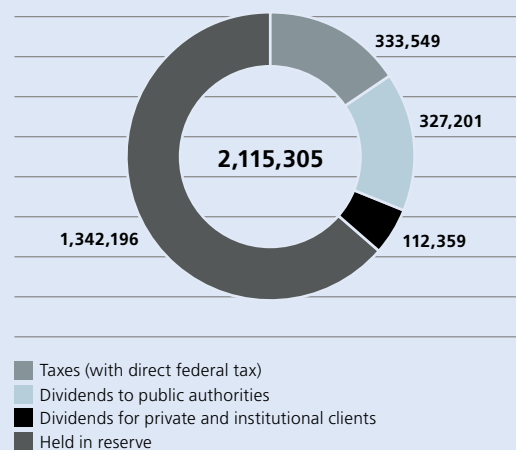
In terms of taxation, the Bank adheres to all direct and indirect tax payment requirements, as a company and as an employer, in all the countries in which it operates, and attributes income and costs according to the location where operations are recorded.

Direct economic value generated and distributed

BCGE Switzerland purchased goods and services worth CHF 107.9 million from suppliers in Switzerland. Of this amount, 27.11% was paid to Geneva-based companies or to the Geneva entities of companies invoiced in other Swiss cantons, such as Swisscom.

Breakdown of results 2000-2023

In CHF thousand



Source: BCGE – Management Control

Direct economic value generated and distributed by BCGE Switzerland

(in CHF 1,000)

	2023	2022	2021
Direct economic value generated	589,876	475,667	439,240
Distribution of economic value generated	383,591	344,016	323,646
Dividends to shareholders (parent company), of which:	46,800	39,600	32,400
<i>Dividends to public authorities</i>	33,963	28,738	23,513
<i>Dividends for private and institutional clients</i>	12,837	10,862	8,887
Special allocation to the State of Geneva (20% of dividend)	9,360	7,920	6,480
Personnel expenses	176,235	164,437	159,097
General and administrative expenses	108,715	96,854	94,899
Taxes, of which:	42,481	35,205	30,770
Canton of Geneva and Geneva municipalities	18,491	15,619	15,135
Other Swiss cantons and municipalities	1,611	1,074	797
Swiss Confederation	19,438	14,871	10,709
Foreign	2,941	3,641	4,129
Allocation to the legal reserve resulting from earnings (parent company)	167,425	123,187	81,920
Payment to the Canton and the municipalities	85,804	71,682	60,765
Amount paid in equivalent per household	362	222	198

Another major contributing factor to the success of Geneva's economy is the finance granted to companies and individuals. These total CHF 19.2 billion. They include mortgage loans of CHF 13.6 billion and CHF 5.6 billion in other client loans. Moreover, the Bank serves over 22,000 companies in the region, an increase over last year. It assists in their development by providing them with goods and services. Of over CHF 9 billion of loans granted to its Corporate clients, 60.7% is allocated to private sector companies and 39.3% to Swiss public authorities.

Data at 31.12.2023	Commitments as % (Switzerland)
Public authorities	39.3
Private sector companies	60.7

4.2. The Bank at the service of its clients

4.2.1. Services meeting ethical and environmental standards

By its nature based on a community service project, BCGE is committed to a responsible approach. It is especially attentive to the development of society and the needs of its clients. In whichever area – daily banking services, financing or investments – it offers a choice of services meeting ethical and environmental criteria.

As detailed in section 3.3 of this report, it deploys a range of responsible investment funds alongside the funds managed according to a traditional approach. As such, it is part of a market trend of the past few years. For its range of investment funds, the Bank has opted for a policy of rating by an independent external agency. This provides investors with an instrument for ESG control and performance measurement that they can apply to the products concerned at regular intervals. With the entry into force of the new Swiss Bankers Association (SBA) directives¹, the Bank has bolstered its business offering and integrated ESG investment preferences in the advisory process for its private clients. ESG preferences are now taken into account in drawing up client profiles, complementing the traditional characteristics.

BCGE has a "Responsible performance" investment policy, which can be viewed at bcge.ch



BCGE IS COMMITTED

The Bank has adapted its standard property financing offering to help its client with the energy transition and compliance to new regulations. These adjustments are the consequence of applying the SBA directives for mortgage providers relating to the promotion of energy efficiency of buildings².

¹ Directives for financial service providers relating to integration of ESG preferences and ESG risks in investment advice and asset management, October 2023, SBA Directives.

² For further information, see page 29.

4.2.2. Quality of products and services

Offering financial services for investment and pension planning that respect clients' long-term interests

Launched over 20 years ago, BCGE's Avantage service loyalty programme rewards clients over the long term, by offering an interest bonus of up to 2%; 37,911 clients benefit from an additional yield on their savings in this way.

Providing access to quality financial information³

The Bank provides its current and prospective clients with informative investment material, including a financial tool kit for individuals, companies or the property sector. It regularly publishes its economic outlook together with its applied tariffs, which are reviewed once a year.

Accessible to all, regardless of location

With 21 branches and the largest number of ATMs in the canton, the Bank possesses Geneva's densest network of physical banking outlets. It is also able to rely on the facilities of Switzerland's premier banking organisation, the 24 cantonal banks within the Association of Swiss Cantonal Banks.

BCGE staff are reachable by telephone for advice, information or emergencies from Monday to Friday from 7:30 a.m. to 7:30 p.m., on Saturday from 9 a.m. to 4 p.m. and on Sunday from 9 a.m. to 1 p.m.

4.2.3. Obtaining a high level of client satisfaction

The Bank commissions an external firm to conduct satisfaction audits based on a representative sample. These take place once every three years. Based on such a representative sample in the Canton of Geneva, they gauge the level of satisfaction of both individual and corporate clients. With a score of 8.1 out of 10 for natural persons and 8.1 out of 10 for legal entities, it is one of the leaders in its home region.

Level of client satisfaction	2023	2020	2017
Natural persons	8.1	8.4	8.1
	2022	2019	2016
Legal entities	8.1	8.3	7.9

The efforts made by the Bank to improve the quality of its products and services are reflected in the growing number of new clients. In 2023, the Bank acquired 18,169 new clients, of whom 36% joined online independently, following current practice in the use of banking services.

New clients registered	2023	2022	2021	2020
	18,169	18,028	16,828	12,989

³ For further information, see section 4.4.1 (page 51).

Values

BCGE is a Human, Universal and Evolving bank

4.3. The Bank at the service of its staff¹

As the institution's primary ambassadors, the Bank's staff, of all ages, constitute its human capital. The diversity of expertise and the inter-generational staff profiles promote emulation and complementarity; this stimulates a general corporate spirit and capacity for innovation, generating a competitive and sophisticated response to the requirements of the clientèle.

The Bank's business lines are service-oriented. Advising clients, meeting their needs and expectations, quality and speed when dealing with their requests: these are the determinants of client satisfaction and long-term business success. This makes the staff the key links in the client service chain.

Staff with indeterminate or part-time contracts – BCGE Switzerland	2023	2022
Total staff ²	902	865
% indeterminate contracts, of which:	97.89	98.03
<i>Proportion, women</i>	41.22	40.68
<i>Proportion, men</i>	58.78	59.32
% part-time contracts, of which:	26.50	24.97
<i>Proportion, women</i>	71.55	74.54
<i>Proportion, men</i>	28.45	25.46

Staff with indeterminate or part-time contracts – BCGE France	2023	2022
Total staff ³	82	73
% indeterminate contracts, of which:	93.90	95.89
<i>Proportion, women</i>	49.35	54.29
<i>Proportion, men</i>	50.65	45.71

Only one woman was working part-time at BCGE France in 2023, 4 in 2022 (no part-time men)

Human resources management is based on an employer brand that is created and lived out, both with and for the staff. This is why, in 2022, the Bank decided to revitalise and promote, internally and externally, the values that motivate it: Human, Universal and Evolving.

These values, which constitute the foundations of the Human Resources function and its guiding principles, have been expressed through internal and external communications and events, directed towards present employees and future talents. The Bank is especially mindful that its human resources management policy should take account of well-being at work, internal equity and respect for diversity, and that it should offer all its staff equal development opportunities. To do justice to its values, it constantly seeks to strengthen optimum staff commitment, fostering both employees' professional development and, consequently, their positive contribution to the institution's success.

This optimum commitment rests on two pillars:

- The setting and organisation of work: the Bank takes care to foster a balance between work and private life, together with the health and safety of its staff.
- Developing talents.

The Bank is therefore minded to bolster these qualities that make it a responsible employer.

The values that infuse the Bank help make it an attractive place to work. Among other things, this translates into a steady growth in the total numbers employed both by BCGE Switzerland and BCGE France. As part of its long-term vision, the Bank fosters a relationship of trust with its staff, as reflected by the predominance of indeterminate contracts. To contribute to a balance between private life and work, it facilitates moves to part-time work for those staff who prefer that option.

¹ The quantitative data regarding BCGE Switzerland shown in this section exceptionally include the staff of the companies Dimension and Loyal Finance.

² This includes all the staff of BCGE Switzerland, in all professional categories.

³ This includes all the staff of BCGE France, in all professional categories.

For each piece of information in this section 4.3, the reference population targeted is clearly defined together with the type of data set out. For reasons of relevance, staff have been classified in the following “professional categories”:

- Members of the Board of Directors
- Members of the Executive Board
- Managers
- Non-managers
- Trainees
- Auxiliaries

These professional categories, as used at BCGE Switzerland, have also been applied to BCGE France, for the sake of consistency. It should be noted that “trainees” includes apprentices and interns with contracts longer than one year.

“Auxiliaries” are employees whose contracts are for less than one year.

According to the data set out, some of the above categories may be excluded or regrouped for reasons of relevance. Following the BCGE Switzerland definition, managers, non-managers and trainees are grouped in the category of employees with indeterminate contracts. Auxiliaries have fixed-term contracts. These assumptions are applied to BCGE France.

4.3.1. Context and organisation of work

The principles determining workplace relationships are defined in the Staff Regulations. They are written in such a way as to create favourable conditions for staff well-being, which is a long-term factor for the Bank’s success.

Performance and remuneration (direct and indirect)

The fixed component is the main element of remuneration at the Bank, although variable remuneration may be relatively more significant in relative terms for high-responsibility positions or certain specific business areas.

The evaluation of individual and collective performance and the variable component that can result from it is made objective by mathematical remuneration models. Fifteen models have been developed by the Group since 2010, covering most of the front office staff (nearly 400 employees). For staff not affected by these models, variable remuneration is discretionary.

Staff at BCGE France are subject to a pay scale contained in the collective agreement⁴. Remuneration is determined according to this agreement.

Staff at BCGE Switzerland benefit from advantages in addition to their remuneration. Employment at the Bank entails membership of its pension fund, which also offers comprehensive coverage for risks (death or disability).

110.7%

Coverage ratio of the pension fund at 31 December 2022⁵

At BCGE Switzerland, all staff may become shareholders as part of a profit-sharing plan after three years of service, and as of their first year if they receive variable remuneration. With the exception of a plan concerning retiring staff (every five years) and the exceptional benefits paid in shares, all other plans require staff to invest personally in shares in order to receive bonus securities. All these shares are locked up for five to ten years. Staff thus have an interest in, and are motivated by, the long-term performance of their Bank.

At 31 December 2023, 76% of the Group’s staff (i.e. 742 persons) owned shares, having either acquired them through the profit-sharing plan or bought them on the market. At the end of 2023, they held a total of 224,241 shares (CHF 50.5 million at 31.12.2023, i.e. 3.1% of the Bank’s total stock-market capitalisation). Including retired staff and other beneficiaries of preferential terms, this figure rose to 278,642 shares.

As clients of the Bank, staff benefit from preferential bank lending conditions. The tariffs are calculated in such a way as to cover administrative costs, but the Bank’s margin on services offered to staff is very small or non-existent. These conditions are maintained for retired staff.

⁴ A collective agreement sets out the labour law rules (contract, holidays, salaries, etc.) applicable to a sector. BCGE France is subject to the collective agreement for the banking sector.

⁵ The pension fund coverage ratio at 31.12.2023 becomes known only in April.



A fair employer

The Bank pays special attention to reducing salary and remuneration differentials between its male and female staff. These efforts were recognised by the award of the “Fair-ON-Pay+” certificate and are reflected by a reduction in the ratio of the average basic salary and the average remuneration for all the Group’s managers and non-managers. It has held this certificate since December 2019.

Based on data from 13 September 2023, BCGE Switzerland had its adherence to salary equality between male and female staff audited by the consultancy firm RH Comp-On, in accordance with the SGS (Société Générale de Surveillance) Fair-On-Pay certification standard.

The Logib analysis shows that the gender pay gap is within the 5% tolerance limit. SGS thus awarded BCGE its **“Fair-ON-Pay+” certificate, which qualifies the company as a fair employer and highlights its sustainable commitment to equal pay.**

The Logib analysis has a higher level of granularity than the calculations set out in the table below. Among other things, the analysis takes account of the degree of responsibility of male and female staff. It distinguishes, for

example, between managers (commercial agents and executives) and senior executives (assistant directors, directors, members of the Executive Board).

In compliance with the requirements of the French Avenir law of 5 September 2018, which aimed in particular to remove pay differences between women and men, BCGE France participates fully in this gender equality initiative. The ratio in 2023 (calculated using data from 2022) is 93/100. The index gives a mark out of 100 points that reflects the measures taken by the company in respect of pay, promotion and career advancement (see *Carrières | BCGE France*).

Internal and external partners available to assist staff

Various bodies exist to provide assistance to staff. The Human Resources department, which reports directly to the CEO, is the primary communication channel after direct line management. It possesses a wide range of expertise and has a good knowledge of all the staff, offering them a training programme and supporting them along their career path.

Internally, the Staff Committee, comprising six to nine elected members and representatives of various parts of the Bank, is the privileged intermediary between the Executive Board and Human Resources. It constitutes a forum for discussing employee concerns, assessing internal sentiment and contributing to the continuous improvement of working conditions.

Ratio ¹ of the average basic salary ² and the average remuneration ³ of employees	BCGE Switzerland				BCGE France			
	Average salary		Average remuneration		Average salary		Average remuneration	
	2023	2022	2023	2022	2023	2022	2023	2022
Members of the Executive Board	1.32	1.33	1.40	1.34	–	–	–	–
Managers	1.18	1.18	1.35	1.36	1.37	1.57	1.38	1.62
Non-managers (trainees and auxiliaries excluded)	1.06	1.07	1.14	1.23	0.99	1.00	0.91	0.91

¹ The ratio is the relationship between the salary (or remuneration) of men and women.

² Average basic salary: fixed amount paid to staff for doing their jobs.

³ Average remuneration: average basic salary + average additional amounts paid to employees (AVS base).

Staff may also receive guidance, completely confidentially, in the event of professional or personal difficulties, by two independent external bodies.



The *Service social inter-entreprises*, a non-profit organisation, consists of a team of professionals available to Bank staff and members of their immediate families. Matters connected with the family, personal financial management, housing or of course workplace relationships can be discussed in confidence.



A mediator may also be contacted confidentially for situations involving complex human relationships, in the workplace, and in the event of conflicts regarding respect of the personality, bullying or harassment, where it has not been possible to resolve them within the department.

This mediator is the person of trust, external to the Bank, and a key figure in the field of preventing and dealing with psychosocial risks within companies.

Diversity and equality of opportunity

The Bank attaches particular importance to respect for diversity. It sets great store by talent and personal commitment when recruiting and throughout the careers of its staff. It is politically and ideologically completely neutral. It respects and is in favour of staff taking up public roles and appointments, political or otherwise, and allows adjustments to working times as needed.

This effort to foster diversity is reflected, for example, by a somewhat above average representation of women at all levels of seniority. The Bank is also keen to retain a diversity of age groups. It therefore takes care both to help its staff on the path to retirement and to encourage the recruitment of the younger generation.

The Bank requires honesty and responsibility from its staff, all the more so from its management. It does not tolerate inappropriate behaviour of any kind towards colleagues or clients.

Staff by gender – BCGE Switzerland (%)	Female		Male	
	2023	2022	2023	2022
All staff with an indeterminate contract ⁴	41.22	40.68	58.78	59.32
Executive Board	25.00	25.00	75.00	75.00

Staff by gender – BCGE France (%)	Female		Male	
	2023	2022	2023	2022
All staff with an indeterminate contract	49.35	54.29	50.65	45.71

⁴ Managers, non-managers and trainees.

Membership of the Board of Directors and staff by age category – BCGE Switzerland (%)

	–30 years		30 to 50 years		+50 years	
	2023	2022	2023	2022	2023	2022
Board of Directors	–	–	9.09	18.18	90.91	81.82
Members of the Executive Board	–	–	12.50	12.50	87.50	87.50
Managers	1.52	1.57	57.87	59.16	40.61	39.27
Non-managers	35.94	34.69	40.63	41.22	23.44	24.08
Trainees	89.29	95.45	10.71	4.55	–	–
Total staff (excluding auxiliaries)	14:27	13:56	50.96	52.12	34.77	34.32

Staff by age category – BCGE France (as %)

	–30 years		30 to 50 years		+50 years	
	2023	2022	2023	2022	2023	2022
Managers	0	2.22	61.22	62.22	38.78	35.56
Non-managers	32.14	32.00	50.00	56.00	17.86	12.00
Trainees	–	–	–	–	–	–
Total staff	11.69	12.86	57.14	60.00	31.17	27.14

Work and health
Federal label

An award for people-training companies which encourage high-level sport, recognising their efforts and willingness to be flexible in managing the working hours of apprentices who are recognised by Swiss Olympic as “Swiss sporting hopefuls”.

Beyond its legal responsibilities, the Bank has developed a health management policy that clearly expresses its commitment to the well-being of its staff in the workplace, in particular in the form of a working environment that promotes harmonious professional development. An absence rate exceeding a benchmark level in an entity may be a symptom of a lack of well-being or an excessive workload, as it may be with unusual or chronic absences by an employee. The Bank practises methodical and sympathetic monitoring. This also applies to members of staff absent for a long period. As they are often dealing with challenging health conditions, the Bank provides them with the opportunity to connect with the *Service social inter-enterprises*, which will act as an intermediary between the various agencies involved (health or accident insurers, pension fund, disability insurance, etc).

The Bank periodically offers its staff a range of health benefits such as anti-flu vaccination and a heatwave plan. Within the company, staff located across a number of sites occupy various functions such as first aider, fire marshal, ergonomics representatives, and health and well-being at work coordinators.

In terms of risks, the Bank protects staff travelling on business in regions at risk with an appropriate assistance package (covering medical expenses, repatriation, luggage, etc.) This cover has also been extended to benefit staff travelling for personal reasons. High-level occupational and non-occupational accident cover is also made available to staff. The Bank has an active Sports and Leisure group: fourteen sections, run by staff members, offer activities ranging from sports to gastronomy and from bee-keeping to photography. The two main buildings are equipped with changing rooms, lockers and showers, allowing staff to get changed when they cycle to and from work or take part in a sport.

A healthy balance between private life and work

The Staff Regulations offer additional benefits, such as the right to unpaid sabbatical leave; parental leave may be extended until a child's first birthday. Amendments to these regulations are submitted to the Board of Directors for approval annually. After the end of maternity leave, staff who have at least two years of seniority at that time may take unpaid parental leave that expires at the latest on the day of the child's first birthday. When the staff member returns, while they are sure of a job, their duties or contracted hours will not necessarily be the same. These conditions also apply in cases of adoption. In this event, the unpaid leave expires one year after the date the child has been placed in their adoptive family. The Bank considers it a point of honour to offer optimum conditions to female members of staff returning from maternity leave. This effort is rewarded by a high staff retention rate.

Beyond statutory leave (20 days), the Bank has introduced supplementary leave, taking into account the age and seniority of the staff member (from 5 to 10 additional days). The duration of special leave at BCGE is in general

longer than that required by law or tradition. Staff benefit from paid holidays as follows:

- Employees up to 49 years of age and apprentices: 25 working days.
- Employees from 50 to 59 years: 26 working days.
- All staff from age 60: 30 working days.

Moreover, once in their career, all staff members with an indeterminate employment contract and at least 15 years of service may benefit from a long period of leave (maximum 3 months).

4.3.2. Developing talents

BCGE training is intended to develop staff members' employability but also to grow key skills that enhance the Bank's prosperity. To this end, it has established a modern LMS (learning management system) platform, BCGEacademy, allowing it to:

- Offer coherent integrative training programmes that meet the needs of the internal business lines as well as comply with legal and regulatory requirements.
- Transmit new technical or behavioural skills to existing staff.

Beneficiaries of parental leave in 2023 – BCGE Switzerland and France

	BCGE Switzerland	BCGE France
Number of female staff having taken maternity leave ¹	11	1
% of female staff having resumed work during the reporting period following maternity leave	90.91	100
Female staff retention rate ² (%)	80	–
Number of male staff having taken paternal leave	20	–

¹ Female staff who were on maternity leave between January 2023 and December 2023 and who returned before 31.12.2023.

² % of female staff on maternity leave from January to December 2022, resumed work in 2022, present on 31.12.2022 and still present on 31.12.2023.

In so doing, the Bank supports all its staff in their integration and professional development. It also makes the staff's training history more visible to managers and human resources as they monitor skills and career development.

It provides continuous high-level training and requires its front office staff to gain recognised qualifications. In addition to the obligatory external qualifications (SAQ) recognised by the banking industry, the Bank also offers certification courses for various areas of business (retail, pensions, lending and investment). Its objective is to certify all advisers active in these areas, through a process of continuing training. In 2023, a rate of over 90% was achieved in this respect. This approach has been rewarded by a continuous increase in the average number of training days held per person employed over the last four years.

A nursery of young talents

As a company that trains its staff, BCGE welcomes onto its teams young people who come up by a variety of routes: apprentices, graduate interns, and participants in various professional education programmes – BEM (corporate banking for high school graduates), HES (graduates of universities of applied sciences) or FCPM (business education for high school graduates). The Bank offers access to these various programmes, and in most cases the participants join the staff when they have finished their training. During two months over the summer, the Bank also welcomes more than 30 students to help cover the holiday absences of its permanent staff. These young people are usually getting their first working experience at BCGE.

Average number of training days per year, by person employed – BCGE Switzerland

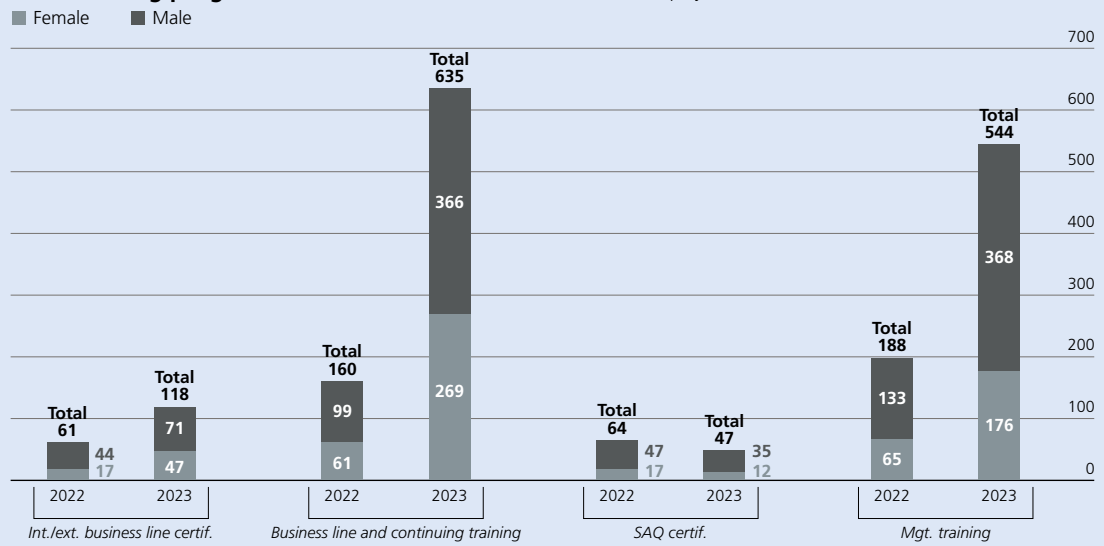
	2023	2022	2021	2020
Total staff ¹	4.6	4.4	4.5	3.4

Number of training days per year, by person employed, by gender and professional category – BCGE Switzerland

	Members of the management		Managers		Non-managers (including auxiliaries)	
	2023	2022	2023	2022	2023	2022
Female staff	7.8	6	4.5	3.8	3.9	4.7
Male staff	7.1	3.7	4.6	4	5.2	6.5

¹ Total staff of BCGE Switzerland (including auxiliaries).

Staff training programmes – BCGE Switzerland (number of employees)



Recruitment rate (indeterminate contract) of staff in training:

80%

On average in 2023, 80% of staff finishing their training were taken on

Internal promotion

As a mid-sized universal bank, BCGE must manage its appointments and key staff carefully, to ensure continuity in positions involving a high level of knowledge and specialisation. The Human Resources department takes note of staff eligible for early retirement and those whose level of commercial or other responsibility is significant to a business line. Multi-functionality is championed as much as possible and adaptable staff frequently progress in the medium term. Another important point favouring transmission of knowledge is that pension fund regulations allow staff to be flexible in terms of their retirement age.

Staff wishing to progress and those identified for medium- or long-term succession are prepared for taking on new responsibilities. Internal mobility is encouraged at all levels. Moving from one business unit to another, gaining experience in one of the Bank's subsidiaries or becoming a branch manager just a few years after finishing an apprenticeship: all these are normal occurrences at BCGE. This mobility

policy is reflected in the numbers, which show that the great majority of open positions are filled internally.

Performance and career development reviews

The evaluated objectives are qualitative (based on the job description) and quantitative (linked to the business lines). Setting objectives and evaluating them is a basic management task which cannot be delegated. The line manager needs to do this work with their subordinate. It is a time for dialogue and reflection about the best way of achieving results given the resources available. The sessions may take place more than once a year.

BCGE Switzerland is not currently able to supply figures on staff and their performance reviews. It will be able to do so only from next year, because since 2023 performance reviews have been recorded via the internal HR portal.

Number of posts filled ¹ within the Bank – BCGE Switzerland	Number		%	
	2023	2022	2023	2022
Posts filled, of which:	216	236	–	–
Externally	86	75	39.81	31.78
Internally	130	161	60.18	68.22

Number of posts filled, by gender and age category – BCGE Switzerland	2023			2022	
	–30 years	30 to 50 years	+50 years	All age categories	All age categories
Female staff	27	60	20	107	102
Male staff	41	49	19	109	134
Total	68	109	39	216	236

Turnover rate ² , by gender and age category – BCGE Switzerland (%)	2023			2022	
	–30 years	30 to 50 years	+50 years	All age categories	All age categories
Female staff	14.79	7.73	12.31	10.31	8.43
Male staff	16.15	8.37	9.51	9.50	9.53

Number of posts filled and turnover rate 2023 – BCGE France	–30 years	30 to 50 years	+50 years	All age categories
	Female staff	8	4	1
Male staff	9	5	0	14
Total	17	9	1	27
Turnover rate by age	57%	23%	3%	

The two pillars of human resources policy at BCGE Switzerland – establishing a pleasant working and organisational environment, as well as developing talents – contribute in the long term to maintaining a stable and increasingly expert body of staff. This is reflected by, among other things, a high percentage of internally filled posts and a relatively low turnover rate.

Through its social responsibility initiative, the Bank contributes to the pursuit of this sustainable development goal:

As a public-private enterprise, it contributes to establishing working and training conditions that foster the economic development of Geneva and its region. It thereby promotes the eighth of the United Nations sustainable development goals.

¹ Posts filled = posts vacated (following internal transfer, resignation, retirement, etc.) or when a job is created. Refers only to indeterminate contracts.

² Turnover rate = number of contracts terminated / average headcount.

4.4. The Bank at the service of the community and the environment

BCGE is by nature based on serving the community. It accomplishes this project by undertaking financial business with the twin goals of creating long-term value while progressively reducing its impact on the environment. It adds to this service through a series of initiatives aimed at contributing to the influence of the Canton of Geneva and of Switzerland in general.

4.4.1. Providing members of the community with quality information on finance and the economy

The Bank considers that its role, as a benchmark financial institution in Geneva, is to enable people in the community to gain a better understanding of economic and financial issues, enlightening them with the knowledge needed for their personal choices. The Corporate Affairs and Communications department works to disseminate throughout the community all the information relevant to pursuing this objective. Transmitting the expertise of the Bank's specialists, it publishes material on financial topics

(available on the Bank's website), supplies press releases (at the rate of 20 a year), and organises themed press conferences. Every year, it produces an economic study in partnership with the Geneva Chamber of Commerce and Industry on a topic relevant to the canton's economic and entrepreneurial life, and, in partnership with the other five cantonal banks in French-speaking Switzerland, publishes an annual study of the region's GDP. Press conferences are held in respect of both these studies with the aim of making them known to people in the community. All these documents can be accessed at any time on the Bank's website: Publications (bcge.ch) and News (bcge.ch).

The information is not reserved for the Bank's clients, but rather for the community as a whole. Its documents are always uploaded to the public part of the Bank's website. In addition, collaboration with the media, both specialised and general interest, means that the information gains wider exposure in the community. The press conferences are regularly attended by at least three journalists, who produce articles based on the information presented.



4.4.2. Contributing a high level of expertise to Geneva's financial centre

A company that trains its people



The Bank presents itself as a major centre of banking expertise. BCGE is a recipient company of the "We train pros – a company that trains people" label. This label, jointly awarded by the State Secretariat for Education, Research and Innovation (SERI) and the cantons, tells a company's clients and business partners that the company has an apprenticeship programme. It is a powerful symbol in favour of vocational education, recognising companies that are committed to training.



1+ for all: responsible employer

In 2023, BCGE was once again a recipient of the "1+ for all Responsible Employer" label, which is presented to companies offering indeterminate contracts to suitably qualified Geneva residents registered with the cantonal employment office. Awarded for a period of two years by the Department of the Economy and Employment (DEE), the "1+ for all: Responsible Employer" label recognises local commitment to employment and social integration through work.

4.4.3. Values and convictions – partnerships and local support

BCGE offers targeted support to social initiatives and local events, and regularly works with associations active at cantonal level.

FinanceMission

Raising young people's awareness of budget management is a concrete social commitment by the cantonal banks.


Helping young people understand the value of money and to manage it responsibly from a young age are the aims of the FinanceMission initiative (financemission.ch), devised by the teachers' federations of French-speaking and German-speaking Switzerland and the 24 cantonal banks¹. Launched by the cantonal banks, the online magazine jeunesetbudget.ch tackles money issues relating to children and young people. It gives parents access to information, advice and pointers about issues such as pocket money, cash gifts, budgeting, debt, etc. BCGE supports projects that help promote the financial education of young people and that lay the foundations for conscious and competent money management.

**jeuneset
budget.ch**

Promoting the richness and diversity of skilled trades in Geneva

BCGE has sponsored the *Prix de l'Artisanat* (Skilled Trades Prize) since 1999. Every year, it aims to highlight the expertise of a Geneva craftsman, his or her commitment to training the next generation and the transfer of his or her knowledge and skill. Presented under the aegis of the *Association des Communes Genevoises* (acg.ch), it is awarded by the State of Geneva to illustrate the richness and diversity of the canton's skilled trades. Following a rigorous selection process, the jury – made up of craftspeople, representatives of the Geneva Office for Careers and Vocational and Continuing Training (OFPC), the Banque Cantonale de Genève, and the State and City of Geneva – chooses a craftsman who excels in his or her trade and has been recognised by peers. The awards ceremony traditionally includes screening a film to present the prize-winning business.

¹ The cantonal banks are grouped within the Association of Swiss Cantonal Banks (ASCB), which stands for the common interests of its members vis-à-vis third parties.

The *Prix de l'Artisanat 2023* was awarded to Stéphane Antille, wig maker, inheritor of the Perruques Michel workshop, which specialises in the niche area of medical wigs. The video, and previous ones, are available on BCGE's  YouTube channel (youtube.com/c/BanqueCantonalededeGenève).

Encouraging top-level Swiss athletes, the institution's ambassadors

BCGE sponsors elite Swiss athletes: Mickaël Matthey (wrestler) since 2018, Eline Rol (rower) since 2019, Maxime Chabloz (*kiteboarder, freerider*) since 2019, and Sebastianna Scilipoti (tennis player) since 2021. These BCGE sports ambassadors² uphold the same values of commitment and performance as the Bank. These are long-term partnerships built on principles common to sport and finance, contingent upon respect for strict rules, the application of distinctive methodical choices and shared convictions.

Local sponsorships

The Bank's chosen sponsorship activities are an integral part of its overall marketing plan and focus on popular local events. These sponsorship activities are based on shared values and reciprocity in terms of visibility and recompense; particularly the promotion of the Bank's products and services in accordance with the priorities defined by the Bank, as well as the development of awareness of its business lines and its brand image. In 2023, BCGE established 31 sponsorship agreements aimed at supporting local events relating to culture, sport, real estate and the economy.

A commitment to social well-being through a policy of targeted donations

Requests for donations received by the Bank are periodically examined by a committee with a view to supporting, in turn, charitable, social and humanitarian associations in Geneva and the region. Direct help is also extended to persons in precarious situations.

In 2023, BCGE supported 30 local charitable associations, active in the following areas: precarity among young people, women, families and the elderly (with a focus on housing, meals, and financial, social, administrative and legal aid, etc.); aid to refugees; physical and mental disability (assistance and daily activities, participation in sport, etc.); medical/preventative health research and support for people ill at home or in hospital; social reintegration and assistance to marginalised people; and safeguarding biodiversity. In addition, on a case-by-case basis, the Bank calls upon the *Fondation immobilière Patrimoine* (FIP) (Heritage Property Foundation), established by BCGE itself in 1996, with the aim of supporting cultural, social and sporting activities of general benefit in the Canton of Geneva and the region.

² To find out more about the athletes, go to bcge.ch/en/partenariats > Patronage and Sponsoring > Sports sponsoring.

Index of GRI contents

The Bank bases its reporting on the Global Reporting Initiative standards (2021 standards). This index relates to the relevant information in the 2023 Annual Report and CSR Report (bcge.ch).

GRI standard	Pages/URL	Additional information*
1. Principles		
Index of GRI contents		This document
Statement of use for reporting with reference to GRI standards	CSR Report, p. 3	BCGE has reported in accordance with the GRI standards for the period from 1 January to 31 December 2023.
Relevant topics	CSR Report, p. 7	The following relevant topics have been identified: contribution to economic development; cybercrime and data protection; integration of non-financial matters in the lending business; financial product offering appropriate to client needs and integrating ESG criteria; staff commitment, diversity and inclusion; responsible purchasing; direct environmental impact; ethical transparency and corporate governance; value creation and financial performance.
2. General information		
2.1. Organisational details		
Legal name of the organisation	Annual Report, p. 27 CSR Report, p. 3	
Headquarters address	Annual Report, p. 27	
Country/countries in which the organisation operates	Annual Report, pp. 10, 11-12	
Ownership and legal form	Annual Report, p. 27	
2.2. Entities included in the organisation's sustainability reporting		
Entities included in the sustainability report	CSR Report, p. 3	

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.3. Reporting period, frequency and contact point		
Reporting period	CSR Report, p. 3	1 January 2023 to 31 December 2023. This period also applies to the financial reporting.
Reporting frequency	CSR Report, p. 3	Annual
Contact for questions about the report		Banque Cantonale de Genève, Corporate Affairs & Communications department.
Date of most recent reporting		This CSR report was approved by the Board of Directors on 29 March 2024.
2.4. Restatements of information		
Restatements of information	CSR Report, pp. 22, 23	This year the Bank retroactively corrected the carbon audits for previous years. These corrections were due either to perceived errors or to adjustments. These changes are detailed in section 3.1, pp. 22 and 23, of this report. In addition, the pension fund coverage ratio stated in the 2022 CSR report is dated 31 December 2021 (and not 31 December 2022).
2.5. External assurance		
External assurance	CSR Report, pp. 69-71	Deloitte SA has provided limited assurance in respect of the information published in the BCGE non-financial report. For the definition of the scope, see the Deloitte report, pp. 69-71. The environmental review carried out by Swissclimate was also audited by the company True&Fair.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Activities and workers		
2.6. Activities, value chain and other business relationships		
Activities, brands and services	Annual Report, pp. 21, 24	
Markets served	Annual Report, p. 10	
Scale of the organisation	Subsidiaries and branches: Annual Report, p. 11 Total capitalisation: Annual Report, p. 29 Products and services supplied: Annual Report, p. 21	
Supply chain		Currently, the Bank has not yet formally analysed all the information relating to its supply chain. A potential disclosure is under examination for the future.
Significant changes in the organisation and its value chain		There have been no significant changes in the organisation of the Bank or its value chain during the year.
2.7 Employees		
Scale of the organisation (total number of employees)	Annual Report, p. 20 CSR Report, p. 42	
Information about employees and other workers		The data were published on 31 December 2023. There was no significant fluctuation during the reporting period.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.8. Workers who are not employees		
Information on workers who are not employees		Independent contractors do not represent a significant proportion of the workforce. Consequently, no data in this respect are published.
Governance		
2.9. Governance structure and composition		
Governance structure, including committees of the highest governance body	Annual Report, pp. 30, 36 CSR Report, pp. 8, 9	
Committees of the highest governance body responsible for ESG matters	CSR Report, pp. 8, 9	
2.10. Nomination and selection of the highest governance body		
Nomination and selection of the highest governance body	Annual Report, pp. 31, 32, 33 CSR Report, p. 9	
2.11. Chairman of the highest governance body		
Chairman of the highest governance body	Annual Report, p. 30	Moreover, the chair of the Board of Directors occupies no other positions within the BCGE Group (in compliance with the law).

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.12. Role of the highest governance body in overseeing the management of impacts		
Consulting stakeholders on economic, environmental and social topics	CSR Report, p. 5	The Board of Directors does not have a systematic process of managing stakeholders as regards economic, environmental and social topics. For further details on the stakeholder consultation process, see CSR Report p. 5.
Role of the highest governance body in setting objectives, values and strategy	Annual Report, pp. 34, 35 CSR Report, p. 9	
Identification and management of economic, environmental and social impacts	CSR Report, p. 7	
Effectiveness of risk management processes	CSR Report, pp. 26-31	The Board of Directors is responsible for determining the appropriateness and effectiveness of the risk management process as a whole. It does not explicitly include economic, environmental and social factors. The Bank is progressively pursuing integration of ESG criteria, in particular as regards climate, throughout its business activities. It has commissioned an external firm of consultants to produce a roadmap detailing the measures to be taken, in particular to strengthen risk policy by integrating ESG criteria.
2.13. Delegation of responsibility for managing impacts		
Delegation of responsibility for managing impacts	CSR Report, pp. 8, 9	
2.14. Role of the highest governance body in sustainability reporting		
Role of the highest governance body in sustainability reporting	CSR Report, p. 9	The CSR report is initially approved by the Executive Management, and then validated by the Board of Directors.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.15. Conflicts of interest		
Conflicts of interest	CSR Report, p. 12	BCGE's business methods define the rules for avoiding conflicts of interest within the Board of Directors, the committees of the Board of Directors and the Executive Board. Moreover, in compliance with chapter 28 of FINMA Circular 2017/1, the Board of Directors undertakes an annual self-assessment in which, among other things, it confirms the absence of conflicts of interest.
2.16. Communication of critical concerns		
Communicating critical concerns	CSR Report, p. 12	
Nature and total number of critical concerns	CSR Report, p. 12	Different types of critical concerns may be brought to the attention of the Board of Directors. These may be dealt with by the Board of Directors and the Executive Board. However, the concerns are not classified as "critical" or "non-critical". Thus, the number of concerns is not systematically registered and cannot be disclosed at present. A potential disclosure is under examination for the future.
2.17. Collective knowledge of the highest governance body in sustainability reporting		
Collective knowledge of the highest governance body	Annual Report, pp. 34, 35 CSR Report, p. 9	Currently no training / education is in place for the highest governance body. The EERP committee informs the Executive Board and the Board of Directors at least twice a year on matters associated with sustainable development.
2.18. Evaluation of the performance of the highest governance body		
Evaluation of the performance of the highest governance body		The Board of Directors undertakes its annual self-evaluation in accordance with the requirements of FINMA Circular 2017/1. However, there is no specific evaluation concerning management of economic, environmental and social topics.
2.19. Remuneration policies		
Remuneration policies	Annual Report, pp. 41, 43 CSR Report, pp. 9, 10	Environmental factors are not currently included in the remuneration policy. No information on GRI 2-19 can be supplied at the moment, because this matter is not regulated systematically, and so no information can be disclosed. A potential disclosure will be examined for the future.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.20. Process to determine remuneration		
Process to determine remuneration	CSR Report, pp. 9, 10	
Stakeholders' involvement in remuneration		The stakeholders (including shareholders) have not voted on the modalities of remuneration of the Bank's staff. Moreover, the Bank has not engaged external consultants in the process of determining remuneration.
2.21. Annual total compensation ratio		
Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)	CSR Report, p. 10	
Ratio of the percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)	CSR Report, p. 10	

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Strategy, policies and practices		
2.22. Statement on sustainable development strategy		
Statement on sustainable development strategy	CSR Report, pp. 4-7	
2.23. Policy commitments		
Policy commitments	CSR Report, p. 4	In 2003, BCGE drew up the Bank's Ethics Charter with the government of Geneva. It was validated following a vote of the Grand Council. To this day, it is the only policy commitment made by the Bank, underlying responsible conduct. BCGE France has no policy commitments.
2.24. Embedding policy commitments		
Embedding policy commitments	CSR Report, p. 4	Other than that referred to under GRI 2-23, the BCGE Group, has made no other policy commitments.
2.25. Processes to remediate negative impacts		
Processes to remediate negative impacts	CSR Report, pp. 26-29	By producing this sustainability report, BCGE means to report, year by year, the negative impact that it identifies. See our action plan, pp. 26-29.
2.26. Mechanisms for seeking advice and raising concerns		
Mechanisms for seeking advice and raising concerns	CSR Report, p. 14	Process for dealing with client complaints, complaints to the Ombudsman.
2.27. Compliance with laws and regulations		
Non-compliance with laws and regulations	CSR Report, pp. 12-13	Specific data concerning possible violations of laws and regulations are not currently systematically generated and so cannot be disclosed for the moment. A potential disclosure is under examination for the future. Moreover, the Bank has not recorded cases of non-compliance leading to monetary or non-monetary sanctions.
2.28. Membership associations		
Membership associations	CSR Report, p. 52	BCGE Switzerland is member of the AMAS, the SBA and the ASCB.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
2.29. Approach to stakeholder engagement		
Approach to stakeholder engagement	<p>List of stakeholder groups: CSR Report, pp. 5, 6</p> <p>Identification and selection of stakeholders: CSR Report, pp. 5, 6</p> <p>Approach to stakeholder engagement: CSR Report, pp. 5, 6 and Deloitte pp. 69-71</p>	
2.30. Collective bargaining agreements		
Collective bargaining agreements		As the Swiss banking sector is generally not governed by a collective agreement, persons employed at BCGE are not required to sign this type of document.
Material topics		
3-1 Process to determine material topics	CSR Report, pp. 6, 7	Material topics are reviewed every year.
3-2 List of material topics	CSR Report, p. 7	
Changes in reporting		This is the first year in which BCGE has undertaken a materiality assessment in order to highlight material topics.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Series 200 (economic topics)		
Value creation and financial performance		
3.3. Management of material topics		
Management approach	CSR Report, p. 38	
201-1 Direct economic value generated and distributed	CSR Report, p. 39	Economic value generated = total operating income.
201-2 Financial implications and other risks and opportunities due to climate change	CSR Report, pp. 28, 31	
201-3 Defined benefit plan obligations and other retirement plans		The missing information here relating to defined benefit plan obligations and other retirement plans will be communicated in the pension fund report.
201-4 Financial aid received from government		The Group does not receive financial aid from the government.
Purchasing practices		
3.3. Management of material topics		
Management approach	CSR Report, pp. 17, 18	
204-1 Proportion of spending on local suppliers	CSR Report, p. 18	

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Anti-corruption		
3.3. Management of material topics		
Management approach	CSR Report, pp. 12, 13	
205-1 Operations assessed for risks related to corruption	CSR Report, pp. 13, 14	
205-2 Communication and training on anti-corruption policies and procedures		<p>The awareness of new employees joining the Bank with regard to combating corruption is raised by means of specific anti-corruption training. Currently, information in this respect is incomplete.</p> <p>Moreover, in the context of implementation of the future Code of Conduct, the Bank is planning compulsory anti-corruption training for staff in sensitive positions. This category of staff will be selected using a risk-based approach.</p> <p>Currently, members of the Board of Directors receive no dedicated anti-corruption training. Similarly, no anti-corruption training has been communicated to business partners.</p> <p>A complete disclosure of the data compiled is under examination for the future.</p>
205-3 Confirmed incidents of corruption and actions taken	CSR Report, p. 13	

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Series 300 (environmental topics)		
Energy		
3.3. Management of material topics		
Management approach	CSR Report, pp. 21, 22	Due to the unreliability of the data from BCGE France, no information relating to energy consumption of the French subsidiary is given.
302-1 Energy consumption within the organisation	CSR Report, p. 24	
302-3 Energy intensity	CSR Report, p. 24	
302-4 Reduction of energy consumption	CSR Report, p. 24	
Emissions		
Management approach	CSR Report, pp. 21, 22	Due to the unreliability of the data from BCGE France, no information relating to GHG emissions by the French subsidiary is given.
305-1 Direct (Scope 1) GHG emissions	CSR Report, pp. 22, 23	Scope 1 (BCGE Switzerland) as CO ₂ : 2020: 528 / 2021: 449 / 2022: 324
305-2 Energy indirect (Scope 2) GHG emissions	CSR Report, pp. 22, 23	Scope 2 (BCGE Switzerland) as CO ₂ : 2020: 2 / 2021: 36 / 2022: 46
305-3 Other indirect (Scope 3) GHG emissions	CSR Report, pp. 22, 26	Scope 3 (BCGE Switzerland) as CO ₂ : 2020: 1,621 / 2021: 1,442 / 2022: 1,680 Currently, Scope 3 does not include the carbon audit of finance and investment activities.
305-4 GHG emissions intensity	CSR Report, p. 22	
305-5 Reduction of GHG emissions	CSR Report, p. 22	

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Series 400 (social topics)		
Employment		
Management approach	CSR Report, pp. 42, 43	
401-1 New employee hires and employee turnover	CSR Report, p. 50	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	CSR Report, pp. 43-47	Currently, we do not have relevant information regarding BCGE France.
Training and education		
3.3. Management of material topics		
Management approach	CSR Report, pp. 47-49	
404-1 Average hours of training per year per employee	CSR Report, p. 48	Currently, we do not have relevant information regarding BCGE France.
404-2 Programmes for upgrading employee skills and transition assistance programmes	CSR Report, p. 49	Currently, we do not have relevant information regarding BCGE France.
404-3 Percentage of employees receiving regular performance and development reviews	CSR Report, p. 49	Currently, we do not have relevant information regarding BCGE France.

* Reason for the omission with explanation

GRI standard	Pages/URL	Additional information*
Diversity and equality of opportunity		
3.3. Management of material topics		
Management approach	CSR Report, p. 45	
405-1 Diversity of governance bodies and employees	CSR Report, p. 45	
405-2 Ratio of basic salary and remuneration of women to men	CSR Report, p. 44	
Marketing and labelling		
3.3. Management of material topics		
Management approach	CSR Report, pp. 40, 41	
417-1 Requirements for product and service information and labelling	CSR Report, pp. 35, 36	BCGE France takes care to adhere to regulations on transparency of information and advice vis-à-vis its clients. It frames its advice-giving process within procedures requiring compliance checks.
417-2 Incidents of non-compliance concerning product and service information and labelling		No cases of non-compliance concerning information on products and services supplied by the Group have been recorded during the last three years.
417-3 Incidents of non-compliance concerning marketing communications		No cases of non-compliance concerning communication and marketing have been recorded during the last three years.
Confidentiality of client data		
3.3. Management of material topics		
Management approach	CSR Report, pp. 14-16	In addition to the general level of protection, regulations and internal processes require preventive risk-based measures to protect client data.
418-1 Substantiated complaints concerning breaches of client privacy and losses of client data		No substantiated complaints from clients or the regulatory authorities concerning breaches of client data confidentiality or losses of client data have been recorded during the last three years.

* Reason for the omission with explanation

Basis for reporting specific indicators

Indicators	Pages/URL	Additional information
Proportion of the external funds followed by the Bank integrating or aiming to contribute to a sustainability issue	CSR Report, p. 34	Funds integrating ESG criteria are funds that apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding); among these approaches, themed investment and impact investing aim more specifically to contribute to a sustainability issue.
Proportion of assets included in ESG investment vehicles	CSR Report, p. 36	The ESG investment vehicles are the Synchrony funds and the mandates consistently including ESG criteria in their investment processes. They apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding).
Proportion of assets taking account of ESG criteria in the Synchrony investment funds and in private and institutional mandates	CSR Report, p. 36	The assets taking account of ESG criteria are the underlying funds that comprise the investment vehicles (Synchrony funds and mandates) and apply at least one of the responsible investment approaches (e.g. exclusions, positive screening, ESG integration, themed investments, impact investing or active shareholding).
Proportion of financial investments in oil and gas	CSR Report, p. 37	Percentage of the "Financial Investments" portfolio invested in the oil and gas sector.
Proportion of the bond portfolio invested in sustainable bonds	CSR Report, p. 37	Percentage of the "Financial Investments" portfolio invested in green bonds, social bonds, green and social bonds or sustainability-linked bonds.
Proportion of the private equity funds allocated to an Art. 9 SFDR fund	CSR Report, p. 37	Proportion of the net commitments in the private equity portfolio invested in an Article 9 fund according to the European SFDR (Sustainable Finance Disclosure Regulation) classification.

Independent report on our limited assurance engagement

To the management of Banque Cantonale de Genève, Genève

Our engagement

We have been engaged to conduct a limited assurance engagement on selected sustainability indicators presented in the *Social Responsibility Report 2023* of Banque Cantonale de Genève (« the Bank ») for the year ended 31 December 2023.

Conclusion of our limited assurance engagement

Based on procedures performed and evidence gathered, nothing has come to our attention that causes us to believe that the selected sustainability indicators are not prepared, in all material respects, in accordance with the Applicable Criteria described in the report.

Basis of our limited assurance engagement

Our work was carried out by a multi-disciplinary team of sustainability and assurance specialists in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the *International Auditing and Assurance Standards Board* (IAASB), and with the terms of our engagement letter. To achieve limited assurance, ISAE 3000 (Revised) requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

Scope and subject matter

Our limited assurance procedures focused on the review of selected sustainability indicators for the year ended 31 December 2023 (except for the energy and emissions indicators, which are for the year ended 31 December 2022) presented in the *Social Responsibility Report 2023* (« the report ») as listed below:

- Gender distribution of the Board of Directors, on page 9 of the report
- Total annual remuneration ratio (highest/median), on page 10 of the report
- Number of clients complaints and whistleblowing cases, on page 14 of the report
- Total Green House Gases (GHG) emissions (tCO₂), on page 22 of the report
- Intensity of GHG emissions (tCO₂/Full-Time Equivalent or FTE), on page 22 of the report
- Total energy consumption (kWh), on page 24 of the report
- Energy intensity (kWh/FTE), on page 24 of the report
- Proportion of external funds followed including ESG criteria or aiming to contribute to a sustainability theme, on page 34 of the report

- Proportion of assets included in ESG investment vehicles and proportion of assets taking into account ESG criteria in Synchrony funds, and private and institutional mandates, on page 36 of the report
- Proportion of financial investments invested in oil and gas sector, on page 37 of the report
- Proportion of the bond portfolio invested in sustainable bonds, on page 37 of the report
- Proportion of private equity fund portfolio allocated to an article 9 SFDR fund, on page 37 of the report
- Direct economic value generated and distribution of economic value generated, on page 39 of the report
- Total staff, on page 42 of the report
- Coverage ratio of the pension fund, on page 43 of the report
- Ratio of the average basic salary and the average remuneration of employees, on page 44 of the report
- Staff by gender, on page 45 of the report
- Membership of the Board of Directors and staff by age category, on page 46 of the report
- Average number of training days per year, by person employed, by gender and professional category, on page 48 of the report
- Turnover rate, by gender and age category, on page 50 of the report
- Direct (Scope 1) GHG emissions (tCO₂), on page 65 of the report
- Energy indirect (Scope 2) GHG emissions (tCO₂), on page 65 of the report
- Other indirect (Scope 3) GHG emissions 3 (tCO₂), on page 65 of the report.

Applicable Criteria

The reporting criteria (“Applicable Criteria”) used by the Bank are based on the Standards of the Global Reporting Initiative (GRI), and the Greenhouse Gas Protocol (GHG Protocol), as well as own developed criteria for indicators on assets and funds, as described by the Bank in the *Social Responsibility Report 2023*, on page 68 of the report.

Inherent limitations

We provided limited assurance over the preparation of the selected indicators in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements. Any internal control structure, no matter how effective it is, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Applicable Criteria, the nature of the selected indicators, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between organisations. The adopted measurement methodologies may also impact comparability of the selected indicators reported by different organisations and from year to year within an organisation as methodologies develop.

Responsibility of the Bank’s management

The management of the Bank is responsible for the preparation of the *Social Responsibility Report 2023* and the information contained therein in accordance with the aforementioned Applicable Criteria. This responsibility includes developing, implementing and safeguarding internal controls of material importance for the preparation of a report that is free of material misstatements, whether due to fraud or error. This responsibility includes selecting and applying Applicable Criteria as well as measurement methods and estimates deemed suitable in view of the circumstances.

Finally, the Bank’s management is responsible for providing sufficient access and making available all documents, information and explanations necessary to successfully complete our limited assurance engagement.

Our responsibility

Our responsibility is to express a conclusion on the selected sustainability indicators based on our limited assurance procedures. ISAE 3000 (Revised) requires that we plan and perform our procedures to obtain limited assurance, whether the selected sustainability indicators have been prepared, in all material respects, in accordance with the Applicable Criteria.

The procedures performed in a limited assurance engagement vary in nature and intensity from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality controls

We have complied with the independence and other ethical requirements established by the Code of Ethics for Professional Accountants issued by *the International Ethics Standards Board for Accountants*, which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Deloitte SA applies International Standard on Quality Control 1 (ISQM 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurances procedures performed

We are required to plan and perform our work to address the areas where we have identified that a material misstatement in respect of the selected indicators could arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement in respect of the selected indicators, we performed the following procedures:

- Inquiring of the Bank's Head of Corporate Social Responsibility to understand the governance and review process for data management and collection, and the process around reporting;
- Inquiring of key personnel involved in the data collection, management and reporting processes for the production of the *Social Responsibility Report 2023*, to obtain an understanding of the process for how the information is captured, processed and reported;
- Inspecting documentation to corroborate the results of these inquiries, including seeking supporting evidence for the statements made, and documentation of reporting processes and minutes of relevant meetings; and
- Conducting analytical procedures and inspecting and testing underlying data, including inspecting source documentation, on a statistical and non-statistical sample basis to assess whether the data has been collected and reported in accordance with the Applicable Criteria.

Deloitte SA



Alexandre Buga
Partner



Hortense Huez
Director

Geneva, 29 February 2024

Appendix

Stakeholder group	BCGE's commitments to stakeholders	Material topic
Shareholders	To operate a form of corporate governance that complies with the stakeholders' highest expectations.	Ethics, transparency and corporate governance
	To inspire loyalty in our community of public, private and institutional shareholders.	
	To guarantee a return in line with the market and compatible with the Bank's long-term development.	Value creation and financial performance
	To contribute to creating value for the Canton of Geneva.	
Clients	To offer competitive services that meet the needs of clients.	Finance product offering appropriate to client needs and including ESG criteria
	To offer financial services for investment and pension planning that respect the long-term interests of clients.	
	To give all clients access to plainly worded, high-quality financial information.	
	To achieve a high level of client satisfaction.	
	To treat all clients equally, whatever the level of their assets.	
	To offer the option of financial products integrating Environmental, Social and Governance criteria.	Ethics, transparency and corporate governance
	To select clients so as to avoid associating the Bank with questionable activities.	
	To protect the personality and fundamental rights of persons who are subject to data processing.	
To ensure the security of data and to combat cybercrime.	Cybercrime and data protection	
Monitoring of cyber risks.		

Stakeholder group	BCGE's commitments to stakeholders	Material topic
Staff	To offer working conditions that stimulate creativity and a high level of productivity.	
	To ensure equal opportunities without regard to origin, gender, nationality or religion.	
	To provide the best opportunities for career development.	
	To develop a high level of expertise, favourable to personal professional development.	Employee commitment, diversity and inclusion
	To ensure respect of emotional and sexual integrity and recognition of diversity.	
	To promote an attitude of integrity and responsibility in management.	
	To promote the health of staff.	
Community and environment	To align remuneration purely in the interest of the company, clients and shareholders.	Ethics, transparency and corporate governance
	To draw up a "whistleblowing" policy and related procedures.	
	To create value for the public authorities.	
	To support investment in Geneva.	
	To contribute to the strength of the Geneva's financial centre by profiling itself as a major provider of banking expertise.	Contribution to the development of Geneva's economy
	To be geographically accessible and available to everyone.	
	To support social action.	
Community and environment	To provide the wider public with relevant and instructive information on financial issues.	
	To have an Ethical and Environmental Responsibility Policy (EERP).	Ethics, transparency and corporate governance
	To integrate non-financial matters within our business model.	
	To encourage environmentally friendly transport.	Direct environmental impact
	To establish specific governance as regards climate matters.	
	To institute climate risk management.	Integration of ESG criteria in:
	To draw up an action plan for reducing climate risks.	<ul style="list-style-type: none"> • property financing; • business lending; • trade finance activities.
Community and environment	To publish climate metrics and define objectives in line with the action plan adopted.	

Glossary

AMAS Asset Management Association Switzerland	Professional organisation representing the Swiss asset management industry. Aim: to reinforce Switzerland's position as a first-rank asset management centre, with high standards of quality, performance and sustainable development. am-switzerland.ch
AMLA Swiss Anti-Money Laundering Act	The anti-money laundering act applies to financial intermediaries. It regulates the fight against money laundering and terrorism financing, together with the vigilance required in financial transactions.
COMCO Swiss Competition Commission	Protecting competition is crucially important in a market economy. In Switzerland, this protection is primarily realised through application of the Cartel Act and the Internal Market Act. weko.admin.ch
CSR Corporate Social Responsibility	CSR applies to the effects of business activities on society and the environment. It designates the manner in which companies take into consideration the environmental, social and economic implications of their activities.
ESG Environmental, Social and Governance	Initials used by the financial community to designate the Environmental, Social and Governance criteria, which generally constitute the three pillars of extra-financial analysis.
FATCA Foreign Account Tax Compliance Act	The American FATCA tax law, a unilateral American regulation, applicable to all countries. It requires foreign financial institutions to report information on American accounts to the US tax authorities or to deduct a high level of tax.
FINMA The Swiss financial market supervisory authority	FINMA supervision serves the interests of the Swiss financial centre, as well as those of investors, creditors and insurance policyholders. finma.ch
GHG protocol Greenhouse gas protocol	Protocol on the emission of greenhouse gases. Protocol drawn up to develop and promote best practice in accounting for and declaring greenhouse gas emissions. ghgprotocol.org
Green bonds Environmental bonds	Also known as sustainable or climate bonds. These are non-bank bonds issued on the financial markets to investors by a company, organisation, local authority, international body or a national government.
Greenwashing	"Greenwashing" is the term used in the financial sector to refer to the practice of misleading clients as regards the sustainable nature of financial products and services. (Federal Council, 16.12.2022).
GRI Global Reporting Initiative	The Global Reporting Initiative (GRI) provides the requirements and guidelines for the annual statement (reporting) of an organisation's activities in terms of sustainable development.
GRI standards Global Reporting Initiative	These standards constitute worldwide good practices in public reporting on a wide range of economic, environmental and social impacts. Reporting on sustainable development based on these standards provides information about an organisation's positive or negative contributions to sustainable development.
ISO standard 14064 + 14064-1	The ISO 14064 series is a greenhouse gas neutral (GGN) programme. It specifies the principles and requirements applicable to organisations as regards quantification and production of reports on the emission and elimination of greenhouse gases. iso.org/standard/66453.html
MROS Money Laundering Reporting Office – Switzerland	Communication office for money laundering issues at the Swiss Federal Office of Police (fedpol). Functions as a relay and filtration point between financial intermediaries and the law enforcement agencies. fedpol.admin.ch

Private Equity Capital investment	Designates a form of investment whereby investors use part of their capital to develop a company not listed on the stock exchange.
QI Qualified Intermediary	This scheme defines rules in respect of taxation and declaration of US income at source received by all natural persons through a non-US financial intermediary acting as a QI, such as banks, brokers and asset managers.
OAG Office of the Attorney General of Switzerland	Tasked with investigating offences under federal jurisdiction, set out in Art. 23 and 24 of the Swiss Criminal Procedure Code. bundesanwalt.ch
RI Responsible investment	Responsible investment consists of building a portfolio that takes into account financial and extra-financial criteria, including environmental, social and corporate governance criteria, when selecting and managing investments.
SAQ Swiss Association for Quality	Association offering certifications accredited by the SAS (Swiss Accreditation Service) for the professional qualification of persons, on the basis of standard SN EN 17024.
SBA Swiss Bankers Association	Central association of the Swiss financial centre. Main aim: to create an optimum framework for banks in Switzerland. Defends the interests of the Swiss financial centre in the political, administrative and public spheres. swissbanking.ch
SECO State Secretariat for Economic Affairs	The Swiss Confederation's Centre of Expertise for matters relating to political economy. Objective: to ensure sustainable economic growth, with a high level of employment under fair labour conditions. seco.admin.ch
SFDR Sustainable Finance Disclosure Regulation	European regulation on the publication of sustainability information in the financial services sector for investors.
SNB Swiss National Bank	The SNB has two head offices, one in Zurich and the other in Berne. It has six representative offices (in Basel, Geneva, Lausanne, Lugano, Lucerne and St. Gallen) and 13 agencies managed by the cantonal banks for cash distribution purposes. snb.ch
Stress tests (financial)	Exercises which simulate extreme but possible economic and financial conditions, in order to anticipate the consequences that these situations would have in reality.
Swiss Banking Ombudsman	Information and mediation office for clients of member institutions belonging to the Swiss Bankers Association (SBA) and affiliated non-member clients. Serves as a central research centre for dormant assets in Swiss banks. Bankingombudsman.ch
Swiss bonds index AAA-BBB Also referred to as SBI AAA-BBB	The SBI® AAA-BBB reflects the development of a segment of the market for the Swiss franc denominated bonds of domestic issuers listed on the SIX Swiss Exchange.
TCFD Task Force on Climate-Related Financial Disclosure	Working group that sets out recommendations on information that companies publish for investors about their governance and the action they are taking to reduce their climate change-related risks. fsb-tcdf.org

Publishing information

Coordination

Damien Contamin
CSR Manager

Publication

Grégory Jaquet
Corporate Affairs & Communications
Banque Cantonale de Genève (BCGE)

Special thanks to BCGE staff closely involved in the production of this report:

Finance Division

Hamid Bensouna, Mickaël Brunetta

Legal and Compliance Division

Philippe Marti, Grégory Denizou, Stiliano Ordolli, Nicolas Rossier, Daniel Käslin

Asset Management Division

Laurent Brossy

Operations Division

Stéphane Marquez, Muriel Hess, Claire Haile, Wilfrid Decitre

International Division

Nicolas Demierre, Olivier Thyssen

Chief of Staff, Leadership and Planning

Irene Diez

Human Resources

Christelle Didier, Denis Buff, Romaine Jordan

Corporate Affairs & Communications

Nathalie Vernaz

Concept and design

Alternative Communication SA
Alternative.ch

Photolithography

rs solutions

Printing

Atar Roto Presse SA, Geneva

Photography

Fred Merz | Lundi 13

Loris von Siebenthal

Gilles Aymar

Alain Besse

Languages

French, English

Copyright

This report is not to be reproduced, in whole or in part, without the authorisation of the publisher.

Disclaimer

This is a free translation of the original French version. In case of discrepancies, the French version shall prevail.



May 2024

Banque Cantonale de Genève SA

Contact details

Head office

bcge.ch
Tel. +41 (0)22 809 21 00
E-mail: info@bcge.ch
Quai de l'Île 17 – CP 2251 – 1211 Geneva 2

 [linkedin.com/company/bcge](https://www.linkedin.com/company/bcge)
 [youtube.com/c/BanqueCantonaledeGenève](https://www.youtube.com/c/BanqueCantonaledeGenève)

21 branches in Geneva

Branches in Switzerland

Lausanne: Avenue de la Gare 50 – CP 159 – 1001 Lausanne – Tel. +41 (0)21 321 07 07

Basel: Aeschengraben 10 – 4051 Basel – Tel. +41 (0)61 226 61 00

Zurich: Lintheschergasse 19 – Postfach 4068 – 8021 Zurich – Tel. +41 (0)44 224 65 65

Subsidiaries

Banque Cantonale de Genève | France SA

bcgef.fr
Tel. +33 (0)4 72 07 31 50
Lyon: 20, place Louis-Pradel – F-69001 Lyon
Annecy: 1, rue Paul Guiton – F-74000 Annecy
Paris: 5, rue de la Baume – F-75008 Paris

Capital Transmission SA

capitaltransmission.ch
Tel. +41 (0)22 809 21 00
Geneva: Quai de l'Île 17 – 1204 Geneva (head office)
Zurich: Lintheschergasse 19 – 8021 Zurich

Dimension SA

dimension.ch
Tel. +41 (0)21 317 52 10
Lausanne: Avenue de la Gare 20 – 1003 Lausanne (head office)
Geneva: Quai de l'Île 17 – 1211 Geneva 2
Zurich: Lintheschergasse 19 – 8021 Zurich

Loyal Finance AG

loyalfinance.ch
Tel. +41 (0)44 215 50 90
Zurich: Gessnerallee 38 – 8001 Zurich

BCGE (Asia) Company Limited

Tel. +852 280 81 80
Hong Kong: Unit 808-809, Alexandra House – Chater Road 18 – Central – Hong Kong – China

Representative offices

Dubai: Banque Cantonale de Genève – Banking Rep. Office

Sheikh Zayed Road, Park Place – 14th Floor – PO Box 102810 – Dubai – UAE
Tel. +971 4 329 83 00

Hong Kong: Banque Cantonale de Genève Hong Kong Representative Office

Unit 808-809, Alexandra House – Chater Road 18 – Central – Hong Kong – China
Tel. +852 280 81 80

