BIC-BRED (SUISSE) SA
Commodity Trade Finance & Corporate Banking

2024 ANNUAL REPORT

BIC-BRED (SUISSE) SA

THE EMPLOYEES OF BIC-BRED (SUISSE) SA

THE YEAR AT A GLANCE

KEY FIGURES

NET BANKING INCOME
+11%

NET RESULT BEFORE RGBR
+18%

ROE
11.4%

ROA
1.4%

BALANCE SHEET (in CHF thousand)	31.12.2024	31.12.2023	Change (absolute)	Change (%)
Balance sheet total	1,714,838	1,374,652	*340,186*	*25%*
Amounts due from customers	1,047,001	757,502	*289,499*	*38%*
Amounts due in respect of customer deposits	337,265	501,508	*–164,243*	*–33%*
Equity	214,932	190,471	*24,461*	*13%*
of which Reserves for general banking risks (RGBR)	81,693	57,232	*24,461*	*43%*

OFF-BALANCE SHEET (in CHF thousand)	31.12.2024	31.12.2023	Change (absolute)	Change (%)
Off-balance sheet total	524,191	560,874	*–36,683*	*–7%*

RESULTS (in CHF thousand)	31.12.2024	31.12.2023	Change (absolute)	Change (%)
Net result from interest operations	33,166	28,537	*4,629*	*16%*
Result from commission business and services	16,805	16,484	*321*	*2%*
Result from trading activities	707	713	*–6*	*–1%*
Other result from ordinary activities	34	32	*2*	*6%*
Net banking income	**50,712**	**45,766**	***4,946***	***11%***
Operating income	24,995	21,196	*3,799*	*18%*
Net result before RGBR	**24,461**	**20,662**	***3,799***	***18%***
Change in Reserves for general banking risks	–24,461	–20,662	*–3,799*	*18%*
Net income	–	–	–	–

RATIOS RELATING TO THE RESULTS (%)	31.12.2024	31.12.2023
Equity / Balance sheet total	12.5%	13.9%
Operating income / Equity	11.6%	11.1%
Net result before RGBR / Equity (ROE)	**11.4%**	**10.8%**
Net result before RGBR / Assets (ROA)	**1.4%**	**1.5%**
Cost / Income ratio	50.0%	48.5%

LIQUIDITY AND EQUITY RATIOS (%)	31.12.2024	31.12.2023
Liquidity Coverage Ratio (LCR)	137.1%	137.2%
Net Stable Funding Ratio (NSFR)	170.0%	139.4%
Capital adequacy ratio	16.5%	19.7%

HEADCOUNT	31.12.2024	31.12.2023	Change (absolute)	Change (%)
Full-time equivalents	98.9	100.0	*–1.1*	*–1%*
Number of employees	102	103	*–1*	*–1%*

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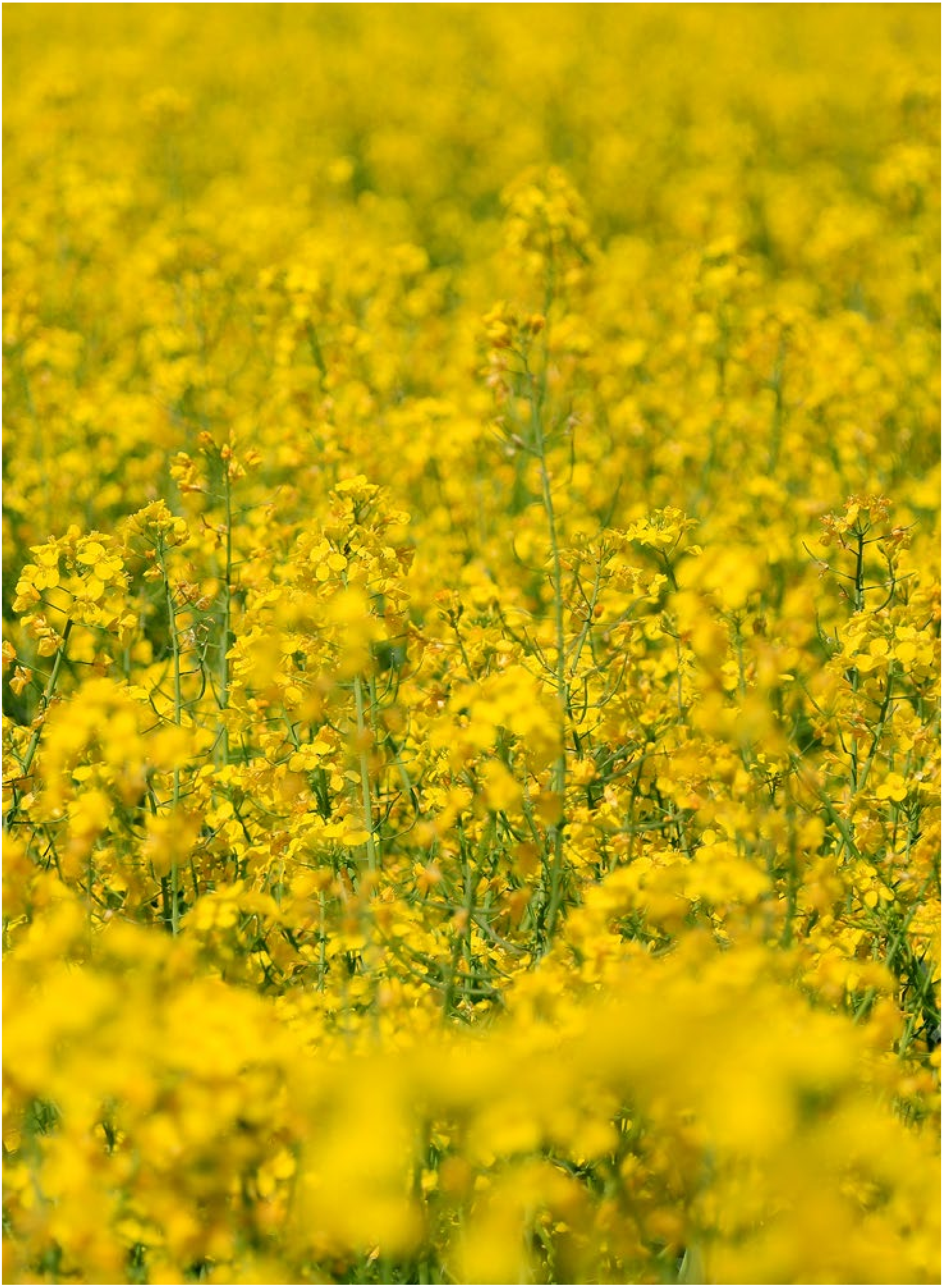


PART 1

LETTER FROM THE CHAIRMAN AND THE CEO

PART 1

LETTER FROM THE CHAIRMAN AND THE CEO

Stève Gentili,
Chairman of the Board of Directors

Emmanuel Lemoigne,
Chief Executive Officer

BIC-BRED (Suisse) SA is pleased to present to you its tenth annual report for the year 2024, which reflects an important milestone in the development of our bank.

The 2015-2024 period was marked by several international events, punctuated by threats and opportunities that impacted both our bank and our clients.

During these 10 years, BIC-BRED (Suisse) SA has experienced continuous growth in its main activity: commodity trade finance. 2024, in particular, followed this same momentum.

With more than a hundred employees, our bank has established itself in the Swiss banking landscape at the heart of the ecosystem of traders. Over the years, we have been able to round out our service offering with our office in the UAE and develop numerous synergies to serve our clients. With a diversified portfolio of traders of all sizes and from different sectors, we are committed, without limitation, to the development of these activities in the Geneva financial centre.

With 11% growth in banking income, now exceeding CHF50 million, and historical operating income close to CHF25 million, up +18% in 2024, our bank has achieved high standards of profitability and management.

These rigorous efforts in our management are made to serve our clients. All of our earnings are thus retained in reserves, increasing our equity, which is now close to CHF215 million and offering us financing capacity.

Our growth and profitability targets are largely achieved thanks to the quality and level of human skills that we develop within our bank. They rely on strong professional skills, not only technical skills but also those derived from the values that we want to illustrate in our daily actions.

In 2025, we will pursue this strategy dedicated to developing our client base by further strengthening the close relationship that characterises us. Combined with our technical expertise, this gives us great ability to adapt to the needs of the business and the risks it generates.

With the support of the BRED Group, which has robust foundations, we intend to continue this growth by diversifying and solidifying it.

Together with all its employees, BIC-BRED (Suisse) SA is committed to the future with awareness and confidence.

Stève Gentili
Chairman of the Board of Directors

Emmanuel Lemoigne
Chief Executive Officer

PART 2

GROUP AND SHAREHOLDER STRUCTURE

PART 2

GROUP AND SHAREHOLDER STRUCTURE

2.1 THE BPCE GROUP

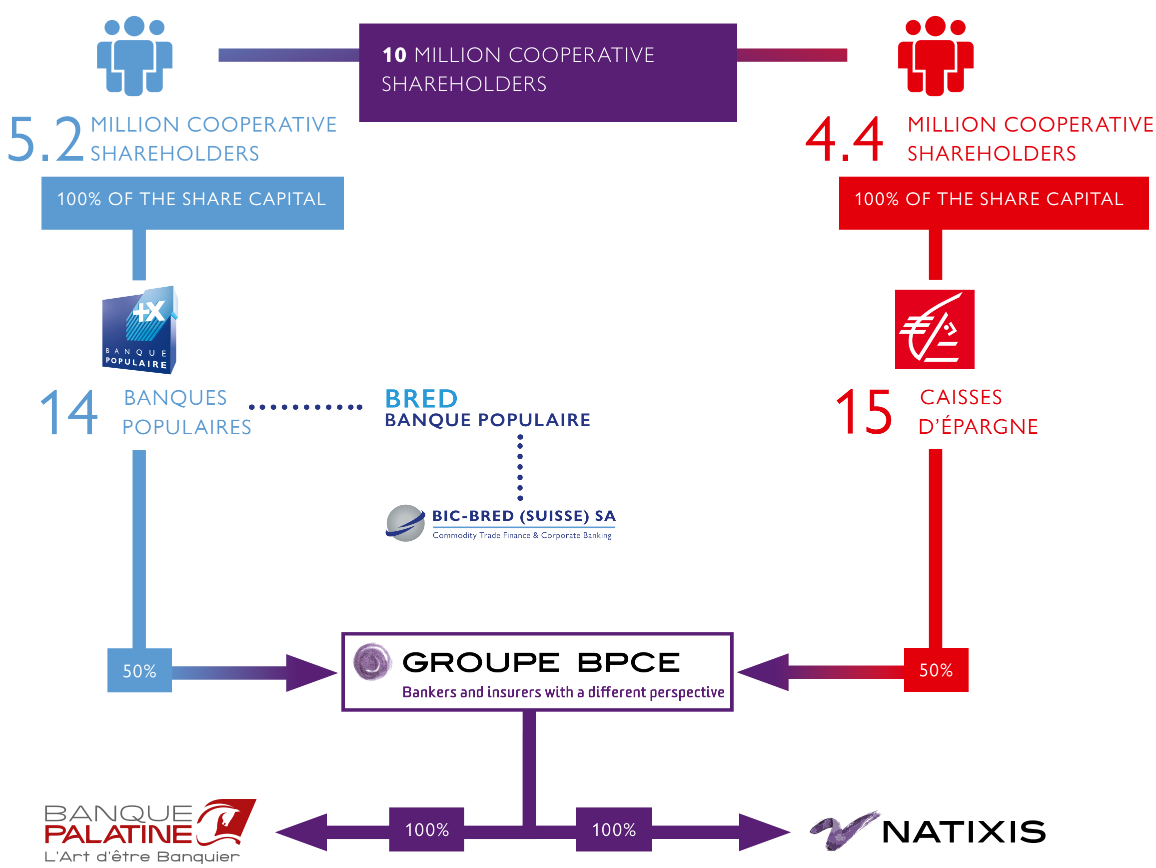
HISTORY

The BPCE Group was created in 2009 as the result of a merger between two major cooperative networks: Banque Populaire and Caisse d'Épargne.

In the space of a few years, it has become one of the largest banking groups in Europe. It is the second largest banking group in France and finances more than 20% of the French economy.

STRUCTURE

Figure 1 **THE BPCE GROUP'S STRUCTURE CHART AT 31 DECEMBER 2024**



Close to 10 million cooperative shareholders own all the cooperative shares comprising the capital of the Banques Populaires and Caisses d'Epargne banks. Their representatives form the Boards of Directors of the Banque Populaire banks and the Steering and Supervisory Boards of the Caisses d'Epargne banks.

The 14 Banque Populaire banks (including BRED) and the 15 Caisses d'Epargne banks hold 100% of the capital of BPCE, the Group's corporate centre.

In particular, the corporate centre is responsible for representing affiliates before the supervisory authorities, organising deposit guarantees, approving senior management and ensuring the proper functioning of the Group's institutions. It also determines the Group's strategic guidelines, coordinates its commercial policy and guarantees its liquidity and solvency. As a holding company, BPCE operates as the head of the group. It holds and manages the stakes in the subsidiaries.

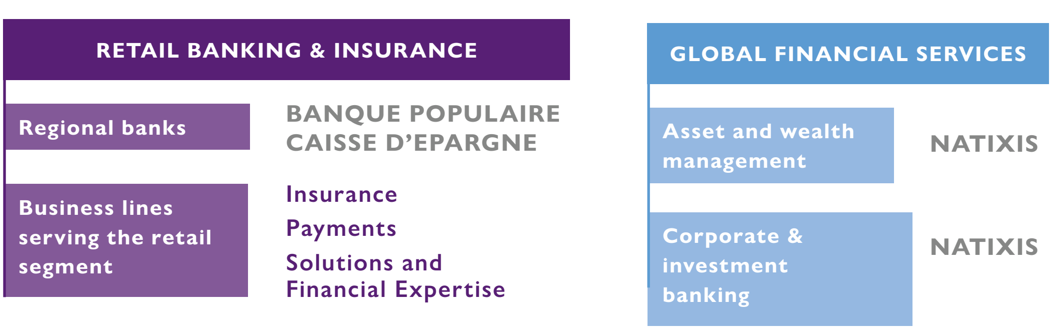
BUSINESS ACTIVITIES

With 100,000 employees, the BPCE Group operates in more than 50 countries and serves 35 million customers: individuals, professionals, businesses, investors and local authorities.

It operates in retail banking and insurance through its two major networks, Banque Populaire and Caisse d'Epargne, as well as Banque Palatine and Oney.

It also provides global asset and wealth management services, with Natixis Investment Managers, and corporate and investment banking with Natixis Corporate & Investment Banking.

Figure 2 **THE 2 MAJOR BUSINESS LINES OF THE BPCE GROUP**



KEY FIGURES

The BPCE Group posted a very good financial performance in 2024. Net banking income and net income grew by 5% and 25%, respectively, thanks to the momentum of all BPCE Group business lines.

Table 1 **THE BPCE GROUP'S KEY FIGURES AT 31 DECEMBER 2024**

in billions of euros	2024	2023	Change (absolute)	Change (%)
Net banking income	23.3	22.2	*1.1*	*5%*
Gross operating income	6.9	5.9	*1.0*	*17%*
Net income, group share	3.5	2.8	*0.7*	*25%*
CET1 ratio	16.2%	15.6%	*0.6%*	*4%*

Nicolas Namias, Chairman of the BPCE Management Board, commented:

"The Banque Populaire and Caisses d'Epargne banks benefited from the confirmed rebound in their net interest margin, as well as from intense commercial activity, as illustrated by the 846,000 new customers welcomed in 2024. All the business lines serving the networks – Insurance, Payments, Solutions and financial expertise – recorded growth in 2024. It was also a remarkable year for the global business lines of Natixis CIB and Natixis IM, with record annual inflows of EUR40 billion in asset management. These results reinforce the momentum of our VISION 2030 strategic project."

EXTERNAL RATINGS

The BPCE Group has high-quality external financial ratings.

In 2024, Standard & Poor's upgraded the BPCE Group's long-term rating to A+ with a stable outlook. This new rating places the Group among the top-rated institutions in Europe and contributes to the development of its companies as part of the "VISION 2030" strategic project.

Table 2 **THE BPCE GROUP'S EXTERNAL RATINGS**

	Fitch Ratings	Moody's	Standard & Poor's
Long-term rating	A+	A1	A+
Short-term rating	F1	P–1	A–1
Outlook	Stable	Stable	Stable
Date of last report	08.01.2025	07.01.2025	15.07.2024

SIGNIFICANT EVENTS IN 2024

Paris 2024 Olympic and Paralympic Games

The BPCE Group is proud to have supported the Paris 2024 Olympic and Paralympic Games as its first Premium Partner.

The Paris 2024 Paralympic Games were an opportunity to promote sports for all, encourage inclusion and celebrate diversity.

The athletes displayed impressive performances and competitiveness. Their inspiring example is an important part of the legacy of the Games.

Covered bond issues: four awards for the BPCE Group

The entire covered bond market community gathered in Porto for the European Covered Bonds Council (ECBC) conference.

The BPCE Group received four awards from the industry benchmark magazine Global Capital: "Issuer of the year", "Best Eurozone Issuer", "Best ESG Deal" and "Best Funding Official".

These latest awards reflect BPCE Group's strong market reputation in secured debt issuance, especially in ESG formats.

Achievement of the 2024 carbon reduction target

The BPCE 2024 strategic plan aimed to reduce the Group's carbon emissions by 15% between 2019 and 2024, and this objective was successfully achieved in 2023.

Four levers of action came into play:

- Reduction of the environmental impact of buildings through energy renovations, home automation and the reduction of occupied areas.
- Integration of CSR criteria in purchasing.
- Reduced travel and electrification of the vehicle fleet.
- Improvement of the energy efficiency of digital equipment, development of more economical applications and training in eco-responsible actions.

LinkedIn Top Companies Ranking

The BPCE Group is among the LinkedIn Top Companies ranking of the 25 companies offering the best career opportunities.

This result recognises its commitment to offering stimulating career paths across all of its companies and continuously developing its employees' skills.

This is reflected in particular by:

- Innovative programmes (more than 50,000 employees trained last year in tech and digital);
- Personalised development journeys;
- Solutions to support conversions;
- An apprentice training centre with nearly 400 Banking and Insurance graduates each year.

2.2. THE BRED GROUP

HISTORY

In 1919, merchants, manufacturers and tradesmen came together at an event held by Louis-Alexandre Dagot, the Chairman of the Union Commerciale et Industrielle de Vincennes (Vincennes Trade and Industrial Union) to create one of the first cooperative banks.

STRUCTURE

The BRED Group is a member of the BPCE Group.

BRED Banque Populaire SA is the parent company of the BRED Group. It is owned by its 200,000 cooperative shareholders.

BUSINESS ACTIVITIES

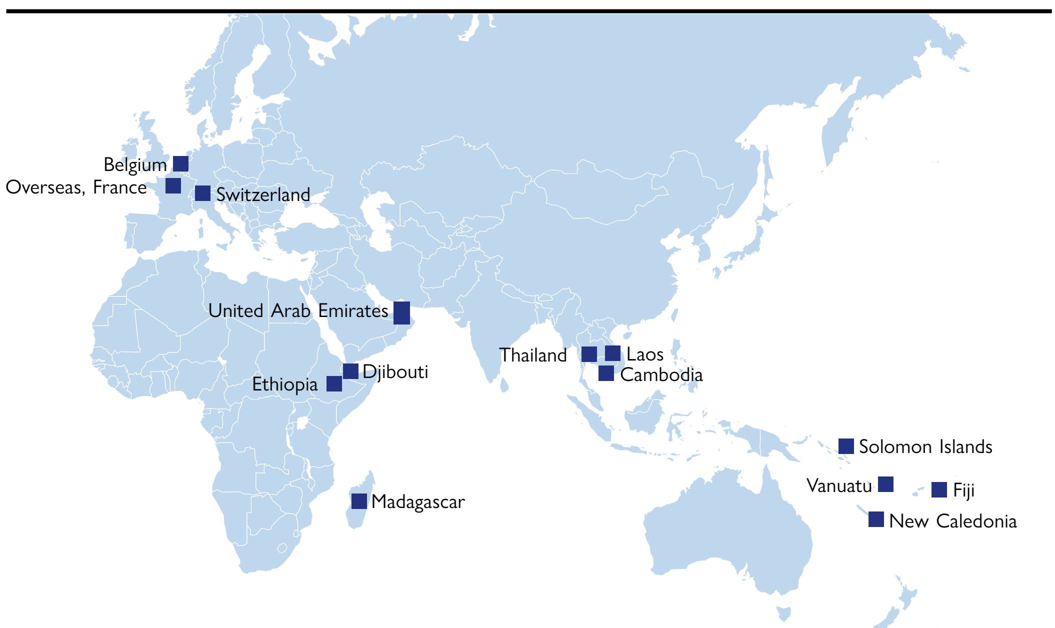
With 7,300 employees, 40% of which outside France, the BRED Group offers its 1.6 million customers the following diversified activities: retail banking, large corporate and institutional banking, private banking, asset management, trading desk, insurance and international trade finance.

BRED GROUP LOCATIONS

The BRED Group is established in:

- Europe: France, the French overseas departments and territories, Belgium and Switzerland;
- Middle East: United Arab Emirates;
- Asia: Laos, Cambodia and Thailand;
- Africa: Djibouti, Ethiopia and Madagascar;
- Oceania: New Caledonia, Vanuatu, Fiji and the Solomon Islands.

Figure 3 **THE BRED GROUP'S LOCATIONS ABROAD**



KEY FIGURES

Against a backdrop of falling inflation and moderate growth, BRED Banque Populaire posted strong earnings growth in 2024:

Table 3 **THE BRED GROUP'S KEY FIGURES AT 31 DECEMBER 2024**

in millions of euros	2024	2023	Change (absolute)	Change (%)
Net banking income	1,468	1,336	*132*	*10%*
Gross operating income	633	514	*119*	*23%*
Net income, group share	391	319	*72*	*23%*
CET1 ratio	16.1%	16.0%	*0.1%*	*1%*

SIGNIFICANT EVENTS IN 2024

Acquisition of the first bank in Madagascar

In 2024, BRED Banque Populaire continued its expansion with the acquisition of Société Générale's entire stake (70%) in Société Générale Madagasikara in Madagascar.

This acquisition is part of BRED Banque Populaire's international development strategy aimed at consolidating its activities in the Indian Ocean. This is a region in which BRED Banque Populaire already has a strong presence, in Reunion Island and Mayotte, where it has been established since 1985, as well as in Djibouti through its subsidiary BCI MR.

As a cooperative bank, BRED Banque Populaire contributes sustainably to the economic and social dynamism of its regions and will serve all economic actors in Madagascar.

It has acquired all the activities operated by Société Générale Madagasikara, as well as all client portfolios and all employees. More than 1,000 employees support nearly 300,000 individual, corporate and institutional clients through 70 branches.

The new name of this subsidiary is BRED Madagasikara Banque Populaire.

2.3. BIC-BRED (SUISSE) SA

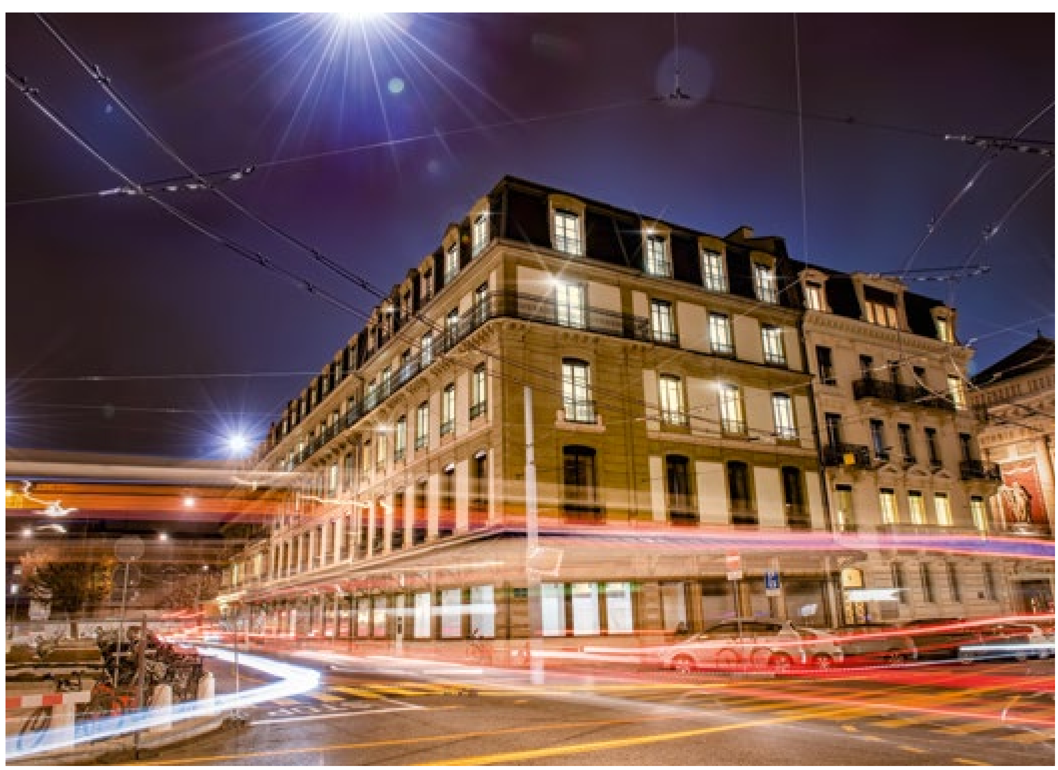
HISTORY

In 1991, Banque Internationale de Commerce - BRED SA in Paris, created a branch dedicated to financing commodities trading and international trade in Geneva. Its business focused mainly on the Mediterranean countries and Central and Eastern Europe. The branch was also present in Istanbul through a representative office.

In 2015, Banque Internationale de Commerce-BRED SA, Paris created a limited company in Geneva to which it transferred all the branch's assets and liabilities. The subsidiary Banque Internationale de Commerce-BRED (Suisse) SA ("BIC-BRED (Suisse) SA") was born, with its registered office at Place de Longemalle in Geneva. In the same year, it obtained a banking licence from the Swiss Financial Market Supervisory Authority (FINMA).

In 2019, to cope with the increase in its staff, the Bank moved to more spacious premises located on Boulevard du Théâtre in Geneva.

The Bank's headquarters on Boulevard du Théâtre in Geneva.



STRUCTURE

BIC-BRED (Suisse) SA is wholly owned by Banque Internationale de Commerce-BRED SA, Paris, 99.99% of which is owned by Compagnie Financière de la BRED SA (COFIBRED), itself wholly owned by BRED-Banque Populaire.

SIGNIFICANT EVENTS IN 2024

IFC Award

In May 2024, BIC-BRED (Suisse) SA participated in the IFC Global Trading Partners Meeting in Barcelona.

At this prestigious event, held from 7 to 9 May, BIC-BRED (Suisse) SA was honoured to receive the "Outstanding Commercial Trade Partner Bank for Commodity Finance in West Africa" award.

For more details, see section
5.5 IFC AWARD "OUTSTANDING TRADE PARTNER BANK FOR COMMODITY FINANCE WEST AFRICA".

The first transport of coffee and cocoa by cargo sailboat

This year, BIC-BRED (Suisse) SA, together with its partners LCL and Crédit Coopératif, were pleased to finance the first shipment of coffee and cocoa by cargo sailboat from Colombia to France.

In addition to reducing the production of greenhouse gases, this reinvented mode of transport also significantly reduces emissions of other gases and products that are toxic to the environment. This transport by ventilated hold and a shorter journey than by container is also favourable for the preservation of the coffee.

For more detail, refer to section
5.4 THE FIRST TRANSPORT OF COFFEE AND COCOA BY CARGO SAILBOAT.

Commodities Week evening event

For the second year in a row, the Bank invited its clients and partners to share an evening of exchange and conviviality in Geneva, on the occasion of Commodities Business Week.

The event, organised in partnership with Ampersand Word, was an opportunity for guests to deepen their knowledge of current trends in the commodities market and to forge valuable ties in a relaxed and friendly setting.

The Bank also took the opportunity to reiterate its commitment to its clients and partners, highlighting the importance of collaboration and innovation to navigate an ever-changing economic environment. The fruitful exchanges and new ideas generated during the evening once again demonstrate the importance of such events in strengthening the commodity trading community and supporting the growth of the sector.

BIC-BRED (Suisse) SA would like to extend its warm thanks to all the participants for their presence and their active contribution to the success of this evening.

PART 3

CORPORATE GOVERNANCE

PART 3

CORPORATE GOVERNANCE

The Bank's guidance, supervision and control is carried out by the Board of Directors, supported by its committees. The Bank's general management is carried out by the Executive Board.

3.1 BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors are appointed by the shareholders at a General Meeting for a renewable term of five years.

As at 31 December 2024, the Board of Directors had seven members, including three independent members[1].

DUTIES AND REMIT

The Board of Directors is responsible for the Bank's supervision and control. It has ultimate responsibility for supervising the conduct of the Bank's affairs and for overseeing the work of the Executive Board. It ensures, in particular, that the Executive Board complies with laws, the articles of association, regulations and instructions.

The Board of Directors is responsible for establishing an appropriate business organisation, and issues the rules and regulations required to achieve this. It enacts the rules required to manage the Bank, to supervise such management and to determine the powers granted to the administrative and management bodies. It approves organisational rules.

1 Members of the Board of Directors are deemed to be independent if:
- They do not hold another position within the institution and have not held one for the last two years;
- They have not held the position of auditor responsible for the institution within the auditing firm in the last two years;
- They do not have a business relationship with the institution that, as a result of its nature or scope, creates a conflict of interest; and
- They do not own a qualified participation in the institution or represent an owner of such a participation.

STÈVE GENTILI

a French national and resident

Role
Chairman of the Board

Education
Holder of a bachelor's degree in IT and Management and a graduate of the *Collège des Sciences Sociales et Économiques.*

Career experience
Stève Gentili was previously the Chief Executive Officer of an agri-food company and Chairman and Chief Executive officer of an inter-sector business organisation.

As well as acting as deputy Vice-Chairman of the Board of Directors of BRED Banque Populaire and Chairman of the Board of Directors of COFIBRED (Compagnie Financière de la BRED), he is a director of various BRED Group entities, a member of PREPAR VIE's Supervisory Board and Member of the *Comité des sages* (Committee of Wise Men) of the Dassault Group.

He has been Chairman of the Supervisory Board of BPCE, and director of COFACE, THALES and VEOLIA.

LOUIS HABIB-DELONCLE

a French national and Swiss resident

Role
Vice-Chairman of the Board, independent member

Education
Graduate of the *Institut d'Études Politiques de Paris* and holder of a master's degree in international law from the *Université de Paris 1.*

Career experience
Louis Habib-Deloncle began his career as CEO of United Commercial Agencies in Paris (1977-1980).

He was then appointed a director and Chief Executive Officer of Insurance Services Overseas (1980-1985).

From 1985 to 2000 he was founding Chairman of Unistrat P.A.R.I.S and, from 1984 to 2009, he was founding Chairman of HDA, which became *Assurances, Finances et Développement.*

From 1990 to 2007 he was Chairman of the Management Board of Eurexim Holding and, from 1994 to 2000, he was Chairman and Chief Executive Officer of Unistrat Assurances, Paris.

He was part of the ICISA's Solvency II working group from 2009 to 2013 and has been a member of AIDA's credit insurance/guarantee group since 2009.

Between 2003 and 2014, he was Chairman of Garant, a company based in Vienna and Geneva, which specialises in credit insurance and in insuring political risks for companies and banks that offer Trade and Export Finance solutions.

HERVÉ CATALA

a French national and resident

Role
Member of the Board, independent member

Education
Holder of a master's degree in public law

Career experience
Hervé Catala has spent his entire career at Banque Indosuez and Crédit Agricole Corporate and Investment Bank.

After a few years working firstly in Paris in the Commitment Management Division, then as a Senior Banker in the European Large Corporates Division, in 1987 he joined the French Regions Division as Head of the Nancy and then Lille branches and then, finally, the Rhône-Alpes region, before assuming national responsibility in 1994.

He was appointed CEO of Crédit Foncier de Monaco in 1999, then of Indosuez Wealth Management in 2007.

In 2011, he joined the Crédit Agricole group's Swiss team as the Senior Country Officer and was appointed CEO of Crédit Agricole Indosuez Switzerland, a position that he held until 2016, when he joined the Executive Board of the Crédit Agricole SA group's Premium Client Solutions Division and the Executive Board of Crédit Agricole Corporate and Investment Bank.

JEAN-LUC DECORNOY

a French national and Swiss resident

Role
Member of the Board

Education
Graduate of the *École Supérieure des Sciences Économiques et Commerciales de Paris* and chartered accountant.

Career experience
From 1995 to 2002, Jean-Luc Decornoy was a member of the Regional Board of the Versailles *Compagnie Régionale des Commissaires aux Comptes* or CRCC (regional association of statutory auditors).

He then held the position of Vice-Chairman, then Chairman, of the *Appel Public à l'Épargne* or APE (public offering) department of the national association of statutory auditors, the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

From 2001 to 2013, he held the position of Chairman of KPMG France, and was a member of the European Board and the Global Board of KPMG and, from 2008 to 2013, he was Chairman of KPMG's Global Audit Committee.

He has been a director of BIC-BRED Paris since 2014.

JEAN-PAUL JULIA

a French national and resident

Role
Member of the Board

Education
Graduate of ENA and holder of a Master's degree in Public Law

Career experience
Jean-Paul Julia began his career in 1997 at the Ministry of Economy, Finance and Industry. He went on to hold several positions in the French Treasury Department, the Interministerial Committee on Industrial Restructuring (CIRI), the IMF, the World Bank and the Office of the Minister of Finance and Public Accounts.

In 2015, he joined BRED as Head of Corporate & Investment Banking and a member of the Executive Committee. In May 2021, he became Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté.

Since 1 June 2023, Jean-Paul Julia has been Chief Executive Officer of BRED.

STÉPHANE MANGIAVACCA

a French national and resident

Role
Member of the Board

Education
Degree in Civil Engineering in 1999

Career experience
Stéphane Mangiavacca began his career at the French Economic and Financial Mission in China in 1999-2000.

In 2001, he joined the Group Audit Department of *Banque Fédérale des Banques Populaires* (now BPCE) and in 2006 he was appointed Head of Quantitative Audit.

He then joined BRED in 2009, and was appointed to the Executive Committee in 2012 as Chief Risk Officer. His responsibilities were then extended to Compliance and Permanent Control.

From 2020 to 2021, he was Chief Executive Officer of BIC-BRED Paris and International Director of the BRED Group from 2020 to October 2024.

JEAN-PIERRE VETTOVAGLIA

a Swiss national and French resident

Role
Member of the Board, independent member

Education
He studied law at the universities of Lausanne, Rome and Geneva

Career experience
Jean-Pierre Vettovaglia passed the competitive examination for entry to the diplomatic service in 1969.

During his diplomatic career, he served as Secretary of the Embassy in Ghana, Togo, Benin, Liberia and Sierra Leone (1971-1974), in India and Nepal (1974-1977), then as Adviser in Yugoslavia and Albania (1977-1981) and as Minister Plenipotentiary to the Permanent Mission of Switzerland to international organisations (1983-1988) after a short period in New York in the same capacity (1983).

He was appointed Ambassador to Vienna (1988-1993), Romania (1993-1996) and then Paris (2000-2007).

He twice served as mediator in Mauritania and the Democratic Republic of the Congo. He also had the opportunity to conduct electoral missions in Africa.

He was a director of BIC-BRED Paris until 30 May 2016.

He has worked as an international consultant since 2007.

He has been a lecturer and professor at various universities in Lyon (*Jean Moulin III, Institut international de la Francophonie*) and in Hauts-de-France.

He received the Turgot Award for La Francophonie in 2014 for a trilogy published by Editions Universitaires Bruylant on the subject of "Crisis Prevention and Promotion of Peace".

He is currently a columnist and special correspondent of *Q Magazine*, author of numerous articles on international relations for various blogs in Switzerland, France, Germany and Italy.

3.2 COMMITTEES AND DELEGATION OF AUTHORITY

The Board of Directors has set up two committees to assist it in carrying out its duties:
1. The Audit Committee;
2. The Credit Committee.

The Board of Directors remains responsible for the tasks delegated to these committees.

MEMBERS OF THE BOARD OF DIRECTORS' COMMITTEES

At 31 December 2024, these committees had the following members:

Committees	Members
Audit Committee	Louis Habib-Deloncle (Chairman) Jean-Luc Decornoy Stéphane Mangiavacca Jean-Pierre Vettovaglia Hervé Catala
Board Credit Committee	Stéphane Mangiavacca (Chairman) Jean-Paul Julia Stève Gentili

DUTIES AND REMIT

Audit Committee
The main roles of the Audit Committee, which met four times in 2024, are to monitor and assess the integrity of the financial statements, the internal control system, the effectiveness of the external auditor and their cooperation with internal audit processes. It is also responsible for assessing the internal audit processes.

Board Credit Committee
The purpose of the Board Credit Committee is to review and validate loan applications for an amount exceeding 10% of the Bank's equity.

3.3 EXECUTIVE BOARD

From left to right: François Monnier, Christelle Lefebvre, Emmanuel Lemoigne, Anne-Ly Zumbino and Franck Nater, members of the Executive Board.

MEMBERS OF THE EXECUTIVE BOARD

General management is carried out by the Executive Board, which is appointed by the Board of Directors.

DUTIES AND REMIT

The Executive Board is responsible for day-to-day management and for ensuring that the Bank is appropriately structured, and reports to the Board of Directors. It is tasked with making sure that the Bank's business is conducted properly, using all the means at its disposal.

It regularly reports to the Board of Directors on developments in the Bank's operations. It oversees the correct and faithful implementation of all the decisions made by the Board of Directors.

EMMANUEL LEMOIGNE

a French national and Swiss resident

Role
Chief Executive Officer since 2015

Education
Technical university diploma in the management of companies and administrations, diploma from the *École Supérieure de Commerce d'Amiens* (ISAM), post-graduate diploma from the *Institut Technique de Banque* and diploma from the *Centre d'Études Supérieures de Banque*.

Career experience
Emmanuel Lemoigne has spent his entire career at BRED, first as Group Manager and Sales Manager in the Retail Banking Division (1991-2001), then as Head of Distribution in the Corporate Banking Division (2001-2005).

He also held the position of Regional Manager in Retail and Corporate Banking (2005-2009), and from 2009 to 2015, was Executive Director and member of the executive committee of the BRED Group, Paris, for the Global Customers Bank.

FRANÇOIS MONNIER

a Swiss national and Swiss resident

Role
Deputy Chief Executive Officer and Head of Sales since 2015

Education
Graduate of the *Institut Supérieur de Gestion*.

Career experience
François Monnier began his career with Compagnie Bancaire (1988-1994).

He then worked as a business account manager at Crédit National (1994-1998), which became Natixis a few years later.

From 1998 to 2001, he was Natixis's Chief Representative in Indonesia then, when he returned to France, he held the position of Group Head of Metals, Paris, then Group Head of Soft Commodities, Paris, within Natixis's Trade department (2001-2009). He joined BNP Paribas (Suisse) in 2009, where he worked as Group Head, Energy and Metals, within the Energy and Commodity Finance division from 2012 to 2015.

FRANCK NATER

a Swiss national and French resident

Role
Deputy Chief Executive Officer and Chief Operating Officer since 2015

Education
Graduate of the *Université de Paris* in sociology and public relations.

Career experience
Franck Nater started his career at B.A.I.I., Paris, as an Account Officer (1989-1991).

He worked for Bank Brussel Lambert (Suisse) as Team Head in the L/C Department (1991-1995).

From 1995 to 1999, he held the position of Relationship Manager, Commodity Trade Finance, at Crédit Lyonnais (Suisse), then joined BNP Paribas (Suisse), successively holding the positions of Relationship Manager, Commodity Trade Finance, Team Head Collateral Officer, Commodity Trade Finance, Deputy Head Collateral Officer, CIB, Energy Commodity Financing, and Head of Transaction Management, CIB, Energy Commodity Financing, from 1999 to 2015.

ANNE-LY ZUMBINO

a Swiss national and French resident

Role
Chief Risk Officer since 2020

Education
A graduate of the *Institut Commercial de Nancy*, with a Master's degree in Accounting and Financial Science and Techniques from the University of Nancy.

Career experience
Anne-Ly Zumbino worked in credit for 15 years at BNP Paribas in Paris and then in Geneva. She covered the corporate banking and specialised financing sector in the United States, then the commodities sector from 2003.

She joined BIC-BRED (Suisse) SA in August 2015 to structure and manage the Commitments and Credit Department.

CHRISTELLE LEFEBVRE

a French national and Swiss resident

Role
Corporate Secretary since January 2023

Education
A graduate of HEC Paris, she holds a Master's degree in international law and taxation (*Université de Paris*) and an attorney certificate.

Career experience
Christelle Lefebvre began her career at a law firm in the Arthur Andersen network. She then spent 20 years in the BNP Paribas Group in Paris, London and Geneva, in structuring, development, risk management and oversight of regulatory projects.

She joined BIC-BRED (Suisse) SA in October 2020 as Head of Financial, Legal and IT Risks before being appointed Corporate Secretary.

PART 4

BUSINESS ACTIVITIES

PART 4

BUSINESS ACTIVITIES

From its base at the heart of Geneva, one of the world's leading market places for commodity trading, BIC-BRED (Suisse) SA is pursuing its development strategy in commodity trade finance through its vast range of financing and services solutions.

François Monnier,
Deputy Chief Executive Officer and Head of Sales

MESSAGE FROM THE DEPUTY CHIEF EXECUTIVE OFFICER AND HEAD OF SALES

After the exceptional years of 2021 and 2022, marked by the post-COVID recovery, the war in Ukraine and the ensuing spike in commodity prices, 2023 and 2024 were two years of renewed calm in most markets.

Brent started the year at USD 74 per barrel, and after fluctuating between USD 69 and USD 90, ended the year at USD 75.

In metals, copper, aluminium, zinc, tin and gold recorded slight growth over the year as a whole, while nickel and lead were down. Steel prices declined with the influx of Chinese exports that domestic demand were unable to absorb.

Soft commodities, meanwhile, were marked by the rally of coffee (+68% for Arabica) and especially cocoa (+300%) linked directly to harvest forecasts in Côte d'Ivoire and Ghana, well below demand for the second consecutive year.

In this context, BIC-BRED (Suisse) SA continued its development with new clients and streamlined its portfolio by closing inactive accounts. The total amount of credit lines granted continued to increase, offsetting the slight decrease in their utilisation rate in an overall sluggish market environment.

Loans and commitments for the three commodities are fairly similar, validating our balanced and diversified policy favouring profitability over volume.

2025 will certainly be affected by the new US administration and its promise of import taxes and multiple disruptive announcements, which will most likely create volatility in the markets, thus favouring the activity of our trading clients.

4.1. INTERNATIONAL TRADE FINANCE

FINANCING SOLUTIONS

BIC-BRED (Suisse) SA offers:

- Pre-financing on behalf of traders for producers, for goods in the production or extraction stages;
- Financing of goods during the transport stages (by sea, rail, etc.);
- Financing of goods during short-term periods of storage or for accumulation or processing in producing countries (inland or at a port) until they are distributed in the countries where they are to be consumed;
- Financing of outstanding receivables, secured by credit insurance or letters of credit, or payable by banking channels;
- Financing of hedging solutions for price and forex risks on a spot or forward basis for various types of currencies.

It thus covers the different stages of the supply chain:

Figure 4 **LOGISTICS CHAIN**

Prepayment	→	**Transit**	→	**Port storage**	→	**Floating**	→	**Banking risk**
Performance risk		Logistics risk		Logistics risk		Logistics risk		Payment risk

The transactions financed generally have the following characteristics:

Table 4 **CHARACTERISTICS OF THE MAIN TRANSACTIONS FINANCED**

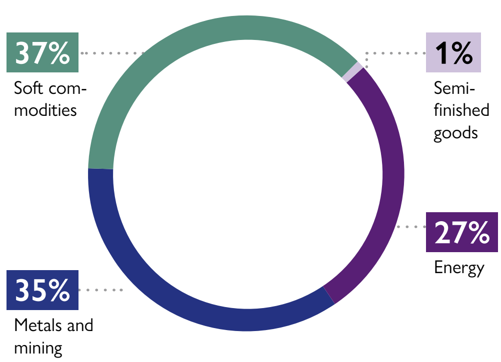
Transactional	The approach is described as transactional in opposition to the term “corporate financing”. Each transaction is financed independently of the others, with sureties and features specific to each one. Each financing stage is structured with a specific combination of guarantees and maturities.
Self-liquidating	The proceeds from the sale of the goods are used to repay the credit.
Short term	The duration of the operations financed is usually between 30 and 180 days.

SECTORS

The Bank offers this range of products and services in different sectors:

- Energy;
- Metals and mining;
- Soft commodities;
- Semi-finished goods.

Figure 5 **BREAKDOWN OF THE NUMBER OF CLIENTS BY SECTOR AS AT 31 DECEMBER 2024**



CLIENT PORTFOLIO

As at 31 December 2024, the Bank's client portfolio was composed of around 150 international trading groups.

While the majority of the portfolio (60%) consists of groups domiciled in Switzerland, the Bank addresses the needs of its clients without any geographical restrictions (except for those imposed by international rules) and also finances companies domiciled abroad, particularly in Europe (23%), the Middle East (7%) and Asia (6%).

The size of credit lines granted to customers continued to grow, reflecting the momentum in commercial activity, and reached CHF4.8 billion at 31 December 2024 (+9%).

TRANSACTION MANAGEMENT

BIC-BRED (Suisse) SA is a niche player that makes flexibility and speed of execution its priority, which it achieves through the professionalism of its teams.

Different teams play a key role in the management of transactions:

- The team of Relationship Managers
  This team identifies client needs, then structures and sets up credit facilities. Some managers are dedicated to banking relationships. They set up bank coverage capacities in emerging markets in order to secure exports payable by bank instruments.
- The team of Account Officers
  This team is responsible for the smooth running of operations. It assesses and validates each new financing application. It is responsible for setting up each transaction, which it monitors until it is settled.
- The documentary credit team
  These employees process and monitor documentary transactions for imports and exports. They are responsible for the proper execution of client instructions: they check the accuracy and consistency of transactions, as well as compliance with internal and international rules governing documentary instruments.

In order to ensure optimal quality of transaction processing, special attention is paid to rigour, continuous training, the implementation of IT tools dedicated to trade finance and the systematic use of the 4-eyes principle within each team.

4.1.1 ENERGY

From left to right:
Thomas Didier,
Jean-Matthieu Comte,
Robin Guyon
and Ilario Cirieco,
Relationship Managers for
Energy clients.

PRICE TRENDS IN EUROPE

In 2024, crude oil prices fluctuated due to a combination of geopolitical factors, supply-demand imbalances and general market sentiment.

2024 started with a relatively tight oil market, driven by continued OPEC+ production cuts and persisting tensions in several oil producing regions, such as the Middle East and Russia. These factors contributed to an upward pressure on prices in the first half of the year.

Throughout 2024, OPEC+ took steps to control oil production in response to the global economic conditions and price volatility to support prices, especially as growth projections for China and India appeared weaker than expected. These cuts helped stabilise prices and kept global oil markets under pressure due to concerns about the long-term sustainability of demand.

On the demand side, a slower-than-expected global economic recovery weighed on oil consumption. China's growth in 2024 was not as robust as expected. This affected global oil demand and, indirectly, prevented prices from reaching higher levels despite supply problems. The gradual transition to cleaner energy sources and increased investments in renewable energy also reduced long-term expectations for crude oil demand. As a result, crude oil prices remained somewhat volatile throughout 2024, oscillating between concerns over supply tightening and moderate demand expectations.

In 2024, the price differentials between crude oil and refined products in Europe saw significant fluctuations, resulting from a range of factors related to supply-demand imbalances, refinery operations, and the global geopolitical and economic conditions. These differentials, which represent the difference between the price of crude oil and the price of refined products (such as petrol and diesel), reflected the continuing trends in the oil markets as well as changes in consumption habits for petroleum products across Europe.

One of the key factors influencing these differentials was the tension in the diesel market. Europe, particularly during the winter months, experienced increased demand for diesel due to the cold weather and heating needs, as well as fuel consumption for transport. This demand, coupled with refining constraints (European refineries were already operating at full capacity), led to a rise in diesel prices compared to crude oil. In addition, the reduction in exports of Russian oil products, particularly after the imposition of stricter sanctions by the European Union, put pressure on the European refining sector, as Russian diesel exports were an important source for the continent. The lack of supply of alternative diesel did not fully fill this gap, which contributed to high refining margins (difference between crude and diesel prices), particularly in the first half of 2024.

On the other hand, gasoline price differentials were more volatile and not as wise as for diesel. With fluctuating demand for gasoline in Europe, the gap between crude oil and gasoline was influenced by seasonal consumption patterns and the pace of economic recovery.

THE BANK'S ACTIVITY

In 2024, the Bank's activity normalised for Energy clients, returning to more standard levels of profitability after two exceptional years. Competition between traders and banks intensified as a result of the market restriction due to the impossibility for banks in the sector to finance Russian barrels.

In this context, the team of Energy Relationship Managers of BIC-BRED (Suisse) SA supported new clients that had reached critical mass, in particular by setting up their first revolving credit facilities. The Bank took early bird stakes and positioned itself as Bookrunner and Mandated Lead Arranger.

Particular emphasis was placed on opening new relationships and setting up credit lines for new clients, with the aim of expanding and renewing the portfolio. BIC-BRED (Suisse) SA thus continued to broaden its range of Energy clients while maintaining a high level of compliance requirements in an increasingly sensitive and changing environment.

In conclusion, BIC-BRED (Suisse) SA demonstrated its ability to adapt to market changes while strengthening its relationships with a diversified client base and maintaining high standards of compliance and profitability

4.1.2 METALS & MINING

From left to right:
Vincent Morin,
Bruce Vauzanges,
Aude Rieger,
Emmanuel Nicod
and Frédéric Pham,
Relationship Managers for
Metals Clients.

THE BANK'S ACTIVITY

The metals and mining sector showed resilience in 2024 in an uncertain market with relatively volatile metal prices.

This sector, which accounts for 38% of the bank's loans and commitments, continued to consolidate its portfolio of clients active in metal trading.

The main underlyings traded are base metals, in the form of concentrates or refined metals, iron ore and steel products (flat and long products). The metals and mining sector also diversified into alloys (including ferro nickel, ferro silicon, ferro chrome and ferro manganese). These materials are essential to the economy, and are used mainly in construction, the automotive industry and battery manufacturing. They are also essential for the ecological transition.

In 2024 metals markets grew in line with the previous year, despite a turbulent geopolitical context.

The year was marked by the stalemate of the war in Ukraine, the tensions in the Middle East that intensified during the year, new US and UK sanctions in April prohibiting the LME/CME from "warrantising" new products from Russia and the election of Donald Trump, which confirmed the rise of populist movements around the world.

In the backdrop, China, which is struggling to recover from the zero COVID policy and the bursting of the real estate bubble, continued to have high demand for metals in 2024 with a view to building up strategic stocks and stimulated by the country's recovery measures at the end of the year.

Copper, aluminium, zinc, tin and gold recorded slight growth over the year as a whole, while nickel and lead were down. Steel prices declined with the influx of

Photo on the left
Containers are unloaded from container ships in the port of La Spezia.

Photo on the right
Transport of containers by trucks from the port of La Spezia to warehouses by motorway.

Chinese exports that domestic demand were unable to absorb.

Clients in the metals and mining sector are mainly based in Switzerland or Europe but their trading activities are global, and as such relationship managers make visits to clients and carry out due diligence on infrastructures, logistics or ports.

For example, Metals Relationship Managers visited the container port of La Spezia in Italy. This port is one of the top 5 commercial container ports in Italy.

Figure 6 **CHANGE IN THE PRICE OF COPPER IN 2024** (USD/MT)

Figure 7 **CHANGE IN THE PRICE OF STEEL IN 2024** (USD/T)

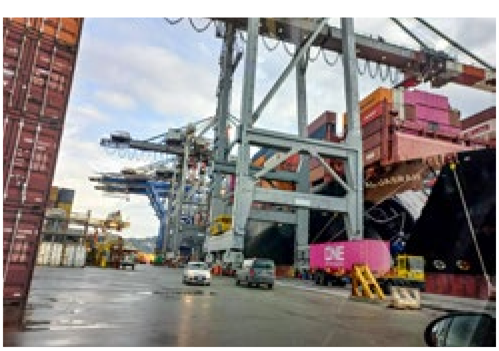


Photo on the left
Containers are opened and unloaded in warehouses. The unloading capacity in the warehouses is 20 to 25 trucks per day (maximum gross weight of 45 tonnes).

Photo on the right
Samples are taken for quality checks.

4.1.3 SOFT COMMODITIES

From left to right: Martin Rouil,
Sandrine Chapuis,
Michael Jackisch,
Corinne Bertrand-Guigui
and Jérôme Hayoz,
Relationship Managers for Soft Commodities clients.

THE TREND OF THE COMMODITY MARKETS AND ITS IMPACT ON TRADERS

The diversification of the portfolio of soft commodity trader clients enabled BIC-BRED (Suisse) SA to maintain a good level of activity in 2024, with strong demand in a few sectors offsetting a relative calm period in most others.

Fertilisers

In 2024, clients trading in fertilisers experienced a weak and non-directional market in the first half of the year. Positions were often not conclusive and it was the management of recurring flows that enabled many clients to cover their expenses over this period pending market opportunities. A marked recovery in activity in the second half of the year enabled the sector to end the year on more positive terms. Several customers are seeking to secure recurring sources of supply, in particular via joint ventures with exporting producers. A development to follow.

Cereals

The fragmentation of the cereals market, and notably the wheat market, between grain flows from Russia and those from the rest of the world, forces traders to diversify their sources of supply and, where possible, financing arrangements, in order to be able to serve their customers' demand regardless of the quality and volumes of wheat harvests in Western Europe. Will this fragmentation persist if the war in Ukraine comes to an end soon?

Cocoa

Since spring 2023, and especially around the beginning of 2024, world cocoa prices have soared against the backdrop of a Production/Consumption deficit for cocoa beans for the third consecutive season. The situation is the same for the 2024/25 harvest, which is once again likely to be in deficit. This rapid and dizzying rise in prices resulted in colossal margin calls, and more generally doubled or even tripled the financing needs of cocoa traders in the space of a few weeks or months. Historically established "best practices" were often called into question, with traders having to choose between orthodox hedging of the price risk, management of the counterparty default risk and the liquidity risk. Regarding the last point, the Bank, like its main peers, supported its clients with these growing needs, in some cases in partnership with other financial institutions such as Proparco.

Coffee

A similar spike in coffee prices occurred in 2024, with customers active in coffee and cocoa being doubly impacted. Climate events, particularly in Vietnam and Brazil, were the main reason for this. For these two markets, the implementation of the European Deforestation Directive planned for 1 January 2025, postponed just in time by one year, amplified the pressure on stocks of cocoa beans and coffee beans in Europe, which also pushed prices upwards. Finally, note that both robusta and arabica prices are in backwardation (i.e. spot prices are higher than forward prices), a situation that in principle is exceptional but appears to be persisting. This market structure is forcing clients, which are naturally long, to reduce their inventory volumes as much as possible and to rethink their sales methods.

Sugar

After a ten-year peak in 2023, sugar prices fluctuated sharply, with a rather bearish trend in 2024 and a lack of carry. As a result, the Bank had less demand from sugar traders this year.

THE BANK'S ACTIVITY

BIC-BRED (Suisse) SA has strengthened its interactions with its strategic partners, such as IFC (World Bank Group) and Proparco (a subsidiary of the French Development Agency), making its structuring and transaction financing monitoring available to them to better support certain clients.

In addition, the Bank played a key role in financing the first trans-Atlantic journeys by cargo sailboat transporting coffee and cocoa on behalf of its client Belco (see section 5.4 THE FIRST TRANSPORT OF COFFEE AND COCOA BY CARGO SAILBOAT). As lead arranger, the Bank conducted this transaction in partnership with a pool of two French retail banks.

Lastly, in 2024, the Relationship Managers in charge of soft commodities deepened its knowledge of the Côte d'Ivoire's cocoa export sector and the processing of beans into cocoa products, during a due diligence exercise in Côte d'Ivoire, which also focused on the milling, feed and rice imports sectors.

4.2 BANKING RELATIONSHIPS AND SERVICES

From left to right:
Mai Phuong Nguyen, Nicolas Neyrand, Meriam Elabbadi and Nicolas Schraen, Relationship Managers for Financial and Corporate institutions.

AN EVER-CHANGING AFRICAN BANKING LANDSCAPE

Like all economic players, banks need to evolve to remain competitive. This can take different forms: digitisation, strengthening of the product offering, geographical diversification, external growth, etc.

The BRED Group made the choice of external growth by finalising the acquisition of a new subsidiary in Madagascar on 20 December 2024. Already established in Djibouti and Ethiopia, the Group thereby strengthens its presence in Africa. While several French banks are withdrawing from the continent, the Group aims to pursue its international development in order to achieve sustainable growth and consolidate the financing of the local economy. This acquisition echoes the commitment of BIC-BRED (Suisse) SA to best support its clients with regard to banking risk in Africa.

To respond to more than 420 requests this year, the Group's banking experts are closely monitoring the changes impacting African banking risk. Structural reorganisations on the banking markets are carefully studied and lead to a review of credit analyses and facilities.

By acquiring a subsidiary in Africa, BRED is an exception. Indeed, pan-African groups are the first to benefit from the withdrawal of French shareholders. They are strengthening their transcontinental capabilities and benefiting from economies of scale. The Moroccan group Saham acquired 57.6% of Société Générale Maroc, while Vista Bank acquired subsidiaries in Mozambique, Burkina Faso and Guinea. The Burkinabe group Coris took positions in subsidiaries in Mauritania and Chad.

A BROAD INTERNATIONAL NETWORK

The BRED Group offers a variety of products to partner financial institutions: trade finance, cash management products, settlement and delivery, cash clearing, forex transactions and hedging products.

The BRED Group supports banks through coverage organised by region. It offers broad international coverage and in-depth knowledge of the markets.

This Group support enables BIC-BRED (Suisse) SA to refine and strengthen its network to best serve its commodity trading clients.

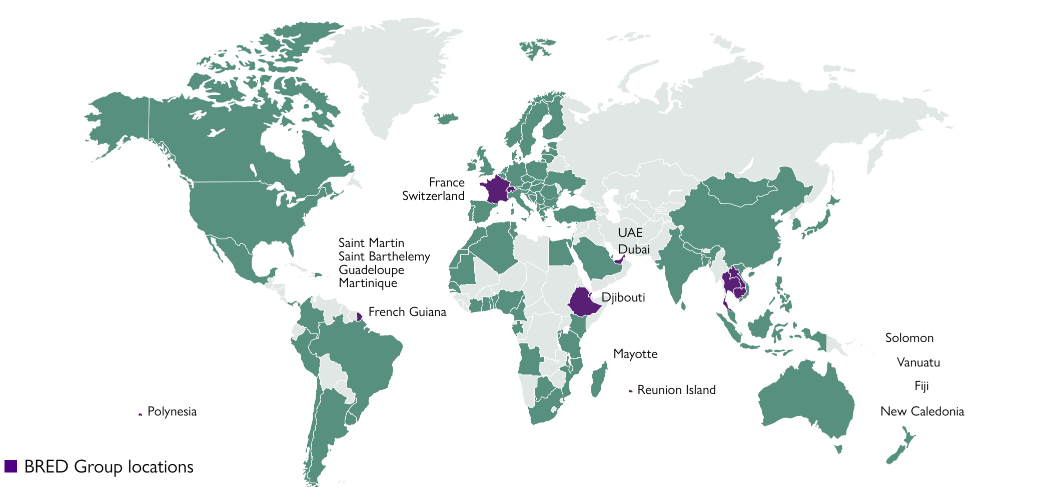
Over the years, the Bank has been able to build a network of correspondents in more than 150 countries, via 1,650 RMA keys.

Relationship Managers of financial institutions are regularly on the ground and participate in events, such as the

SWIFT International Banking Operations Seminar (SIBOS), the Africa Financial Summit (AFIS), IFC's Global Trade Finance Program (see 5.5 IFC AWARD "OUTSTANDING TRADE PARTNER BANK FOR COMMODITY FINANCE WEST AFRICA"), the Bankers Association for Finance and Trade (BAFT) Global Meeting and the Central & Eastern European (CEE) Forum. These meetings allow managers to meet new partners and stay informed of the latest market trends.

By monitoring the latest economic data and outlook as well as listening to the needs of its customers, the Bank is constantly developing its process. For example, 2024 was marked by the establishment of new credit lines in Turkey, Egypt and Pakistan.

Figure 8 **NETWORK OF CORRESPONDENT BANKS**



4.3 MARKET ACTIVITIES

Daniel Aidan,
BRED market operator.

In 2024, BRED's trading room provided BIC-BRED (Suisse) SA’s clients with its expertise, with significant developments, particularly in the area of “frontier” currencies.

BRED stood out as a major player in African currencies, consolidating its position as a market-maker. This recognition is now well established among banks operating in African markets, and traders appreciate its expertise and service.

At the same time, BRED’s trading room continued to make progress in the origination and intermediation of commercial paper (CP) in all currencies and regions, including Latin America, Asia, the Middle East and, of course, Europe. Its know-how was rewarded once again this year, underlining its leadership position.

Recently, major moves in the US yield curve have increased the attractiveness of interest rate protections for traders, such as rate caps. These solutions against rising interest rates, which can adversely affect traders’ activity, were particularly beneficial. Many traders in the energy, metals and agricultural sectors were able to secure their business against the increase in the SOFR. Thus, several billion equivalent dollars have been processed since the first proposals, hedging derivative transactions in dollars, euros, pounds sterling and Swiss francs.

For its banking partners in Geneva and Dubai (as well as in the Gulf Cooperation Council region), BRED introduced several innovations in 2024. For example, some banks were able to preempt the fall in Swiss rates (SARON) below zero, protecting themselves against the consequences of a return of negative rates. Liquidity provision transactions, particularly via repo transactions, also increased significantly.

4.4 DUBAI BRANCH – BIC-BRED (SUISSE) SA DIFC BRANCH

A REGIONAL ECONOMY THAT IS RESISTING THE CURRENT TENSIONS

The Dubai branch celebrated its second full year of operation in the Dubai International Financial Centre (DIFC), the main financial centre in the Middle East. As in 2023, 2024 was marked by volatile market conditions and geopolitical tensions that continue to weigh on the growth outlook of many countries.

In this context, the Gulf region (the six countries of the Gulf Cooperation Council – GCC) has come out well, with a dynamic economy, supported by robust domestic demand and a price per barrel that remained at a high average level in 2024.

The United Arab Emirates (UAE) is one of the pillars of this regional economic resilience. The country recorded growth of 3.6% in 2023 and 4.0% is estimated for 2024, compared with 1.7% expected for the GCC over the same period. This growth is supported in particular by the dynamism of economic sectors not linked to hydrocarbons, which now account for 75% of annual GDP (compared with 62% in 2012). It stems above all from a policy of diversification of the economy that began several years ago. The transport, finance (banking and insurance), construction and real estate sectors are the main drivers of the economy and are now real growth avenues. Dubai's positioning as a global hub was also confirmed, with a 7% increase in visitor numbers over the first nine months of 2024, making Dubai one of the most visited cities in the world.

From left to right: Meera Kannan, Nadia Syed, Marie-Laure Constans, Paul Guéry, Sunaina Pahuja and Alexandre Goor.

The organisation of the COP28 conference on climate change at the end of 2023 in Dubai reflects the positioning of the Emirates as a key player in the current challenges. The recent accession of the UAE to the BRICS in 2024 is a central element of this strategy with a desire to have a greater impact on the world by relying on pragmatic multilateralism.

The Emirate of Dubai is actively contributing to the development of the UAE, with growth of 3.3% in the first half of 2024. With little dependence on hydrocarbons, Dubai relies on key sectors such as tourism, real estate, trade and logistics services that are part of the "Dubai D33" economic agenda, which aims to strengthen Dubai's attractiveness as an economic hub by taking advantage of its strategic location and the quality of its infrastructure.

The DIFC is a concrete example of the success of this strategy. In 2024, the number of active companies registered there exceeded 6,000 for the first time, including 820 in the first half of the year. In addition to the many fintechs recently established there, there are now more than 370 wealth and asset management companies and more than 80 banks, including 27 of the 29 global systemically important banks, confirming the emergence of Dubai as a leading financial centre. Moreover, the area is regulated by an independent authority, the Dubai Financial Services Authority (DFSA), and has more than 44,000 employees.

BIC-BRED (SUISSE) SA DIFC BRANCH: A GROWTH DRIVER

It is within the dynamic ecosystem of the DIFC that the BIC-BRED (Suisse) SA DIFC Branch is operating and pursuing its expansion with the objective of positioning itself as a local benchmark player in commodity trade financing.

The recent geopolitical crises have demonstrated the importance of having a portfolio of active clients in several geographical areas, and the Dubai branch is fully in line with this diversification strategy, both as a growth driver for the Geneva entity in the commodity trade financing business and as a source of market intelligence for the entire BRED Group.

Thanks to the Bank's good results in Geneva and Dubai, the branch has gained visibility and is now receiving regular requests from both new traders wishing to set up in the region and more established players. 2024 was therefore an opportunity to continue developing the portfolio of trading customers, with a balanced distribution between agricultural products, energy and metals. Dubai continues to attract traders who are flocking and contributing to the region's dynamism; the commodities market, limited to a few big names just a decade ago, continues to grow rapidly, while being structured around the Dubai Multi Commodities Centre (DMCC), the free zone in which most traders are located.

The development of the client portfolio is done selectively and rigorously in order to maintain a high level of requirements and thus anticipate potential compliance issues. The presence of an office on site makes it possible to feel comfortable with local players and to carry out verifications on the ground thanks to the network of contacts created since 2022.

With regard to relations with financial institutions, the branch contributes to the development of the banking system in the target regions of the Middle East, the Indian sub-continent and East Africa, in close collaboration with the teams in Geneva (BIC-BRED) and Paris (BRED) to meet the demands of all customers. The strategic positioning of the branch in Dubai has enabled regular visits to these countries to be organised and strong links with banking counterparties to be formed. At the same time, the branch contributed to the creation of several partnerships with banks in the UAE to benefit from their banking risk hedging capacities in these regions in addition to the support of the multilaterals.

2025 OUTLOOK

The Dubai branch has begun 2025 with confidence. The arrival of the new US President Donald Trump is likely to alter the environment of the region: his hard-stance diplomacy is not without risk, but it can also bring a new balance.

With regard to financial institutions, the branch will continue to expand the banking network while remaining vigilant regarding changes in country risks, in order to better support the development of the group's activities in the region.

Finally, the acquisition of Société Générale's subsidiary in Madagascar by BRED should also be an opportunity for the Dubai branch to explore synergies with clients active in this region.

PART 5

REVIEW OF 2024

PART 5

REVIEW OF 2024

5.1. 2024, AN ALMOST "ORDINARY" YEAR FOR THE COMMODITY MARKETS

Philippe Chalmin, historian and economist specialised in the commodities markets, founder of the commodity research institute CyclOpe.

Analysis by Philippe Chalmin

Despite the turmoil that has gripped many regions of the world, from Ukraine to the Middle East and Africa, despite the political uncertainties that have characterised many countries in Europe and Asia and, of course, the consequences of the US election, global commodity markets experienced an almost "ordinary" year in 2024: of course, some spectacular surges affecting the breakfast table (coffee, cocoa, orange juice) and more or less traditional safe havens, from gold to bitcoin, but marked declines for many metals as well as for cereals and, to a lesser extent, oil.

All in all, with some rises offsetting the declines, the CyclOpe index expressed in dollars (which only covers the main "globalised" products) was down 1% in 2024. On the upside, the record for the year was unquestionably cocoa (+126%), which in its long history has never seen such a rally. It was followed by coffee and some metals that have become strategic in the wake of geopolitical tensions. On the downside, the record, perhaps a bit paradoxical for uninformed observers, is lithium (–70%).

In 2024, the global economy grew by just over 3% with the United States as a major growth pillar among the advanced countries, while two historical drivers of the Glorious Thirties, Germany and Japan, posted negative results. Among the major emerging countries, it was time for a slowdown for both China and India (which nevertheless retains the "blue ribbon" for the strongest growth in 2024). But for the commodity markets, China was the main question mark of the year. Despite the authorities' promises of growth, the reality was quite different (4.6% "official" growth in the third quarter). The crisis in the construction sector has not been resolved and the anaemic stimulus plans have disappointed. However, Chinese imports of commodities remained strong, with the notable exception of oil. The situation of iron ore, which has become a real indicator of the health of the Chinese economy, may appear paradoxical, with imports increasing by nearly 5% while steel production fell by 3%. For iron and other products, importers have clearly maintained their purchases by taking advantage of the fall in prices to rebuild their stocks. In any case, China has not been the expected driver of global demand.

From a geopolitical point of view, the impact of the ongoing conflicts has been measured. The markets have learned to live with the war in Ukraine: cereals came through the Black Sea almost without any problems, and it remains the world's leading export basin, particularly for wheat. Russian oil saw its negative premiums decrease and the fleet of “grey” tankers circulated almost freely towards India and China.

Europe continues to import Russian LNG and the gas pipelines still supply parts of Central Europe via Ukraine.

The tensions in the Middle East have certainly affected the Red Sea, but the Persian Gulf remains open despite some threats from Iran. The deterioration in relations between China and the United States resulted in trade restrictions that have affected some critical metals such as antimony and germanium, which saw some of the sharpest price increases of 2024. At the end of the year, many precautionary purchases probably anticipated the Trump trade wars of 2025.

The climate also took a toll. 2024 was the warmest year since the start of the industrial era (+1.6°C). That being said, we did not hear about either el Niño or its little sister, la Niña, and harvests were quite abundant (Western Europe and especially France being notable exceptions). The monsoon was good in India and helped to partially lift the export restrictions decided on for election reasons. Vietnam, on the other hand, suffered from drought, which affected the production of Robusta, as the alternation of rainfall and drought hampered the production of cocoa in West Africa and the production of Arabica in Brazil.

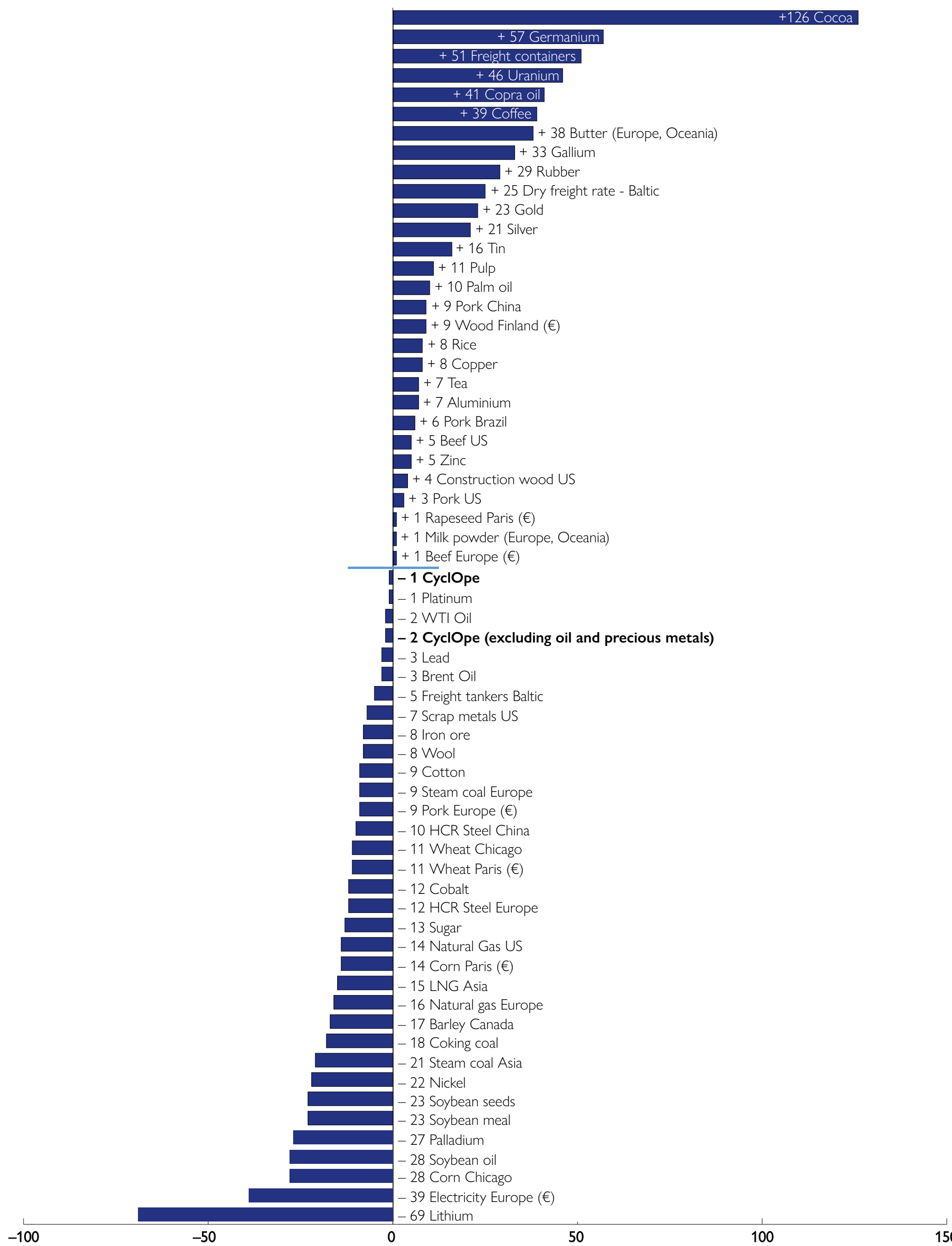
But beyond that, more than ever, in 2024 each market had its own story...

CALMING OF THE ENERGY MARKETS

Oil did not benefit from the geopolitical tensions and ended the year at the lower end of the USD70-80 a barrel range, despite all the efforts made by OPEC+ producers. This is because the market, despite the roughly five million barrels/day (mbbl/d) decided by the cartel, was in surplus. Global demand only increased by 936,000 barrels/day, whereas supply driven by non-OPEC+ increased by at least 1.5 million barrels a day. China, which for thirty years accounted for nearly half of growth in global demand, increased its consumption in 2024 by only 108,000 barrels per day (over the past thirty years, China accounted for 41% of global demand growth).

The situation is different for natural gas. While prices have remained rather depressed in the US, this is not the case for Europe or the global LNG market. Faced with the changes in wind – and thus wind power generation – and uncertainties about what remains of Russian gas supplies, Europe increased its purchases of US LNG while Asian demand was strong. The result was a sharp rise in prices in the autumn to nearly EUR 50/MWh and USD15/Mbtu for LNG. At the end of the year, natural gas was ten times more expensive in Europe than in the United States. This led to very high volatility in electricity prices in Europe, with a record number of hours at negative prices and very high tensions at peak times of demand. Renewable energy, on which Europe is increasingly dependent, is inherently intermittent as it depends

Figure 9 **CHANGE IN PRICES ON THE MAIN COMMODITY MARKETS IN 2024**
(2024 average over 2023 as a percentage) IN DOLLARS, UNLESS SPECIFIED OTHERWISE



on the wind and the sun. Nevertheless, electricity prices in Europe have returned "on average" to more normal levels.

METALS AWAITING THE TRANSITION

Many metal markets are pendant upon the energy transition, but for the time being, despite the promises, we are in a situation of surpluses in anticipation of a rebound in demand.

This is the case for copper, which, despite its excellent medium-term outlook, has not been able to sustainably cross the symbolic threshold of USD10,000 per tonne. But for the other "electric" metals, lithium, cobalt and especially nickel, the situation is rather disastrous. For the latter, the main factor to blame is Indonesia, which now produces more than half of a structurally surplus global supply.

A MIXED BASKED FOR AGRICULTURE

2024 will therefore remain the year of cocoa and, more broadly, a "breakfast" year. Cocoa, coffee and oranges were hit by climate events and cryptogamic diseases, which albeit their poetic names (witches' broom, blue dragon, swollen-shoot), have consequences that risk permanently changing the global geography of production.

The contrast is great with the abundance that has been the rule in the grain markets, with excellent harvests in the United States, Brazil, China, soon in Australia, and to a lesser extent around the Black Sea. The market has become a buyers' market, which has allowed China to turn away from the United States for soy and corn, and Algeria to ignore France for wheat.

Some agricultural products also benefited from their energy markets. As a result, sugar remained at sustained levels thanks to India's decision to increase the incorporation of cane ethanol into gasoline, removing India from the list of sugar exporters. Similarly, by deciding to increase the level of palm oil in diesel, the Indonesian government triggered a sharp rise in prices that at the end of the year began to spread to other vegetable oils.

With half of the world's population having been called to vote (European Union, United States, India, Japan, etc.), 2024 was the year of a pause in major agricultural policies: the US Farm Bill and the reform of the CAP were forwarded to the next legislatures, while in India Narendra Modi's government was monitoring both agricultural and basic food prices. In terms of regulations, Europe also stood out with the debate on the application of the deforestation directive, the implementation of which was ultimately postponed by one year.

THINK 2025!

Global growth is expected to be more or less the same as in 2024, i.e. around 3% with more or less the same configuration and the same major question mark: the United States in the lead, even benefiting from a "Trump effect" (barring an excessive tariff policy), Europe still as poorly (but more in the north than in the south) and then the Chinese uncertainty. China will not be repeating the massive trade surplus (nearly USD1,000 billion) it achieved in 2024. But even this surplus will likely trigger reactions from its main trading partners. And domestic consumption is clearly not ready to take over. The 4% forecast for 2025 is in fact a real stagnation for China and there is little chance that the country would have a positive impact on global demand for commodities.

On the geopolitical front, while the situation in the Middle East is unlikely to change, with the risk that an isolated and weakened Iran could represent, we cannot rule out the possibility of an end to the Ukrainian conflict and therefore an easing or even cancellation of the sanctions on Russia: the consequences would be considerable on the energy and agricultural markets. But here we touch on the possible consequences of a full or partial implementation of Donald Trump's statements.

100%, 60%, 25%, 10%... for the man who believes that "tariff" is the most beautiful word in the English language, the figures for the trade duties vary dramatically and we do not know what will actually be applied or what the basis of the bargaining that Donald Trump so loves will be. It is highly probable that steel, metals and agricultural products will be on the frontline. For energy, this is set to be "Drill, baby, drill" and increased export facilities for LNG.

In this context, it seems clear that the oil market will remain in surplus and, barring major unforeseen geopolitical events, Brent is expected to remain around USD70 a barrel an an annual average, which means that it could end the year closer to USD60. For natural gas, apart from the atypical case of the US market, which starts from very low levels and will remain far from European and Asian prices, the recovery in LNG demand will keep prices relatively high. Europe will have to live without Russian gas pipelines (which still accounted for 5% of European supply in 2024), unless, of course, there is a major change in the situation in Ukraine.

Regarding metals, we can estimate that the purge of electric metals is almost complete, and perhaps that even the plight of lithium will end. Unfortunately, we are unlikely to see the same for nickel. Conversely, copper is expected to settle above USD10,000 per tonne over the long term. Iron ore is likely to remain on a downward trend, especially as Chinese steel exports will be curbed by tariff defence measures in the United States and Europe.

Barring weather events, agricultural markets will remain well supplied and competition will be fierce between Brazil and the United States for corn and soy, and between Europe, Australia and the Black Sea for wheat. For tropical products, the cocoa and coffee prices at the end of 2024 are obviously not sustainable in terms of elasticity of consumption. A downward correction is therefore probable, although, in the case of cocoa, the threat of swollen-shoot disease in West Africa should not be underestimated.

This is related to the imponderability inherent in any forecasting exercise. The threats to global markets are, in 2025, more significant than ever. To the almost classic inventory of geopolitical tensions, we must add the Trump “joker”, which, like in poker, can change the game: we are indeed back in the “big game”.

5.2 AN EXPERT'S POINT OF VIEW: CHINA FACING HEADWINDS

Jean-Luc Buchalet, economist, director of Pythagore Consult and author of the book "China, a time bomb", winner of the Turgot prize for best financial economics book in 2013.

Expert opinion by Jean-Luc Buchalet

Since the Covid-19 outbreak, China has faced a considerable number of headwinds. China's forty glorious years are well behind us.

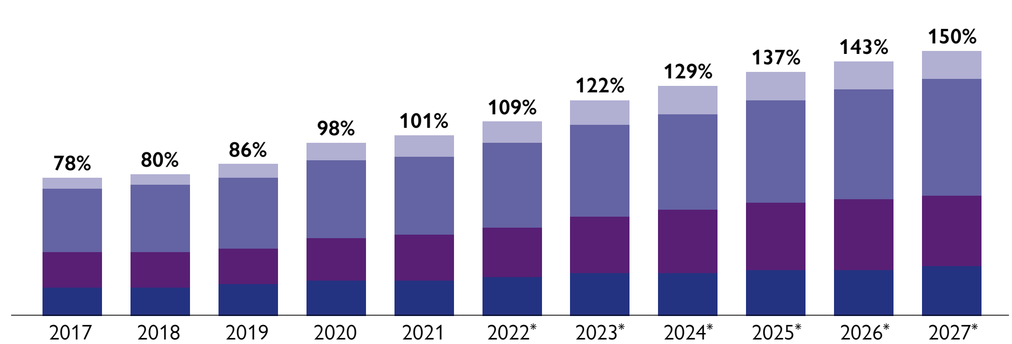
THE CRISIS IN THE REAL ESTATE AND CONSTRUCTION SECTORS

The first obstacle is the crisis in the real estate and construction sectors, which have had a spectacular contribution to China's growth. These sectors account directly or indirectly for nearly 30% of GDP and 16% of urban employment. The urbanisation rate has peaked at nearly 65% of the population. This trend has created a large real estate bubble, which has inflated to sky-high levels, i.e. between 40 and 30 times household disposable income (compared to a global average of around 8 times). 90% of Chinese households already own homes and 120 million homes are unoccupied. If we assume that there are 3 people per dwelling, we have an excess supply of 360 million inhabitants. The crisis in the sector triggered the bankruptcy of virtually all real estate developers, the most publicised of which was Evergrande. Over-indebted, developers continued headlong by creating real Ponzi schemes that are weakening the entire system. The bad debt held by the regional banks totals 28% of their balance sheets. The local authorities that took advantage of this windfall find themselves exhausted and unable to finance themselves. Many provinces are virtually bankrupt without the help of the State.

HIGH LEVEL OF DEBT

The second obstacle is the over-indebtedness of the State, companies and individuals. Officially, the debt of the State and

Figure 10 **CHINESE DEBT** (as % of GDP)



Source: IMF + (*) forecasts

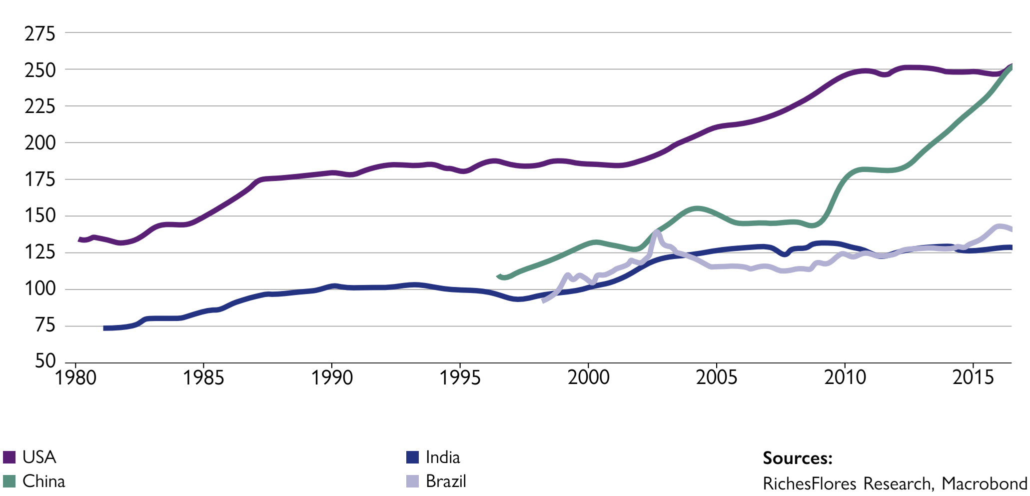
local authorities is only 70% of GDP. In reality, the total debt would be greater than 150% of GDP: this is due to a considerable share of hidden debt. This winter, the country launched a EUR1,200 billion rescue package to refinance this hidden debt. This money therefore did not participate in the recovery of the economy. In total, China's public and private debt would total nearly 340% of GDP, a world record. What is most worrying is not so much the average level of this debt, but the speed with which it has built up.

THE ACCELERATION OF DEMOGRAPHIC DECLINE

Another issue is the country's accelerated demographic decline. Over the past two years, the Chinese population has been shrinking and the working-age population has been declining even faster. The projections indicate a Chinese population that would drop from 1.4 billion to 770 million in 2100. The demographic transition is twice as fast as in Japan and this ageing population is unfunded. The weight of over-60s will increase from 22% to 38% in 2050. The fertility rate has plummeted to 1.16 and to just 0.7 in major cities such as Shanghai and Beijing. This follows a 20.5% drop in marriages in 2024, accounting for half of marriages celebrated in 2013.

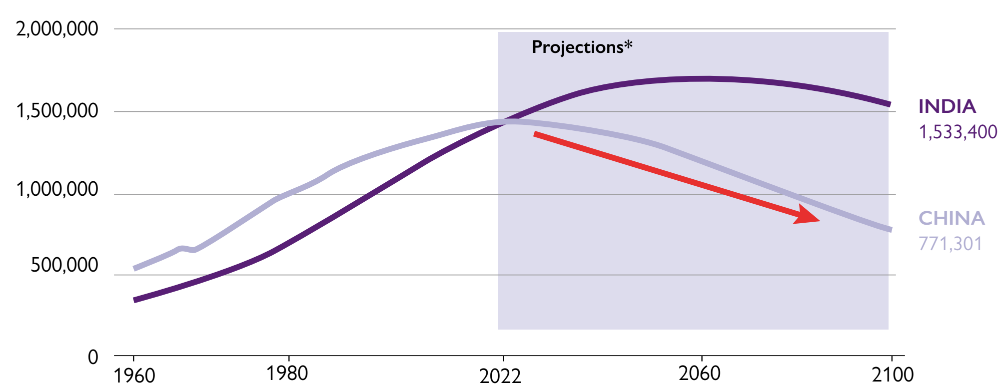
Chinese growth is very unbalanced. Chinese households, aware of the decline of their country, are saving more and more and their weight in consumption represents just 36% of GDP compared with 68% in the US. As a result, the investment-to-private consumption ratio is at all-time highs at 1.7 (vs. 0.5 for the global average). Investment in infrastructure no longer allows the authorities, as in the past, to activate this variable in the event of an excessive slowdown.

Figure 11 **LENDING TO THE NON-FINANCIAL SECTOR – HOUSEHOLDS, CORPORATES, PUBLIC SECTOR** (as % of GDP)



Sources:
RichesFlores Research, Macrobond

Figure 12 **INDIA HAS BECOME THE MOST POPULOUS COUNTRY IN THE WORLD**
(in thousands of inhabitants)



* Scenario based on a medium variant for fertility

Source: UN

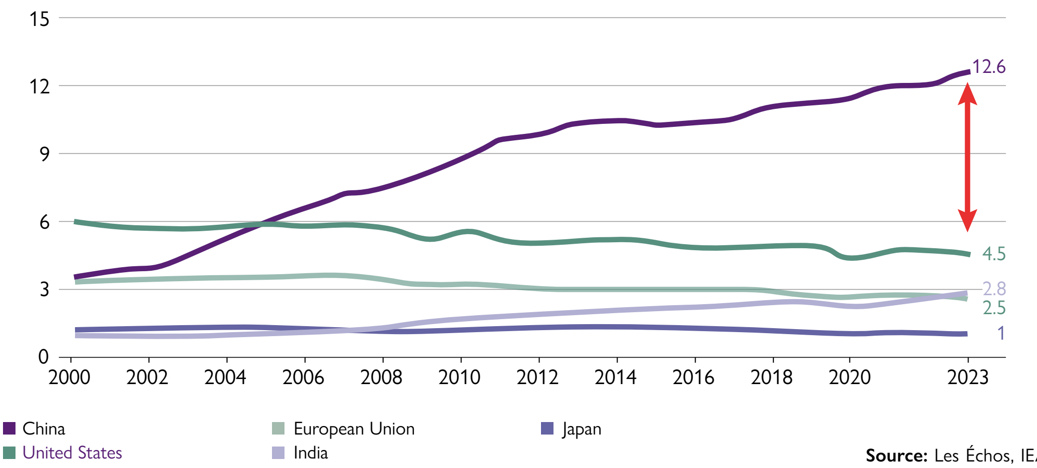
BLACK AND GREEN

In 2024, China, the world's largest emitter of greenhouse gases, with a total of 35% of global emissions, put 94.5 gigawatts of coal-fired power plant capacity under construction, more than the entire French nuclear fleet (60 GW). Never in 15 years has the country built so many coal-fired power plants, accounting for 95% of the global total in terms of new plant construction. Coal, with a large majority, accounts for 64% of electricity production. It is impossible for the country to keep its promises of carbon neutrality by 2060. Hydroelectricity, wind, solar and nuclear represent around 35% of its electricity mix. In 2024, nearly 356 GW of renewable electricity generation capacity began construction. Four times more than what the Europeans did in the same year. This is the Chinese paradox in all its splendour. A reality lies behind this paradox: the more the country invests in renewable energy, the more capacity it must plan to compensate for the increasingly frequent intermittency of wind, sun and water with extremely violent droughts that are drying up dams (14% of the total).

Moreover, exports essentially drive Chinese growth, with chronic overcapacity, pushing down the prices of exported industrial products. Many Chinese producers prefer to sell at a loss on international markets rather than stockpiling. Producer prices in China have been falling for several years, leading to deflationary pressure in the country. There are 500 electric car producers in China, the majority of which are not surviving. Only BYD and a few manufacturers will survive an inevitable purge.

China accounts for just over 50% of raw materials consumption. The context of a sharper-than-expected slowdown is not favourable for commodity prices in the longer term.

Figure 13 **GLOBAL ENERGY-RELATED CO_2 EMISSIONS BY ZONE** (in billions of tonnes)



Source: Les Échos, IEA

Xi Jinping promotes the concept of a holistic approach to national security that takes precedence over any other criterion. He considers that the Western welfare state, which is too generous, leads to indolence, to habits that can no longer be reversed afterwards: hence no systematic stimulus of consumption, nevertheless the country's main problem.

With the arrival of Donald Trump, the United States intensified its tariff measures, threatening to impose reciprocal tariffs on all countries, including its allies. This could lead to a complete reorganisation of global trade, particularly affecting large exporters and emerging countries. China, with its large trade surplus of USD295.4 billion over the US in 2024, is particularly targeted by the US administration. Currently, Donald Trump is focusing on resolving the conflict in Ukraine, which he wants to happen quickly, even if it means sacrifices for the Ukrainians and Europeans. Its main objective is to counter China in order to prevent it from becoming the world leader. Is it possible that Donald Trump is not the real master, but rather an actor influenced by the interests of Putin and potentially Xi Jinping in the future?

5.3. CREDIT POLICY AND PORTFOLIO

Mai Trinh,
Head of the Credit and Commitments Department

Anne-Ly Zumbino,
Chief Risk Officer

CREDIT POLICY

The Bank's activity is focused on financing the real economy. It ensures that its clients provide added value to their sector's economic value chain, under adequate compliance conditions. These entities demonstrate their ability to organise logistics related to the transport of goods, to manage aspects of price risk hedging or to meet specific needs, such as inventory carry or credit insurance.

These counterparties, which may be of any size, have a profile that can be described as:

- **Pure traders**
  They do trading but do not own fixed assets. Their financing approach is purely transactional.
- **Integrated traders**
  They use their own infrastructure or that of their group. They are financed using a transactional approach.
- **Wholesale traders**
  They are structured more like *corporates*. They benefit from broader funding sources due to the large volumes traded, such as revolving credit facilities (RCFs) or bond issues.

The Bank also holds commitments to banks issuing export payment instruments. It confirms and/or discounts various banking instruments (bills of exchange and letters of credit), mainly in favour of its commercial clients.

Table 5 **THE THREE PILLARS OF THE CREDIT APPROACH**

	The following is required:
Know Your Customer	▪ Selection of prospects based on knowledge of market participants and cross-referencing. ▪ In-depth knowledge of clients and their transactions. ▪ An adequate financial and credit profile, based on an analysis of the financial statements.
Security of transactions	▪ The Bank is responsible for financing physical flows of goods and obtaining proof of the lien over the financed goods, while keeping as much control as possible during the financing phase. ▪ It also ensures that price risk issues are adequately covered. ▪ In some cases, the security of transactions may be reinforced by obtaining guarantees, physical controls or taking of real collateral rendered enforceable and executable under local law. ▪ Transactions may also be secured by taking out a credit insurance policy or by a risk-sharing agreement with a bank.
Transactional quality	▪ Once the lines been set up, the following factors are analysed: the complexity of the transactions in operational monitoring, the proper completion of the transactions according to the facilities in place, the nature of the unwinding, the volume aspects, etc.
Dividing the risks	The Bank seeks to divide nominal amounts per transaction and sets specific limits.

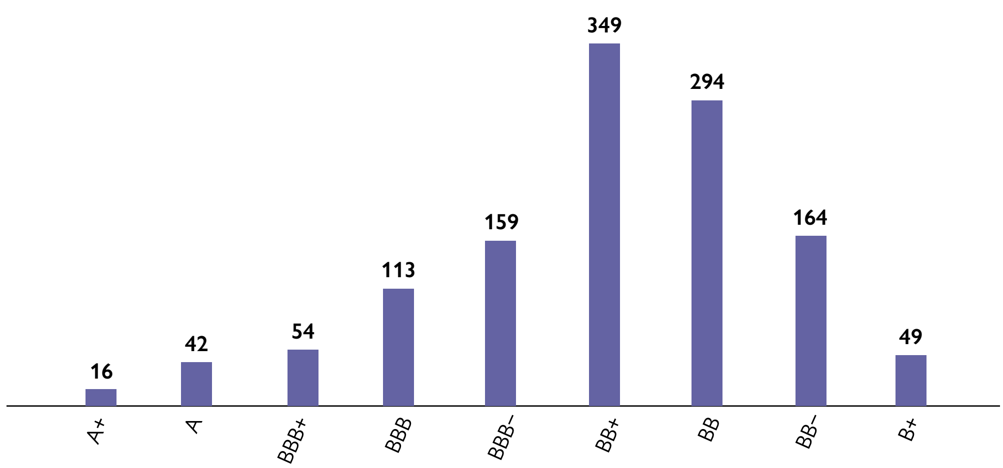
CREDIT PORTFOLIO

When it comes to granting loans, the Bank focuses on clients with which it is able to develop an uncommitted and relatively close transactional relationship.

As at 31 December 2024, the client base consisted mainly of trading companies domiciled in Switzerland, representing 45% of net amounts due from customers and banks. In addition, 29% of loans and commitments correspond to companies based in Europe (excluding Switzerland), 12% to companies located in Middle Eastern countries, and 6% to companies domiciled in Asia.

The Bank targets clients with sound and adequate financial positions, as shown in the chart showing the breakdown of loans and commitments by internal rating as at 31 December 2024:

Figure 14 **LOANS AND COMMITMENTS AT 31 DECEMBER 2024 BY INTERNAL RATING**
(in millions de CHF)



As at 31 December 2024, all non-performing loans were provisioned for 100% of the net exposure of collateral. These receivables represented a small amount, i.e. 1.4% of loans and commitments, and were stable compared to the previous year.

5.4. THE FIRST TRANSPORT OF COFFEE AND COCOA BY CARGO SAILBOAT

Since 2016, BIC-BRED (Suisse) SA has been financing the supply chain of the French group Belco, which is active in the import and distribution of specialty coffee and cocoa.

In 2022, the Bank had two partners, LCL and Crédit Coopératif, join the financing. In 2024, this banking pool financed the first two cargos of coffee and cocoa that Belco transported from Colombia and Brazil, respectively, to the port of Le Havre in France by chartering sailing cargo sailboats with the Le Havre shipowner TOWT (TransOceanic Wind Transport).

Interview with Alexandre Bellangé, Chairman of the Belco Group and Guillaume Le Grand, CEO of TOWT.

Why did Belco choose to transport coffee and cocoa by sailboat rather than by container ship?

ALEXANDRE BELLANGÉ: Belco made this choice for several reasons. The first, to reduce its environmental impact, second to align its sourcing philosophy and values with maritime transport, third to anticipate the strengthening of standards and future legislation (carbon tax, etc.) and finally to maintain the desirability of the coffee and cocoa sectors.

What proportion of the total volume was transported by sailboat in 2024 and what proportion are you aiming for in the long term?

ALEXANDRE BELLANGÉ: We transported 20% of our volumes by sailboat in 2024. The goal is to reach 90% by 2030.

Why did you choose TOWT?

ALEXANDRE BELLANGÉ: We chose TOWT for its role as Belco's long-standing partner. I met Guillaume and Diana in 2017 and we had already mentioned this seemingly crazy project. Making it a reality in 2024 strengthens our relationship and allows us to have a solid projection for continuing to decarbonise our sectors.

What is the origin of TOWT and what are the objectives of this company?

GUILLAUME LE GRAND: TOWT – TransOceanic Wind Transport is a sailing freight company. The observation of the two founders, in 2011, was that the wind is not only abundant offshore but that it has also become predictable and constitutes a reliable source of fully decarbonised propulsion in the face of a shipping industry that is struggling to decarbonise for its own structural reasons (cost of fuel, size of ships and oceans for gigantic volumes transported).

Our commercial challenge is to envisage a market for decarbonised maritime transport that can highlight the entire approach at the origin, the sourcing, the terroir and all the human and environmental aspect of the products at an accessible cost, thus enabling transparency and an efficient valuation of the origin.

Our history is one of chartering traditional sailboats for a decade, and we empirically designed, financed and built Anemos and Artémis, the cargo sailboats currently in operation.

Can you tell us about your relationship with Belco?

GUILLAUME LE GRAND: The relationship with Belco dates back well before its first constructions; and in particular with Alexandre Bellangé, who became interested in our business of importing green coffee on traditional sailboats in 2017.

Belco has, I think, been able to place decarbonised sailing transport at the heart of its activity and its value proposition, because Alexandre Bellangé understood all the leverage for visibility and the promotion of positive externalities upstream or downstream of the sourcing and import of coffee.

Belco's place is fundamental in the development of TOWT's fleet, particularly in Europe, and in coffee's ability to convey a message, and in particular this logbook provided by Anemos for the Fresh Coffee Clean Ocean coffees, which Belco distributes.

What types of boats will make up TOWT's fleet?

GUILLAUME LE GRAND: The TOWT fleet, in addition to Anemos and Artemis, will consist of six additional sisterships, which are already under construction. They will be called Atlas, Atlantis, Archimedes, Asterias, Aries and Athenais. These eight ships will therefore provide a standard in terms of decarbonisation, operation, logistics and in port: they are a real solution for global companies that want to take action. Beyond this, we will see, but a scale-up in terms of volume on large cargo sailboats is already underway, and we are investing in an ambitious R&D programme; at a time when the giants – which in mythology have feet of clay – still do not seem to be providing environmentally satisfactory answers to the challenges of our century.

5.5. IFC AWARD FOR “OUTSTANDING TRADE PARTNER BANK FOR COMMODITY FINANCE WEST AFRICA”

From 7 to 9 May 2024, BIC-BRED (Suisse) SA sponsored the 8th edition of the Global Trade Partners Meeting organised in Barcelona by the International Finance Corporation (IFC), the world’s largest private sector development aid institution for developing countries.

The event was a great success with over 340 participants representing 57 countries. This forum was an opportunity for IFC to celebrate the 20th anniversary of its flagship Global Trade Finance Program (GTFP).

The financing of international trade by the banking system is an important vehicle for supporting trade between countries. The GTFP has provided USD105 billion in trade finance to more than 168,000 businesses since its creation. This programme supports key strategic priorities, including food security, job creation, climate and gender equality. Support from the GTFP reinforces the World Bank’s work in countries supported by the International Development Association (IDA).

At the closing ceremony of the forum, BIC-BRED (Suisse) SA was honoured to receive the “Outstanding Trade Partner Bank for Commodity Finance West Africa” award.

This prestigious award reflects the long-term commitment of BIC-BRED (Suisse) SA to its trading clients in Africa. The Bank strives to support the long-term development of African players by offering dedicated credit facilities.

Strengthening food security in Africa is a crucial issue at a time when inflation and market turbulence are curbing trade and imports. Supporting the development of local added value is important for the development of sustainable import and export flows of agricultural raw materials.

The close collaboration with IFC’s Structured Trade Commodity Finance department has enabled the Bank to strengthen its capabilities by targeting carefully selected clients and flows. This award recognises not only the expertise of BIC-BRED (Suisse) SA, but also the high quality of its partnership with IFC.

5.6. CORPORATE VALUES AND CULTURE

5.6.1. THE CORPORATE CULTURE COMMITTEE

Since its creation in 2022, the Corporate Culture Committee has promoted and transmitted the values of BIC-BRED (Suisse) SA. It nourishes corporate life and strengthens the cohesion of the teams.

In 2024, a quarter of the workforce worked together in five workshops to promote and bring to life the values of BIC-BRED (Suisse) SA.

Thus, throughout 2024, various events took place, both intra and extra muros, uniting all employees in their Responsible Ambition, Agile Expertise, Effective Cohesion, Mutual Consideration and Pragmatic Integrity.

5.6.2. THE FIVE VALUES OF BIC-BRED (SUISSE) SA

RESPONSIBLE AMBITION

The Newsletter celebrated its first year of existence with six issues published by the end of December 2024. Born from the desire to have an internal communication channel, it brings to life the principles of sharing internal knowledge and communicating the Bank's events and news. With a stable editing group, it wants to continue to be an information channel for employees and to evolve with the Bank.

In addition, around twenty employees volunteered to take part in organising the celebration of the Bank's 10th anniversary, scheduled for 2025. This project offers everyone the opportunity to contribute to a major event for the Bank.

AGILE EXPERTISE

Designed to promote the sharing of expertise among employees, the Share & Lunch offers a forum for discussion and learning highlighting the expertise and career path of a speaker, followed by a lunch.

The teams had the pleasure of learning about the career of:

- Franck Nater, Deputy Chief Executive Officer and COO
- Stève-Eric Mensah, former Head of the Credit and Commitments Department
- Xuan Uong-Nguyen, former Energy Relationship Manager
- François Monnier, Deputy Chief Executive Officer and Head of Sales

The third inspirational meeting was also held in 2024 with the participation of Philippe Horras, a former member of the special forces in the French Navy. He shared his experience on the themes of trust, leadership and crisis management.

EFFECTIVE COHESION

The fourth Cohesion Café was held in February 2024. This meeting brought together a group of eight people representing the Risk, Treasury, Human Resources and Financial Institutions departments. The Bank invites newcomers to join these events in order to get to know the different teams better.

In the spirit of sharing moments outside of work and pushing boundaries while maintaining team spirit, the Bank's employees took part in various sporting events:

- Generali Genève Marathon
- Tour Genève Triathlon
- Trail de l'aiguille rouge
- Course de l'espoir
- Coupe de Noël.

MUTUAL CONSIDERATION

In 2024, the Bank supported the HUGs by organizing two blood donation collections.

In addition, in partnership with one of BIC-BRED (Suisse) SA's clients, in November 2024 around twenty employees volunteered to distribute food and basic necessities to people in precarious situations through the Colis du Cœur foundation. The Bank is proud to have enabled its teams to contribute to charitable causes.

PRAGMATIC INTEGRITY

Around ten employees took part in the Bike to Work challenge in June in order to make their daily commutes from home to office by bicycle. 1,276 km were travelled, a way of raising employees' awareness of each person's ecological impact and promoting a sustainable environment.

PART 6

FINANCIAL DATA

PART 6

FINANCIAL DATA

Nearly a decade after its creation, BIC-BRED (Suisse) SA ended its ninth consecutive year of growth with excellent results.

Banking income reached a record level of CHF50,7 million, up 11%. Net income before allocation to the reserves for general banking risks was CHF24.5 million, up a sharp 18%.

Delphine Bourgès,
Head of Finance

LETTER FROM THE HEAD OF FINANCE

Despite sluggish global economic growth, the past year was characterised by excellent financial results.

Banking income reached a record level of CHF50.7 million, up 11% compared to the previous year.

This strong growth in an unfavourable interest rate environment is partly thanks to the increase in credit volumes, which was the result of the continuous effort to offer financial solutions tailored to customers' needs in a dynamic and competitive market environment.

It is also the result of the rigour of BIC-BRED (Suisse) SA in terms of credit risk management. There were no new value adjustments this year, despite the fact that the Bank maintained its conservative policy of fully provisioning its impaired loans.

Operating income was CHF25 million and net income before allocation to the reserves for general banking risks was CHF24.5 million, both up 18%. This remarkable performance reflects the Bank's ability to take advantage of market opportunities while maintaining strict cost control.

The cost-to-income ratio and ROE, at 50% and 11.4%, respectively, are among the highest among bank peers.

As in previous years, all of the net income was allocated to the reserves for general banking risks, on an optional and conservative basis, bringing equity to CHF215 million and the capital adequacy ratio to 16.5%.

These results reinforce BIC-BRED (Suisse) SA's position as a key player in commodity trade financing and illustrate the Bank's commitment to creating sustainable value for its clients, partners and shareholders.

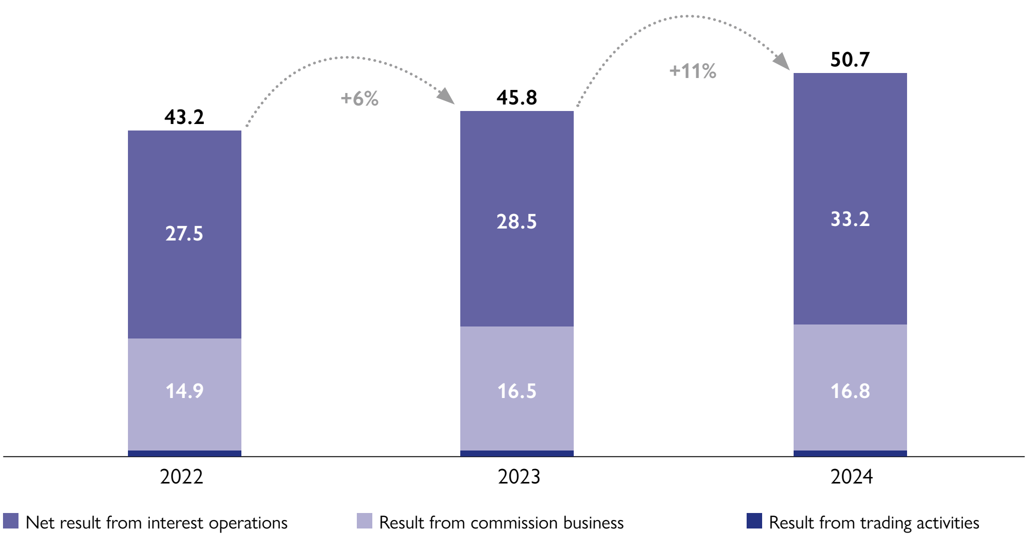
6.1 FINANCIAL ANALYSIS

6.1.1 EARNINGS GROWTH

STRONG GROWTH IN BANKING INCOME

Despite a lacklustre economic environment that once again weighed on international trade, BIC-BRED (Suisse) SA ended 2024 with net banking income of CHF50.7 million, up 11% compared to 2023.

Figure 15 **NET BANKING INCOME** (in CHF million)



This growth can be explained by the 16% increase in net result from interest operations to CHF33.2 million.

The sales effort to support existing clients, establish new relationships with new clients and structure credit lines specifically adapted to their needs led to growth in loans and commitments of 6%.

This favourable volume effect was partially offset by an unfavourable interest rate environment, penalised by a high cost of refinancing and a decrease in the return on assets deposited with the Swiss National Bank.

The number of active client groups at the end of the reporting period, i.e. with loans and commitments in the last 18 months, was 146. This large client portfolio places BIC-BRED (Suisse) SA among the leading players in trade finance in the Geneva financial centre.

Thanks to rigorous control of credit risk, no new impaired loans were identified during the year. The Bank did not make any value adjustments in 2024, and even benefited from a provision reversal of CHF281 thousand thanks to the receipt of a liquidation premium on a fully provisioned receivable.

In addition, result from commission business and services rose 2% to CHF16.8 million, thanks to the increase in the number and size of documentary transactions, for which the volume processed during the financial year amounted to CHF8.0 billion at end-December 2024, compared with CHF7.4 billion at the end of 2023. This increase mainly came from energy sector clients.

Figure 16 **NUMBER OF ACTIVE CLIENT GROUPS**

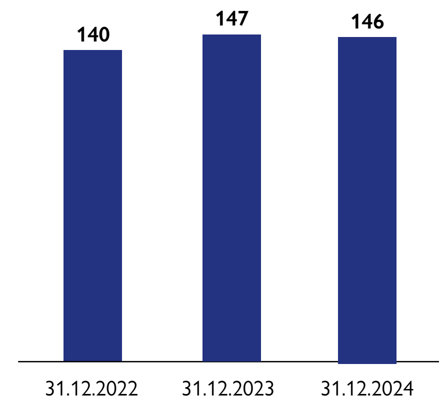
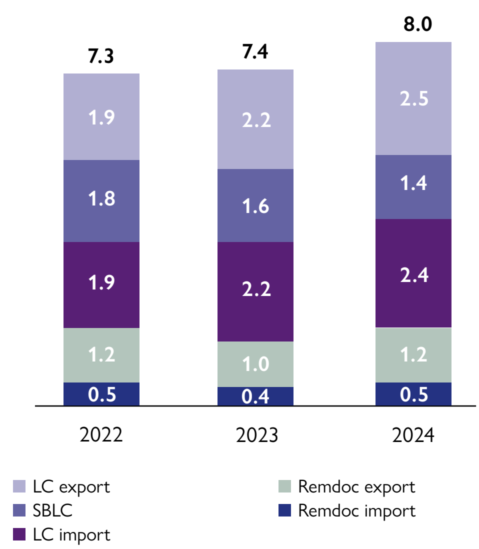


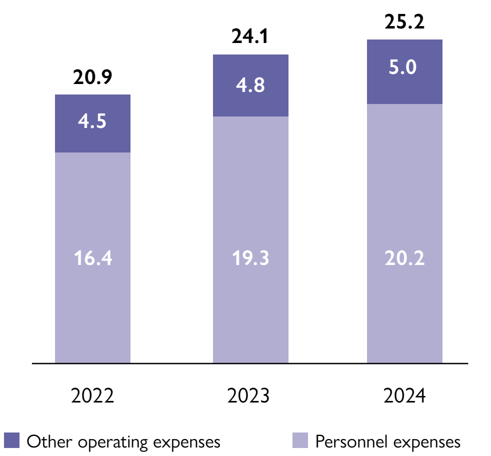
Figure 17 **CUMULATIVE AMOUNT OF TRANSACTIONS** (in CHF billion)



RIGOROUS COST CONTROL

Total operating expenses rose by 5% to CHF25.2 million.

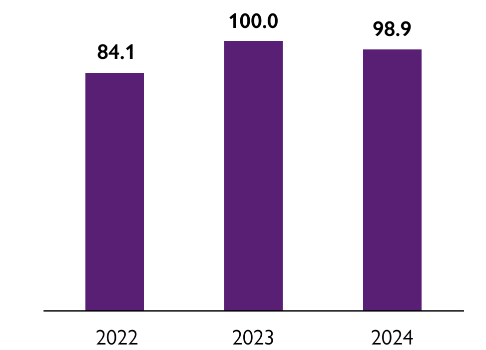
Figure 18 **OPERATING EXPENSES** (in CHF million)



The increase in operating expenses is mainly due to the recruitments made in 2023 in order to strengthen the teams involved in transaction processing, compliance, risk and legal, with the aim of combining growth and sustainability. The number of full-time employees (FTEs) increased by 19% between end-2022 and end-2023.

In 2024, the Bank stabilised its number of FTEs from 100.0 at 31 December 2023 to 98.9 at 31 December 2024.

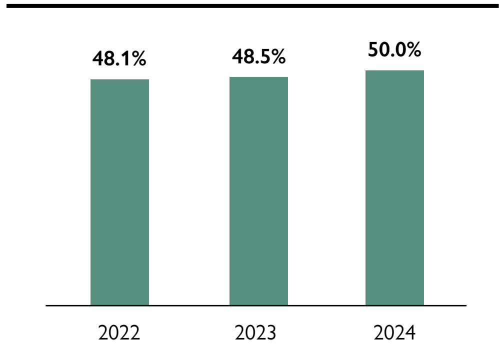
Figure 19 **HEADCOUNT** (in FTE)



Other operating expenses increased by 4% to CHF5.0 million, due to inflation, higher VAT and higher fees for consultants and auditors in order to ensure rigorous risk control and meet increased regulatory requirements.

The good control of expenses again this year enabled the Bank to maintain a good cost/income ratio of 50.0%.

Figure 20 **COST-TO-INCOME RATIO**

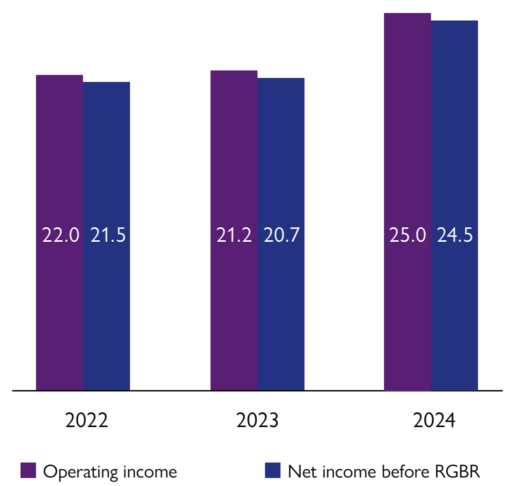


VERY STRONG INCREASE IN OPERATING INCOME AND NET INCOME

For its tenth financial year, the Bank generated operating income of CHF25.0 million, up a strong +18% compared to 2023, thanks to a sharp increase in banking income and rigorous cost control.

Net income before allocation to the reserve for general banking risks amounted to CHF24.5 million, also up 18% compared to last year.

Figure 21 **OPERATING INCOME AND NET INCOME** (in CHF million)



In 2024, the Bank renewed its conservative and optional choice to allocate its entire profit to the reserves for general banking risks, thereby strengthening its equity.

Reserves for general banking risks are reserves that are established as a precaution to cover the Bank's underlying business risks. They are in no way specific provisions booked in the context of a doubtful loan or a dispute, but optional provisions intended to strengthen the Bank's ability to absorb potential economic shocks in the future. The reserves thus set aside strengthen the Bank's equity and may be taken back freely.

This new appropriation brings the total amount of reserves for general banking risks recorded in equity to CHF81.7 million at 31 December 2024, up 43%.

The 2024 results enabled the Bank to maintain good return and profitability ratios[2], which compare favourably with those of the main banks in the market:

FIGURE 22 ROE

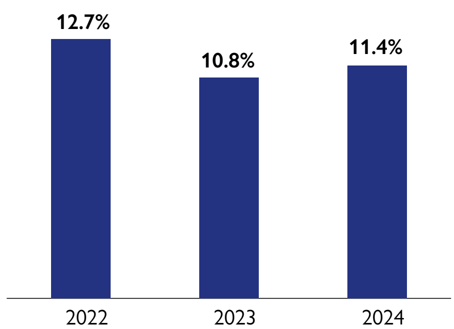


FIGURE 23 ROA

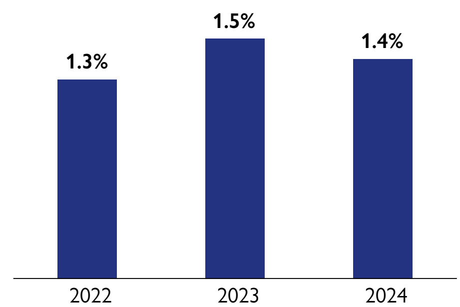


Figure 24 **PROFITABILITY RATIO**

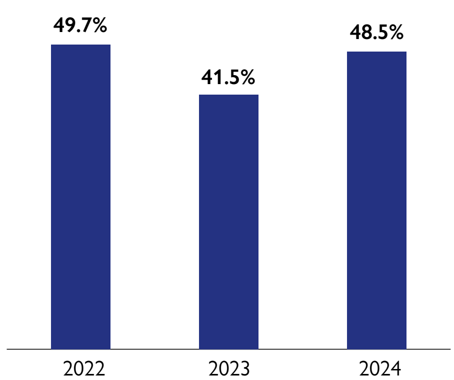
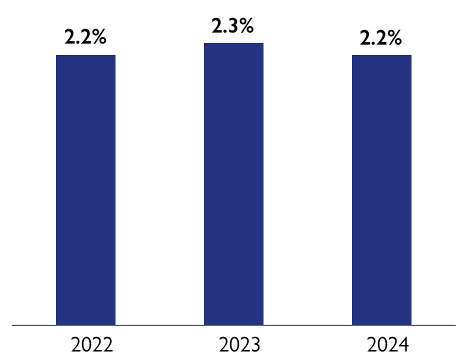


Figure 25 **RoRWA**



2 The ratios are calculated on the basis of net income before allocation to the reserve for general banking risks in order to reflect the Bank's true profitability:
- ROE = Net income before allocation to RGBR/Equity
- ROA = Net income before allocation to RGBR/Assets
- Profitability ratio = Net income before allocation to RGBR/NBI
- RoRWA = Net income before allocation to the average RGBR/RWA for the period.

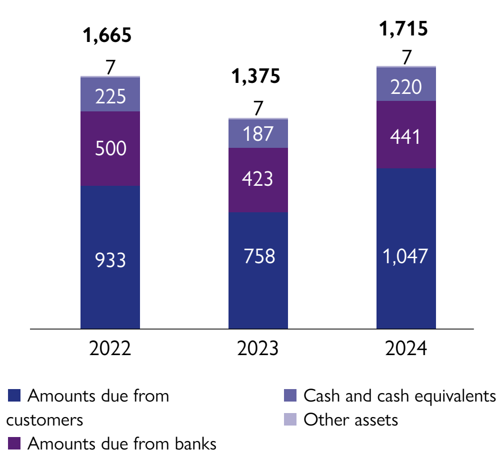
6.1.2 BREAKDOWN OF THE BALANCE SHEET AND OFF-BALANCE SHEET ITEMS

THE RESUMPTION OF GROWTH IN BALANCE SHEET ASSETS

After a drop in 2023, the size of the balance sheet assets increased by CHF340 million in 2024, reaching a total of 1.7 billion at the end of the year (+25%).

This growth was mainly due to the increase in amounts due from customers, which amounted to CHF1,047 million at 31 December 2024, up CHF289 million (+38%).

Figure 26 **ASSETS (in CHF million)**



At 31 December 2024, amounts due from customers corresponded to financing granted to clients active in the trading of various commodities, split evenly among metals, soft commodities and energy. Two-thirds of them consisted of current accounts with overdrafts and one-third of fixed-term advances and loans, mainly in dollars (86%).

Figure 27 **BREAKDOWN OF AMOUNTS DUE FROM CUSTOMERS BY TYPE OF LOAN AT 31 DECEMBER 2024**

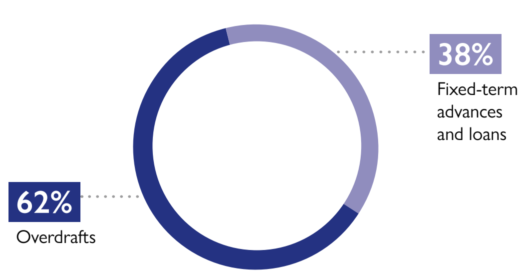


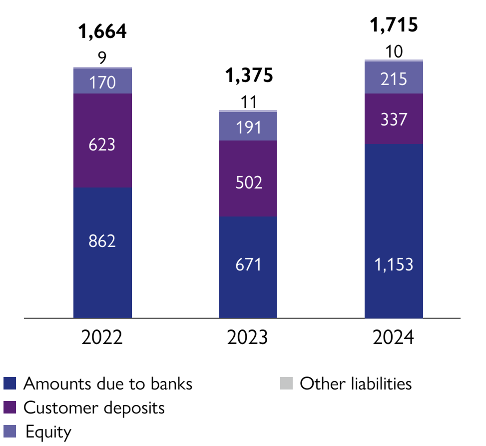
Figure 28 **BREAKDOWN OF AMOUNTS DUE FROM CUSTOMERS BY COMMODITY AT 31 DECEMBER 2024**

Impaired loans net of the estimated value of the realisation of the collateral amounted to CHF20 million and are fully provisioned. They mainly correspond to old loans granted before the Bank became a subsidiary, excluding the international trade finance activity.

CUSTOMER DEPOSITS AND BANK REFINANCING

On the liabilities side, foreign funds (i.e. liabilities excluding shareholders' equity) increased by CHF316 million (+27%) from the end of 2023, to CHF1.5 billion.

Figure 29 **LIABILITIES** (in CHF million)



In a context of high interest rates, customer deposits fell by 33% to CHF337 million, thereby reducing the percentage of amounts due from customers financed through customer deposits, from 66% at 31 December 2023 to 32% at 31 December 2024. At the end of the reporting period, sight deposits represented 78% of total customer deposits, and were mainly in dollars (82%).

The need for refinancing with banks increases with the rise in loans and the parallel decrease in customer deposits. Amounts due to banks increased by 72% to CHF1,153 million at 31 December 2024.

The Bank obtains financing mainly from the BRED Group, which alone accounted for 87% of amounts due to banks with CHF998 million at 31 December 2024. This multi-currency line is drawn mainly in dollars to finance amounts due from customers.

The rest of the bank refinancing comes from deposits made by various banking institutions, mainly in dollars.

SLIGHT DECLINE IN OFF-BALANCE SHEET ITEMS

The size of off-balance sheet items decreased by 7% in 2024 to CHF524 million.

Figure 30 **OFF-BALANCE SHEET ITEMS** (in CHF million)

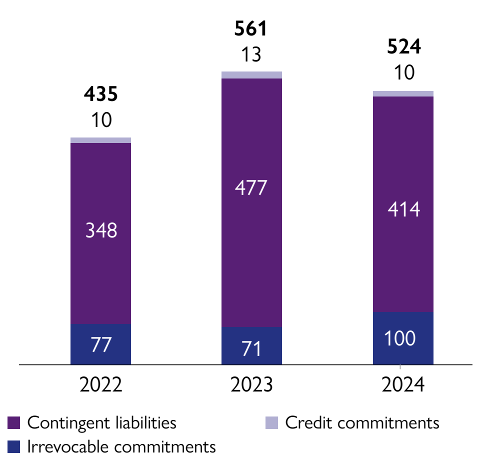
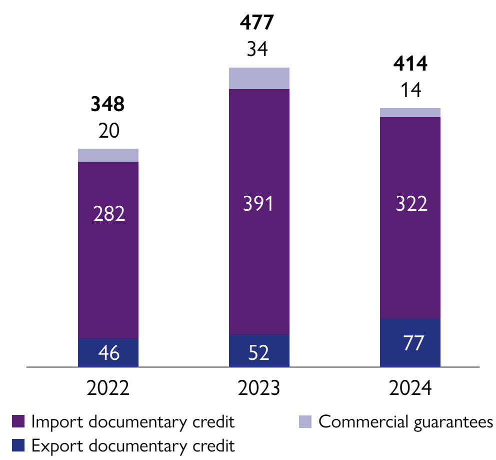


Figure 31 **BREAKDOWN OF CONTINGENT LIABILITIES** (in CHF million)



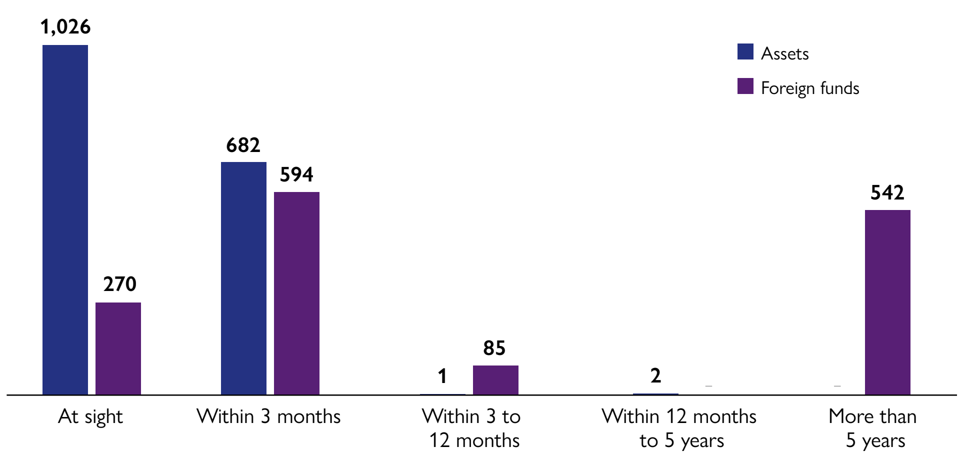
This reduction at 31 December 2024 is mainly due to the decrease in the amount of import documentary credits and is explained by the volatile nature of commodity trade financing.

6.1.3 A COMFORTABLE LIQUIDITY PROFILE

A SHORT-TERM MATURITY PROFILE

The Bank has a solid maturity profile with almost all of its assets deployed at a maturity of less than three months, of which nearly 60% are sight. The short-term and flexible nature of its activity contributes to the good management of the Bank's risks in a volatile environment.

Figure 32 **MATURITY OF FINANCIAL INSTRUMENTS ON THE BALANCE SHEET AT 31 DECEMBER 2024** (in CHF million)



This balance sheet breakdown results in a negative liquidity gap, which demonstrates the Bank's excellent capacity to honour its short-term commitments.

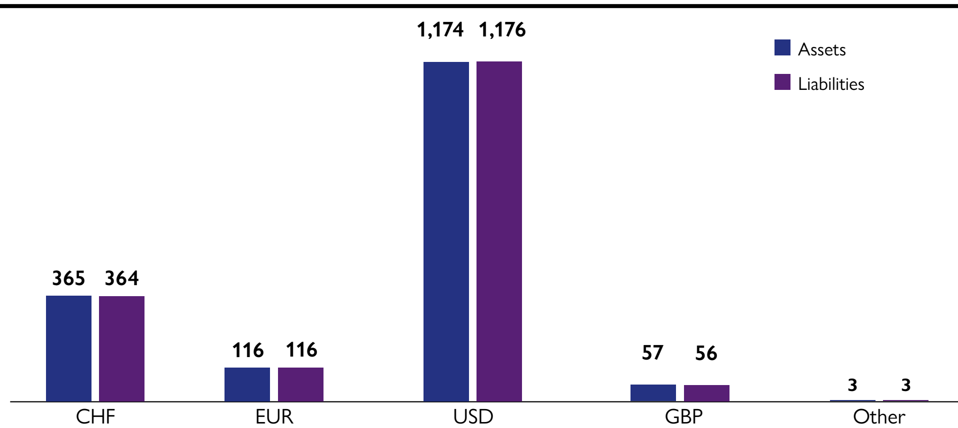
In CHF million	31.12.2024
Assets with a maturity of less than 3 months	1,708
– Liabilities with a maturity of less than 3 months	–864
Liquidity gap	–844
Equity	215
Liquidity Gap/Equity	**–393%**

THE BALANCE OF CURRENCIES BETWEEN ASSETS AND LIABILITIES

Due to its activity, most of BIC-BRED (Suisse) SA's balance sheet is in US dollars (68%).

In order to limit foreign exchange risk, the Bank's strategy consists of balancing assets and liabilities denominated in the same currency. Foreign exchange positions resulting from the balance sheet are systematically hedged. Access to a customer deposit base and BRED refinancing enable the Bank to achieve this balance.

Figure 33 **BREAKDOWN OF ASSETS AND LIABILITIES BY CURRENCY AT 31 DECEMBER 2024**
(in CHF million)



Please refer to **note 21** to the financial statements for more details.

COMFORTABLE LIQUIDITY RATIOS

Liquidity risk is monitored daily by the Treasury/ALM department, thus ensuring proactive and rigorous management of the Bank's liquidity. As a result of these measures, as at 31 December 2024, the short-term liquidity ratio (LCR) stood at 137.1% and the long-term liquidity ratio (NSFR) at 170.0%, reflecting a good capacity to effectively meet short- and long-term financial needs.

Figure 34 **LCR**

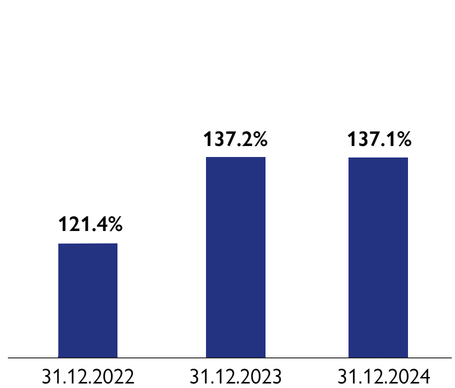
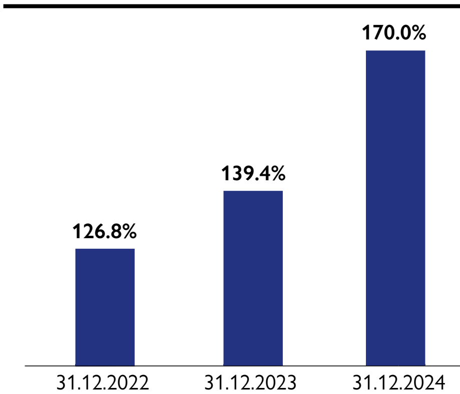


Figure 35 **NSFR**



6.1.4 EXCELLENT SOLVENCY

The excellent results of the year were, conservatively and optionally, allocated in full to the reserves for general banking risks, strengthening regulatory capital by CHF21.6[3] million (+12%), bringing it to CHF205.3 million at 31 December 2024.

3 This change corresponds to the income allocated to the reserve for general banking risks, less corresponding deferred taxes.

Table 6 **EXTRACT FROM SWISS NATIONAL BANK STATISTICS**

In CHF million	31.12.2022	31.12.2023	31.12.2024
Eligible capital	165.4	183.7	205.3
Of which common equity tier 1 capital (CET1)	165.4	183.7	205.3
Risk-weighted assets (RWAs)	1,002.2	933.3	1,243.3

At the end of 2024, the capital adequacy ratio stood at 16.5%, an excellent level compared to the regulatory requirement of 10.5%, thus demonstrating the Bank's financial solidity.

At 31 December 2024, the leverage ratio stood at 11.0%, well above the regulatory requirement of 3%.

Figure 36 **CAPITAL ADEQUACY RATIO**

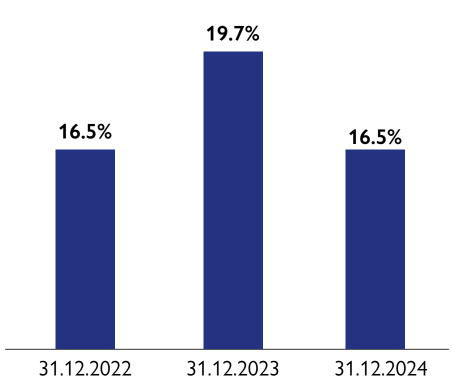
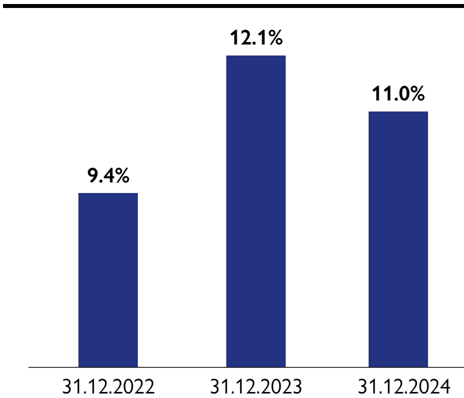


Figure 37 **LEVERAGE RATIO**



BIC-BRED (Suisse) SA is a wholly-owned subsidiary of the BRED/BPCE Group, which has excellent external ratings (see 2.1 THE BPCE GROUP), and which supports it both in terms of funding and solvency.

6.2 AUDIT OPINION

Regarding to the audit opinion, please refer to the French official version of the Annual Report 2024.

6.3 2024 FINANCIAL STATEMENTS

BALANCE SHEET

in CHF thousand

ASSETS	Notes	31.12.2024	31.12.2023
Cash and cash equivalents		219,910	187,311
Amounts due from banks	*15*	440,650	422,714
Amounts due from customers	*6*	1,047,001	757,502
Positive replacement values of derivative financial instruments	*7*	962	761
Financial investments	*8*	2,353	2,318
Accrued income and prepaid expenses		2,726	2,658
Tangible fixed assets	*9*	1,019	1,212
Other assets	*10*	217	176
Total assets		**1,714,838**	**1,374,652**

LIABILITIES			
Amounts due to banks	*15*	1,152,806	671,423
Amounts due in respect of customer deposits	*15*	337,265	501,508
Negative replacement values of derivative financial instruments	*7*	925	711
Accrued expenses and deferred income		8,886	10,526
Other liabilities	*10*	24	13
Sub-total of foreign funds		**1,499,906**	**1,184,181**
Reserves for general banking risks	*13*	81,693	57,232
Bank's capital	*14,16*	133,074	133,074
Statutory retained earnings reserve		165	165
Profit/loss carried forward		–	–
Profit/loss (net income for the financial year)		–	–
Total equity		**214,932**	**190,471**
Total liabilities		**1,714,838**	**1,374,652**

Total subordinated liabilities		–	–
– of which subject to mandatory conversion and/or debt waiver	15	–	–

OFF-BALANCE SHEET TRANSACTIONS			
Contingent liabilities	*6.22*	413,901	476,531
Irrevocable commitments	*6*	100,205	71,017
Credit commitments	*6.23*	10,085	13,326

INCOME STATEMENT

in CHF thousand

RESULT FROM INTEREST OPERATIONS	Notes	31.12.2024	31.12.2023
Interest and discount income	25	91,224	80,447
Interest and dividend income from trading portfolios		–	–
Interest and dividend income from financial investments		92	94
Interest expense	25	–58,431	–48,026
Gross result from interest operations		**32,885**	**32,515**
Changes in value adjustments for default risks and losses from interest operations	6.13	281	–3,978
Subtotal Net result from interest operations		**33,166**	**28,537**

RESULT FROM COMMISSION BUSINESS AND SERVICES			
Commission income from securities trading and investment activities		–	–
Commission income from lending activities		15,060	14,458
Commission income from other services		4,907	4,497
Commission expense		–3,162	–2,471
Subtotal Result from commission business and services		**16,805**	**16,484**

RESULT FROM TRADING ACTIVITIES AND THE FAIR VALUE OPTION	24	707	713

OTHER RESULT FROM ORDINARY ACTIVITIES			
Other ordinary income		34	32
Other ordinary expenses		–	–
Subtotal Other result from ordinary activities		**34**	**32**

OPERATING EXPENSES			
Personnel expenses	26	–20,229	–19,318
Other operating expenses	27	–5,001	–4,814
Subtotal Operating expenses		**–25,230**	**–24,132**

Gross income		**25,482**	**21,634**
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets		–487	–438
Operating income		**24,995**	**21,196**
Extraordinary income	28	–	–
Extraordinary expenses	28	–	–
Changes in reserves for general banking risks	13	–24,461	–20,662
Taxes	29	–534	–534
PROFIT (result of the period)		**–**	**–**

STATEMENT OF CHANGES IN EQUITY

in CHF thousand

	Bank's capital	Retained earnings reserve	Reserves for general banking risks	Profit/loss carried forward	Result of the period	Total
Equity as at 01.01.2024	**133,074**	**165**	**57,232**	**–**	**–**	**190,471**
Capital increase/decrease	–	–	–	–	–	–
Other allocations to (transfers from) the reserves for general banking risks	–	–	24,461	–	–	24,461
Profit/Loss (result of the period)	–	–	–	–	–	–
Equity as at 31.12.2024	**133,074**	**165**	**81,693**	**–**	**–**	**214,932**

1. THE BANK'S BUSINESS NAME, LEGAL FORM AND DOMICILE

I. Business name, legal form and domicile

Banque Internationale de Commerce – BRED (Switzerland) SA obtained authorisation to operate a banking activity in Switzerland on 21 September 2015. It took over the activities of the Geneva branch of Banque Internationale de Commerce - BRED Paris through a qualified capital increase with effect from 28 February 2015.

The Bank is headquartered in Geneva. It has also been established in Dubai through a branch since 2022.

The Bank is 100% owned by Banque Internationale de Commerce – BRED SA, Paris, (the registered address) whose capital is 99.99% owned by Compagnie Financière de la BRED SA (COFIBRED), 100% owned by BRED-Banque Populaire (the Group).

BRED Banque Populaire holds 4.95% of BPCE's capital.

II. Headcount

As at 31 December 2024, the Bank employed 98.9 full-time equivalent employees, versus 100.0 at 31 December 2023.

III. Business activities

The Bank is active in international trade finance and, more specifically, in commodity finance (oil and oil derivatives, metals and ores, soft commodities, fertilisers, and raw materials, or materials that have undergone limited processing).

It provides its clients with a full range of services linked to this activity, such as lending based on the disbursement of funds or the issue of banking instruments by letter of commitment, hedging products provided through the Group's trading floor and other, similar transactions.

2. PRINCIPLES GOVERNING THE PREPARATION OF THE FINANCIAL STATEMENTS

I. Principles governing the preparation of the financial statements

The accounting, recognition and valuation principles are in keeping with the Swiss Code of Obligations (CO), the Banking Act (BA) and its ordinance (BO), the Swiss Financial Market Supervisory Authority (FINMA) Ordinance on accounts (OEPC-FINMA) and the accounting rules for Banks, securities traders and financial groups and conglomerates defined by FINMA Circular 2020/1. The reliable assessment statutory single-entity financial statements present the Bank's economic position in such a way that third parties are able form an informed opinion thereof. The annual financial statements may contain hidden reserves.

The figures in the notes have been rounded for publication purposes.

II. General valuation principles

The financial statements have been prepared on the assumption that the Bank is a going concern. The items in the balance sheet have been recorded on a going concern basis.

The assets contain items that the company may hold as a result of past events, from which it expects a flow of economic benefits, and whose value may be estimated with a sufficient degree of reliability. If it is not possible to reliably estimate the value of an asset, it becomes a contingent receivable, which is commented on in the notes.

Debts arising from past events that are likely to lead to an outflow of economic benefits from the company and whose value may be estimated with a sufficient degree of reliability are recorded on the liability side of the balance sheet. If it is not possible to reliably estimate the value of a liability, it becomes a contingent commitment, which is commented on in the notes.

The items presented in the balance sheet are valued individually.

III. Recording of transactions

Transactions are recorded in the balance sheet on the date on which they are entered into.

IV. Translation of foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates in force on the balance sheet date. Tangible fixed assets and intangible assets are translated at historical exchange rates. The foreign exchange gain or loss resulting from the translation of items into foreign currencies is recognised in "Result from trading activities and the fair value option".

Income and expenses denominated in foreign currencies are translated at the exchange rate in force on the date on which they are recognised.

The main foreign currencies were translated into Swiss Francs on the closing date at the following rates:

	31.12.2024	31.12.2023
USD	0.9039	0.8378
EUR	0.9405	0.9259
GBP	1.1342	1.0654

V. Treatment of interest

Past due interest and related commissions are not recorded as interest income. Interest and commissions that have expired for more than 90 days and remain unpaid are considered as such. For current account credits, interest and commissions are considered to be overdue when the credit limit has been exceeded for more than 90 days. From then on, future interest and commissions accruing may no longer be credited to the income statement item "Interest and discount income" until no overdue interest has been outstanding for longer than 90 days.

A retroactive cancellation of interest income is not expressly prescribed. Receivables arising from interest accrued up to the expiry of the 90 day period (due and unpaid interest and accrued interest) are to be written off via the item "Changes in value adjustments for default risks and losses from interest operations".

3. VALUATION PRINCIPLES

I. Cash and cash equivalents

Cash and cash equivalents are recognised at their nominal value.

II. Amounts due from banks and amounts due from customers

Amounts due from banks and amounts due from customers are recognised at their nominal value, less any necessary value adjustments.

III. Positive and negative replacement values of derivative financial instruments

Financial instruments are measured at their fair value and their positive or negative replacement values are presented in the corresponding balance sheet items. The fair value is based on market prices.

The income generated from trading transactions and the unrealised income from the valuation of trading activities is recognised in "Income from trading activities and the fair value option".

IV. Tangible fixed assets

Investments in tangible fixed assets that are used for more than one accounting period are carried on the balance sheet at their acquisition cost and depreciated on a straight-line basis over their foreseeable lifetime.

Tangible fixed assets are depreciated on a straight-line basis through "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets", in accordance with their useful life, estimated on a conservative basis. The estimated useful life may be summarised as follows:

- Fixtures: 5 years;
- IT software purchased: 3 to 5 years;
- Office equipment and furniture: 3 years.

The Bank tests whether, on the balance sheet date, the value of any tangible fixed asset is impaired. This test is to be based on indications reflecting a possible impairment of individual assets. If it observes such signs, the Bank determines the recoverable value of each asset. An asset is impaired if its book value exceeds its recoverable amount.

If the assessment reveals a change in the asset's useful life or an impairment, the Bank depreciates the residual book value in accordance with a plan based on the new useful life or recognises an unplanned depreciation charge.

Where an impairment exists, the book value is to be reduced to reflect the recoverable amount and the impairment loss is recognised on the debit side in "Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets".

Gains made from the sale of tangible fixed assets are recognised in "Extraordinary income", and the losses made in "Extraordinary expenses".

V. Financial investments

Financial investments consist of securities acquired for medium- and long-term investment purposes and equity securities intended neither for trading nor for permanent investment.

Held-to-maturity interest-bearing securities (marketable securities) are measured at their acquisition value, taking into account any premiums or discounts (rate components) accrued over time (*accrual method*). The gains and losses resulting from a sale or an early redemption are recorded proportionally until the original maturity date. Changes in value linked to the risk of default are recorded in "Changes in value adjustments for default risks and losses from interest operations".

VI. Amounts due to banks and amounts due in respect of customer deposits

These items are recognised at their nominal value.

VII. Provisions

In line with the precautionary principle, provisions may be recognised for any potential or proven risks of losses on the balance sheet date linked to a balance sheet commitment. These risks are regularly reviewed by the Executive Board. If a provision seems necessary, it is recognised in the income statement.

VIII. Reserves for General Banking Risks (RGBR)

Reserves for general banking risks are reserves that are established as a precaution to cover the Bank's business risks.

Reserves for general banking risks are not taxable up to the set threshold.

IX. Pension benefit obligations

Employees are insured with a collective pension foundation. The pension plans are organised, managed and funded in accordance with the law, the foundation's articles of association and the pension regulations in force. The Bank's five pension plans are defined contribution schemes.

The Bank bears the costs of the professional pensions of employees and their survivors in accordance with the law. The employer contributions to pension plans are recorded in "Personnel expenses".

The Bank assesses whether, on the balance sheet date, it has any economic benefits or commitments outstanding with pension plan providers.

The economic benefits of the pension plans (including the employer contribution reserve the use of which has not been waived) are carried in the balance sheet in "Other assets" and the economic commitments in "Provisions". Value adjustments relating to economic benefits/commitments in respect of the previous period are recorded in "Personnel expenses" in the income statement.

X. Equity

Equity capital consists of the share capital, the statutory reserves from retained earnings, general banking risk reserves, retained earnings and the earnings of the period.

XI. Taxes

Current income taxes consist of recurring taxes, generally paid annually, on income and capital. They do not include transaction taxes.

Liabilities from current income taxes and capital taxes are recognised in "Accrued expenses and deferred income" in the income statement.

Current income taxes on income and capital are recognised in "Taxes" in the income statement.

XII. Off-balance sheet transactions

Contingent liabilities and irrevocable commitments as well as credit commitments are recorded off-balance sheet at their nominal value.

XIII. Structure of the notes

The notes follow the structure set out by FINMA in Circular 2020/1 Accounting - Banks. Items that are not relevant to the Bank are not included in the notes.

4. RISK MANAGEMENT

I. Introduction

The Bank's risk policy is based on the general policy of the Group to which it belongs. Risks are monitored using a system approved by the Board of Directors of the Bank.

The members of the Board of Directors and the Executive Board are regularly informed about the Bank's position, the condition of its portfolio, its income and the related risks.

The Bank is exposed to several types of risk: credit and counterparty risks, compliance and sanction risks, financial risks, operational risks, risks related to the security of the information system and other risks. One of the Bank's key responsibilities is the monitoring, identification, measurement and management of these risks.

II. Credit risks

II.i Client credit risks

FOUNDATIONS OF THE LENDING SYSTEM

The same credit risk management is applied whether the credit risks involve exposure to companies, banks or financial institutions, and is structured along several lines:
- Carrying out specific, detailed analysis each year for every credit application in accordance with clearly established preconditions;
- Assigning a rating to the counterparty based on an internal assessment grid;
- Collegiate decision-making by credit committees based on the credit analysis produced by the sales teams and separate analysis carried out by the Credit Risk Department;
- Risk division principles dictated by compliance with regulatory limits and the establishing of thresholds based on sector, counterparty type and country risk;
- Procedures describing these components of the lending process and the lending policy.

MONITORING OF LOANS

The loans that are granted are closely monitored at various levels, particularly covering:
- The legal (or other) documentation required;
- Compliance with the limits granted and their terms (due dates, specific conditions, etc.);
- The indirect risks that may be encountered in connection with certain transactional operations (see below).

This monitoring is carried out by departments that are independent of the Sales Division. These are mainly the Credit, Commitments and Credit Risk departments.

For loans based on a self-liquidating transactional approach, i.e. the financing of commodities reimbursed using their sale proceeds, the Bank has a specific department, the Collateral Management Department, which closely monitors the status of the underlying asset being financed (commodity stored in a port or in transit with a marketable security, etc.). The Bank also carries out due diligence checks on the entities with which its clients work and that may have an impact on lending, such as brokers and warehouse keepers.

Credit monitoring is also carried out through portfolio reviews.

RISK MITIGATION MEASURES

The credit risk mitigation measures that are currently applied are:
- Pledged cash;
- Guarantees received from BRED;
- Guarantees issued by other financial institutions or insurance companies with good external ratings (i.e. at least investment grade) for which credit approval has been arranged to allow the risk to be transferred to these entities, and provided that the guarantees meet the conditions set out in Circular 2017/7 Credit risk – Banks, Margin Nos. 281 to 296.

These measures are grouped together under "Other security" in note 6.

VALUATION OF COLLATERAL

In its international trade finance activity, the Bank generally grants collateral-based loans, i.e. loans backed by commodity inventories (proven via documents proving the existence of the commodities, such as bills of lading or warehousing certificates) or receivables. This collateral is not considered "hedging" as it does not enable credit risk to be formally reduced and does not always have an indisputable legal value. Notwithstanding these points, in practice, collateral is the main way in which loans are repaid if a debtor defaults and is therefore a major component of risk management.

Collateral is periodically revalued by the Collateral Management Department.

IDENTIFICATION OF NON-PERFORMING LOAN RECEIVABLES

Loan receivables are non-performing if any of the following payments has not been received in full more than 90 days after the due date:
- Payment of interest;
- Payment of fees;
- Repayment of principal.

The basic debt itself is deemed to be non-performing if an interest, fee and/or reimbursement payment linked to it is non-performing. Loans/receivables to debtors in liquidation are always considered to be non-performing.

IDENTIFICATION OF IMPAIRED LOANS/RECEIVABLES AND VALUE ADJUSTMENTS

Loans/receivables in respect of which the debtor will unlikely be able to fulfil its future obligations are deemed to be impaired.

If the total impaired loans/receivables exceed the amount that is likely to be received after analysis of the hedging and collateral, a specific provision equal to the difference between the book value and the probable realisable value (or the liquidation value) must be recognised.

The liquidation value is calculated as follows:
- Fair value of the collateral that must be liquidated after deduction of the estimated selling costs or
- Value of the expected cash flows discounted by applying the rate of return before default and by using reasonable and justified assumptions and projections or
- Observable market value of the loan if that is a reliable indicator of the estimated recoverable amount.

MONITORING OF DISTRESSED LOANS

The Bank has a specific system for monitoring distressed loans involving committees, procedures, etc.

An identification system is also in place so that the following can be appropriately monitored:
- Sensitive transactions: identification of transactions that present a higher recovery risk but for which recovery is not considered to be problematic and that do not result in the assessment of the client being changed ("one-off account incident");
- Loans presenting a high risk despite there being no proven risk event. These loans are included in the performing loan watchlist (WL). Classification in the performing WL is achieved either by decision of a credit committee, or automatically when certain criteria have been fulfilled.
- Non-performing loans, which are included in the doubtful loan WL.

Upstream of these two WL classifications, using a sector-based approach or an approach focused on the impacts of a particular event (war, financial crisis, etc.), the Bank may conduct portfolio reviews to identify clients that are particularly sensitive to the deterioration of an economic, geopolitical or financial environment for a commodity. This local monitoring takes the place of early due diligence to identify clients that could be vulnerable in advance. The operation of the account remains normal. The file remains performing but measures can be taken at the decision of the local credit committee or at the quarterly Credit Risk Monitoring Committee meeting.

II.ii Counterparty risk in interbank operations

In respect of interbank transactions, the Bank never enters into a business relationship without carrying out a detailed assessment of the default risk. Compliance with limits is regularly monitored by the credit risk function. Assessment of the counterparty's rating is done on an annual basis and is carried out within the BPCE Group.

In the event of extreme market events, the Bank examines the situation continuously in order to be able to instantly react to a worsening risk.

III. Risks related to compliance and international sanctions

Compliance risks are defined as the consequences that may result from an error in the application of applicable laws and regulations as well as the internal rules of the Bank or the BPCE Group. A problem in the management of compliance risks can lead to reputational repercussions, legal or regulatory sanctions and financial losses.

In the Bank, the risk of non-compliance by a counterparty or its transactions is everyone's responsibility.

The compliance culture is supported by a dedicated department that is responsible for ensuring that all applicable regulations (mainly Swiss, European Union, United States) in the area of sanctions, anti-money laundering and combating the financing of terrorism, are well known and complied with through appropriate procedures.

A Compliance Committee, including the members of the Executive Board, approves all new client relationships and reviews as well as transactions presenting particular risks.

The bank's transactional approach ensures control and documentation adapted to the risks of each transaction.

The implementation of additional ex-ante control processes for client counterparties as well as transactional control relating to sanctions have further strengthened the monitoring of compliance and fraud risks related to transactions and met the increased requirements related in particular to the war in Ukraine and subsequent sanctions programmes.

The development of the Dubai branch also requires the integration of local rules and consolidated risk monitoring.

IV. Financial and market risks

INTEREST RATE RISKS

Interest rate risk arises as a result of the Bank's exposure to an adverse fluctuation in interest rates, based on its on- and off-balance sheet positions. A sharp rise or fall in interest rates, depending on the balance sheet and off-balance sheet structure, may lead to a loss of income, or even a negative interest margin.

In view of the Bank's activity, interest rate risks are mainly caused by the following active and passive items: amounts due from and amounts due to banks and customers.

FOREIGN EXCHANGE RISKS

The Bank may be exposed to a foreign exchange risk with regard to its income given that its income statement is in CHF and its main source of income is in USD and, to a lesser degree, EUR.

Another source of foreign exchange risk is client foreign exchange transactions (spot or forward).

The Bank systematically balances its assets and liabilities by currency in order to limit its exposure to foreign exchange risk.

LIQUIDITY RISKS

The Bank must at all times be able to meet its cash flow needs, as well as comply with the various regulatory liquidity ratios imposed by the regulator. The Bank's approach to liquidity management aims to generate a solid liquidity position that ensures that the Bank is always able to meet its payment obligations on time.

Regular checks are carried out on all major cash flows and on the availability of top tier collateral that may be used to provide additional liquidity.

V. Operational risks

GENERAL PRINCIPLES AND ASSESSMENT

Operational risks are defined as the risks of direct or indirect losses resulting from the inadequacy or failure of internal processes or systems, inappropriate actions by persons or errors made by them, or external events.

Legal and compliance risks, as well as image and reputation risks, are part of operational risks.

The new FINMA Circular 2023/1 on operational risks and resilience distinguishes between the overall management of operational risks and the management of specific operational risks related to information and communication technologies (ICT), cyber risks, critical data and, finally, cross-border service activities. The identification of risks likely to impact the Bank's activities and their rating, as well as their reduction, notably through appropriate controls and procedures, is carried out via operational risk mapping. This enables, for a given scope, the risk exposure of the entity's activities for the coming year to be measured.

Operational risks are measured based on losses resulting from normal and extreme situations. Within the Risk Division, a database of incidents having led to losses is managed. For risk management purposes, it breaks down the loss events into different risk groups and determines measures to reduce the potential losses. It regularly reports on the results of its controls to the Executive Board.

BUSINESS CONTINUITY PROCESS AND OPERATIONAL RESILIENCE

With regard to business continuity processes, measures are taken to reduce damage. The business continuity plan also helps to ensure operational security in the event of either internal or external disasters.

The key controls are documented in line with uniform principles. All the Bank's departments conduct annual assessments of their internal control processes to measure their operational effectiveness. The Business Continuity Management Plan is tested once a year. The observations made during this test are noted in the internal control report produced for the Executive Board. The improvements suggested in the report are validated by the Bank's management bodies.

Following the entry into force of FINMA circular 2023/1 on 1 January 2024, the Bank has put in place processes to identify its critical functions and data and improve its operational resilience.

VI. Risks related to information system security

The security of the Bank's information system is crucial to ensure the protection of financial and personal data. The Bank is faced with various risks related to the security of the information system such as cyberattacks, technical failures, human errors and legal compliance issues.

To address this, measures such as advanced IT security solutions, strict access management, cybersecurity training programmes and regular audits are in place. The continuous monitoring of these risks is ensured by collaboration between the IT Department and the Risk Division, with reports validated by the Board of Directors to ensure the continuous adaptation and improvement of the security strategies.

VII. Other risks

There are other risks related to the Bank's activities.

- Risks related to employee corruption and lack of ethics: these are addressed specifically within the Risk Division.
- Legal risks are seen as risks related to loss resulting from insufficient documentation (missing document, poorly written clause, lack of knowledge of the texts, etc.) or incorrect application of the law. These are monitored by external lawyers, who are independent experts, under the supervision of a dedicated in-house lawyer at the Bank to ensure that the Bank's requirements are complied with in this area.

More generally, all risks are monitored at the operational level through the deployment of level 1 controls and hierarchical controls and are also covered by level 2 controls performed by the Risk Department. These level 2 controls may either relate to level 1 controls or be carried out independently to address specific issues. Most of these controls are subject to reports, the results of which are communicated on a quarterly basis both internally and to the parent company.

Level 3 controls are carried out by internal auditors, as well as those of the Group. All of them perform different types of controls, which, depending on their results, lead to corrective actions, action plans, opinions and recommendations.

Finally, the aspects related to mandatory or recommended training necessary to prevent and manage risks are also subject to double monitoring: in the operational departments and in the risk departments in charge of the area.

VIII. Policy on the use of derivative financial instruments and hedge accounting

The Bank does not use hedge accounting. Derivative financial instruments are used to manage risk and are principally used to hedge against interest rate and foreign exchange risks and, under certain conditions, to reduce credit risks, including those relating to future transactions. Hedging transactions are always entered into with external counterparties. The Bank uses BRED's trading floor for its derivatives activity.

5. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date.

in CHF thousand

6. PRESENTATION OF COLLATERAL FOR LOANS/RECEIVABLES AND OFF-BALANCE-SHEET TRANSACTIONS, AS WELL AS IMPAIRED LOANS/RECEIVABLES

		Type of collateral			
LOANS AND BILLS OF EXCHANGE		Secured by mortgage	Other security	Unsecured	Total
Amounts due from customers		–	219,437	842,719	1,062,157
Total loans and bills of exchange (**before** netting with value adjustments)	**31.12.2024**	**–**	**219,437**	**842,719**	**1,062,157**
	31.12.2023	–	140,336	631,527	771,863
Total loans and bills of exchange (**after** netting with value adjustments)	**31.12.2024**		**219,437**	**827,563**	**1,047,001**
	31.12.2023	–	140,336	617,166	757,502

OFF BALANCE SHEET					
Contingent liabilities		–	75,533	338,368	413,901
Irrevocable commitments		–	15,289	84,916	100,205
Credit commitments		–	7,938	2,147	10,085
Off-balance sheet total at	**31.12.2024**	**–**	**98,760**	**425,431**	**524,191**
	31.12.2023	–	185,526	375,348	560,874

		Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Total impaired receivables	**31.12.2024**	**21,425**	**1,388**	**20,037**	**20,037**
	31.12.2023	20,183	1,298	18,885	18,885

in CHF thousand

7. PRESENTATION OF DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

		Trading instruments		
FOREIGN EXCHANGE/PRECIOUS METALS		Positive replacement values	Negative replacement values	Contract volume
Forward contracts (currency forwards and currency swaps)		962	925	45,044
Total before netting agreements	**31.12.2024**	**962**	**925**	**45,044**
– of which determined using a valuation model		–	–	–
Total before netting agreements	31.12.2023	761	711	59,309
– of which determined using a valuation model		–	–	–

		Positive replacement values (cumulative)	Negative replacement values (cumulative)
Total after netting agreements	**31.12.2024**	**962**	**925**
	31.12.2023	761	711

BREAKDOWN BY COUNTERPARTY		Central clearing houses	Banks and securities dealers	Other customers
Positive replacement values (after netting agreements)	**31.12.2024**	**–**	**809**	**153**

The Bank does not hold any hedging instruments and does not enter into any positive or negative replacement value netting agreements.

DETAILS ON THE INDIVIDUAL ITEMS IN THE NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

in CHF thousand

8. FINANCIAL INVESTMENTS

	Book value		Fair value	
BREAKDOWN OF FINANCIAL INVESTMENTS	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Debt securities	2,353	2,318	2,335	2,217
– of which intended to be held to maturity	*2,353*	*2,318*	*2,335*	*2,217*
– of which not intended to be held to maturity (available for sale)	–	–	–	–
Equity securities	–	–	–	–
– of which qualified participations	–	–	–	–
Precious metals	–	–	–	–
Real estate	–	–	–	–
Total	**2,353**	**2,318**	**2,335**	**2,217**
– of which securities eligible for repo transactions in accordance with liquidity requirements	–	–	–	–

BREAKDOWN OF COUNTERPARTIES BY MOODY'S RATING CATEGORY	31.12.2024	31.12.2023
Aaa-Aa3	–	–
A1-A3	–	–
Baa1-Baa3	–	–
Ba1-Ba2	–	–
Ba3	–	–
B1-B3	–	–
Caa1-C	–	–
Unrated	2,353	2,318
Total debt securities	**2,353**	**2,318**

in CHF thousand

9. TANGIBLE FIXED ASSETS

	Acquisition cost	Accumulated depreciation	Book value at 31.12.2023	Additions	Disposals	Depreciation	Book value at 31.12.2024
Acquired software	2,212	–1,216	996	134	–	–360	770
Other tangible fixed assets	861	–645	216	160	–	–127	249
Total tangible fixed assets	**3,073**	**–1,861**	**1,212**	**294**	**–**	**–487**	**1,019**

Depreciation is calculated on a straight-line basis based on their estimated useful life, subject to the following maximum periods:

- 5 years for plant and fixtures and fittings;
- 3 to 5 years for software;
- 3 years for office equipment and furniture.

OPERATING LEASE COMMITMENTS, NOT CARRIED ON THE BALANCE SHEET, ACCORDING TO DUE DATE

On 1 October 2019, the Bank entered into a lease over business premises in Geneva for an initial term of 10 years and 4 months, i.e. until 31 January 2030. This lease generates future rent expenditure totalling CHF4.6 million:

	Less than 1 year[1]	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
Operating lease commitments	912	912	912	912	912	76	**4,636**

1 From 1 December 2025, the basic rent corresponding to the annual rent for the sixth year is deemed to be indexed to the official Swiss consumer price index (ISPC). As this indexing cannot be known in advance, the amount of the rent for years 6 to 10 is based on the annual rent for 2025.

in CHF thousand

10. BREAKDOWN OF OTHER ASSETS AND OTHER LIABILITIES

	Other assets		Other liabilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Indirect taxes	–	–	24	13
Expenses to be recovered	70	66	–	–
Coupons	83	82	–	–
Other debtors	64	28	–	–
Total	**217**	**176**	**24**	**13**

11. DISCLOSURE OF ASSETS PLEDGED OR ASSIGNED TO SECURE OWN COMMITMENTS AND OF ASSETS UNDER RESERVATION OF OWNERSHIP

No assets pledged, assigned or subject to a retention of title as at 31 December 2024 (same as 2023).

12. ECONOMIC SITUATION OF OWN PENSION SCHEMES

PRESENTATION OF THE ECONOMIC BENEFIT/OBLIGATION AND THE PENSION EXPENSES

	Overfunding/ underfunding	Economic interest of the bank/ financial group		Change in economic interest versus previous year	Contributions paid for the current period	Pension expenses in personnel expenses	
	31.12.2024	31.12.2024	31.12.2023	31.12.2024	31.12.2024	31.12.2024	31.12.2023
Pension plans without overfunding/ underfunding	–	–	–	–	1,906	1,906	1,874
Total	**–**	**–**	**–**	**–**	**1,906**	**1,906**	**1,874**

GENEVA EMPLOYEES

Banque Internationale de Commerce BRED (Suisse) SA signed an affiliation agreement with the collective foundation AXA Fondation LPP Suisse romande, Winterthur, which, at the very least, complies with the law regarding professional pension schemes in Switzerland. The pension schemes are classified in accordance with Swiss standards on defined contribution schemes.

There are five pension plans:
- choice of three basic plans for all employees, except for members of the Executive Board;
- two plans for the Executive Board (one covering fixed salaries and one covering bonuses).

As at 31 December 2024, 96 employees were insured.

The accounts of the collective foundation, AXA Fondation LPP Suisse romande, Winterthur apply the measures for professional pension plans set out in Swiss standard GAAP RPC.

There were no employer contribution reserves in 2024.

The Bank had no pension commitments towards the pension scheme as at 31 December 2024.

DUBAI EMPLOYEES

Since 26 May 2022, Banque Internationale de Commerce – BRED (Suisse) SA has been affiliated with the DIFC Employee Workplace Savings Plan (“the DEWS Plan”). This pension plan, which is mandatory for all employers based in the DIFC (Dubai International Finance Centre), covers all employees of the Dubai branch.

As at 31 December 2024, six employees were insured.

There were no employer contribution reserves or pension commitments in this respect at 31 December 2024.

13. PRESENTATION OF VALUE ADJUSTMENTS AND PROVISIONS, RESERVES FOR GENERAL BANKING RISKS

	Position at 31.12.2023	Use in conformity with designated purpose	Reclassifications	Currency differences	Past due interest, recoveries	New creations charged to income	Releases to income	Position at 31.12.2024
Other provisions	–	–	–	–	–	–	–	–
Total provisions	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Reserves for general banking risks	**57,232**	**–**	**–**	**–**	**–**	**24,461**	**–**	**81,693**
Value adjustments for default and country risks	**18,885**	**–**	**–**	**1,433**	**–**	**-281**	**–**	**20,037**
– of which, value adjustments for default risks in respect of impaired loans/receivables	*18,885*	*–*	*–*	*1,433*	*–*	*-281*	*–*	*20,037*

Two value adjustments were recorded in 2024:
– The first, in the amount of CHF134 thousand, following the receipt of a liquidation premium on a fully provisioned receivable.
– The second for an amount of CHF147 thousand due to the partial repayment of a fully provisioned receivable.

Provisions are recognised for the full amount of the net exposure to impaired loans at 31 December 2024.

14. PRESENTATION OF THE BANK'S CAPITAL

	31.12.2024			31.12.2023		
	Par value (in CHF)	Number of shares	Capital eligible for dividend (in CHF thousand)	Par value (in CHF)	Number of shares	Capital eligible for dividend (in CHF thousand)
Share capital	100	1,330,740	133,074	100	1,330,740	133,074
– of which paid up	*100*	*1,330,740*	*133,074*	*100*	*1,330,740*	*133,074*
Total bank's capital	**100**	**1,330,740**	**133,074**	**100**	**1,330,740**	**133,074**

in CHF thousand

15. DISCLOSURE OF AMOUNTS DUE FROM/TO RELATED PARTIES

Transactions with related parties, on and off the balance sheet, are entered into on market terms.

	Amounts due from		Amounts due to	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Holders of qualified participations	386,931	352,124	999,806	642,877
Affiliated companies	13	2,805	5,276	4,680
Transactions with members of governing bodies	–	–	–	–
Total	**386,944**	**354,929**	**1,005,082**	**647,557**

OTHER OFF-BALANCE SHEET TRANSACTIONS WITH RELATED PARTIES

As at 31 December 2024, the off-balance sheet statement contained a guarantee for Banque du Léman (an affiliated company) of CHF5.6 million (2023: CHF5.6 million).

16. DISCLOSURE OF HOLDERS OF SIGNIFICANT PARTICIPATIONS

HOLDERS OF SIGNIFICANT PARTICIPATIONS AND GROUPS OF HOLDERS OF PARTICIPATIONS WITH POOLED VOTING RIGHTS	31.12.2024		31.12.2023	
	Nominal	Share as %	Nominal	Share as %
Banque Internationale de Commerce – BRED (with voting right)	100	100%	100	100%

The Bank is wholly-owned by Banque Internationale de Commerce – BRED, a subsidiary 99.99%-owned by Compagnie Financière de la BRED (COFIBRED), which is a wholly-owned subsidiary of BRED Banque Populaire.

RIGHTS AND RESTRICTIONS LINKED TO THE BANK'S CAPITAL

All shares are fully paid up.

To be able to exercise their voting rights and the rights attached to shares, holders of registered shares must be recognised by the Board of Directors and be registered on the shareholder register.

in CHF thousand

17. PRESENTATION OF THE MATURITY STRUCTURE OF FINANCIAL INSTRUMENTS

		Sight	Cancellable	Due					
ASSETS/FINANCIAL INSTRUMENTS				within 3 months	within 3 to 12 months	within 12 months to 5 years	after 5 years	No maturity	Total
Cash and cash equivalents		219,910	–	–	–	–		–	219,910
Amounts due from banks		155,489	–	284,104	1,057	–		–	440,650
Amounts due from customers		–	649,449	397,479	8	65		–	1,047,001
Positive replacement values of derivative financial instruments		962	–	–	–	–		–	962
Financial investments		–	–	–	–	2,353		–	2,353
Total	**31.12.2024**	**376,361**	**649,449**	**681,583**	**1,065**	**2,418**	**–**	**–**	**1,710,876**
	31.12.2023	345,005	443,903	566,324	13,056	2,318	–	–	1,370,606
FOREIGN FUNDS/ FINANCIAL INSTRUMENTS									
Amounts due to banks		6,369	–	524,097	80,000	–	542,340	–	1,152,806
Amounts due in respect of customer deposits		262,349	–	70,396	4,520	–		–	337,265
Negative replacement values of derivative financial instruments		925	–	–	–	–	–	–	925
Total	**31.12.2024**	**269,643**	**–**	**594,493**	**84,520**	**–**	**542,340**	**–**	**1,490,996**
	31.12.2023	210,730	–	696,492	56,967	–	209,453	–	1,173,642

in CHF thousand

18. PRESENTATION OF ASSETS AND LIABILITIES BY DOMESTIC AND FOREIGN ORIGIN IN ACCORDANCE WITH THE DOMICILE PRINCIPLE

	31.12.2024		31.12.2023	
ASSETS	**Switzerland**	**Foreign**	**Switzerland**	**Foreign**
Cash and cash equivalents	219,910	–	187,311	–
Amounts due from banks	267	440,383	1,979	420,735
Amounts due from customers	506,606	540,395	404,564	352,938
Positive replacement values of derivative financial instruments	5	957	293	468
Financial investments	–	2,353	–	2,318
Accrued income and prepaid expenses	1,835	891	1,503	1,155
Tangible fixed assets	998	21	1,162	50
Other assets	117	100	–	176
Total	**729,738**	**985,100**	**596,812**	**777,840**

LIABILITIES				
Amounts due to banks	9,787	1,143,019	12,581	658,842
Amounts due in respect of customer deposits	248,584	88,681	324,137	177,371
Negative replacement values of derivative financial instruments	284	641	24	687
Accrued expenses and deferred income	7,061	1,825	7,780	2,746
Other liabilities	24	–	13	–
Reserves for general banking risks	81,692	1	57,232	–
Bank's capital	133,074	–	133,074	–
Statutory retained earnings reserve	165	–	165	–
Profit carried forward	–	–	–	–
Profit/loss (net income for the financial year)	–	–	–	–
Total	**480,671**	**1,234,167**	**535,006**	**839,646**

in CHF thousand

19. ASSETS BY COUNTRY IN ACCORDANCE WITH THE DOMICILE PRINCIPLE

Assets by country are presented on the basis of the client's domicile, before carrying forward risk.

	31.12.2024		31.12.2023	
	Absolute	Share as %	Absolute	Share as %
SWITZERLAND	729,738	42.55%	596,812	43.42%
EUROPE				
Belgium	9,765	0.57%	3,533	0.26%
Spain	4	0.00%	3,444	0.25%
France	506,094	29.51%	410,965	29.90%
Germany	1,030	0.06%	2,766	0.20%
Estonia	20,190	1.18%	6,680	0.49%
Luxembourg	51,293	2.99%	16,372	1.19%
Netherlands	4	0.00%	4	0.00%
Ireland	654	0.04%	–	0.00%
United Kingdom	110,668	6.45%	81,179	5.91%
Isle of Man	1,722	0.10%	–	0.00%
Bulgaria	1	0.00%	1	0.00%
Greece	15,444	0.90%	–	0.00%
Malta	16,285	0.95%	12,731	0.93%
MIDDLE EAST				
United Arab Emirates	105,646	6.16%	60,338	4.39%
Lebanon	–	0.00%	242	0.02%
NORTH AMERICA				
United States	32,563	1.90%	23,331	1.70%
Canada	1	0.00%	–	0.00%
Bermuda	24,505	1.43%	17,934	1.30%
Panama	–	0.00%	68	0.00%
British Virgin Islands	–	0.00%	27,321	1.99%
AFRICA				
Benin	–	0.00%	18,843	1.37%
Burkina Faso	822	0.05%	–	0.00%
Côte d'Ivoire	2,443	0.14%	2,537	0.18%
Morocco	19,092	1.11%	2,820	0.21%
Mauritius	3	0.00%	9,581	0.70%
Senegal	16,795	0.98%	6,287	0.46%
Kenya	–	0.00%	12,643	0.92%

DETAILS ON THE INDIVIDUAL ITEMS IN THE NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

in CHF thousand

19. ASSETS BY COUNTRY IN ACCORDANCE WITH THE DOMICILE PRINCIPLE (continued)

	31.12.2024		31.12.2023	
	Absolute	Share as %	Absolute	Share as %
ASIA				
China	5,131	0.30%	712	0.05%
Hong Kong	38	0.00%	23	0.00%
India	–	0.00%	374	0.03%
Singapore	44,907	2.62%	57,111	4.15%
TOTAL ASSETS	**1,714,838**	**100%**	**1,374,652**	**100%**

20. BREAKDOWN OF TOTAL ASSETS BY CREDIT RATING OF COUNTRY GROUPS (RISK DOMICILE VIEW)

Assets by external rating are presented according to the domicile of the risk, after taking into account any security (pledged cash and insurer/bank guarantees).

NET FOREIGN EXPOSURE	31.12.2024		31.12.2023	
External rating of countries according to **Moody's**	Absolute	Share as %	Absolute	Share as %
Aaa-Aa3	746,727	89.79%	666,922	87.59%
A1-A3	54,572	6.56%	38,940	5.11%
Baa1-Baa3	4	0.00%	11,965	1.57%
Ba1-Ba2	23,868	2.87%	1,410	0.19%
Ba3	–	0.00%	5,442	0.71%
B1-B3	6,459	0.78%	9,177	1.21%
Caa1-C	–	0.00%	242	0.03%
Unrated	–	0.00%	27,324	3.59%
Total	831,630	100%	761,422	100%

DETAILS ON THE INDIVIDUAL ITEMS IN THE NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

in CHF thousand

21. PRESENTATION OF ASSETS AND LIABILITIES BROKEN DOWN BY THE MOST SIGNIFICANT CURRENCIES FOR THE BANK

	31.12.2024					
ASSETS	**CHF**	**EUR**	**USD**	**GBP**	**Other**	**Total**
Cash and cash equivalents	219,910	–	–	–	–	219,910
Amounts due from banks	142,638	23,943	271,425	32	2,612	440,650
Amounts due from customers	185	88,921	901,467	56,426	2	1,047,001
Positive replacement values of derivative financial instruments	–	951	2	–	9	962
Financial investments	–	2,353	–	–	–	2,353
Accrued income and prepaid expenses	985	147	1,452	50	92	2,726
Tangible fixed assets	1,019	–	–	–	–	1,019
Other assets	–	83	34	–	100	217
Total assets shown in the balance sheet	**364,737**	**116,398**	**1,174,380**	**56,508**	**2,815**	**1,714,838**
Delivery entitlements from spot exchange, forward forex and forex options transactions	–	19,874	22,998	–	2,173	45,045
Total assets	**364,737**	**136,272**	**1,197,378**	**56,508**	**4,998**	**1,759,045**

LIABILITIES						
Amounts due to banks	140,000	61,705	897,585	52,015	1,501	1,152,806
Amounts due in respect of customer deposits	3,038	53,358	275,458	4,289	1,122	337,265
Negative replacement values of derivative financial instruments	–	–	925	–	–	925
Accrued expenses and deferred income	6,318	442	1,901	7	218	8,886
Other liabilities	24	–	–	–	–	24
Reserves for general banking risks	81,693	–	–	–	–	81,693
Bank's capital	133,074	–	–	–	–	133,074
Statutory retained earnings reserve	165	–	–	–	–	165
Profit/loss carried forward	–	–	–	–	–	–
Profit/loss (net income for the financial year)	–	–	–	–	–	–
Total liabilities shown in the balance sheet	**364,312**	**115,505**	**1,175,869**	**56,311**	**2,841**	**1,714,838**
Delivery obligations from spot exchange, forex forwards and forex options transactions	–	19,841	23,013	–	2,154	45,008
Total liabilities	**364,312**	**135,346**	**1,198,882**	**56,311**	**4,995**	**1,759,846**

NET POSITION PER CURRENCY	**425**	**926**	**–1,504**	**197**	**–7**	**37**

DETAILS ON THE INDIVIDUAL ITEMS IN THE NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

in CHF thousand

22. BREAKDOWN AND EXPLANATION OF CONTINGENT ASSETS AND LIABILITIES

	31.12.2024	31.12.2023
Guarantees to secure credits and similar	–	–
Irrevocable commitments arising from documentary letters of credit	399,610	442,947
Other contingent liabilities	14,291	33,584
Total contingent liabilities	**413,901**	**476,531**
Contingent assets arising from tax losses carried forward	–	–
Total contingent assets	**–**	**–**

23. BREAKDOWN OF CREDIT COMMITMENTS

	31.12.2024	31.12.2023
Commitments resulting from deferred payments	10,085	13,326
Commitments by acceptance	–	–
Other loans by commitment	–	–
Total loans by commitment	**10,085**	**13,326**

24. BREAKDOWN OF THE RESULT FROM TRADING ACTIVITIES AND THE FAIR VALUE OPTION

	31.12.2024	31.12.2023
Foreign currencies	707	713
Total result from trading activities	**707**	**713**

The Bank does not use the fair value option.

25. DISCLOSURE OF NEGATIVE INTEREST

	31.12.2024	31.12.2023
Negative interest on assets	–	–
Negative interest on liabilities	–	1

The negative interest on asset is presented as a deduction from interest and discount income, and the negative interest on liabilities as a deduction from interest expense.

DETAILS ON THE INDIVIDUAL ITEMS IN THE NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

in CHF thousand

26. BREAKDOWN OF PERSONNEL EXPENSES

	31.12.2024	31.12.2023
Salaries	16,873	16,123
– of which expenses relating to share-based compensation and alternative forms of variable compensation	–	–
Social insurance benefits	3,071	2,906
Other personnel expenses	285	289
Total personnel expenses	**20,229**	**19,318**

27. BREAKDOWN OF GENERAL AND ADMINISTRATIVE EXPENSES

	31.12.2024	31.12.2023
Office space expenses	1,309	1,271
Expenses for information and communications technology	1,368	1,341
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	14	26
Fees of audit firm (art. 961a ch. 2 of the Swiss Code of Obligations)	330	278
– of which for financial and regulatory audits	*330*	*278*
– of which for other services	–	–
Other operating expenses	1,980	1,898
Total general and administrative expenses	**5,001**	**4,814**

in CHF thousand

28. 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

	31.12.2024	31.12.2023
Non-recurring non-operating gains	–	–
Total extraordinary income	**–**	**–**

Non-recurring non-operating expenses	–	–
Total extraordinary expenses	**–**	**–**

29. PRESENTATION OF CURRENT TAXES

	31.12.2024	31.12.2023
Expense for the current tax on capital for the year	536	533
Adjustment of the tax expense for the previous year	–2	1
Total tax expense	**534**	**534**

The tax expense corresponds solely to the capital tax (approximately 0.40%) insofar as the Bank made the conservative and optional choice to allocate all of its 2024 income to the reserve for general banking risks.

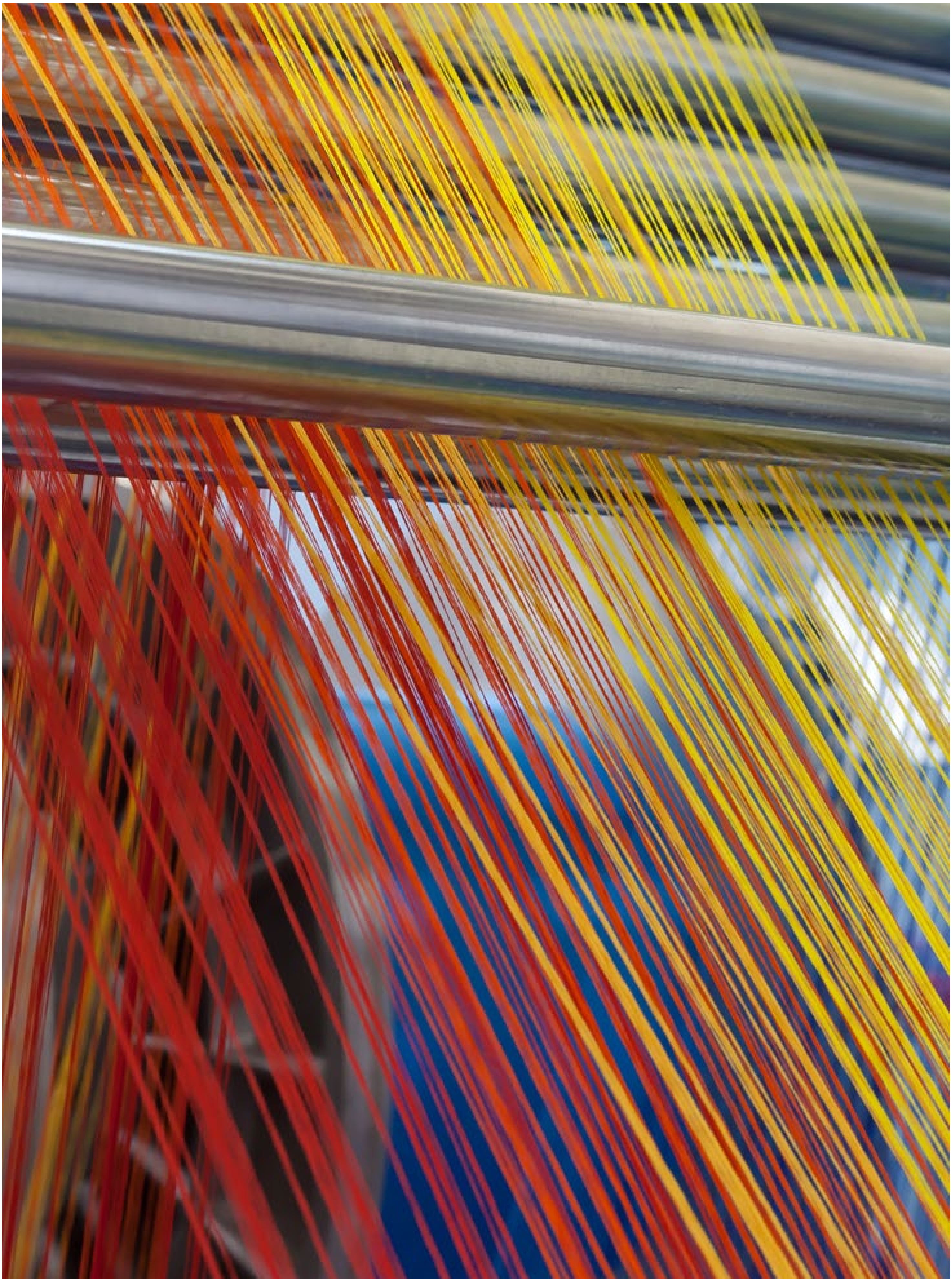
The average tax rate for 2024 based on the Bank's operating income was 2.14%.

PROPOSED DISTRIBUTION OF EARNINGS

in CHF thousand

	31.12.2024	31.12.2023
Profit/loss	–	–
+/- Profit/loss carried forward from the previous financial year	–	–
Profit/loss on the balance sheet	**–**	**–**

Allocation to the statutory retained earnings reserve	–	–
Profit/loss carried forward to the new financial year	**–**	**–**



PART 7

REGULATORY DISCLOSURES

PART 7

REGULATORY DISCLOSURES

The disclosures below have been prepared in accordance with the requirements of the Ordinance on the Disclosure Obligations of Banks and Securities Firms (DisO-FINMA).

Banks under foreign ownership are subject to reduced publication requirements if comparable information is published at group level outside Switzerland. Please refer to the "2024 Pillar III Report" published by the BPCE Group for further information.

Table 7 **KEY REGULATORY FIGURES (KM1)**

	ELIGIBLE CAPITAL (in CHF thousand)	**31/12/24**	**31/12/23**	**31/12/22**	**31/12/21**	**31/12/20**
1	Common Equity Tier 1 capital (CET1)	205,267	183,699	165,482	116,510	104,738
2	Tier 1 capital (T1)	205,267	183,699	165,482	116,510	104,738
3	Total capital	205,267	183,699	165,482	116,510	104,738
	RISK-WEIGHTED ASSETS (RWA) (in CHF thousand)					
4	Risk-Weighted Assets (RWA)[4]	1,243,281	933,259	1,002,245	812,563	605,757
	RISK-BASED CAPITAL RATIOS (% of RWA)					
5	CET1 ratio (%)	16.51%	19.68%	16.51%	14.34%	17.29%
6	Tier 1 ratio (%)	16.51%	19.68%	16.51%	14.34%	17.29%
7	Total capital ratio (%)	16.51%	19.68%	16.51%	14.34%	17.29%
	CET1 CAPITAL BUFFER REQUIREMENTS (% of RWA)					
8	Capital buffer under Basel minimum standards (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical capital buffer under Basel minimum standards: extended countercyclical capital buffer under art. 44a CAO (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Additional capital buffer due to national or international systemic importance (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total CET1 capital buffer requirements (%) (lines 8 + 9 + 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 capital available to cover the capital buffer requirements (line 11) (after deduction of CET1 capital allocated to covering the minimum requirements and, where applicable, to covering the total loss absorbing capacity (TLAC) requirements) (%)	8.51%	11.68%	8.51%	6.34%	9.29%

4 The 33% increase in risk-weighted assets (RWA) is explained by the significant increase in customer loans (+38%) at 31 December 2024.

	TARGET CAPITAL RATIOS UNDER APPENDIX 8 TO THE CAO (% of RWA)	31/12/24	31/12/23	31/12/22	31/12/21	31/12/20
12a	Capital buffer under appendix 8 CAO (%)	2.50%	2.50%	2.50%	2.50%	2.50%
12b	Countercyclical capital buffers (art. 44 and 44a CAO) (%)	0.00%	0.00%	0.00%	0.00%	0.00%
12c	Target CET1 ratio (%) under appendix 8 to the CAO plus the countercyclical capital buffers under art. 44 and 44a CAO	7.00%	7.00%	7.00%	7.00%	7.00%
12d	Target T1 ratio (%) under appendix 8 to the CAO plus the countercyclical capital buffers under art. 44 and 44a CAO	8.50%	8.50%	8.50%	8.50%	8.50%
12e	Target total capital ratio (%) under appendix 8 to the CAO plus the countercyclical capital buffers under art. 44 and 44a CAO	10.50%	10.50%	10.50%	10.50%	10.50%

	LEVERAGE RATIO UNDER BASEL MINIMUM STANDARDS					
13	Total commitment (LRD) (in CHF thousand)	1,866,386	1,518,680	1,766,824	1,333,127	1,063,944
14b	Leverage ratio (%), without the impact of a temporary exception on central bank assets	11.00%	12.10%	9.37%	8.74%	9.84%

	LIQUIDITY COVERAGE RATIO (LCR)[5]	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
15	LCR numerator: sum of HQLAs (in CHF thousand)	198,210	212,668	240,051	198,584	206,079	171,525	162,102	183,120
16	LCR denominator: net sum of cash outflows (in CHF thousand)	151,740	173,992	196,660	144,800	147,907	133,254	124,350	146,295
17	LCR (%)	130.62%	122.23%	122.06%	137.14%	139.33%	128.72%	130.36%	125.17%

	LIQUIDITY COVERAGE RATIO (LCR)[5]	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
15	LCR numerator: sum of HQLAs (in CHF thousand)	214,696	224,564	174,034	123,759	127,913	128,999	294,324	243,041
16	LCR denominator: net sum of cash outflows (in CHF thousand)	179,442	166,356	125,398	93,593	97,495	103,243	178,496	179,823
17	LCR (%)	119.65%	134.99%	138.79%	132.23%	131.20%	124.95%	164.89%	135.16%

	LIQUIDITY COVERAGE RATIO (LCR)[5]	Q4 2020	Q3 2020	Q2 2020	Q1 2020
15	LCR numerator: sum of HQLAs (in CHF thousand)	226,846	185,806	173,318	175,502
16	LCR denominator: net sum of cash outflows (in CHF thousand)	174,697	150,562	143,898	139,216
17	LCR (%)	129.85%	123.41%	120.45%	126.06%

	NET STABLE FUNDING RATIO (NSFR)	31/12/24	31/12/23	31/12/22	31/12/21	31/12/20
18	Available Stable Funding (in CHF thousand)[6]	924,686	629,631	698,603	695,005	–
19	Required Stable Funding (in CHF thousand)	544,027	451,772	568,778	533,478	–
20	NSFR (%)	170.00%	139.37%	122.83%	130.28%	–

5 The LCR's numerator and denominator figures correspond to the average values for each of the last four quarters.
6 The 47% increase in the amount of Available Stable Funding at 31 December 2024 is linked to an extension of the refinancing maturity.

PART 8

PARTNERSHIPS

8 PARTNERSHIPS

BIC-BRED (Suisse) SA is a member of several umbrella associations and organisations active on the financial markets.

SUISSENÉGOCE
SUISSENÉGOCE is the main professional association for the trading and shipping of goods in Switzerland.

Geneva Chamber of Commerce and Industry (CCIG)
The objective of the CCIG is to ensure a strong economy, enabling the players that make up the local economic fabric to carry out their activity in a sustainable manner.

Swiss-African Business Circle
The SABC is the main association promoting business contacts and links between Switzerland and Africa. It provides an important network and platform dedicated to the exchange of expertise, experience, projects and ideas.

Agence Pour la Coopération et le Développement (ABPCD)
The ABPCD helps to improve banking systems and financial organisations, serving economies and developing private sector financing.

Swiss Bankers Association
The SBA is the umbrella association of the Swiss financial centre. Its main objective is to create optimal framework conditions for banks in Switzerland.

French-Swiss Chamber of Commerce and Industry
CCI France Suisse is an association that works to create links and synergies in the Franco-Swiss business community.

Fondation Genève Place Financière
The FGPF is the umbrella association for the financial sector and its main objective is to promote the development and advancement of the sector.

Cercle CyclOpe
Cercle CyclOpe is a research company specialising in the analysis of global commodity markets. It is also a global network of around fifty experts on these markets.

Forum Francophone des Affaires (FFA)
The FFA aims to strengthen dialogue between the economic and political worlds through events and meetings (heads of State and governments, ministers).

EsiSuisse
The purpose of EsiSuisse is to implement, in the event of forced liquidation or protective measures imposed against a bank or securities house, the provisions of Article 37(h) of the Banking Act relating to self-regulation.

Association of Foreign Banks in Switzerland
The AFBS represents foreign banks in Switzerland with the federal government, the SBA and other players in the financial centre.

France UAE Chamber of Commerce and Industry
CCI France UAE is an organisation whose mission is to strengthen and promote Franco-Emirati relations.

THE EMPLOYEES OF BIC-BRED (SUISSE) SA (CONTINUED)

IMPRESSUM

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