



2025 Annual Report



BCV at a glance

2025 highlights

Global growth was stable despite trade and geopolitical tensions

- In 2025, the US imposed steep tariffs, geopolitical tensions rose, and public debt levels remained high in many countries.
- Despite these headwinds, the global economy held steady last year, with the latest IMF estimates putting global GDP growth at 3.3% in both 2024 and 2025.
- In Switzerland, the State Secretariat for Economic Affairs (SECO) estimates 2025 growth of 1.4% for the country as a whole; growth in the Canton of Vaud is estimated at 2%.

BCV delivered very solid results in a challenging interest-rate environment

- Volumes were up across all business lines.
- Group revenues were stable year on year at CHF 1.15bn, and operating expenses were kept under tight control at CHF 560m (+1%). Operating profit stood at CHF 503m (-2%).
- Net profit came in at CHF 430m (-2%), corresponding to an ROE of 11.0% – one of the best in BCV's peer group.

We are proposing a stable dividend of CHF 4.40 per share for 2025

- The Board of Directors is recommending that shareholders approve an ordinary dividend of CHF 4.40 per share, for a total payout of CHF 379m. This proposal, which is in line with the dividend policy applied over the last 15 years, would result in a total dividend yield of 4.4% based on the year-end closing price of CHF 100.40.

We continued to make progress in our strategic focus areas

- We pressed ahead with the initiatives defined under our strategic plan *vista*, which remains fully relevant.
- We once again rolled out around a dozen new features for our digital services across all our platforms.
- We are moving forward with our multi-year program to continuously improve our service quality. Our in-depth work in this area has paid off: BCV has now been the most-recommended bank in Vaud Canton since 2018.
- We are continuing to execute on our corporate social responsibility (CSR) strategy. Over 99% of shareholder votes approved the 2024 Sustainability Report at our AGM. The 2025 edition of this report describes all of BCV's sustainability initiatives and the progress we have made on them. It is being published at the same time as our annual report, and both reports will be submitted to a vote at our Annual Shareholders' Meeting on 30 April 2026.

Key figures – 5-year overview

Balance sheet (in CHF millions)	2021	2022	2023	2024	2025
Total assets	55 952	59 397	58 870	60 629	61 620
Advances to customers	35 582	36 626	37 908	40 166	41 934
Customer deposits	38 195	38 395	36 475	37 672	38 257
Shareholders' equity	3 644	3 713	3 855	3 927	3 975

Assets under management (in CHF millions)¹

Assets under management	112 887	113 539	117 296	124 164	134 110
<i>cash and cash equivalents</i>	33 736	39 524	37 551	38 456	38 638
<i>investment funds</i>	30 927	27 156	28 766	32 990	35 951
<i>shares</i>	23 906	21 298	23 581	23 206	25 796
<i>bonds</i>	8 925	9 088	10 262	11 193	11 746
<i>other</i>	15 393	16 474	17 136	18 320	21 979

Headcount

Full-time equivalents	1 932	1 957	1 982	2 089	2 083
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Income statement (in CHF millions)

Total income	1 005	1 039	1 160	1 155	1 150
Operating expenses	505	517	541	557	560
Depreciation and amortization of fixed assets and impairment on equity investments	72	70	76	82	82
Other provisions and losses	– 1	5	2	2	6
Operating profit	429	448	541	515	503
Net profit	379	388	469	441	430

Liquidity and capital ratios²

Net Stable Funding Ratio (NSFR)	125%	124%	120%	118%	120%
Liquidity Coverage Ratio (LCR)	157%	129%	129%	129%	133%
Leverage Ratio	5.6%	5.5%	5.6%	5.5%	5.4%
Tier 1 capital ratio ³	17.2%	17.6%	17.9%	16.8%	18.0%
Total capital ratio ³	17.3%	17.7%	18.0%	16.9%	18.1%

Income ratios

Operating profit/average shareholders' equity	12.0%	12.3%	14.5%	13.4%	12.9%
Cost/income ratio ⁴	56.7%	56.6%	53.2%	55.2%	55.6%
Operating profit per employee (in CHF thousands)	221.9	230.5	276.7	251.1	239.9
ROE	10.7%	10.7%	12.5%	11.5%	11.0%

Credit ratings

Standard & Poor's

Long term	AA / stable	AA / stable	AA / stable	AA / stable	AA / stable
Short term	A-1+	A-1+	A-1+	A-1+	A-1+

Moody's

Long term	Aa2 / stable	Aa2 / stable	Aa2 / stable	Aa2 / stable	Aa2 / stable
Short term	Prime-1	Prime-1	Prime-1	Prime-1	Prime-1

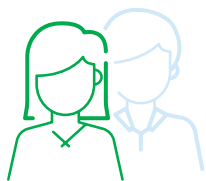
¹ 2022 and 2023 figures were adjusted to facilitate like-for-like comparison, following the change in the scope of assets under management as of the 2024 financial year.

² More detailed information on Group and parent company liquidity and capital ratios can be found in the Final Basel III Accord - Pillar 3 Report, which is available at www.bcv.ch.

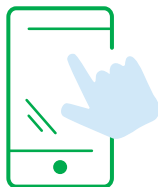
³ From 1 January 2025, the ratios are calculated in accordance with the Final Basel III Accord.

⁴ Excluding goodwill amortization and write-downs

Here are some examples of how we've executed on our commitment to corporate social responsibility



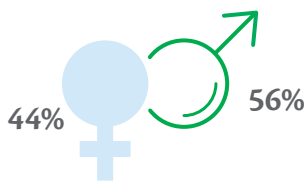
1 in 2 people in Vaud banks with BCV



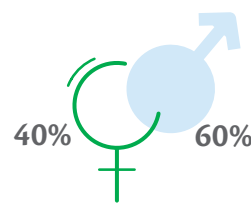
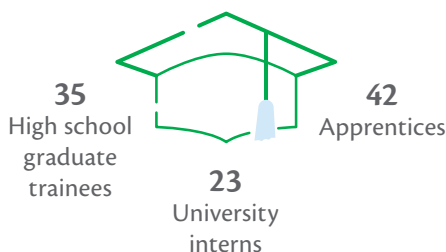
Over **80%** of our customers use our digital banking services



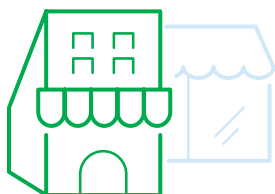
We provide **1 in 3** mortgage loans in Vaud



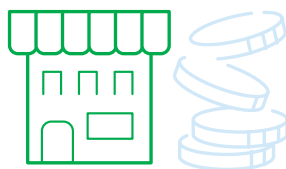
Personal banking advisors



Staff



1 in 2 Vaud small businesses banks with BCV



150 new businesses financed



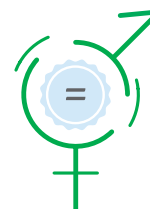
3 in 4 Vaud pension funds count on BCV



Our target for cutting greenhouse gas emissions by 2030



We work with over **600** local vendors



Fair-ON-Pay
equal pay certification

For more details on CSR at BCV please see our 2025 Sustainability Report.

Our reports

Annual report

This report contains BCV's consolidated and parent-company financial statements. It also provides information on our activities in 2025, including a review of each of our business sectors and an overview of the overall economic environment. You will find other key information as well, especially in the chapters on risk management and corporate governance.

Sustainability report

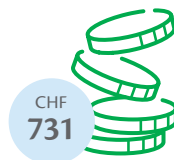
This report describes how BCV Group incorporates sustainability issues into its activities and is guided by these concerns. It offers a broad, transparent view of what we are doing to fulfill our commitment to promoting economically, socially, and environmentally sustainable development, and to address questions of ethics and corporate governance. The report is drawn up annually in line with the Global Reporting Initiative (GRI) standards, which are the worldwide reference for reporting on sustainable development issues. It was prepared in compliance with Articles 964a, 964b, and 964c of the Swiss Code of Obligations and with the Swiss Federal Ordinance on Climate Disclosures, which sets out requirements for the climate disclosures that must be made by companies based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Pillar 3 report

Our Pillar 3 report provides investors, analysts, rating agencies, and regulators with in-depth information on risk management at BCV, including detailed information about the Bank's capital adequacy, risk-assessment methods, and risk levels in 2025. The report was prepared in accordance with the Pillar 3 disclosure requirements set forth under FINMA Ordinance on the Disclosure Obligations of Banks and Securities Firms (DisO-FINMA), which is based on the recommendations of the Final Basel III Accord (DIS Chapter). The Pillar 3 report is issued on a half-yearly basis, with reporting dates at 30 June and 31 December.



100%
of our Swiss asset allocation funds
incorporate ESG criteria



The equivalent amount per household
that BCV paid out to Vaud Canton and
municipalities



Standard & Poor's
rating

Contents

Letter from the Chair and the CEO	6	Financial Statements	117
Who We Are	9	Consolidated Financial Statements	121
Overview of BCV	10	Statutory Auditor's Report on the Consolidated Financial Statements	170
The BCV Share	14	Parent Company Financial Statements	176
Our Missions	16	Statutory Auditor's Report on the Parent Company Financial Statements	200
Year in Review	29	Organization Chart	206
Economic Environment	30	Retail Network	208
BCV in 2025	42	Regional Managers	209
Business Sector Reports	50	Branch Offices	210
Risk Management	59		
General approach	60		
Credit risk	62		
Market risk	66		
Operational risk	67		
Key compliance risks	68		
Key security risks	70		
Climate-related risk	71		
Principles governing the Bank's internal control system	73		
Corporate Governance	75		
Group structure and shareholders	77		
Capital structure	78		
Board of Directors	80		
Executive Board	94		
Compensation, shareholdings, and loans	101		
Shareholders' rights	110		
Takeovers and defense measures	111		
Auditors	111		
Disclosure policy	112		
Restriction periods	114		
Contacts	115		

Letter from the Chair and the CEO

Weak economic growth worldwide and in Switzerland

According to January estimates from the International Monetary Fund, the global economy expanded by 3.3% in 2025, as the US rolled out high tariffs on a large number of imported goods. Both the European Central Bank and the US Federal Reserve gradually brought policy rates down during the year, with a sharper overall decline in the eurozone (1 percentage point) than in the US (0.75 percentage points).

The Swiss National Bank began its rate-cutting cycle in March 2024, ahead of other major central banks. In 2025, it reduced its policy rate from 0.5% at the start of the year to 0% in June. Swiss GDP grew by just 1.4% in 2025, based on figures from the Swiss State Secretariat for Economic Affairs. Switzerland has been directly affected by the abrupt shift in Washington's trade policy, as the US is its biggest export market, ahead of Germany. In November of last year, the tariff applied to certain Swiss exports was lowered – it was still high, but henceforth on par with the rate applied to the European Union and Japan.



Eftychia Fischer
Chair of the Board of Directors

Pascal Kiener
CEO

Strong financial results and stable dividend

BCV Group delivered strong financial results once again in 2025. Total revenues were CHF 1.15bn, unchanged from 2024 despite the challenging interest-rate environment, thanks to our highly diversified business model and growth in volumes across all our business lines. Firm control over operating expenses kept the decline in operating profit to 2%. Net profit amounted to CHF 430m (down 2%), and our return on equity was 11.0% – one of the highest in our peer group.

Given our solid financial position – Standard & Poor's once again reaffirmed its AA rating for BCV and Moody's maintained its Aa2 rating – we will propose a dividend of CHF 4.40 per share for 2025, as we continue to execute on the distribution policy that we first adopted in 2008. If approved, this payout will give our shareholders a 4.4% dividend yield in return for a moderate risk profile.

Pressing ahead with our vista strategy

Under our vista strategy, which we launched five years ago, we developed initiatives in a number of strategic focus areas: continually improving service quality, enhancing our distribution channels to give customers an integrated multichannel experience, capturing more of the cross-selling potential inherent in our universal bank business model, increasing our attractiveness as an employer, and sharpening our focus on corporate social responsibility.

Our initiatives to continuously improve service quality have delivered tangible results: the people of Vaud have named BCV the most recommended bank in Vaud Canton for the past eight years in a row. In digital banking, we rolled out around a dozen new features in 2025 across all our platforms. And we are gradually integrating artificial intelligence into our business processes, targeting very specific use cases such as fraud detection, IT security, and searches of our internal process and regulations database.

We have thus successfully executed on our vista strategy. Going forward, *vista's* core principles and continuous-improvement vectors remain fully relevant.

Sustainability at BCV

The many initiatives we have put in place in the area of sustainability are described in our 2025 Sustainability

Report. That report is published alongside this annual report. Both will be submitted to a vote at our Annual Shareholders' Meeting on 30 April 2026. Last year, over 99% of shareholders approved our 2024 reports.

Our ESG scores – like our financial ratings – place us among the best-rated banks by the main agencies, in recognition of our extensive efforts to address all aspects of sustainability. MSCI ESG has assigned the Bank an ESG rating of AA, the agency's second-highest score, placing BCV in the "Leader" category. Ethos has reaffirmed our A- rating, the second-highest score. ISS ESG has placed BCV in the "Prime" category, which recognizes companies with the best ESG performance in their industry. CDP, in its 2025 scores, upgraded our climate rating from B to A-, the highest score attributed to a cantonal bank.

Changes to our Board of Directors and Executive Board

Last year, we were pleased to welcome Sandra Hauser to BCV's Board of Directors. She was elected by shareholders at the annual meeting on 8 May 2025 to succeed Ingrid Deltenre, who stepped down on that date after 11 years as a Board member. On the Executive Board, José F. Sierdo retired from BCV on 30 June 2025 after serving for 11 years. To succeed him, the Board of Directors appointed Anne Maillard, who took up her new role as head of the Retail Banking Division on 1 May 2025.

Acknowledgments

On behalf of the Board of Directors and the Executive Board, we would like to thank all BCV Group employees for their effort, enthusiasm, and professionalism in serving our individual and business customers. And we are sincerely grateful to those of you who have chosen to bank with BCV, as well as to all our shareholders for their continued loyalty and support.



Eftychia Fischer



Pascal Kiener

Who We Are

Overview of BCV	10
The BCV Share	14
Our Missions	16

Who We Are

Overview of BCV

Our legal status

BCV (Banque Cantonale Vaudoise) was founded on 19 December 1845 by the Vaud Cantonal Parliament (Grand Conseil Vaudois) as a *société anonyme de droit public* (i.e., a corporation organized under public law). The Canton of Vaud is BCV's majority shareholder, with 66.95% of the share capital. BCV is listed in the Vaud Commercial Register and is subject to all applicable legislation. Its legal status is defined in the Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995, as amended on 25 June 2002, 30 January 2007, 2 March 2010, 8 December 2020, and 12 November 2024. BCV's commitments are not underwritten by the Canton. However, customer deposits are covered by a nationwide system of investor protection concerning Swiss banks and securities dealers. This system insures deposits of up to CHF 100,000 per person and per bank.

Our core businesses

In 2025, BCV Group posted revenues of CHF 1.15bn and ended the year with CHF 61.6bn in total assets. BCV, the Group's main entity, is the largest bank in Vaud, the second-largest Swiss cantonal bank, the third-largest Swiss bank by market capitalization, and Switzerland's fourth-largest universal bank. It has a network of nearly 60 staffed branches and more than 160 ATMs at over 100 locations throughout the Canton. BCV can also be easily reached online and by telephone. The Bank's organizational structure is based on four client-oriented divisions: Retail Banking, Private Banking, Corporate Banking, and Asset Management & Trading. It offers a comprehensive range of financial services to all client segments. BCV Group had 2,083 full-time-equivalent employees at 31 December 2025. At that date, in addition to the parent company, BCV Group comprised the private bank Piguët Galland & Cie SA, the fund management firm Gërifonds SA (with its Luxembourg-based subsidiary), and the real-estate fund management company GEP SA (*Société pour la gestion*

de placements collectifs). The full scope of consolidation at 31 December 2025 is described on page 143.

Our missions

Pursuant to Article 4 of the LBCV, BCV's corporate mandate is to offer a comprehensive range of banking services to the local community and to contribute to the development of all sectors of the Vaud economy and to the financing of the Canton's public-sector institutions and entities. Our corporate mandate also includes helping meet mortgage-financing needs in the Canton. The LBCV further stipulates that BCV is to be guided by the principles of economically, environmentally, and socially sustainable development. More generally, our missions are to create value for our shareholders and clients, to be a benchmark employer, and to be a good corporate citizen.

Our recent history

Since the Bank was founded in 1845, it has considerably expanded its business in the Canton. In the 1990s, the banking industry in Vaud underwent major consolidation. BCV acquired Banque Vaudoise de Crédit in 1993 and merged with Crédit Foncier Vaudois in 1995. From 1996 to 2000, we moved to diversify our operations, particularly in international trade finance, offshore wealth management, and trading. Total assets more than doubled between 1990 and 2000 as a result. Following an in-depth assessment of loan-book quality in 2001 and 2002, BCV Group carried out two recapitalizations, in 2002 and 2003. The Canton provided most of the funds raised on both occasions.

From 2003 to 2005, we successfully refocused operations on our four core businesses while remaining active in selected niche activities offering strong potential in terms of both growth and profitability. From 2005 to 2008, we implemented the second phase of that strategy to take full advantage of our unrivaled presence in our local market, the Canton of Vaud. That project included the

reorganization of our local distribution structure into nine regions in order to strengthen ties with customers.

In 2007, the Bank repurchased the final tranche of the participation-certificate capital created in the 2003 recapitalization. On 15 April 2008, the Vaud Cantonal Parliament voted to authorize the Cantonal Government to reduce the Canton's stake in our share capital from 66.95% to 50.12%. The Cantonal Government's decision not to sell any shares, first announced on 25 November 2008 and reaffirmed on 16 July 2010, remains unchanged.

Starting in 2008, we implemented a series of strategic plans based on our business model as a universal bank with solid local roots. These strategic phases have driven the Bank forward following the 2002–2007 phase where we refocused our activities on the Canton of Vaud, and have paved the way for new strategic focus areas – leveraging our high-quality service to set ourselves apart from the competition, further expanding our multichannel products and services to meet our customers' needs across all channels (branches, call centers, and online), and continuing to enhance our digital offering.

As part of the growth strategy for our onshore wealth management business, BCV Group acquired Banque Franck Galland & Cie SA in 2011. This bank was merged with Banque Piguet & Cie SA, a BCV subsidiary since 1991, creating Piguet Galland & Cie SA, a major wealth manager in French-speaking Switzerland.

In 2019, the Board of Directors and Executive Board conducted a new in-depth review of the Bank's strategy, in light of the numerous challenges facing the banking sector and the overall economy. The review confirmed that the strategy would continue on the same course and identified additional targeted improvements.

Our strategy

Our current strategy – *vista* – was rolled out in 2019 and builds on those enacted in previous years. Our aim is to maintain the positive trend that the Bank's business lines have been experiencing over the past few years. This strategy is also designed to position the Bank to respond to the main challenges we will face in the coming years, such as heightened competition, advancements in digital technology, and ever-changing customer needs.

For the business lines, we are targeting:

- above-market growth in asset management, SMEs, and onshore private banking
- at least market growth in retail banking
- a focus on the profitability of our commodities trade finance and large corporates businesses
- continued development of our other business lines.

We have identified several strategic focus areas that will enable us to meet future challenges. These goals include:

- continuing to improve our service quality along the entire value chain to create an even better customer experience
- enhancing our distribution channels (branches, digital services, and call centers) to give customers an integrated multichannel experience
- capturing more of the cross-selling potential inherent in our universal bank business model
- implementing operational improvements through targeted measures
- increasing our attractiveness as an employer, in particular by fostering continuous skills development among our employees
- sharpening our focus on corporate social responsibility (CSR) measures, including a wider range of socially responsible investment options, banking products, and mortgage solutions.

The Group aims to achieve sustainable growth, with revenues and operating profit trending along the same lines as in recent years. We are targeting a cost/income ratio of 55% to 57% and an ROE (based on current shareholders' equity) of 10% to 12%. We consider a CET1 ratio of 13% to be a minimum threshold.

In line with the approach adopted over the last 15 years, BCV decided in 2022 to extend its dividend policy for another five years. And in view of our record financial results in 2023, we increased our dividend target range,

announcing that from the 2023 reporting period the Bank intends to pay an ordinary dividend of CHF 4.30 to 4.70 per share, barring significant changes in the economic or regulatory environment or in the Bank's situation.

Our values

We have defined four values that are central to our strategy and culture: responsibility, performance, professionalism, and close ties with our customers and the broader community. We believe that a key to long-term success is ensuring that all our employees share a common culture built around core values. The values described below underpin all our actions – as well as our interactions with customers and colleagues.

Close ties

As a Swiss cantonal bank, BCV maintains a deep connection with the local community that goes back a century and a half. Our employees use their on-the-ground presence in Vaud Canton and knowledge of the local community to fully appreciate and understand the needs and expectations of BCV's customers.

Professionalism

Every employee is committed to delivering the best possible service to customers. To achieve this, our people draw on the best practices in their respective fields of expertise and constantly seek to expand their skills and knowledge.

Performance

At BCV, we set ourselves ambitious goals across the board. Our people are results-oriented. They systematically seek pragmatic and effective solutions to the challenges that arise every day.

Responsibility

BCV employees demonstrate responsible professional behavior. This includes taking responsibility for their actions, being conscientious in their work, and being loyal to the company.

Given the importance that we ascribe to our core values, we have put in place a long-term employee information

and training program. Our values are also an integral part of employee performance reviews.

Who We Are

The BCV Share

Global stock-market sentiment remained upbeat in 2025 despite geopolitical tensions and the significant impact that the new US tariffs had on trade and trade relations beginning in April.

Major equity indices worldwide made gains in 2025, in some cases very big ones. Here in Switzerland, the SMI advanced 14% to 13,267 points at year-end alongside a steep rise in the franc. Elsewhere in Europe, the strongest index performances were recorded by Germany's DAX (+23%), Italy's MIB (+31%), and Spain's IBEX (+49%). Overall, the STOXX Europe 600, which tracks the 600 largest European companies by free-float market capitalization, rose 17%.

US indices all ended the year higher. The Dow Jones Industrial Average gained 13%, while the S&P 500 rose 16%. The Nasdaq Composite outdid them both, gaining 20% on investor enthusiasm for technology stocks, especially those in the AI space. In Asia, the Nikkei surged 26%, well ahead of the Shanghai Stock Exchange Index, which still ended the year up 18%.

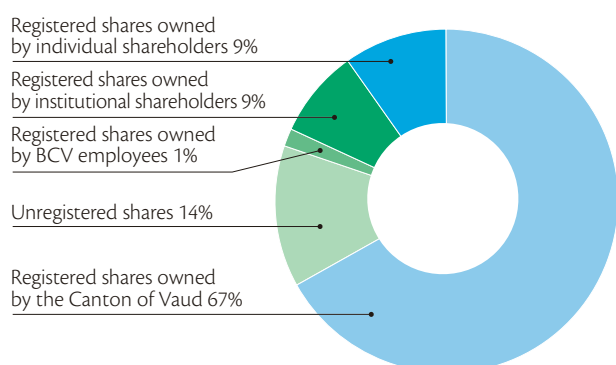
BCV's share price rose 20% in 2025 to CHF 100.40. Including the CHF 4.40 per share dividend payout in May, the total shareholder return was 26%, outperforming the share's benchmark index, the SPI (18%).

At 31 December 2025, BCV's market capitalization stood at CHF 8.6bn, the third-largest in the Swiss banking sector after UBS and Julius Baer.

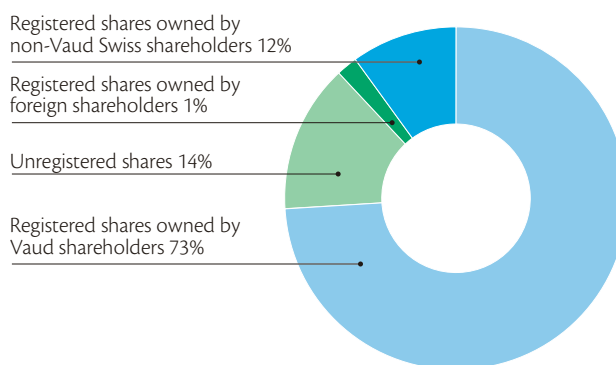
With an average daily trading volume of CHF 5.5m in 2025, the BCV share was the fifth most liquid Swiss banking stock on the SIX Swiss Exchange.

At 31 December 2025, 17,948 shareholders were listed in the share register (up 3% on the previous year), including 16,953 individuals.

Share ownership structure



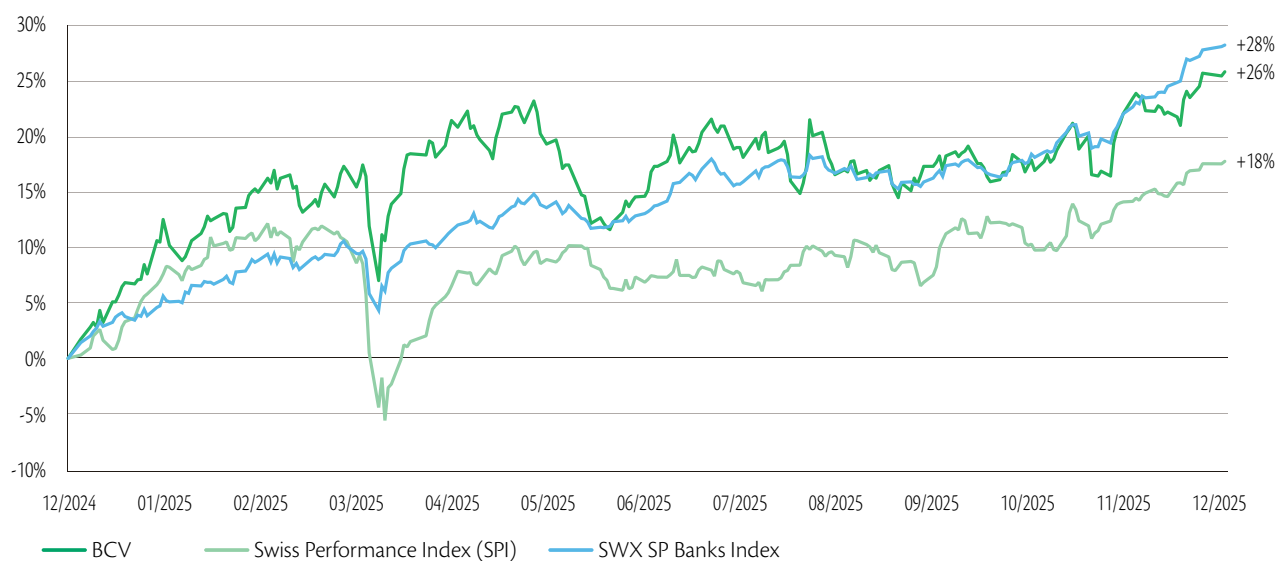
Share ownership by geographical zone



Listed on: SIX Swiss Exchange
 Par value: CHF 1.00
 Swiss security number: 53 175 175
 ISIN code: CH0531751755
 Ticker symbol: BCVN

Standard & Poor's
 Long-term credit rating: AA / stable
 Short-term credit rating: A-1+
 Moody's
 Long-term credit rating: Aa2 / stable
 Short-term credit rating: Prime-1

Total shareholder return¹



¹ Stockmarket performance over the period plus dividends and capital distributions

	2021	2022	2023	2024	2025
Number of shares outstanding (in thousands)	86,062	86,062	86,062	86,062	86,062
Period-end share price (in CHF)	70.80	88.75	108.50	83.50	100.40
Share price high / low (unadjusted, in CHF)					
– high	101.60	98.80	108.50	112.50	102.30
– low	67.30	70.70	81.20	79.15	82.50
Adjusted EPS ² (in CHF)	4.41	4.52	5.46	5.13	5.00
Dividend per share (in CHF)	3.70	3.80	4.30	4.40	4.40 ³
Dividend yield ⁴ (as %)	5.2	4.3	4.0	5.3	4.4

² Reported net profit after minority interests over average number of shares outstanding over the period

³ Dividend to be proposed at the 2026 Shareholders' Meeting

⁴ Relative to the period-end share price

Who We Are

Our Missions

Under the Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV), BCV's purpose as a full-service bank with a regional focus is to contribute to the development of all sectors of the economy of our home region, the Canton of Vaud, and to the financing of public-sector entities, as well as to help meet demand for mortgage lending in the Canton. Furthermore, these missions apply across the Canton and entail a particular focus on the principles of economically, environmentally, and socially sustainable development. Our role as a cantonal bank is to produce positive impacts for all our stakeholders – our customers, shareholders, employees, and the people of Vaud. As a modern company mindful of our duties and obligations, we have defined a series of objectives for our Bank:

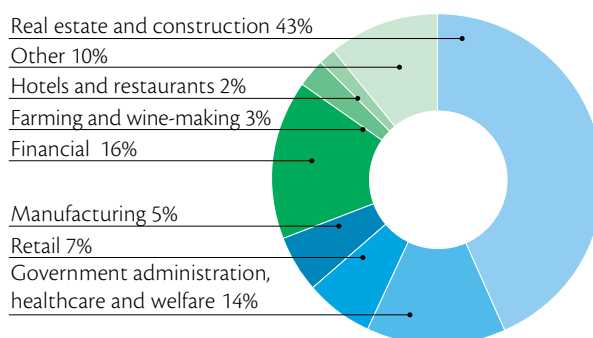
1. contributing to the development of all sectors of the economy of our home region, the Canton of Vaud, and to the financing of public-sector entities, as well as helping meet demand for mortgage lending in the Canton
2. meeting our clients' needs with high-quality financial products and services
3. paying particular attention to the principles of economically, environmentally, and socially sustainable development
4. creating lasting value for shareholders
5. being a benchmark employer
6. playing an active role in the community.

1. Contributing to the economic development of the Canton of Vaud

We are the leading bank in Vaud. The surveys and studies we regularly conduct to assess our market position, along with the fact that half of the Canton's people and companies bank with us, show that we are an integral part of life in Vaud. Thanks to our concerted and ongoing efforts to improve service quality, and despite increasingly fierce competition, BCV is perceived as solid, reliable, and competent – as attested to by the Bank's significant fund inflows, expanded business with existing clients, and steady stream of new clients. Indeed, we have witnessed a significant influx of new funds as a result of expanded business with existing clients and the arrival of many new clients. According to surveys, BCV has been the most recommended bank in the Canton since 2018.

Our strong market position in the Canton is the result of several factors: our extensive on-the-ground presence, our understanding of the needs of both individual and business customers, our know-how, our professionalism, and our responsible approach to banking. As the leading bank in Vaud Canton and in accordance with Article 4 of the LBCV, we are committed to contributing to the development of

Business loans by sector



Source: BCV

all sectors of the economy across our home region and to the financing of public-sector entities, as well as helping meet demand for mortgage lending in the Canton.

Around 80% of our lending is in the Canton of Vaud

Our loan book covers all of our client segments across the entire Canton, with the people and businesses of Vaud accounting for 78% of total lending volumes. At end-2025, 51% of our outstanding customer loans were to individuals and 49% to companies across all sectors of the economy as well as public-sector entities.

We work with companies through every stage of their development, from startup and growth to maturity and succession. Our partnerships with growing and mature businesses are well known, but our role in business creation and succession is less so. In 2025, we financed over 65 business successions for a total of over CHF 90m and provided around CHF 65m in financing to get 150 startups off the ground in Vaud Canton.



In addition, for early-stage firms that are out of scope with regard to bank lending practices, BCV supports Innovaud, the Vaud Cantonal Government's platform for promoting innovation in Vaud Canton, through an annual contribution of CHF 50,000. As part of the Innovaud project, in 2022 we renewed our commitment to the Foundation for Innovation and Technology (FIT), agreeing to provide CHF 500,000 in funding per year for a further eight years.

These activities are part of an initiative launched several years ago. For example, we have published guides to setting up a business, in collaboration with the Vaud Chamber of Commerce and Industry (CVCI). We also

conduct seminars in collaboration with the CVCI and GENILEM (a startup support organization). For example, 75 people participated in the "Financer son entreprise" ("Finance your business") webinar in 2025.

Working with clients in difficulty

In line with our mission, we work actively and individually with businesses and individuals that, for one reason or another, run into temporary difficulties. Specialized staff work with these clients in order to find solutions that will help them restore their financial stability.

Naturally, continuing the business relationship is only possible if the company or individual can be reasonably expected to return to a sustainably sound financial position without any distortion of competition. Our procedures in this respect follow clearly defined rules that meet the highest ethical standards. We have shown that we can manage difficult cases effectively by looking for constructive solutions and working proactively on a case-by-case basis.

2. Meeting our clients' needs

Close ties with our customers

Our local presence is of key strategic importance. We are the Canton's top employer in banking and the most widely accessible bank in Vaud thanks to our dense retail network, which includes nine regional centers of expertise and nearly 60 branch offices across the Canton (see our retail map and list of branch addresses on pages 208–211).

We believe that our branch footprint effectively aligns with the needs of the dynamic and diversified community and economy that we serve, and we enhance our network each year to meet those needs.

Being close to our customers also means being increasingly accessible and in step with changing lifestyles. This is reflected in the convenient opening hours of our branches, with appointments with BCV advisors available Monday through Friday from 8am to 7pm. We also provide our customers with information and services remotely: our Customer Service Center is available every weekday from 7:30am to 7:30pm, and customers can contact our center's advisors through traditional channels

– such as telephone, email, and the post – or through our instant messaging service. Our advisors provide answers to customers' questions on topics spanning day-to-day banking, investments, and loans in videoconference sessions or via call-back for individuals who make a request on our website. In 2025, our Customer Service Center handled 660,000 customer contacts. This represents a decrease compared to 2024, resulting from the growing use of the tools we have developed to help customers find answers or do their banking without support. Our banking hotline for businesses and self-employed people is available between 8am and 6pm, Monday to Friday. Last year, our advisors handled around 73,000 calls, which was also less than in 2024.

We also have a network of over 160 ATMs in more than 100 locations across Vaud, which customers can use to withdraw and deposit cash and view their account balances. In 2025, around 5.5 million transactions were carried out via those ATMs – a slight decrease on the previous year, reflecting the growing use of paperless payment methods. In 2025, debit card transactions were up 2% and BCV TWINT transactions were up 10%.

A broad digital proposition

Our corporate and individual clients are also taking full advantage of the 24/7 access provided by our digital banking services through our website, www.bcv.ch, and our online banking platform accessible via BCV-net on a computer or via BCV Mobile on a smartphone.

Currently, over 80% of our customers bank online and more than nine out of every ten payments are made on BCV-net or BCV Mobile. Our customers are increasingly using their smartphones to access our online banking services. More than 90% of e-banking logins are via our BCV Mobile app, and almost 80% of users now do their online banking exclusively on their smartphones.

Customers can carry out a wide range of banking operations themselves using our online banking services. From our website, anyone can request a meeting, apply for a loan, or use our enhanced investment proposal tool, which includes an option to filter for funds that integrate environmental, social, and governance (ESG) criteria into the investment process. BCV-net and BCV Mobile offer a wide range of features beyond viewing account balances and entering and checking payments. They offer secure messaging, financial cockpit functions to monitor income and expenses, a QR-bill generator, and features allowing customers to manage their cards, securities accounts and notifications, while corporate clients can also manage their employees' access rights. Customers can also schedule a videoconference meeting with their advisor, and apply for and manage certain loans (e.g., fixed-term advances for businesses or mortgage-loan renewals for individual customers).

The log-in screen of the French version of the BCV Mobile app features a chatbot that customers can use 24/7 to get quick answers to common questions regarding BCV, our services, and our branches. Since 2025, BCV-net and BCV Mobile have also offered an account aggregation feature

Comparison of mortgage loans, other loans, and workforce distribution, by region

	Broye	Lavaux	Nord Vaudois	Nyon	Morges	Riviera	Chablais	Gros- de-Vaud	Lausanne
Mortgages	4%	11%	16%	15%	12%	10%	8%	9%	16%
Other loans	5%	9%	16%	13%	11%	9%	11%	10%	17%
Workforce distribution	3%	5%	11%	10%	9%	8%	5%	6%	43%

Sources: BCV; Statistique Vaud

Mortgages: real-estate lending including fixed-term loans secured by a mortgage

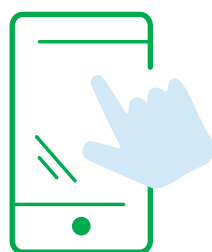
Workforce distribution: Structural Business Statistics, 2023

called multibanking that allows individual customers to view balances and transactions in accounts they hold with certain other institutions. We overhauled our online account-opening process last year, and now anyone living in Switzerland and aged 14 or over can use the BCV Mobile app to become a BCV customer in the space of a few minutes – and the new account is active the same day. All they need is a biometric identity document and a smartphone.

Thanks to its features and user-friendly interface, BCV Mobile is one of the highest-rated banking apps in Switzerland. We will continue to expand the services and features available in BCV-net and BCV Mobile, always with an eye to further enhancing the user experience.

BCV TWINT mobile payment

Our BCV TWINT app has been growing in popularity every year since it was launched in 2017. In 2025, the number of active users grew by almost 10% to around 190,000. TWINT is a payment app developed by the Swiss banking sector that allows users to pay for in-store and online purchases, transfer money to other TWINT users, buy public transportation tickets, and pay for parking in many locations. The total number of transactions reached 40 million in 2025.



Over
80%
of our customers
use our digital
banking services

Since 2025, customers have also been able to use their BCV Visa Debit cards via the leading digital wallets, including Apple Pay, Google Pay, and Samsung Pay. This allows them to make payments quickly, easily, and securely, both in-store and online, using a smartphone or smartwatch.

BCV's TradeDirect platform remains one of the most competitively priced online brokerage services in

Switzerland and continued to attract new customers in 2025. This platform provides access to 51 stock exchanges and over 100,000 investment vehicles and has powerful market-tracking, search, and analytical tools. Users can enter orders, manage their portfolios, track individual stocks, stay up to date with the latest market news, and view ratings and analyses provided by research firm TheScreener.

In wealth management, our BCV Conseil advisory services include an online platform – fully integrated into our BCV Mobile app – where customers can speak with their dedicated advisor, manage their portfolio, and stay informed with our expert analysis of the latest financial news.

We share economic and market insights with the public via a dedicated website, pointsforts.ch, where we publish analyses from our specialists, videos of their guest appearances on the "Votre argent" segments broadcast on La Télé Vaud Fribourg, and an array of articles covering investments, financial planning, real estate, and the Vaud economy.

These various physical and digital distribution channels allow us to offer rapid, practical, and efficient services that customers can access whenever and wherever they need.

High-quality customer care and a full range of banking services

We constantly strive to fulfill our mission as Vaud's cantonal bank by providing a wide range of products and services through various digital, physical, and remote channels, meeting the needs of the individuals, businesses, pension funds, and public-sector entities in our community. We focus in particular on service quality – a strategic priority and differentiating factor for our Bank. Back in 2015 we set up a bank-wide program to continually improve the quality of our customer interactions and the wider BCV customer experience, and that long-term, ongoing effort has been recognized by the people of Vaud. Every year since 2018, BCV has been named the most recommended bank in the Canton, according to independent surveys carried out among representative samples of Vaud residents.

We have a comprehensive service-quality monitoring system based on data gathered from customer satisfaction surveys and other key indicators within the organization. This system enables us to meet our objectives in this area

and measure customer satisfaction. It also helps us identify concrete ways in which we can improve our products and services. For example, in response to feedback we obtained via this system, BCV Mobile users can now receive alerts when a service that is free of charge up to a defined level reaches that level, such as after a certain number of withdrawals from their savings account.

As for our specific banking solutions, we offer our personal banking customers a comprehensive and constantly evolving range of products and services. Customers of all ages and all walks of life can choose the BCV banking pack that best fits their daily banking needs and open it online or at a BCV branch. On some banking packs, the monthly fee is waived for customers who hold a certain amount of assets at BCV (e.g., CHF 10,000 or more for the Direct banking pack).



We provide 1 in 3
mortgage loans in Vaud

Personal banking customers can also take out mortgage loans to meet their home financing needs. Our Start Immo offer, with its preferential lending terms, has had strong traction with first-time home buyers. In addition, our Green Bonus loans offer preferential terms on financing for energy-efficient properties (i.e., properties with an eco-rating of A on at least one of the three criteria of the CECB® certificate and no score below B, or Minergie-A or Minergie-P certification) or that are undergoing energy-efficiency renovations eligible for a cantonal subsidy (both primary residences and rental properties). Property owners can also carry out a CECB® Plus energy audit – which consists of a cantonal energy certificate for buildings plus an analysis of potential green renovations – for a reduced price. Our guide on energy-efficient renovations helps our customers learn more about this topic.

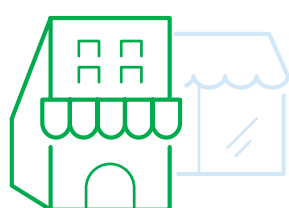
In addition, customers with expectations in the area of socially responsible investing (SRI) can choose from the asset allocation funds in our ESG and ESG Ambition ranges. They can even open an investment savings account as a gift for a child, with the account being transferred to the child when they turn 18. Personal-banking customers can sign up for third-pillar individual retirement accounts, with the option of investing part or all of their savings in investment funds.

BCV offers a comprehensive advisory service that addresses all financial, tax, pension, and estate-planning issues that customers and their loved ones may face. Our advisors provide personalized financial planning support that takes into account customers' overall financial situation, helping them build their savings, prepare for retirement, and achieve other financial goals. We have developed and implemented a new 360° financial checkup app that our advisors can use when meeting with customers as a guide for pursuing their life goals. In addition, through our partnership with the Swiss Philanthropy Foundation, our personal-banking customers can donate all or part of their estate to existing philanthropic initiatives or to a new initiative that aligns with their interests.

In wealth management, we offer a full range of investment solutions: clients may enter into a discretionary management agreement, where we manage their assets, or they may choose to simply benefit from our advice through an advisory agreement. All our wealth management customers can draw on the support of their advisor and, through an online platform accessible via BCV-net and BCV Mobile, manage their portfolio and stay informed with financial news articles written by our experts. The Bank also complies with the Swiss Bankers Association's guidelines on integrating ESG preferences and risks into investment advice and portfolio management. For both our discretionary management and advisory services, we ask clients about their SRI preferences and offer them the most suitable investment solutions.

Our regional footprint means we have advisors throughout the Canton. Customers appreciate knowing that our specialists are close by when they want to talk over their financial situation or the larger economic picture. We help our customers stay on top of market and economic news through talks and round-tables, both online and in-person, and a regular newsletter.

In Corporate Banking, we meet the needs of a very diverse clientele, from artisans serving the local market to multinationals conducting business the world over. We offer them a comprehensive range of products and services, including financing, treasury management, interest-rate and forex hedging, investing, occupational pension solutions, and advisory services at all stages of the company's life, from startup to succession.



1 in 2 Vaud small businesses
banks with BCV

We partner with the main Vaud business associations and other trusted local companies to offer BCV clients special deals to help them create or manage their businesses – such as discounts on payment terminals and online accounting software. And for help navigating the energy transition, our corporate clients can enjoy a reduced price on PEIK energy-efficiency audits and CECB® Plus audits, while our Green Bonus offer provides them with preferential terms on loans used to finance energy-efficiency renovations and investments.

We also help businesses meet the day-to-day challenges they face, holding various events and releasing short videos on key topics such as risk management, pensions, the energy transition, innovation, and business succession. We have also made short videos about the increase in US tariffs, strategies for dealing with the situation, and Vaud Canton's response to it, including some in collaboration with Vaud's Department of the Economy.

In asset management and trading, investors can take advantage of BCV's investment strategy and proven expertise through our comprehensive range of advisory and other services together with investment products, from investment funds and structured products to management agreements and asset allocation funds in both specific and global investment universes. In personal wealth management and institutional asset management – areas in which BCV is a leading player – we factor ESG risks and

client SRI preferences into our discretionary management, full advisory, and occasional advisory services. All of our Swiss asset allocation funds for individual clients (the BCV Stratégie range) incorporate ESG criteria in order to reduce ESG risks in pursuit of financial goals. We also work with several organizations to support our SRI approach, including Swiss SRI specialist Ethos, with which we entered into a strategic partnership in 2020.



3 in 4 Vaud pension funds
count on BCV

Together with Ethos, we created two new index funds, one for Swiss equities and the other for Swiss-franc bonds, as well as an Article 9 fund (under EU law) based on Ethos's positive impact methodology. BCV's investment range also includes a physical gold ESG fund.

In structured products, we offer capital-protection, yield-enhancement, and participation products. Our secure, AMC Access360 digital tool allows investment professionals to manage their investment strategies directly online, through actively managed certificates. BCV is also on deritrade®, Vontobel's multi-issuer digital platform, where investors can put together a highly customized structured product in a matter of seconds subject to a minimum investment of CHF 10,000.

These products and services show that we are continually striving to meet our customers' needs and improve our service quality.

Given the current and upcoming regulatory changes affecting financial products, we are adapting our service model and product range accordingly. Our aim is to ensure that all individual and corporate customers are well-informed and provided with a high degree of protection and high-quality service across all our physical and digital distribution channels. With regard to our institutional clients, BCV's Asset Management Department complies

with the ISAE 3402 Type II standard on the effectiveness of internal controls for the full range of services we provide – from client onboarding to performance reporting.

3. Acting on the principles of sustainable development

The principles of economically, environmentally, and socially sustainable development are innately linked to BCV's mission and our success in the Vaud market. We see this link as a chance to create a virtuous circle that allows us to be both competitive and socially responsible. That is how we can maximize the benefits we bring to all our stakeholders – by creating value for our customers, shareholders, employees, and the people of Vaud, all while doing our part to address economic, social, and environmental issues. For more than 15 years, we have shared the details of our sustainable development performance as well as the impacts of our Bank's activities across Vaud in our sustainability report.

As part of the strategic plan we defined in 2019, called *vista* (see the Overview of BCV and BCV in 2025 chapters), we have enhanced our approach to CSR. We have created dedicated CSR organizational and governance structures. In addition, we have been publishing our sustainability report annually in both French and English beginning with the 2019 reporting period. The report is prepared in line with the Global Reporting Initiative (GRI) Standards, which are the international benchmark for such reports. It also complies with Articles 964a, 964b, and 964c of the Swiss Code of Obligations and the Swiss Federal Ordinance on Climate Disclosures, which sets out requirements for the climate disclosures that must be made by companies based on the recommendations of the Task Force on Climate-related Financial Disclosures. The sustainability report describes the climate strategy adopted by the Bank, which sets greenhouse gas emissions reduction targets in line with the Paris Agreement, the Swiss government's targets, and the Vaud climate plan. It is being published alongside our annual report and will be submitted to a vote at our Annual Shareholders' Meeting, which will be held on 30 April 2026 in Lausanne. The sustainability report is available in both English and French on our website at www.bcv.ch/en/home/la-bcv/responsabilite-d-entreprise/isr.html. This webpage also contains our sustainability policy, which describes the relevant guidelines and principles we have adopted in our business lines and operations.

Our range of products and services is aligned with those objectives. An example of this is our Green Bonus offer, which consists of attractive interest rates on financing for home purchases or renovations or for commercial equipment, as long as certain ESG criteria are met. We also offer reduced prices on CECB® Plus and PEIK audits, which property owners and businesses can use to identify measures to make their property or commercial equipment more energy-efficient.

A further example relates to the way we manage our clients' investments: we guide them towards investments that incorporate ESG criteria and endeavor to bring portfolios into line with the goals of the Paris Agreement, the Swiss government, and the Vaud climate plan. BCV is a signatory to the UN-supported Principles for Responsible Investment (PRI) and is a member of Swiss Sustainable Finance, which aims to strengthen Switzerland's position as a hub for sustainable finance. We thus make it possible for institutional and individual clients to build portfolios that integrate ESG criteria. Through our ESG Ambition range, we also enable clients to invest in strategic funds that allocate part of the assets to investments that will help drive positive change in the economy, society, and the environment. More information can be found on our website at <https://www.bcv.ch/en/home/la-bcv/corporate-social-responsibility/socially-responsible-investing.html>.



100%

of our Swiss asset allocation funds
incorporate ESG criteria

Our range of products incorporating ESG criteria includes those managed in collaboration with Swiss SRI specialist Ethos. This partnership, which we entered into in 2020, currently covers seven Ethos funds. Under our agreement, Ethos is responsible for carrying out non-financial analyses, exercising voting rights at shareholders' meetings in accordance with its own guidelines, and actively engaging

in dialogue with investee companies to encourage them to improve their ESG practices. BCV's Asset Management Department's role is to select investments and build the portfolio, taking Ethos's ratings into account, and to conduct financial and risk analyses.

Ethos and BCV's asset management team will work together closely in order to strengthen this strategic partnership over the coming years and create a center of expertise in sustainable finance in Switzerland.

Since the start of this partnership, Ethos and BCV have created two new index funds, one for Swiss equities and the other for Swiss-franc bonds, as well as an Article 9 fund (under EU law) based on Ethos's positive impact methodology. The Article 9 fund is BCV Fund (Lux) – Ethos Climate ESG Ambition; it was awarded the FNG label for the first time in 2025, with a three-star rating. The Ethos II – Ethos Swiss Sustainable Equities and Ethos – Equities Sustainable World ex-CH funds were again awarded the same rating. The three-star rating represents the highest level of certification under the independent FNG label, which was created by Forum Nachhaltige Geldanlagen, an association specializing in SRI in Germany, Austria, and Switzerland. It is awarded to funds that meet FNG's quality standards for sustainable investments and pass an independent audit carried out under the supervision of a professor from the University of Hamburg.

We also work with the Center for Risk Management (CRML) at the University of Lausanne's Faculty of Business and Economics (HEC) through a research program on investments that take ESG criteria into account. In 2025, CRML experts continued to analyze sustainability aspects of the Swiss real-estate market, publishing two studies. The first looked at over 20,000 buildings in Switzerland and identified their sustainability characteristics. The second analyzed a new database of building permits to get a better grasp of how the energy transition is playing out in the Swiss real estate sector. At the same time, CRML experts continued to update and build out the PRESS (Public Real Estate Sustainability Switzerland) scores and PRESS Index they had previously created. Those metrics are intended to help investors evaluate the ESG profiles of Swiss real estate vehicles and track their financial performance. In addition, the research carried out under this partnership extends beyond the real-estate market. Work has been carried out on the equity and sovereign

debt markets, as CRML researchers have examined the challenges associated with net zero strategies and possible ways of achieving net zero by 2050.

Among the three dimensions of sustainable development, economic development is, of course, fundamental for a bank. The previous sections of this chapter have illustrated some of the ways we contribute to the local economy and serve individuals and businesses in Vaud. To continue achieving our objective of contributing to the economic development of our Canton, we must ensure that our foundations are solid and that our vision for BCV leads to steady profitability going forward. In keeping with this mission, our strategy targets sustainable growth and a moderate risk profile. That approach benefits all our stakeholders.

The principles of sustainable development underpin the actions we take to enable employees to reach their full potential and are reflected in our involvement in the local community. Yet another example of this approach concerns the environment. We continued our efforts to reduce our energy consumption and environmental footprint in 2025. We have already cut the greenhouse gas emissions from our operations by 35% from 2019 levels and so have reached our target five years ahead of schedule. We will now consider setting a new target. In addition to the measures we are taking to reduce our carbon footprint, we finance projects with positive social and environmental impacts in Vaud and outside Switzerland that offset the equivalent amount of greenhouse gas emissions associated with our operations.

BCV's longstanding commitment to environmentally and socially conscious economic development is reflected in the Bank's ESG scores. MSCI ESG has given the Bank an ESG rating of AA, the agency's second-highest rating, placing BCV in the "Leader" category, and Ethos reaffirmed our A– rating, its second-highest score. In early 2025, ISS ESG upgraded BCV's rating to C and placed the Bank in the "Prime" category. Meanwhile, at the end of 2025, CDP upgraded our climate rating from B to A– and placed BCV in the "Leadership" category.

4. Creating lasting value for shareholders

At BCV, we are committed to creating lasting value for our shareholders. In keeping with this mission, our

strategy targets sustainable growth and a moderate risk profile. We have therefore adopted a dividend policy aimed at generating attractive returns for all our shareholders over the long term.

Under our distribution policy, which we set out in 2008, we will have paid out a total of CHF 5.4bn to our shareholders for the 2008 to 2025 financial years. Over the same period, the BCV share price more than doubled, making it one of the best-performing stocks in the Swiss banking sector. That share-price appreciation, coupled with the distributions paid out over the years, equates to an average total shareholder return of over 10% per year.

Our financial strength, solid market position and status as a cantonal bank have won recognition from the rating agencies. We have had a long-term rating of AA with Standard & Poor's since 2011 and a long-term rating of Aa2 with Moody's since 2015. Both agencies' ratings are accompanied by a stable outlook. Our ratings attest to the Bank's ongoing efforts in recent years, in terms of both strategy and operations. The rating agencies' most recent credit opinions can be found in the Investor Relations section of our website, www.bcv.ch/en/home/la-bcv/investor-relations/for-bondholders/ratings-history.html.

5. Being a benchmark employer

BCV is one of Vaud's leading employers and the largest employer in the Canton's banking sector. We consider our dynamic human resources policy to be crucial to both our mission and our strategy. As set out in our Code of Professional Conduct, we aim to foster a working environment in which differences are respected and qualifications, skills, and achievements are valued. We are dedicated to creating a fair and diverse workplace with equal opportunities for all staff. Skills development is a key employee success factor. We encourage training as a driver of staff motivation and knowledge management.

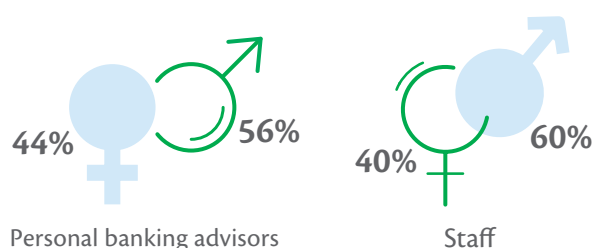
A common corporate culture is an integral part of our human resources policy. At the heart of this culture are BCV's four core values: responsibility, performance, professionalism, and close ties with our customers and the broader community. These values are also central to the ethical principles described in the code of conduct in force within BCV Group. This code of conduct is available on our website.

Staff

At the end of 2025, BCV Group had 2,083 employees on a full-time-equivalent (FTE) basis, slightly lower than in the prior year. The parent company accounts for the largest share of the workforce, with a total of 2,032 employees, or 1,857 FTEs. In 2025 we filled 280 positions: there were 154 outside hires and 126 people transferred internally. Apart from retiring staff, average staff turnover was 6.9% in 2025.

In terms of gender equality, the parent company had 819 female employees (40% of the workforce) at the end of 2025. Women accounted for 32% of managers (454 positions) and 20% of all senior managers (70 positions). We are committed to fostering equal opportunity, which includes encouraging women's representation at all levels of responsibility. We aim to have 25% of senior leadership positions held by women by 2030. We have introduced a range of measures to help achieve this goal, such as making gender parity a particular focus in our trainee selection process and, for employees with a newborn child, offering parental leave that far exceeds legal requirements.

In addition, women manage 30% of our branches (11 positions), where they play a key role in running our retail network. We have 518 employees working part-time, making up 25% of our overall workforce.



Every two years, BCV commissions a third-party polling service to conduct an anonymous survey of all staff members in order to obtain their opinions on working conditions, workplace relations, satisfaction with supervisors and, more generally, to determine employee buy-in and commitment. 83% of employees took part in the last survey, which took place in 2024. The findings showed that employee buy-in remains high. Once again,

the results were considered very good in comparison with those at other companies in almost all areas studied, but especially in terms of support for the Bank's strategy and confidence in senior management.

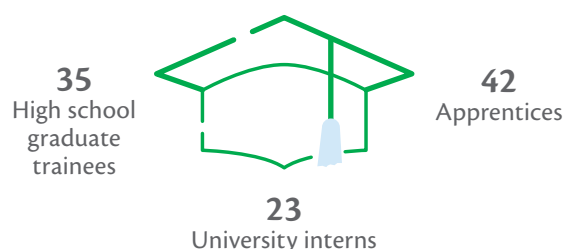
Equal pay

In compliance with the amended Swiss Federal Gender Equality Act, we commissioned outside specialists to conduct a pay analysis of all employees in 2021. The results showed that BCV complies with Swiss federal requirements on gender-equal pay. Beyond meeting Swiss legal requirements, we were also awarded the Fair-ON-Pay certification.

Last year, the Bank successfully completed a new certification process, which involved commissioning a review of wage equality across the Bank based on April 2025 data. The review was carried out by Comp-On, a specialist consulting firm, in accordance with the international Fair-ON-Pay standard. Based on the review findings, the auditor SGS renewed our Fair-ON-Pay certification, confirming our longstanding commitment to gender pay equity.

Focus on training

In 2025, BCV provided job training for 109 trainees, including 42 apprentices, 35 high school graduate trainees, 23 university interns, and nine participants in our "Rejoignez-nous" training program for people moving into banking after a career break.



BCV is one of the Canton's main providers of professional training. We have our own training center with more than 200 instructors, three-quarters of whom work elsewhere within the Bank.

The training center focuses on skills development for all of the Bank's employees. Client advisors in particular require regular training to be able to keep pace with constant changes in client needs and the regulatory environment. To that end, our training center delivers courses on corporate social responsibility, cybersecurity, and addressing the issue of energy-efficiency renovations in the mortgage-lending advisory process. We also adopted a certification system used by several other banks that is in line with the ISO 17024 standard and recognized by the Swiss Association for Quality (SAQ). Some 242 client advisors had received their certification by end-2025.

The tenth edition of BCV's Micro MBA program, offered in collaboration with the Entrepreneurial Leadership program at the University of Geneva's School of Economics and Management, kicked off in March 2025 and will run through October 2026. The 23 participants are developing interdisciplinary and project management skills. In addition, 17 BCV employees received post-secondary degrees from outside institutions in 2025, with BCV's support. Through these actions, we are laying the groundwork to fill future leadership roles within the Bank.

Employee benefits

BCV Group provides its employees with comprehensive pension coverage well in excess of the minimum legal requirements. The staff pension fund is run as a defined-contribution plan for the purposes of retirement benefits, and as a defined-benefit plan for the purposes of death and disability benefits.

At the end of 2025, pension fund members comprised 2,242 employees, 2,006 of whom were working at the parent company, and another 1,416 pension recipients, including 1,074 retirees.

BCV takes several kinds of action in the interest of employees' health. A key focus is on prevention, for instance by providing flu shots and financing the Bank's employee sports association.

6. Playing an active role in the community

Our local community is important to us, and we take our responsibilities as a corporate citizen in Vaud Canton seriously. In addition to the purely economic aspects of our mission, we

provide support for cultural and sporting activities as well as outreach initiatives. Our commitment has not wavered.

Cultural activities are a fundamental part of life in Vaud and a key component of our sponsorship policy. Last year we supported the following cultural events and organizations: the Paléo Music Festival, the Cully Jazz Festival, the 4 Seasons Festival, the Red Pigs Festival, the Pully LIVE Festival, the Avenches Open Air festival, the Théâtre du Jorat, the Théâtre de Beausobre, the Théâtre Benno Besson, the show “La Revue de Lausanne,” the Vevey Festival of Images, Lausanne-Pully Museum Night, the Swiss Museum of Games, the Fondation Vaudoise pour la Culture, the Fondation du Conservatoire de Lausanne, Platform 10 (i.e., the Musée Cantonal des Beaux-Arts, or MCBA, in Lausanne), the Vallotton Forever exhibition, and the BDFil comic festival.

We also support a number of outreach initiatives, which help bring together the local community. These include: Société Vaudoise d’Utilité Publique (an association of social-service institutions), Pro Senectute Vaud (an organization that helps senior citizens), La Paternelle (a not-for-profit mutual insurance company for orphans), the Vaud Red Cross, Ma Vie Ton Sang, the Vaud chapter of the Blue Cross in French-speaking Switzerland, the Fondation Mère Sofia, the Ligue vaudoise contre le cancer, the Association of Families with Children with Cancer in French-speaking Switzerland, Association Cerebral Vaud (an organization that supports people with cerebral palsy and their families), Fondation Pro-XY (which supports caregivers), Alzheimer Vaud, and the Fondation Compétences Bénévoles (an organization that provides support services to charities).

The future of Vaud is taking shape in its schools. Last year we presented prizes at schools across the Canton (including primary schools, secondary schools, and universities) and provided support for Lausanne’s Centre Sports-Etudes for school-age athletes and the 42 Lausanne computer programming school.

Sports activities are also a key part of the social fabric of Vaud and are central to our sponsorship policy. In 2025 we sponsored a number of sports clubs and events, including: FC Lausanne-Sport, the Yverdon Sport Academy, Vaud Générations Champions, the Association Cantonale Vaudoise de Football, the Lausanne Hockey Club and the LHC Academy, the Lausanne 20K, the Fondation d’Aide

aux Sportifs Vaudois, the Mérite Sportif Vaudois, the Traîne-Savates running race, the La Favorite cycling race, Vaud Tennis Padel, and the Leysin Tobogganing Park.

We also support various other important initiatives in the Canton, including the Forum de l’Economie Vaudoise, the Forum des 100, the Forum Economique de la Côte, the Forum Economique de l’Ouest Lausannois, the PERL awards, the Mérites de l’Economie awards, and the Enterprise for Society Center (E4S).

We have links with programs that allow staff members to take part in humanitarian and environmental initiatives in association with non-governmental organizations. In 2025, we supported the following programs: Don du Sang, a blood-donation program; the yearly orange-sale fundraiser by the NGO Terre des Hommes; and the “bike to work” challenge, which encourages people to ride their bikes on a daily basis. Groups of employees also took part in environmental and social initiatives, including community projects to remove invasive plants, conserve habitats, and plant shrubs. Other employees took part in a volunteer event run by Samedi du Partage Vaud. At that event, our colleagues collected non-perishable food items at shopping centers in Vaud for charities and other social-service institutions.



Bike to work:

16,780 km

covered by bike or
on foot

As part of our commitment to nature and biodiversity conservation in the Canton of Vaud, we put in place a new initiative, Terre Vaud Eau, in 2023. In 2025 and 2026, we are supporting three fauna and flora development projects. Two are being led by the Jura Vaudois Nature Park authority: the first involves upkeeping marshland, and the second restoring a pond. The third is led by the association Broye Source de Vie; it involves planting shrubs and sowing seeds along a stretch of the Broye riverbank as part of the river’s rewilding. In the area of biodiversity, BCV also supports the Printemps d’abeilles association.

BCV acts on its commitment to playing an active role in the Vaud community in other ways too. For example, BCV has an art collection that comprises more than 2,000 works. Some are displayed in BCV's buildings, while others are shown at temporary exhibits in the Canton, such as at the Musée Cantonal des Beaux-Arts in Lausanne. In addition, we work with other Swiss cantonal banks to promote financial literacy among young people. In 2024, for example, the Association of Swiss Cantonal Banks helped launch MoneyHaxx, an online platform that gives young people tips on how to manage their money, their budget, and day-to-day spending, providing guidance at a time in their lives when they are gradually gaining their financial independence. In addition, the www.jeunesetbudget.ch website helps parents support their children with financial matters.

Another initiative close to our heart is BCV Solidarity. In 2012, we decided to replace the end-of-year gift to employees with an annual donation in our employees' name to a humanitarian project somewhere in the world. Every year, a different project is chosen by a working group selected from a pool of volunteers. In 2025, BCV Solidarity supported a project led by the Elewa-Africa association. The project involves building a school to educate the children of a village in northeast Tanzania, in a rural area that is home to a large Maasai community. Poverty is very high in the region and education levels are low because the necessary infrastructure is limited and remote.

In addition, BCV supports its employees' involvement in the community, thereby contributing to their personal development. In 2025, over 200 staff members were actively involved in a variety of societies, associations, and other organizations of a social, political, cultural, or sporting nature. However, BCV has a policy not to provide any type of formal support to any political party or organization.

Year in Review

Economic Environment	30
BCV in 2025	42
Business Sector Reports	50

Year in Review

Economic Environment

2025 was marked by a shift in US trade policy, with the introduction of new tariffs affecting all of the country's trading partners. The global economy was already struggling to regain momentum – owing in particular to sluggish conditions in the eurozone – and had to contend with this additional headwind. Full-year growth was flat compared with 2024, at a soft 3.3%.

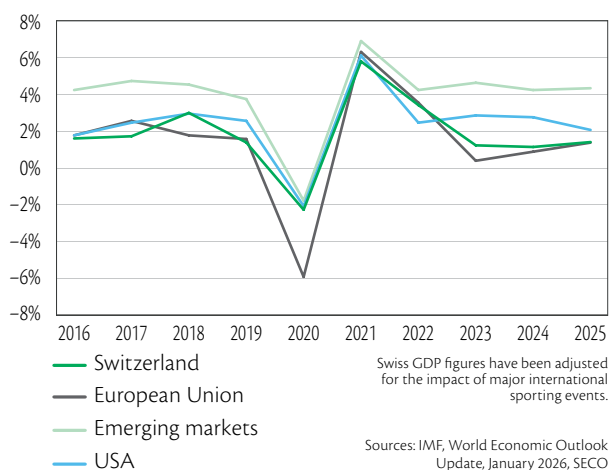
Switzerland and the Canton of Vaud were among the places whose economies were most affected by the new US trade policy. The tariff rate on a portion of exports to the US was initially increased to 39%, one of the highest in the world, and then reduced to 15% after a few months. Economic output was boosted by a ramp-up in production aimed at building inventories in the US ahead of implementation of the new higher tariffs, as well as by robust domestic demand. Growth therefore remained relatively stable, rising from 1.2% in 2024 to 1.4% in 2025 in Switzerland and from 2.1% to 2.2% in Vaud Canton.

Lack of momentum in the world economy

The announcement on 2 April 2025 – “Liberation Day” – by the new US president, Donald Trump, of a sharp increase in tariffs on certain US imports marked a profound change in global trade and international relations. The new trade policy included notable exemptions, such as pharmaceutical products, and, in some cases, negotiators obtained more favorable rates in exchange for concessions. As agreements were reached over the ensuing months with the world's major economies, visibility improved and the impact on the business climate was limited. The economy also benefited from production intended to build inventories in the US ahead of the tariff increase, from AI-related investment, and from expansionary fiscal and monetary policies, as the Organisation for Economic Co-operation and Development noted in its December 2025 “Economic Outlook.”

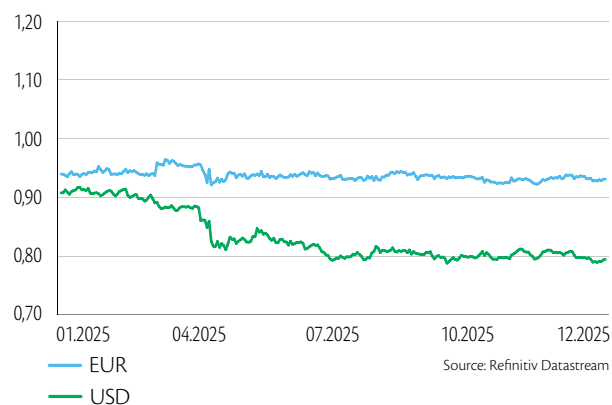
In the January 2026 update to its World Economic Outlook, the International Monetary Fund (IMF) estimated 2025 GDP growth at 3.3%, unchanged relative to 2024. In

GDP growth around the world



Exchange rates

versus CHF



advanced economies, growth eased from 1.8% in 2024 to 1.7% in 2025. Momentum softened in the US, with growth falling from 2.8% to 2.1%; in the eurozone, output rose slightly – alongside easing headwinds in Germany – with GDP growth increasing from 0.9% to 1.4%. Growth rose from 4.3% to 4.4% in emerging markets and was flat at 5.0% in China.

Mixed financial-market environment

In the financial markets in 2025, stock-market indices continued to rise, the price of gold surged, and the US dollar declined. In the US, the S&P 500 rose by 16.4% over 12 months, ending the year at 6,846 points. The EURO STOXX 50 index of eurozone blue chips advanced by 18.3%. In Switzerland, the Swiss Market Index (SMI), made up of the largest listed companies on the SIX Swiss exchange, gained 14.4% to 13,267 points. The MSCI Emerging Markets Index (in USD) posted an increase of 30.6%.

Gold rose 64.7% in US-dollar terms to USD 4,325 per ounce. In Swiss francs, the price per kilogram rose by 43.7% to CHF 109,683.

In foreign exchange markets, the dollar depreciated sharply against European currencies. It fell by 12.6% against the Swiss franc, from CHF 0.91 to CHF 0.79. However, the euro remained relatively stable against the franc, slipping by 0.9%, from CHF 0.94 to CHF 0.93.

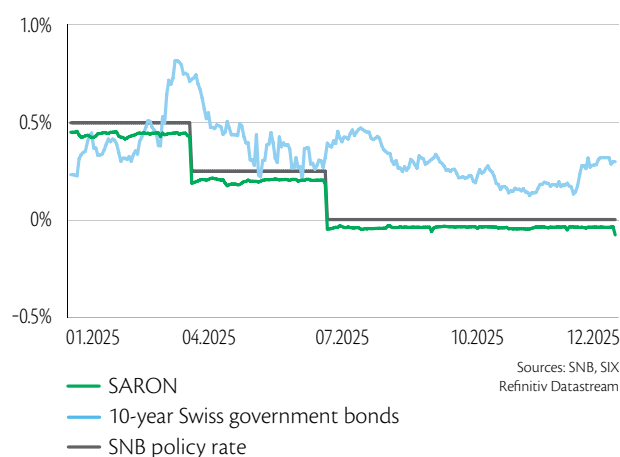
In bond markets, 2025 was a volatile year for long-term sovereign bond yields. The yield on US Treasury bonds started the year at 4.57% and ended at 4.14%, while the Federal Reserve lowered the fed funds target range from 4.25%–4.50% to 3.50%–3.75%. In Europe, the yield on the German Bund rose from 2.36% to 2.82%, while the European Central Bank (ECB) reduced the deposit facility rate from 3.0% to 2.0%. In Switzerland, the yield on 10-year Confederation bonds also edged up, from 0.23% to 0.30%, while the Swiss National Bank cut its policy rate from 0.5% to 0.0%.

Inflation continued to recede worldwide, moving closer to the 2% mark. In the US, annual inflation declined from 2.9% in 2024 to 2.6% in 2025. In the eurozone, annual inflation eased from 2.4% to 2.1% over the same period. In Switzerland, annual inflation had already dropped below 2% in 2023, and it slowed from 1.1% in 2024 to 0.2% in 2025.

Weak growth in the Swiss economy

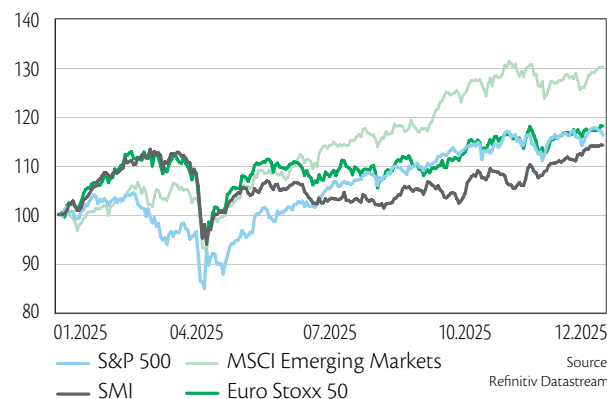
In Switzerland, growth was relatively stable, rising from 1.2% in 2024 to 1.4% in 2025 (February 2026 estimate). These figures are nevertheless below the average for the previous ten years (1.9%). The country was also affected by the new US trade policy, and for several months was among those hit by some of the highest tariffs in the world, with a 39% rate applied to a portion of its exports to the US. In November 2025, an agreement was reached to reduce the rate to 15%, the same rate negotiated by the European

Interest rates



Stock-market indices in local currency terms

base of 100 at 31 December 2024



Union and Japan. The impact of the US tariffs on growth in Switzerland was ultimately limited. For part of the year, economic activity was supported by the inventory build-up in the US in anticipation of the tariff increase, as well as by solid domestic demand.

Conditions remained relatively good in the labor market. The number of full-time-equivalent jobs rose by 0.3% to 4.3m in 2025. In the fourth quarter of 2025, employment was down 0.2% year on year to 1.0m in the secondary sector and up 0.4% to 3.3m in the tertiary sector. And the unemployment rate rose gradually from an average of 2.4% in 2024 to 2.8% in 2025.

Despite the turbulent environment – lackluster global growth and the shift in US trade policy – Swiss exports increased again in 2025, rising by 1.4% to CHF 287.0bn (business-cycle total), according to the Federal Office for Customs and Border Security. That record figure was driven in particular by a 3.9% increase in sales to the US, notably linked to the inventory build-up in anticipation of the higher tariff. Exports to the European Union also increased, by 1.9%, yet those to Asia fell by 1.9%. Exports of chemicals

and pharmaceuticals increased by 2.2%, and exports of food, beverages, and tobacco rose by 1.4%, driven by coffee derivatives. Watch exports declined by 1.7%, while exports of jewelry and jewelry articles increased by 6.0%. Machinery and electrical and electronic equipment fell by 0.6%.

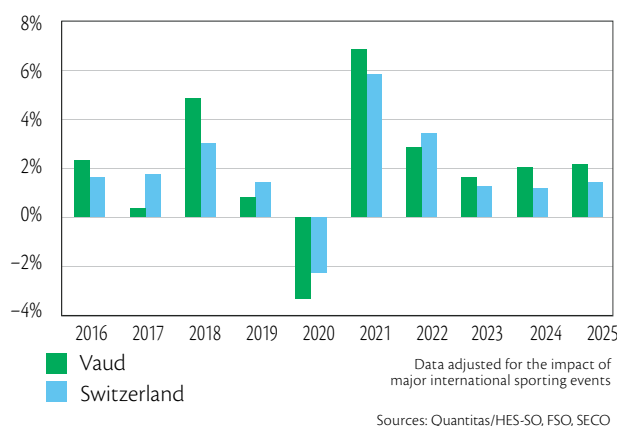
Domestic demand supports Vaud's economic growth

Vaud Canton's economy followed a similar trajectory to the rest of Switzerland, with GDP growth rising from 2.1% in 2024 to 2.2% in 2025. Those rates are close to the average for the previous ten years (2.0%). The Canton had to deal with the new US trade policy, and its economy – like the Swiss economy as a whole – was supported by a surge in production aimed at building inventories in the US before the tariff hike took effect, as well as by solid domestic demand. However, the fall economic survey of the Vaud Chamber of Commerce and Industry (CVCI) showed a deterioration in business conditions, which was more pronounced in manufacturing than in services.

The Vaud job market was relatively firm. The number of jobs (full-time equivalents) in the Canton was stable in both the

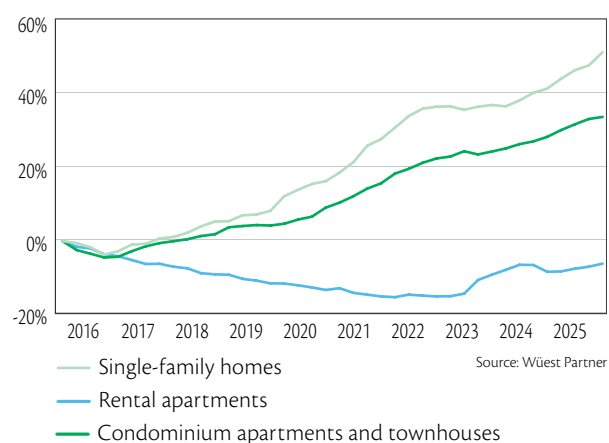
Vaud and Swiss GDP growth

Year-over-year change in real terms



Real-estate prices in Vaud

indices, base of 100 in Q1 2016



secondary and tertiary sectors. The unemployment rate went from 3.9% on average in 2024 to 4.5% in 2025.

Real-estate market still dynamic

The Vaud real-estate market remained firm in 2025, as mortgage rates remained low. Prices continued to rise: they were up 7.0% year on year for single-family homes and 4.3% for condominium apartments and townhouses, according to Wüest Partner figures. Prices reached new all-time highs by the end of 2025.

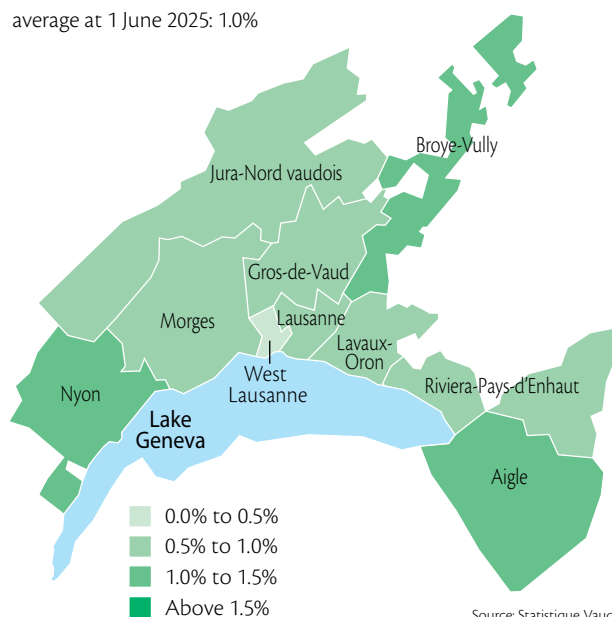
High prices limited the pool of potential buyers, but demand was boosted by interest rates, which were low in historical terms, as well as by population growth. The supply of new homes remained low: the number of new housing starts per year in Vaud averaged just over 4,800 between 2019 and 2023, and this figure declined to 3,500 in 2024 and 2025.

The investment real-estate market remained solid. Prices rose 3.0% nationally in 2025, according to the CIFI real estate indices, and are now at historically high levels.

However, rental property construction has fallen in recent years and the vacancy rate in the Canton of Vaud remained low, edging down from 0.96% in 2024 to 0.89% in 2025. After having fallen by around 20% between 2014 and 2022, asking rents have since risen by 10.9%, including a 2.5% gain in 2025.

Housing vacancy rates in Vaud

average at 1 June 2025: 1.0%



BCV Immobilier

In 2025, BCV published another issue of BCV Immobilier, a periodic report on the Vaud real-estate market. It focused in particular on the Nyon region, one of the most dynamic in the Canton. This region offers many advantages, including its location sitting between both the lakeshore and Jura from south to north and the cities of Geneva and Lausanne from west to east. Although no substitute for advice from a real-estate professional, these 24-page guides provide valuable information to prospective buyers, homeowners, individuals, and businesses wanting to keep up to date with market developments.

The reports (in French only) can be downloaded from the BCV website at www.bcv.ch.

Outlook

As 2026 began, the outlook was highly uncertain. Global economic growth is expected to remain moderate, hovering at 3.3% in 2026 according to the IMF's January forecasts. Visibility on US trade policy has again declined following the February 2026 ruling by the Supreme Court striking down part of the tariffs put in place in 2025, which were subsequently replaced by other import taxes. In addition, the geopolitical situation worsened at the end of February when the conflict involving the US, Israel, and Iran broke out.

Against this backdrop, the Swiss and Vaud economies are expected to continue to lack momentum. According to the State Secretariat for Economic Affairs (SECO, March 2026), growth could slow from 1.4% in 2025 to 1.0% in 2026 in Switzerland. For the Canton, GDP growth could ease

from 2.2% to 0.7%, according to the January 2026 forecasts published by the Commission Conjoncture Vaudoise (CCV).

Economic sectors in the Canton

Primary sector

2025 was the fourth-warmest year since records began in 1864 and, according to AGIR (the agricultural information agency for French-speaking Switzerland), weather conditions were challenging for farmers. A very mild winter and an early spring, marked by widespread drought, meant farmers started planting early, but it also put pressure on water resources. Output increased, although there were some logistical issues and bottlenecks. A shortage of storage crates, for example, complicated the transport and storage of potatoes, and a breakdown at the Frauenfeld sugar refinery created major uncertainty for the end of

Vaud Canton and Switzerland in figures

	Vaud	Switzerland
Area	3,212 km ²	41,285 km ²
Population (end-2025) ¹	864,226 residents	9,121,741 residents
Population density	269 residents/km ²	221 residents/km ²
Working population ²	437,394	4,824,333
Number of companies ³	66,791	721,727
Primary sector	5.6%	7.0%
Secondary sector	12.9%	13.5%
Tertiary sector	81.5%	79.5%
Jobs	494,652	5,644,870
Primary sector	2.6%	2.8%
Secondary sector	15.8%	19.8%
Tertiary sector	81.6%	77.4%
Unemployment rate (2025 average)	4.5%	2.8%
GDP (2025 est.) ⁴	CHF 77.1bn	CHF 868.4bn
GDP/inhabitant	CHF 82,284	CHF 95,205

¹ Vaud: Source = Statistique Vaud; Switzerland: Source = estimate based on quarterly FSO data

² Permanent residents aged 15 and over, 2024

³ A company or part of a company (e.g., a workshop or factory) located in a given place, 2023

⁴ Data adjusted for the impact of major international sporting events

Sources: FSO, Statistique Vaud, SECO, Commission Conjoncture Vaudoise

Further increase in the Vaud population

Vaud Canton's population rose by 8,480 (+1%) to 864,230 in 2025 according to estimates from Statistique Vaud. The pace of growth was therefore just below the average recorded in the previous five years (+9,790 people, or +1.2%, per year). The Canton's foreign-born population rose by 5,220 (+1.8%), outpacing the increase in its Swiss population, which grew by 3,260 (+0.6%). Non-Swiss nationals now make up 34.3% of Vaud's population.

The Canton's largest foreign-born community – and the one that grew most in 2025 – consists of people from France, of whom there are 63,980, making up 21.6% of the non-Swiss population. Vaud's other main foreign-born communities comprise people from Portugal (18.0%) and Italy (10.0%).

Among the regions, West Lausanne experienced the largest increase in its population (+3.3%), while increases elsewhere ranged between 0.5% and 1.5%. As regards the age distribution of Vaud's population, the fastest-growing category in 2025 consisted of people aged 65 and over (+2.0%), while the number of people aged 20–64 rose by +1.0% and under-20s by +0.2%.

the sugar-beet harvest. In addition, US tariffs weighed on cheese production.

Overall, the value of Vaud's farming output increased by 5.8%, according to data from the Federal Statistical Office (FSO). Income from arable farming rose, thanks in part to major crops like grains, industrial plants, and potatoes. Income from livestock also increased, but to a lesser extent (+2.3%).

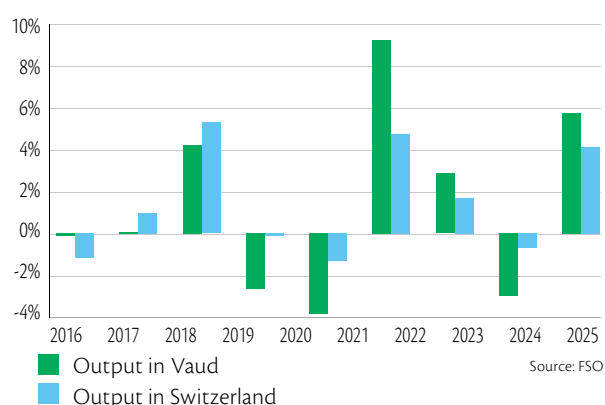
Weather conditions were very favorable for winegrowing. "All the ingredients were in place for a good vintage," noted the Directorate-General for Agriculture, Viticulture and Veterinary Affairs. In other words, no frost, minimal fungal diseases, sufficient sunshine, heat and rain, and moderate water stress during ripening. However, the quantity of grapes harvested fell by 3.9% compared to 2024, which had already been a low-production year. Like elsewhere in the country, the wine industry in Vaud is facing a decline

in consumption as well as competition from imported wines. The Swiss and Vaud authorities have taken measures to support the sector. In the fall of 2025, the Canton, in collaboration with industry stakeholders, announced the "Future of Vaud Winegrowing" action plan for the 2025–2028 period. A budget of CHF 17.2m over four years will be used to finance measures relating to the market, production, the next generation of winegrowers, and vineyard maintenance.

Secondary sector

With the global economy shaken by the new US trade policy, Vaud's manufacturers had a mixed year in 2025. The CVCI's fall survey showed a deterioration in business sentiment among manufacturing companies. Business conditions for domestically oriented firms, particularly those in the construction industry, remained broadly stable in 2025.

Change in agricultural production (value)



2025 growth by economic segment in Vaud

Growth above 2%

Chemicals, pharmaceuticals, rubber, glass, metallurgy, etc.
Wholesale and retail distribution, repairs, etc.
Finance and insurance
Construction
Government administration, healthcare, education, sports, etc.

Growth of 0.5% to 2%

Primary sector
Transport, postal services, telecommunications, publishing
Real estate, business services, etc.

Growth of -0.5% to +0.5%

Hotels and restaurants
Machinery, instruments, watches, etc.

Contraction of 0.5% to 2%

Food, textiles, leather, wood, paper

Contraction of more than 2%

Water and electricity production and distribution

Sources: QUANTITAS/HES-SO, FSO, SECO

Manufacturing

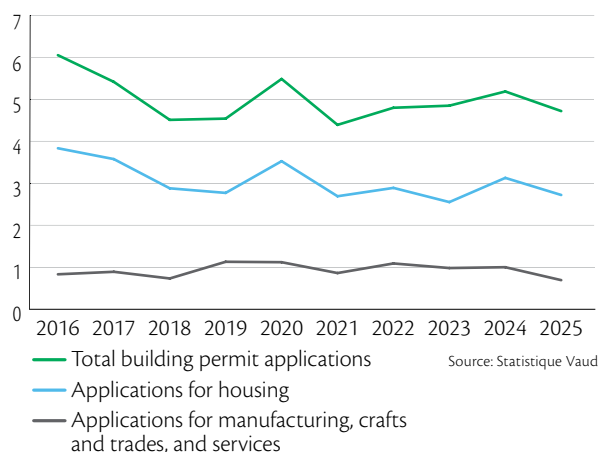
Manufacturing ran up against numerous challenges, and business levels remained stable but low, close to the ten-year average. The US increased tariffs, the dollar lost more than 10% against the Swiss franc and other currencies, and the global business environment remained sluggish. The CCV's end-2025 survey nevertheless showed contrasts within the sector. Business conditions were considered negative in metallurgy and metalworking, as well as in chemicals and plastics. Companies in the wood and non-metallic products industries, and those in electronics, optics, and precision instruments, reported a more mixed picture.

Construction

Business conditions were broadly satisfactory in construction, thanks in particular to the many building sites in the Canton. However, several factors clouded the picture: the number of building permits declined compared with previous years, and the share of income from maintenance and refurbishment projects reached a record level (54%). Skilled labor remained in short supply. The number of people working in the sector fell by 0.1% (or 18 people) year on year to 30,014. However, the impending abolition of the tax on the imputed rental value of property, approved in a vote in early fall, may lead to a jump in demand for renovations before taxpayers lose the renovation-cost deduction.

Value of work from building permit applications in Vaud

in CHF billions



Tertiary sector

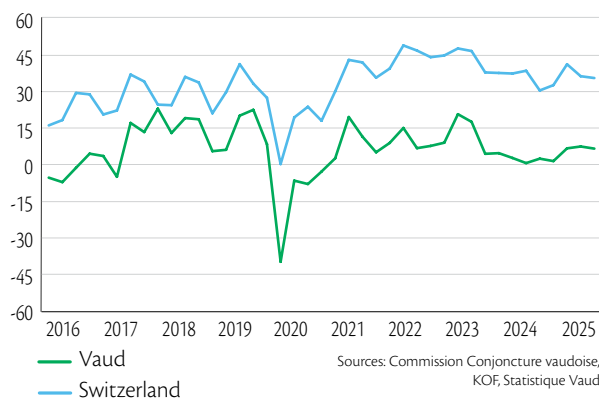
Business conditions also worsened in services, according to the CVCI's fall business survey. This deterioration was, however, slightly less pronounced than in manufacturing. The situation varied between different types of services, but the sector played its traditional supportive role for the economy as a whole.

Wholesale and retail distribution

Business conditions were broadly stable in retail, at a level comparable to the long-term average despite a slight decline in the second half of the year. The situation was similar across small, medium-sized, and large companies. A quarter of retailers nonetheless reported a deterioration in earnings, according to the CCV. The FSO's national retail sales figures again showed that food sales were robust, up 1.4% in nominal terms. Sales of clothing and footwear continued to decline (–1.0%), while sales of decorative items (+0.6%) and cultural and leisure goods (+2.6%) increased. Information and communication hardware, which has been rising for several years, posted the strongest growth (+9.3%).

Business sentiment in construction

net positive responses



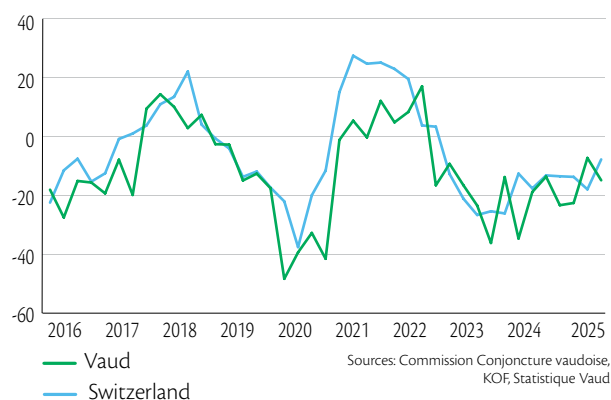
Structure of the Vaud economy

Sectors and segments	Share of Vaud GDP (2025)	Full-year growth (2016–2025)	Jobs (2023)	Share of total jobs (2023)
Primary sector	0.9%	0.2%	13,058	2.6%
Agriculture, forestry, hunting, fishing	0.9%	0.2%	13,058	2.6%
Secondary sector	22.2%	4.1%	78,023	15.8%
Food, textiles, leather, wood, paper	2.2%	0.6%	11,273	2.3%
Chemicals, pharmaceuticals, rubber, glass, metallurgy, etc.	11.3%	11.0%	11,318	2.3%
Machinery, instruments, watches, etc.	4.5%	1.3%	19,361	3.9%
Water and electricity production and distribution	1.0%	-3.4%	4,819	1.0%
Construction	3.7%	-0.4%	31,252	6.3%
Tertiary sector	76.8%	1.5%	403,571	81.6%
Wholesale and retail distribution, repairs, etc.	11.8%	-1.5%	55,496	11.2%
Hotels and restaurants	1.8%	0.4%	22,293	4.5%
Transport, postal services, telecommunications, publishing	4.8%	1.0%	25,593	5.2%
Finance and insurance	7.1%	3.2%	18,717	3.8%
Real estate, business services, etc.	25.2%	2.3%	101,953	20.6%
Government administration, healthcare, education, sports, etc.	25.4%	2.2%	172,332	34.8%
Other	0.9%	0.7%	7,187	1.5%
Total Vaud GDP (after adjustments)	100.0%	2.0%	494,652	100.0%

Sources: FSO, SECO, Commission Conjoncture Vaudoise. GDP figures have been adjusted for the impact of major international sporting events.

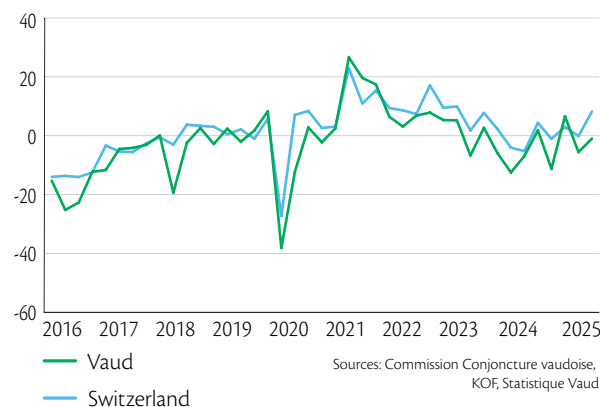
Composite index of business sentiment in manufacturing

net positive responses



Business sentiment in the retail sector

net positive responses



Hospitality services

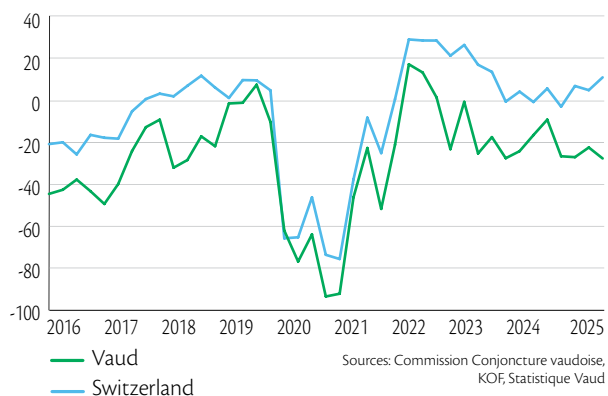
Hotels and restaurants had mixed fortunes in 2025. In Vaud's hotel industry, overnight stays reached a record level, slightly above that seen before the Covid-19 crisis. Foreign tourists (+6.2%) and Swiss guests (+5.3%) both contributed to an increase in total overnight stays of 5.8%, to 3.1m. The restaurant industry continues to face difficulties. Nearly half of establishments judged their business levels to be poor, according to CCV surveys. In particular, changing consumption habits are weighing on demand and the number of diners. Labor shortages also remain a headwind for this sector.

Services

Service-sector companies remained healthy in 2025. In line with recent years, demand and earnings were considered stable or positive by a majority of companies active in this area, the CCV reported. The obstacles mentioned most often by companies (one third of respondents) included economic conditions and labor shortages. An increasing number of responses also mentioned financial difficulties. The situation differed slightly from one field to another, with stronger demand in business services than in personal services and IT services. The transport, information, and communications segments, however, experienced somewhat lower demand.

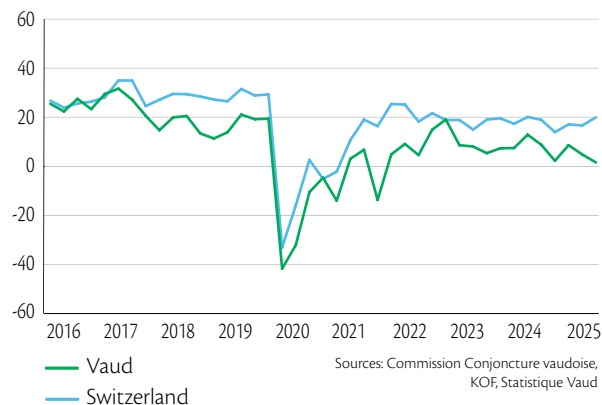
Sales index in the hotel and restaurant industry

net positive responses



Sales index in the services sector

net positive responses



Regional overview

The broad trends discussed in the previous pages were reflected in the various regions of the Canton of Vaud. However, each region has specific points worth mentioning.

Aigle

The Aigle region remained one of Vaud's fastest-growing in population terms. The number of people living there rose by 1.3% in 2025 – below the highest increase in the Canton (West Lausanne: +3.3%) but above the cantonal average (+1.0%). Owing to a decline in construction activity, the housing vacancy rate dropped from 1.81% in 2024 to 1.36% on 1 June 2025. In the residential real-estate market, prices of detached single-family homes rose 9.0%, considerably faster than the cantonal average, and condominium apartment and townhouse prices climbed 6.1%, according to Wüest Partner figures. The local unemployment rate rose from 4.1% on average in 2024 to 4.8% in 2025. For hotels in Alpine resorts, mild weather conditions led to a record-breaking number of overnight stays (490,000). That corresponded to a 5.8% increase from the prior year, in line with the cantonal average. On the infrastructure front, the cornerstone was laid for the new Chablais upper-secondary school on the site of the former Aigle hospital.

Broye-Vully

This region has experienced one of the Canton's highest rates of population growth for several years now, and the number of people living in Broye-Vully rose by a further 1.5% in 2025, the second-largest increase in Vaud behind West Lausanne (+3.3%). There was a decline in homebuilding, especially for owner-occupied homes, and the housing vacancy rate fell from 1.31% to 1.19% in 2025. Prices of detached single-family homes rose 8.5%, which was higher than the cantonal average, while the increase in condominium apartment and townhouse prices was lower, at 2.8%, according to Wüest Partner figures. The local unemployment rate climbed to 5.2% in 2025 from 4.1% the prior year. Among the region's business hubs, Swiss Aeropole will get a boost from new civil operating regulations that allow for extended opening hours, which will make the site even more attractive from 2026.

Gros-de-Vaud

Gros-de-Vaud was one of the Canton's fastest-growing regions from 2000 to around 2020, but its population growth has been slightly slower than the Vaud average since then (0.8% in 2025). The housing vacancy rate edged up from 0.67% to 0.80% in 2025. The region once again saw a decline in new housing starts. Prices of detached single-family homes were up 7.8% (above the cantonal average), while condominium apartment and townhouse prices rose 3.0% (below the cantonal average). The worsening economic climate had only a limited effect on the region, and the local unemployment rate, although slightly higher at 3.0% (up from 2.4%), is still the lowest in Vaud. Conditions for farmers returned to normal in 2025 after the difficult year in 2024, especially for grain crops. Regarding the region's infrastructure, construction work began for the new Echallens upper-secondary school.

Jura-Nord Vaudois

The number of people living in the region rose by 0.7% in 2025, slightly less than the cantonal average. New housing starts were lower for both owner-occupied and rental properties. The housing vacancy rate dropped from 1.24% to 0.93% in 2025. The region remains a sought-after residential location. Prices of detached single-family homes were up 6.8% last year according to Wüest Partner, a rate similar to the cantonal average, while condominium apartment and townhouse prices grew by an above-average 5.8%. The local unemployment rate increased from 3.4% to 4.2%. Manufacturers in segments like machinery, precision instruments, and plastic injection molding felt the effects of the worsening economic climate. However, the Y-Parc science and technology park continued to develop, attracting new companies and launching new projects, such as the construction of a new intercantal training center for power-grid electricians.

Lausanne

The population of the region around Vaud's capital city grew by 0.5% last year. Its housing market remained as stretched as ever, and its vacancy rate was nearly unchanged, going from 0.62% in 2024 to 0.63% in 2025 – the Canton's second-lowest figure after West Lausanne. Construction activity slowed with the first phase of the Plaines-du-Loup eco-neighborhood completed and the second phase not yet under way.

According to Wüest Partner, prices of detached single-family homes were up 7.7% last year (above the cantonal average), while condominium apartment and townhouse prices climbed 4.1% (close to the cantonal average). The local unemployment rate rose from 4.7% to 5.5%. Overall, the region's economy – which is heavily dependent on retail and other services – felt the effects of the economic climate and structural changes affecting local commerce, as well as disruptions resulting from major construction projects in both Lausanne and West Lausanne. The new Pulse complex was inaugurated in Cheseaux-sur-Lausanne, with the official opening of two buildings designed to house offices, labs, and production facilities. The region's hotels recorded a 5.2% increase in overnight stays.

Lavaux-Oron

The Lavaux-Oron region's population grew 0.7% in 2024. The housing vacancy rate slipped from 0.82% to 0.64%, putting it in line with the rates seen in Lausanne and West Lausanne. The region's residential real-estate prices are very high relative to the rest of the Canton, but they rose at a slower pace than the cantonal average in 2025. Prices of detached single-family homes were up 5.5% and condominium apartment and townhouse prices climbed 3.5%, according to Wüest Partner figures. New housing starts eased although demand was strong. Because of a lack of available land, some smaller existing houses are being demolished to make space for new blocks of condominium apartments or townhouses intended for sale or rent. The local unemployment rate rose from 2.8% to 3.3%. Lavaux-Oron's businesses are less export-oriented than those in Vaud's other regions, so its economic prospects remain good. Order books are well-filled and prices are stable.

Morges

The number of people living in the Morges region rose by 0.5% in 2025. New housing starts declined and the proportion of homes lying vacant fell from 1.04% in 2024 to 0.86% in 2025. Prices of detached single-family homes were up 8.4% last year – higher than the cantonal average – while condominium apartment and townhouse prices rose 2.7%, which was lower than the cantonal average, according to Wüest Partner figures. The local unemployment rate increased from 2.8% to 3.3%. Sentiment among some business leaders is being weighed down by the deteriorating international climate, including the Swiss

franc's appreciation against the dollar, the shift in US trade policy, and geopolitical tensions. Overnight stays in hotels in the Nyon-Morges region rose by 5.6%.

Nyon

The number of people living in the Nyon region rose by 0.6% in 2025, which was slower than the cantonal average. Residential construction activity eased, particularly in the rental segment. The housing vacancy rate edged up from 1.23% to 1.37% in 2025. Prices of detached single-family homes rose 4.3% according to Wüest Partner, less than the cantonal average, while growth in condominium apartment and townhouse prices was above average at 4.5%. While the region is very diverse economically – it is home to the headquarters of various multinationals as well as a life sciences hub – companies are keenly attuned to the international climate, which has recently deteriorated owing to the Swiss franc's appreciation against the dollar, the shift in US trade policy, and geopolitical tensions. The local unemployment rate rose from 3.3% to 3.9%. Overnight stays in hotels in the Nyon-Morges region rose by 5.6%.

West Lausanne

The West Lausanne region is undergoing rapid development, including through numerous construction projects and an extension of the Lausanne tram network. Its infrastructure is also expanding with the inauguration of an upper-secondary school in Crissier. The number of people living in West Lausanne increased by 3.3% in 2025, making it the Canton's fastest-growing region in population terms. It is also Vaud's busiest region in terms of construction activity, mainly consisting of residential properties intended for rental, and accounts for a third of new homes coming onto the Canton's market in both 2025 and 2026. Despite that, the region's housing vacancy rate remained unchanged at 0.47%, the lowest in the Canton. According to Wüest Partner, prices of detached single-family homes rose 6.5% (below the cantonal average), while condominium apartment and townhouse prices rose 6.5% (above the cantonal average). The local unemployment rate rose from 4.5% to 5.5%.

Riviera-Pays-d'Enhaut

This region's population increased by 0.8% in 2025, less than the cantonal average. Despite a decline in new housing starts – attributable mainly to abandoned homebuilding

Economic structure by BCV region

	Aigle	Broye-Vully	Gros-de-Vaud	Jura-Nord vaudois	Lausanne	Lavaux-Oron	Morges	Nyon	West Lausanne	Riviera-Pays-d'Enhaut
Population at end-2025	50,656	48,600	48,941	97,392	176,017	66,181	89,362	108,212	88,779	90,086
Population growth in 2025	+1.3%	+1.5%	+0.8%	+0.7%	+0.5%	+0.7%	+0.5%	+0.6%	+3.3%	+0.8%
Proportion of Canton's population	5.9%	5.6%	5.7%	11.3%	20.4%	7.7%	10.3%	12.5%	10.3%	10.4%
Jobs (2023)	24,383	19,659	18,492	53,336	148,867	24,206	47,972	49,748	66,228	41,761
Proportion of Canton's jobs	4.9%	4.0%	3.7%	10.8%	30.1%	4.9%	9.7%	10.1%	13.4%	8.4%
Jobs in the primary sector	5.4%	8.4%	6.5%	4.5%	0.1%	5.6%	5.0%	3.4%	0.1%	1.8%
Jobs in the secondary sector	20.2%	22.2%	30.5%	29.0%	6.4%	15.7%	21.2%	15.0%	19.0%	9.7%
Jobs in the tertiary sector	74.5%	69.5%	62.9%	66.5%	93.4%	78.7%	73.8%	81.7%	80.8%	88.5%
Average unemployment in 2025	4.8%	5.2%	3.0%	4.2%	5.5%	3.3%	3.3%	3.9%	5.5%	4.8%
Change in unemployment in 2025	+0.6%	+1.1%	+0.6%	+0.7%	+0.8%	+0.5%	+0.5%	+0.5%	+0.9%	+0.6%

Sources: Statistique Vaud, FSO

projects and the ongoing revision of Montreux's land-use plan – the proportion of homes lying vacant grew from 0.84% in 2024 to 0.94% in 2025. Prices of detached single-family homes rose 9.0% according to Wüest Partner, considerably more than the cantonal average, while growth in condominium apartment and townhouse prices was below average at 3.2%. The local unemployment rate increased from 4.1% to 4.8%. Overnight stays in hotels in the Montreux-Riviera area grew by 7.2%, outstripping the cantonal average. There are some major construction projects underway or planned in the region, such as the refurbishment of the Montreux Music & Convention Centre (2M2C), the redevelopment of Grand-Rue in the center of Montreux, and the upgrade of the Montreux–Les Rochers-de-Naye train line.

Year in Review

BCV in 2025

BCV Group delivered strong results for FY 2025. Despite an unfavorable interest-rate environment, revenues were stable at CHF 1.15bn thanks to the Bank's highly diversified business model and volume growth across all business lines. Compared with 2024, operating profit and net profit edged down, falling by 2% to CHF 503m and CHF 430m respectively.

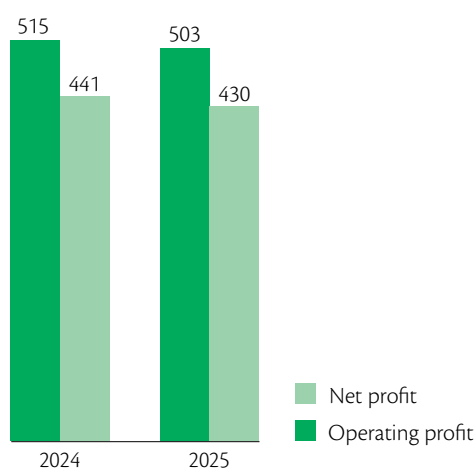
Global economy affected by US tariffs

One major development in 2025 was the shift in US trade policy. The new administration introduced high tariffs on exports to the US, although there were exceptions for goods such as commodities, certain food products, and pharmaceuticals. US President Donald Trump's announcement of that policy on 2 April 2025 – which he dubbed "Liberation Day" – and its implementation over the following months created great uncertainty, which held back the global economy. However, visibility improved during the year, as the US announced trade deals with most of the world's economies, and the negative impact on global growth was limited. According to estimates by the International Monetary Fund (IMF), growth in global GDP was flat YoY, at 3.3%, with a slower pace in the US (2.1% after 2.8% in 2024) offset by a slight improvement in the eurozone from 0.9% to 1.4%. Global geopolitical tensions also remained high, although one positive was the further loosening in monetary policies on both sides of the Atlantic. The European Central Bank cut rates by one percentage point while the Fed reduced its policy rate by 0.75 points.

Vaud Canton and Switzerland were directly affected by the macro environment. For several months, Swiss exports to the US were hit with a 39% tariff, one of the highest rates in the world, although major sectors like pharma were spared. The rate was reduced to 15% in November, still high but the same as the one negotiated by the European Union and Japan. Swiss exports also had to contend with the dollar falling more than 10% against the franc. However,

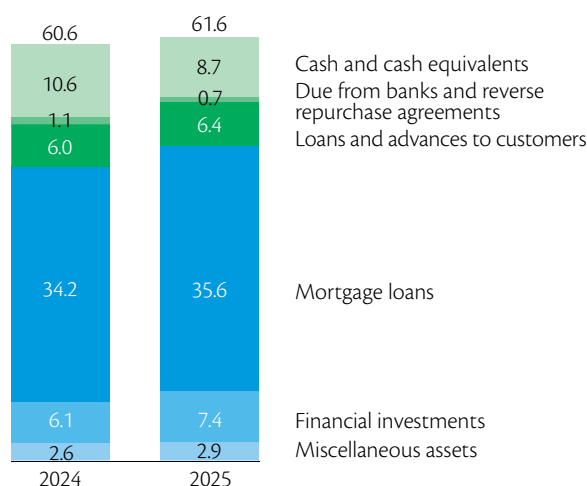
Operating and net profit

in CHF millions



Assets

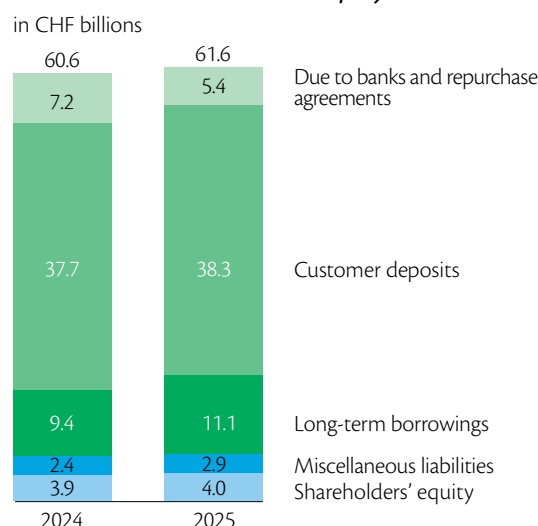
in CHF billions



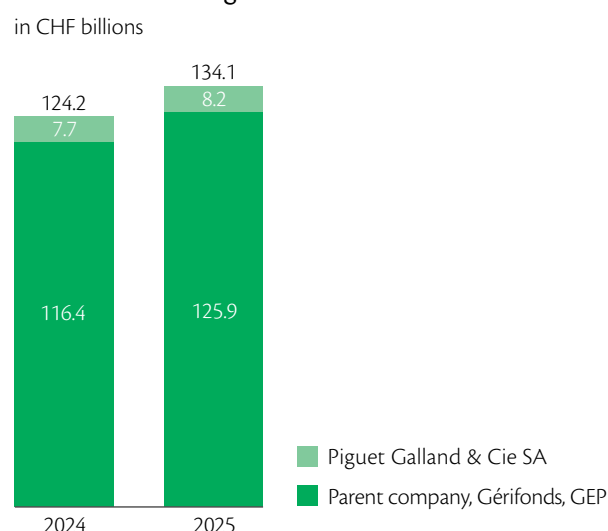
the Commission Conjoncture Vaudoise (CCV) found that companies' efforts to build up inventories in the US ahead of the tariffs supported the Swiss economy, as did robust domestic demand. According to the CCV's January 2026 estimates, Vaud's economic growth was relatively stable, rising from 2.1% in 2024 to 2.2% in 2025. In Switzerland as a whole, the Swiss State Secretariat for Economic Affairs estimates that GDP growth went from 1.2% to 1.4%. Unemployment remained under control, rising from 3.9% on average in 2024 to 4.5% in 2025 in Vaud and from 2.4% to 2.8% nationally. The Swiss National Bank cut its policy rate from 0.5% to 0%.

The Vaud real-estate market was buoyant last year. Despite high prices, demand was fueled by continued population growth as well as by mortgage rates that were low by historical standards. The supply of new homes for owner-occupiers remained small in 2025, and prices continued to rise: they were up 7.0% for detached single-family homes and up 4.3% for condominium apartments and townhouses, according to Wüest Partner figures.

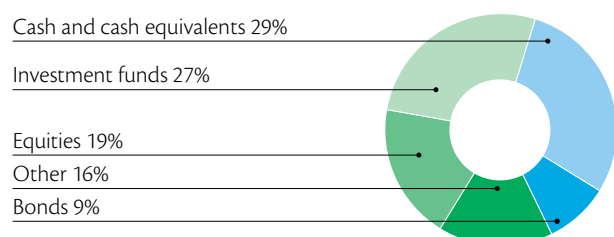
Liabilities and shareholders' equity



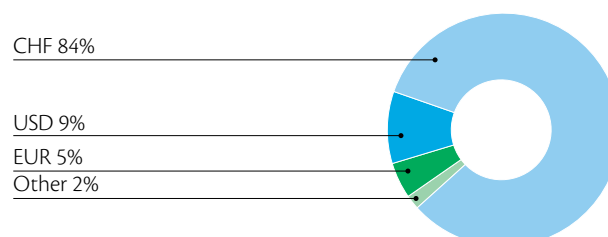
Assets under management



Assets under management by investment type



Assets under management by currency



Continued growth in customer-driven business volumes

Mortgage lending expanded 4%, or CHF 1.4bn, to CHF 35.6bn in a dynamic real-estate market. Other loans rose 7% to CHF 6.4bn. On the liabilities side, customer deposits grew 2% to CHF 38.3bn.

The Group's assets under management expanded 8%, or CHF 9.9bn, to CHF 134.1bn. Net new money amounted to CHF 3.8bn, and came from individuals, SMEs, and institutional clients. Investment performance drove AuM up by another CHF 6.1bn.

Financial results

Total revenues were stable year on year at CHF 1.15bn. Net interest income fell 5% to CHF 526m. Growth in lending volumes, which were up 4%, only partially offset the effects of lower interest rates. Fee and commission income was up 7% to CHF 394m, mainly reflecting favorable financial-market trends and firm personal-banking transaction volumes. Net trading income was unchanged year on year at CHF 195m. Other ordinary income fell 8% to CHF 35m. The Bank's steady revenue trend testifies to its highly diversified business model.

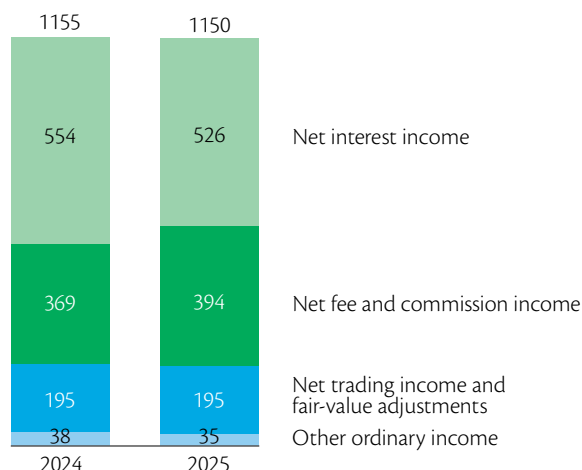
Operating expenses were stable at CHF 560m (+1%) on firm cost control. Personnel costs were up 2% to CHF 393m and other operating expenses decreased 2% to CHF 166m. Depreciation and amortization was flat at CHF 82m. Operating profit was off 2% to CHF 503m.

The Bank recorded a tax expense of CHF 74m. Net profit edged down 2% to CHF 430m. The ROE of 11.0% is one of the highest in BCV's peer group.

The cost/income ratio increased from 55.2% to 55.6%. The net interest margin decreased from 0.91% in 2024 to 0.83%. Shareholders' equity rose 1% to CHF 4.0bn. The Group's Common Equity Tier 1 (CET1) ratio at 31 December 2025 was 18.0%, and the leverage ratio was 5.4%.

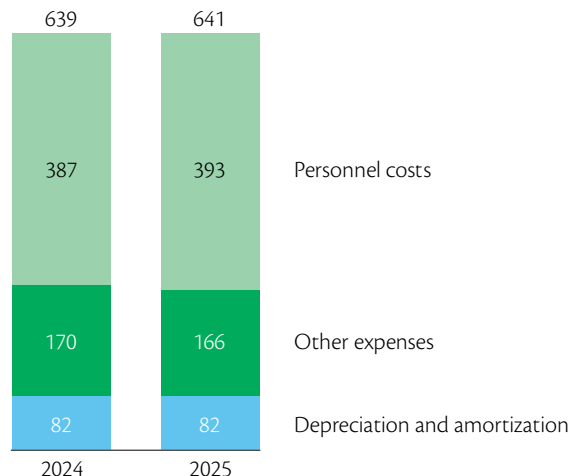
Revenues

in CHF millions



Operating expenses, depreciation, and amortization

in CHF millions



Business sector overview

Retail Banking

As has been the case in recent years, the Retail Banking Sector experienced a strong business trend in 2025. The mortgage book expanded by 5% to CHF 11.6bn on the back of Vaud's still-dynamic real-estate market. Customer deposits continued to grow, ending the year up 4% to CHF 12.6bn. The Retail Banking Sector's revenues grew 14% to CHF 307.9m, helping drive a 33% jump in operating profit to CHF 149.5m. BCV continued to build out its digital offering, adding around a dozen new features and functions across all platforms.

Corporate Banking

Although the economy lacked momentum, the Corporate Banking Sector achieved firm business growth in 2025. The SME segment, which drives the Sector's business, held up well despite the rise in the Swiss franc and the US tariff hike. The same was true of the Large Corporates segment, where lending volumes and off-balance sheet commitments rose sharply. The Real-Estate Professionals segment also grew, underpinned by ongoing brisk market activity. Trade Finance kept business volumes at low levels in light of geopolitical tensions. Lending and off-balance sheet commitments grew 5% to CHF 21.6bn, while deposits were stable at CHF 12.1bn. The Sector's revenues fell by 2% to CHF 274.7m, and operating profit was also down 2%, to CHF 164.7m. The corporate loan book remained healthy, and new provisioning needs were low throughout the year.

Wealth Management

As has been the case in recent years, the Wealth Management Sector experienced a solid business trend in 2025, driven in part by bullish financial markets. The Sector continued to work actively to expand its range of socially responsible investment solutions for both private-banking and institutional clients. The Sector's assets under management rose 9% to CHF 96.5bn on new fund inflows from individual and institutional clients as well as the financial markets' positive performance. Sector revenues and operating profit both grew, with revenues coming in at CHF 483.2m (+6%) and operating profit at CHF 232.4m (+9%).

Trading

BCV's Trading Sector focuses on customer-driven transactions for personal-banking and corporate clients. In a period of high geopolitical and trade tensions, the Sector's currency trading business once again grew. Structured products activity also increased sharply compared with 2024. Trading revenues expanded 12% to CHF 65.9m, and operating profit grew 24% to CHF 39.3m. Risk levels stayed extremely low, as the Sector does not engage in proprietary trading.

Highlights of the year

Dividend

At the Annual Shareholders' Meeting on 30 April 2026, the Board of Directors will recommend an ordinary dividend of CHF 4.40 per share. If the payout is approved, BCV will distribute CHF 379m to its shareholders. The Canton of Vaud will receive CHF 253.5m in dividends together with CHF 34.7m in cantonal and municipal taxes, for a total of CHF 288.2m.

This is in line with the distribution policy that we first adopted in 2008. In addition, in late 2023, we raised our target dividend range. For the five years starting with the 2023 reporting period, we intend to pay an ordinary dividend of CHF 4.30 to CHF 4.70, barring significant changes in the economic or regulatory environment or in the Bank's situation. For the 2008 to 2025 financial years, we will have paid out a total of CHF 5.4bn to our shareholders.

Credit ratings reaffirmed

Standard & Poor's maintained our long-term rating of AA, with a stable outlook, a rating we were first assigned in 2011. Moody's reaffirmed our long-term rating of Aa2, which it first assigned to us in 2015, also with a stable outlook.

Very solid ESG ratings

BCV's longstanding commitment to sustainable economic development is reflected in the Bank's ESG scores. MSCI has given the Bank an ESG rating of AA, the agency's second-highest score, placing BCV in the "Leader" category. Ethos has reaffirmed the Bank's A- rating, the second-highest score. In early 2025, ISS ESG upgraded its rating on BCV to C and placed the Bank in the "Prime" category. CDP upgraded our climate rating from B to A- in 2025, placing BCV in the "Leadership" category.

Changes to the Board of Directors and Executive Board

Sandra Hauser was elected to the Board of Directors at the 8 May 2025 Annual Shareholders' Meeting, and her term of office began on the same day. She has extensive experience in technology, finance, management, and board governance. Until 2023, she held technology-related management positions at financial institutions and services companies such as UBS, Avaloq, and Zurich Insurance. She also served on the boards of Assura (2013–2022) and Urner Kantonalbank (2018–2024). Ms. Hauser has been a member of the Board of Directors of Cembra Money Bank since 2024 and heads the consulting firm acreas GmbH, which she founded in 2014. She replaced Ingrid Deltenre, who stepped down from the BCV Board of Directors at the 2025 Annual Shareholders' Meeting. Ms. Deltenre was elected to the Board on 1 May 2014 and chaired the Compensation, Promotions and Appointments Committee from 2020 to 2024.

In addition, on 1 May 2025, Anne Maillard joined the Bank's Executive Board as head of the Retail Banking Division. Ms. Maillard has nearly 30 years of experience in the banking sector and possesses deep expertise in retail banking. In 1998, she joined Banque Cantonale de Fribourg (BCF), where she held several management positions, including head of marketing, products, and sponsoring. In 2017, she became a member of BCF's executive board as head of the branch network division, and in 2022 she took over responsibility for BCF's products and services division. As head of BCV's Retail Banking Division, Ms. Maillard replaced José F. Sierdo, who retired after holding the position since 2014.

Key projects and investments

Key projects

In 2025, we continued to invest in our digital banking services. We made our online banking platform, which is accessible via BCV-net on a computer or via BCV Mobile on a smartphone, even more user-friendly and added a number of new features.

We continued to execute on our corporate social responsibility strategy. We made progress in a number of areas, including socially responsible investing (SRI), lending, and reducing our direct environmental footprint. In particular, we have taken measures to incorporate SRI into our asset management business. One example is our ongoing partnership with Swiss SRI specialist Ethos, which began in 2020. We intend to press ahead with our work in these areas going forward.

Investments

In recent years, we have been investing regularly in our infrastructure, equipment, maintenance, and IT development. Detailed figures are available on page 144.

Strategy and outlook

In 2019, the Board of Directors and Executive Board conducted a review of the strategy in place since 2014 and defined a new strategic plan for the years to come. This plan builds on those we have been implementing for more than ten years and positions the Bank to respond to future challenges.

The strategic plan developed in 2019 – called *vista* – aims to maintain the positive trend that the Bank's business lines have been experiencing over the past few years. It is also designed to position the Bank to respond to the main challenges we will face in the coming years, such as heightened competition, advancements in digital technology, and ever-changing customer needs.

For the business lines, we are targeting:

- above-market growth in asset management, SMEs, and onshore private banking
- at least market growth in retail banking
- a focus on the profitability of our commodities trade finance and large corporates businesses
- continued development of our other business lines.

We have identified several strategic focus areas. These goals include:

- continuing to improve our service quality along the entire value chain to create an even better customer experience
- enhancing our distribution channels (branches, digital services, and call centers) to give customers an integrated multichannel experience
- capturing more of the cross-selling potential inherent in our universal bank business model
- implementing operational improvements through targeted measures
- increasing our attractiveness as an employer, in particular by fostering continuous skills development among our employees

- sharpening our focus on corporate social responsibility (CSR) measures, including a wider range of socially responsible investment options, banking products, and mortgage solutions.

In addition, the focus on service quality and our core values reflects our belief that a common culture shared by all employees is one of the key success factors for our strategy. From this foundation, we intend to generate sustainable growth and stable earnings going forward.

Financial targets

The Group aims to achieve sustainable growth, with revenues and operating profit trending along the same lines as in recent years. We are targeting a cost/income ratio of 55% to 57% and an ROE (based on current shareholders' equity) of 10% to 12%; we consider a CET1 ratio of 13% to be a minimum threshold.

Business trends at the main subsidiaries

Piguet Galland & Cie SA

Piguet Galland & Cie SA is a private bank with its head office in Yverdon-les-Bains and five other branch offices across French-speaking Switzerland, in Geneva, Lausanne, Nyon, Neuchâtel, and La Chaux-de-Fonds. It provides comprehensive wealth advisory services and personalized investment solutions to private and institutional clients based primarily in Switzerland.

In 2025, Piguet Galland & Cie recorded a 13% decrease in net profit to CHF 10m. Revenues from banking operations were up 1% and operating expenses increased 3%. AuM rose CHF 474m, or 6%, to CHF 8.2bn on the financial-market uptrend and net new money of CHF 24m for the year.

Gérifonds SA

Gérifonds SA is the fund administrator for BCV and 12 other fund managers. At year-end, assets of funds under management were up CHF 2.2bn (+10%) to CHF 23.8bn, with net new money totaling CHF 1.1bn. At 31 December 2025, Gérifonds managed 134 funds, 96 of which were registered in Switzerland and 38 in Luxembourg.

Gérifonds' 2025 revenues remained stable at CHF 19m, and net profit was down 3% to CHF 6m.

GEP SA

GEP SA manages and administers the Fonds Immobilier Romand (FIR), a listed, Swiss-registered real-estate fund launched in 1953 and open to private investors. According to its latest annual report, FIR had a portfolio of 4,652 residences in 165 buildings, most of which are in the Lake Geneva region.

At the close of the 2024-2025 financial year on 30 June 2025, total assets were CHF 1.9bn (+13%). This growth can be attributed mainly to the acquisition of 10 buildings with over 300 apartments held by BCF SICAV, which FIR took over on 1 June 2025. Rental income stood at CHF 85m (+5%), and FIR increased its dividend from CHF 4.50 to CHF 4.80 per share. FIR's debt ratio rose from 13.7% to 21.3% following the acquisition of BCF SICAV's

properties; that ratio fell to 15.9% at end-2025 thanks to a rights issue in the first half of the 2025–2026 financial year, and the fund remains financially robust. FIR further enhanced the energy efficiency of the buildings in its portfolio.

Year in Review

Business Sector Reports

Retail Banking

- As has been the case in recent years, the Retail Banking Sector experienced a strong business trend in 2025. The mortgage book expanded by 5% to CHF 11.6bn on the back of Vaud's still-dynamic real-estate market. Customer deposits continued to grow, ending the year up 4% to CHF 12.6bn.
- The Retail Banking Sector's revenues grew 14% to CHF 307.9m, helping drive a 33% jump in operating profit to CHF 149.5m.
- BCV continued to build out its digital offering, adding around a dozen new features and functions across all platforms.

Business and strategy

In 2025, Retail Banking employed 366 people. They serve the banking needs of over 400,000 individuals with assets of up to CHF 500,000 or mortgages of up to CHF 1.5m. In addition to current accounts, savings accounts, and home loans, BCV offers a full range of banking products such as investments, financial planning services, and trading via our online platform, TradeDirect (www.tradedirect.ch).

Most of BCV's customers first came to the Bank for retail banking services. We offer a comprehensive range of distribution channels: close to 60 branch offices providing dense coverage of Vaud, a network of over 160 ATMs across the Canton, a highly efficient call center, and one of Switzerland's most comprehensive online banking platforms, which can be accessed using a computer or smartphone.

Our retail banking operations are an integral part of our image as the bank of choice for the people of Vaud. We provide advice to customers in all phases of their lives, offering ongoing support through our broad array of products and services.

Retail Banking's experienced management and comprehensive product range also make it a key training ground for BCV's staff. Many employees working in BCV's other business areas started their careers as trainees, interns, or employees in Retail Banking. Retail continues to fulfill this role and frequently transfers staff to BCV's other divisions.

2025 business report

Vaud's residential real-estate market maintained the positive trend seen in previous years. On average during the year, prices were up 4% for condominium apartments and townhouses and 7% for detached single-family homes, while transaction volumes were significantly higher than in 2024. That momentum was supported by low interest rates and ongoing growth in the Vaud population. The Canton's housing vacancy rate continued to trend downward, reaching 0.89%, which is well below its long-term equilibrium rate (estimated at 1.5%). The Sector's mortgage book expanded by 5% or CHF 579m to CHF 11.6bn. Customer deposits in the Sector were also up, increasing 4% to CHF 12.6bn.

We continued to build out our digital distribution channels last year, delivering around a dozen new features and improvements. The 2025 rollouts included an account aggregation service called multibanking allowing retail customers to see all of their accounts with various institutions on BCV-net and BCV Mobile. We were first to market in French-speaking Switzerland with this service. We also made it possible for customers to activate mobile payment solutions such as Apple Pay, Google Pay, and Samsung Pay, using BCV Mobile. We also introduced a fully mobile retail customer onboarding process, giving new customers immediate access to e-banking and other services. Our digital platforms continue to gain traction among our customers, with the number of connections to BCV-net and BCV Mobile rising again in 2025. More than 80% of our customers now use our digital banking

services, and more than nine out of every ten payments are carried out online.

The Retail Banking Sector posted sharp growth in both revenues, up 14% to CHF 307.9m, and operating profit, up 33% to CHF 149.5m. Those increases were driven by volume growth coupled with favorable conditions on the Bank's internal transfer rates.

Anne Maillard, who became head of Retail Banking on 1 May 2025, reorganized the Sector, with the changes taking effect on 1 January 2026. The Digital & Multichannel Banking department has been split into the Customer Service Center, which is now responsible for BCV's call center, and the Digital Banking department, which focuses entirely on BCV's digital platforms across all its businesses. The Branch Office department remains unchanged in terms of both its scope of work and organization.

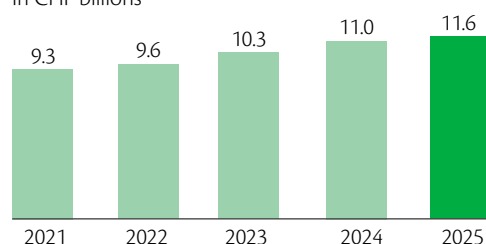
Objectives and outlook

Over the next few years, Retail Banking will aim to maintain its position as the bank of choice for the people of Vaud while constantly adapting to evolving customer expectations and market trends. We will continue implementing various initiatives to deliver an improved customer experience embracing all of our distribution channels. Our aim is to offer our customers a seamless and efficient experience across all distribution channels.

2021–2025 financial data

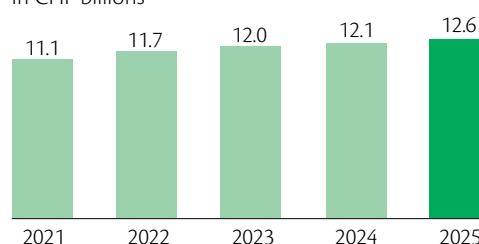
Mortgage loans

In CHF billions



Customer deposits

In CHF billions



Key figures

	2025	2024
Total revenues (CHF millions)	307.9	269.4
Operating profit (CHF millions)	149.5	112.7
Cost/income ratio (excluding goodwill amortization and write-downs)	51%	57%
ROE	38.6%	34.4%
Headcount	366	367

2024 figures were adjusted to facilitate like-for-like comparisons.

Corporate Banking

- Although the economy lacked momentum, the Corporate Banking Sector achieved firm business growth in 2025. The SME segment, which drives the Sector's business, held up well despite the rise in the Swiss franc and the US tariff hike. The same was true of the Large Corporates segment, where lending volumes and off-balance sheet commitments rose sharply. The Real-Estate Professionals segment also grew, underpinned by ongoing brisk market activity. Trade Finance kept business volumes at low levels in light of geopolitical tensions.
- Lending and off-balance sheet commitments grew 5% to CHF 21.6bn, while deposits were stable at CHF 12.1bn.
- The Sector's revenues fell by 2% to CHF 274.7m, and operating profit was also down 2%, to CHF 164.7m. The corporate loan book remained healthy, and new provisioning needs were low throughout the year.

Business and strategy

The Corporate Banking Sector comprises four front-line departments: SMEs, Real-Estate Professionals, Large Corporates, and Trade Finance. The product range covers all financing needs (e.g., construction loans, financing of equipment, working capital, and international trade finance) and provides cash-management and payment processing services along with instruments for hedging exchange-rate and interest-rate risk.

Corporate Banking is continuing to expand its SME customer base in order to consolidate its already-strong presence in the Vaud economy. More than half of the Canton's SMEs bank with BCV. The Sector's Large Corporates department offers a broad range of services to companies elsewhere in French-speaking Switzerland and, on a more selective basis, in German-speaking areas of the country. The Lake Geneva region is a global center for commodities trading and is home to a large number of trading firms. BCV has recognized strengths in serving these companies, particularly in the key markets in which we specialize, such as metals, soft commodities, and energy. The Sector focuses on certain key markets and systematically monitors all of its trade finance transactions.

2025 business report

The Corporate Banking Sector's four business lines posted firm growth in business volumes in 2025.

Vaud SMEs again showed resilience despite the introduction of high tariffs by the United States and the Swiss franc's rise against the euro and the dollar, in a low-visibility macro environment. Lending volumes and off-balance-sheet commitments rose by 4%, while average deposits were up 2%.

In the Large Corporates segment, lending volumes and off-balance-sheet commitments also rose, by a strong 10%. Deposits in this segment were more volatile given the low interest-rate environment and ended the year down 9%.

The Real-Estate Professionals segment recorded a 2% rise in mortgage volumes as the Vaud real-estate market remained dynamic.

In Trade Finance, business volumes were up 8% on average in 2025 in constant currency, but activity continued to be kept low in light of geopolitical tensions.

Overall, Sector lending and off-balance-sheet commitments rose 5% to CHF 21.6bn despite the ongoing repayment of Covid-19 loans. New provisioning needs were low in 2025, and deposits remained stable at CHF 12.1bn at year-end.

The Corporate Banking Sector's revenues fell 2% to CHF 274.7m, while operating profit was also down 2%, at CHF 164.7m.

Objectives and outlook

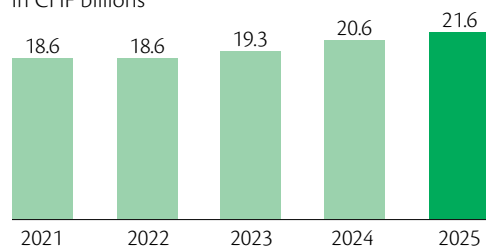
Corporate Banking will seek to increase its presence among local SMEs and real-estate professionals and ensure maximum responsiveness to their needs, standing with them during these still-uncertain economic times and throughout their life cycle – from creation to succession.

The Trade Finance and Large Corporates businesses will maintain their approach, based on maximizing profitability in line with the Bank's risk profile.

2021–2025 financial data

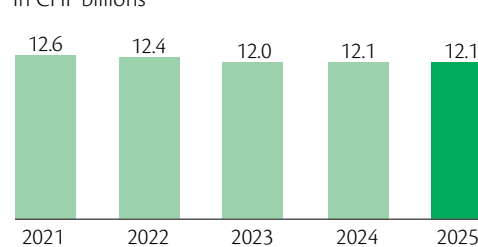
Lending and off-balance-sheet commitments

In CHF billions



Customer deposits

In CHF billions



Key figures

	2025	2024
Total revenues (CHF millions)	274.7	279.9
Operating profit (CHF millions)	164.7	168.9
Cost/income ratio (excluding goodwill amortization and write-downs)	36%	36%
ROE	10.3%	9.9%
Headcount	188	188

2024 figures were adjusted to facilitate like-for-like comparisons.

Wealth Management

- As has been the case in recent years, the Wealth Management Sector experienced a solid business trend in 2025, driven in part by bullish financial markets.
- The Sector continued to work actively to expand its range of socially responsible investment solutions for both private-banking and institutional clients.
- The Sector's assets under management rose 9% to CHF 96.5bn on new fund inflows from individual and institutional clients as well as the financial markets' positive performance.
- Sector revenues and operating profit both grew, with revenues coming in at CHF 483.2m (+6%) and operating profit at CHF 232.4m (+9%).

Business and strategy

BCV Group's wealth management business comprises the activities of the parent company and those of its subsidiaries Piguët Galland & Cie SA, Gërifonds SA (which has its own subsidiary in Luxembourg), and GEP SA. Within the parent company, wealth management is shared by two divisions: the Private Banking Division serves affluent and high-net-worth individuals, whereas the Asset Management & Trading Division works with institutional clients. With 596 employees in wealth management, BCV Group has a major regional presence in private banking. We are also Vaud Canton's leading institutional asset manager.

Because BCV operates in all areas of banking, efforts to attract private banking clients can be coordinated with other business sectors, creating valuable synergies. For example, the Bank's private banking business benefits from a steady stream of high-potential referrals from Retail Banking, whose client base includes most of the people living in the Canton, and from Corporate Banking, which is very active on the local business scene. BCV is already the leading institutional asset manager in Vaud Canton. We are now pressing ahead with our strategy to grow this business elsewhere in Switzerland. To achieve this, we are capitalizing on the occupational pension expertise we have gained through AVENA, which manages the assets of more than 1,100 member companies for more than 17,000 fund members. Having traditionally

focused our activities in French-speaking Switzerland, we have expanded our business in the German-speaking part of the country by leveraging our investment skills and our ability to create high-value-added financial products.

Piguët Galland & Cie SA is a 99.7%-owned subsidiary of BCV. It was created following the merger between Banque Piguët & Cie SA and Banque Franck Galland & Cie SA, which BCV acquired in 2011. It operates out of Geneva, Lausanne, Yverdon-les-Bains, Nyon, Neuchâtel, and La Chaux-de-Fonds. Piguët Galland & Cie SA aims to be one of the leading wealth managers in French-speaking Switzerland.

Gërifonds SA, which is a wholly owned subsidiary, provides BCV and other partners with valuable expertise in creating, distributing, managing, and administering investment funds. Its expertise and leading position in the fund market in French-speaking Switzerland have enabled it to build a solid and rapidly expanding portfolio of clients outside BCV Group.

GEP SA, founded in 1953, is a wholly owned subsidiary of BCV. It has unique expertise in real-estate fund management. It manages Fonds Immobilier Romand (FIR), a Swiss-registered real-estate fund listed on the SIX Swiss Exchange that invests mainly in residential properties in French-speaking Switzerland.

2025 business report

The financial markets gained ground in 2025, as they had in the previous two years, underpinning a solid overall performance by BCV's investment products. At the same time, the Sector drew major net new money inflows from institutional clients and Swiss individuals. The result was growth of 9% in assets under management, to CHF 96.5bn.

In a trend also seen in Retail Banking, there was strong traction in mortgage lending to private-banking clients, which expanded by 4% to CHF 9.1bn in a still-strong real-estate market.

Wealth Management revenues increased 6% to CHF 483.2m, and operating profit rose 9% to CHF 232.4m. The uptrend reflected an increase in client transaction volumes as well as the initial results of major efforts undertaken by the Sector to boost the proportion of individual clients with discretionary management agreements.

Objectives and outlook

We will press ahead with the growth strategy that we implemented several years ago in private onshore wealth management, with the aim of becoming the market leader in Vaud Canton.

In institutional asset management, we aim to continue growing our business in Vaud and the rest of French-speaking Switzerland, as well as in the German-speaking part of the country through our representative office

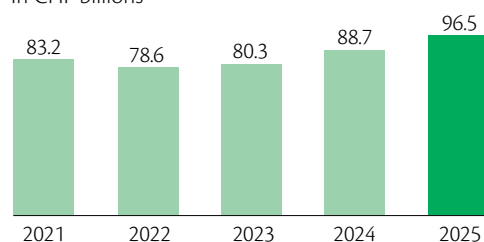
in Zurich. As a creator and distributor of investment products, Asset Management will continue to design innovative investment strategies. We will keep developing our product range in line with client needs and new investment strategies, particularly in the area of socially responsible investing.

Piguet Galland & Cie SA is aiming to grow its business in French-speaking Switzerland's wealth management market with the ongoing support of its parent company, BCV.

2021–2025 financial data

Assets under management¹

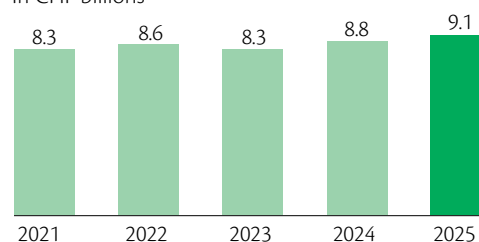
In CHF billions



¹ 2022 and 2023 figures were adjusted to facilitate like-for-like comparison, following the change in the scope of assets under management as of the 2024 fiscal year.

Mortgage loans

In CHF billions



Key figures

	2025	2024
Total revenues (CHF millions)	483.2	458.0
Operating profit (CHF millions)	232.4	213.5
Cost/income ratio (excluding goodwill amortization and write-downs)	52%	53%
ROE	52.2%	48.0%
Headcount	596	582

2024 figures were adjusted to facilitate like-for-like comparisons.

Trading

- BCV's Trading Sector focuses on customer-driven transactions for personal-banking and corporate clients. In a period of high geopolitical and trade tensions, the Sector's currency trading business once again grew. Structured products activity also increased sharply compared with 2024.
- Trading revenues expanded 12% to CHF 65.9m, and operating profit grew 24% to CHF 39.3m.
- Risk levels stayed extremely low, as the Sector does not engage in proprietary trading.

Business and strategy

We aim to meet our customers' trading needs and to offer them a broad array of products and services. To achieve this, we have one of the largest trading floors in French-speaking Switzerland. Our traders operate directly on the SIX Swiss Exchange. Our Trading Sector focuses on investment and hedging products (currencies, equities, bonds, derivatives, and structured products) that are aimed at clients based mainly in Switzerland. Customers can also use our free BCV e-FOREX app to carry out spot, forward, and swap forex transactions, 24 hours a day, six days a week.

Our trading floor focuses on client transactions. This means that the Bank's risk levels are low.

The Sector's activities come under the Asset Management & Trading Division, which encompasses asset management, investment policy, occupational pensions, and the trading floor. That combination enables us to make the most of synergies between the trading floor and the Asset Management department, helping us to provide investment products that are responsive to customer needs and consistent with our investment policy.

2025 business report

The foreign exchange market saw heightened volatility in 2025, against a backdrop of economic uncertainty and geopolitical tensions. Despite cuts to the Swiss National Bank's policy rate, the franc continued to prove attractive because of Switzerland's low inflation rate (0.2%) and economic stability. The Swiss franc therefore rose against the other major currencies (US dollar, euro, yen, and sterling).

Amid the increase in volatility, currency trading income was up 9%. Structured product issuance also expanded sharply, with a 21% jump in revenues.

The Sector performed very well overall, with revenues climbing 12% to CHF 65.9m and operating profit up 24% to CHF 39.3m.

The Sector's risk profile remained very low, with an average Value-at-Risk (1-day, 99%) of around CHF 0.1m over the course of the year. In other words, at any point in the year, there was a 99% chance that our trading floor would not lose more than CHF 0.1m on a given day.

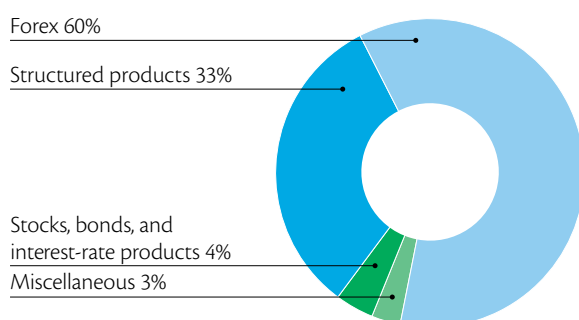
Objectives and outlook

In the coming years, the Trading Sector will further develop its range of services to focus on customers' core trading needs. Our products for both hedging and investment purposes will continue to meet strict transparency criteria.

In forex and structured products, the Sector will seek to win new customers and build on existing relationships by offering excellent service and products.

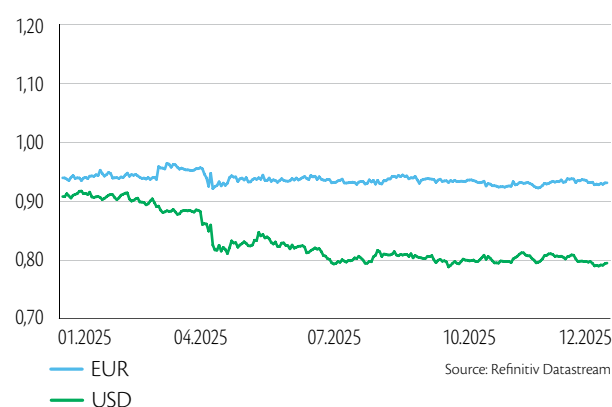
2025 financial data

Breakdown of trading income by market segment



Exchange rates

versus CHF



Key figures

	2025	2024
Total revenues (CHF millions)	65.9	58.9
Operating profit (CHF millions)	39.3	31.7
Cost/income ratio (excluding goodwill amortization and write-downs)	40%	45%
ROE	45.3%	37.8%
Headcount	50	51

2024 figures were adjusted to facilitate like-for-like comparisons.

Risk Management

General approach	60
Credit risk	62
Market risk	66
Operational risk	67
Key compliance risks	68
Key security risks	70
Climate-related risk	71
Principles governing the Bank's internal control system	73

Risk Management

1. General approach

1.1 Objectives

The business of banking is to take on strategic and business risk, market risk, and credit risk in order to create economic profit. Indirectly, this entails exposure to operational risk. BCV manages these risks in an integrated and coherent manner, using a process that encompasses all of the Bank's activities. The goals of the risk-management process at BCV are to ensure that:

- BCV's risk exposure is evaluated, monitored, and reported in a manner that is appropriate to the economic and regulatory environment
- BCV's risk-taking capacity is in line with its risk profile
- BCV earns optimal returns on the risks that it takes and hence on the equity capital committed.

1.2 Principles

Risk management at BCV is based on the following ten principles:

1. BCV takes on strategic and business risk, credit risk, and market risk with the aim of generating economic profit.
2. BCV seeks to minimize its exposure to the operational risk it is exposed to as a result of its activities.
3. Every risk that BCV takes must fall clearly within the purview of the Bank's businesses and be in line with the targeted risk profile.
4. The level of risk taken by BCV is in keeping with its risk tolerance with regard to net profit fluctuations and the targeted level of share capital.
5. BCV takes and maintains positions only when it knows the risks and is able to manage them.
6. BCV assesses and monitors all risks for their potential financial impact (decreases in profit and/or capital), regulatory impact (that could lead to restrictions on the right to conduct business), and impact on the Bank's reputation.
7. The same definitions, methodological approaches, and

organizational principles are applied in managing risk bank-wide.

8. BCV continually refines its methods and its risk-assessment and monitoring processes, selecting the most appropriate approach for each set of risks taken.
9. BCV fosters a culture of risk management and aims to be highly skilled in this field. The Bank follows industry best practices and the recommendations of the Basel Committee.
10. BCV strives for full in-house expertise in all the risk-management models and tools that it uses.

1.3 Classification of risks

BCV monitors four categories of risk in all of its activities:

- **Strategic and business risk**, which arises from economic or regulatory changes that could have an adverse effect on the Bank's strategic choices in the case of strategic risk, or from competitive or economic changes that could have an adverse effect on business decisions for a given strategy in the case of business risk.
- **Credit risk**, which arises from the possibility that a counterparty may default. Credit risk is inherent in all lending exposure.
- **Market risk**, which arises from potential adverse changes in market parameters, particularly prices, implied volatility, and other market base effects (e.g., correlation between asset prices and market liquidity). Liquidity risk, both in terms of possible difficulties with the structural funding of activities and potential problems with short-term liquidity management, is also deemed to be a component of market risk. Market risk is inherent in all market exposure.
- **Operational risk**, which arises from a possible deficiency or failure relating to inadequate processes, people, and/or information systems, or malicious behavior. Operational risk includes the risk of non-compliance, i.e., the risk of the Bank breaching legal requirements, standards, and regulations. Operational risk is inherent in the Bank's business activities and operational procedures.

BCV analyzes and manages these risks on the basis of their potential impact. Three kinds of impact are considered:

- the **financial impact**, that is, a decrease in the Bank's net profit, the book value of its capital, and/or the economic value of its capital
- the **regulatory impact**, that is, an intervention by the authorities as a result of a failure by the Bank to comply with its legal and regulatory obligations
- the **reputational impact**, that is, negative publicity concerning the Bank; the severity of the impact will depend on the reaction of the Bank's main stakeholders.

1.4 Governance

All risks in all areas of the Bank are managed according to the same basic principles of governance and organization. The main responsibilities in the area of risk management may be summarized as follows:

- The Board of Directors establishes BCV's fundamental risk-management principles and decides the strategy it will pursue in taking on risk. It is also responsible for high-level oversight of the Bank's risk profile. As part of this, the Board of Directors monitors the Bank's main risk factors and exposures, including those related to the climate.
- The Audit and Risk Committee ensures that risk management at BCV is implemented and operational, as decided by the Board of Directors.
- The Executive Board is responsible for ensuring that risk-management procedures are implemented and operational, and for monitoring the Bank's risk profile. It monitors and assesses the Bank's main risk factors and exposures, including those related to the climate. As part of this, it monitors strategic and business risk and supervises the Executive Board Risk Management Committee in monitoring and reporting these risks. The committee is chaired by the Chief Financial Officer (CFO) and includes the CEO, other division heads, and the Chief Risk Officer (CRO).
- Division heads are responsible for conducting and monitoring the activities of their divisions, regardless of whether the division has a front-line, steering, or business-support role. They have initial responsibility for overseeing, identifying, and managing the strategic, business, credit, market, and operational risks arising from the activities of their divisions.
- The CFO, with the support of the Risk Management Department (which is in the Finance & Risks Division),

puts forward the risk-management policy and strategy, monitors the Bank's aggregate risk profile, is responsible for capital adequacy, and helps foster a culture of risk management among staff. Together with the Compliance Department, the CFO ensures that due diligence is taken to combat money laundering and the financing of terrorism, monitor market abuse, comply with economic sanctions, and ensure tax compliance.

- The Credit Management Division, under the Chief Credit Officer (CCO), is responsible for analyzing risk for all types of credit risk assumed by the Bank and, up to the limit of its approval authority (see below), for credit decisions, as well as for monitoring risk exposures on a counterparty basis. The CCO is also responsible for developing and monitoring the models used to measure credit risk, particularly those used in the lending process, and for setting and implementing the criteria and rules governing lending decisions and monitoring.
- The CRO, who heads the Risk Management Department, is responsible for setting up, implementing, monitoring, and adapting the Bank's oversight principles and methods for credit, market, and operational risk; monitoring the Bank's risk profile; and overseeing and executing risk reporting. It ensures that the Bank's main risk factors and exposures, including those related to the climate, are taken into consideration in these processes. The Department also ensures that the Bank's operational internal control system is effective and in keeping with the Bank's needs by coordinating the work of the entities responsible for level 2 oversight; it is also in charge of submitting all risk reports to the Bank's governing bodies. Finally, it is responsible for the overnight monitoring of market risk for BCV's trading floor.
- The Compliance Department is responsible for setting up, implementing, monitoring, and adapting the internal regulations and control system needed to combat money laundering and the financing of terrorism, monitor market abuse, and comply with economic sanctions and tax law. The Department also has oversight responsibility in the area of investor protection. It is actively involved in raising employees' awareness of their obligations and carries out independent checks to ensure that internal regulations are in line with the Bank's activities.
- The Security Department is responsible for setting up, implementing, monitoring, and adapting the system that keeps the Bank's operations, IT systems, and data secure, and the people, infrastructure, and assets within

the Bank safe and secure. It maintains a particularly sharp focus on cybercrime. It also makes sure that measures put in place to manage crisis situations and ensure business continuity remain effective and adequate over time.

2. Credit risk

Managing credit risk is a core competency at BCV. Each phase of the business of extending credit calls for particular expertise in managing risk.

- First, the lending decision involves processes and methods for analyzing credit risk that ensure an objective and factual assessment while still meeting the operational imperatives of the business.
- Second, outstanding loans are continuously monitored, not just on an individual basis but also at the level of the loan portfolio as a whole. This approach allows the credit-risk profile to be monitored to ensure that it remains consistent with strategic objectives, and makes early detection of increases in risk possible.
- Third, impaired loans are managed differently, following clearly defined procedures that are designed to assist the debtor in distress as much as possible and thereby protect the interests of the Bank, as well as those of its depositors, creditors, and shareholders.

The three phases of customer credit activities are described in more detail in the following sections.

2.1 Lending decisions

Risk strategy and credit policy

Loans to customers represent the Bank's largest asset position. BCV takes on credit risk with the aim of building a high-quality loan portfolio. Its customer credit risk stems primarily from mortgage loans to individuals and businesses, other types of business loans, as well as other types of exposure to financial institutions and public-sector entities. For each of the various customer segments, the Bank sets limits in terms of maximum exposure, types of credit services offered, and targeted average quality expressed in terms of expected loss and required capital. Credit risk exposure to other banks arises mainly from treasury management, from BCV's trading activities in over-the-counter derivatives, from securities and payment transactions (settlement), and from bank guarantees on trade-finance operations. The Bank reviews the limits applicable to each counterparty at least once a year. The risk strategy and credit policy are reviewed regularly.

Separation of powers and lending authority

Sales (i.e., front-office) functions are kept strictly separate from credit analysis and approval functions. Employees in front-office departments are responsible for developing customer relationships and promoting and pricing loan products, whereas the Finance & Risks Division is responsible for managing relationships with and credit limits for financial institutions.

BCV risk profile		31/12/22	31/12/23	31/12/24	31/12/25
BCV Group capital adequacy ¹	• Risk-weighted assets (CHF billions)	19.1	19.4	20.9	19.6
	• Total capital ratio	17.7%	18.0%	16.9%	18.1%
	• Tier 1 capital ratio	17.6%	17.9%	16.8%	18.0%
Non-impaired loans (parent company)	• Customer loans, on and off balance sheet ² (CHF billions)	37.4	38.6	41.3	43.1
	• Expected loss ratio (relative to amount drawn)	7 bps	7 bps	6 bps	6 bps
Impaired loans (parent company)	• Impaired loans ³ (CHF billions)	0.1	0.1	0.1	0.1
	• As a % of total customer loans and due from banks	0.3%	0.3%	0.3%	0.3%
	• Specific provisioning ratio	60%	56%	60%	57%
Market risk in the trading book (parent company)	• Trading Dept.: VaR ⁴ (CHF millions, 1-day, 99%)	0.1	0.2	0.1	0.1
	• Asset mgt. nostro portfolio: VaR ⁴ (CHF millions, 180-day, 99%)	0.1	0.0	0.0	0.1
Market risk in the banking book (parent company)	• Sensitivity of capital to a 100-bp rise in interest rates (CHF millions)	-299.2	-335.4	-347.6	-323.8
Operational risk (parent company)	• New provisions and direct losses (CHF millions) ⁵	5.5	1.0	0.6	6.6

¹ Determined according to Basel III since 2013 and Final Basel III since 2025

² Excluding financial investments (bonds)

³ Net commitments (commitments to impaired borrowers for which the provision is above 0)

⁴ Average VaR for the year

⁵ Including gains and changes in provisions

Credit analysis and approval, along with the monitoring of credit limits, are the domain of the Credit Management Division, headed by the CCO. Analysis of credit risk is based on tools (rating models) developed by dedicated independent teams and on assessments by credit analysts. Some low-risk forms of lending, such as standard mortgage loans, are approved on the basis of standardized criteria through an automated credit analysis, using scores obtained from rating models defined by the Bank.

Approval limits for lending are based on the amount of the loan and the level of expected loss. Depending on the magnitudes of these two factors, a loan may require the approval of an analyst, a sector credit committee, the CCO, the Executive Board Credit Committee, or the Board of Directors. Approval limits are specified in the Bank's lending policy rule book, which is approved by the Board of Directors.

Analysis of default risk

Assessing a counterparty's default risk is the centerpiece of credit-risk analysis. Each counterparty is assigned an internal default rating that reflects its probability of default. The Bank applies seven main ratings, which are divided into a further 16 clearly defined sub-ratings. Default-risk assessment consists of applying a rating model and supplementing this evaluation with analysts' assessments, which are based on established guidelines and criteria. Different rating models are used for counterparties with different characteristics, but the choice of rating model for a particular counterparty is governed by strictly defined considerations. Barring a few exceptions, the rating models that the Bank uses meet the requirements of the Final Basel III Accord for Internal Ratings-Based (IRB) approaches. The models are under the responsibility of the Risk Management Department and are subject to independent validation and continuous improvement.

Analysis of collateral

For any loan, the calculated loan-to-value ratio and expected loss given default depend directly on the valuation of the collateral. Collateral is valued according to current market conditions and the assessments of real-estate experts. The valuation is reviewed at predetermined intervals and whenever certain clearly defined events occur. The Bank determines the value of real estate in accordance with the recommendations of the Swiss Bankers Association. Single-family homes are valued using

a hedonic method. Multi-unit residential and commercial properties are valued on the basis of their revenue yield. When a loan is granted, the loan-to-value ratio and expected loss given default are established on the basis of the current value of the collateral. The Bank applies loan-to-value criteria that are in line with common practice in the Swiss banking industry.

Expected loss and risk-adjusted pricing

For all loan products, interest rates are determined individually, taking into account the cost of the loan and the Bank's ROE objectives. The cost of the loan includes the funding or replacement cost, the administrative cost, and the expected loss. Expected loss is determined as a function of the counterparty's probability of default (i.e., its internal counterparty default rating) and the loss given default. The loss given default depends in turn on the amount exposed to credit risk and the value of the collateral.

In trade finance, expected loss is calculated for each transaction in accordance with a model based on the Basel III slotting criteria. This approach enables the Bank to price all loans in a way that best reflects the quality of each transaction.

Collateral management

BCV has entered into collateral management agreements with most of its bank counterparties, covering all its trading activities in derivatives. These agreements significantly reduce the Bank's exposure to credit risk.

2.2 Credit monitoring

Monitoring

A system of alerts and internal renewal reviews is used to detect individual situations in which risk has increased. The system of alerts is based on close monitoring of exceeded limits and on other factors (including automatic re-ratings) that may indicate situations of increased risk or even impairment. Whenever instances of exceeded limits are detected, specific actions are taken by BCV's credit advisors and analysts. The system of internal renewal reviews sets a maximum time interval between credit analyses for positions of a given size and for counterparties for which no intervention has been required because no alert has been triggered. This time interval is set according to the nature of the credit and the type of counterparty.

Analyzing the loan portfolio

The risk profile of the loan portfolio is reviewed quarterly. For each customer segment, credit-risk exposures, risk-weighted assets, expected loss (amount and rate), provisioned commitments, value adjustments, and risk concentration indicators are analyzed and compared with prior years. Changes in the exposures on specific portfolios, including portfolios exposed to climate-related risk factors, are also analyzed. The results of these analyses are reported to management. Every year, the Bank evaluates the potential impact of adverse economic scenarios in order to assess its capital adequacy. This type of evaluation is also applied to specific loan portfolios so as to better understand their risk profiles.

2.3 Managing impaired loans

Credit recovery management policies

Impaired loans are managed by the Credit Recovery Management Department within the Credit Management Division. Each case is handled according to a strategy that has been developed using criteria which, for business borrowers, take into account the possibility of a successful turnaround as well as the borrower's willingness to collaborate actively with the Bank.

Provisioning

The Bank establishes specific provisions for each impaired loan. The need for provisions is determined individually for each impaired loan based on an analysis performed according to a clearly defined procedure. In this analysis, collateral is taken at its liquidation value. This is the net amount that the Bank could expect to obtain by liquidating the collateral at current market conditions, after deducting the expenses of realizing the transaction and any costs of owning the collateral. The liquidation value is obtained by applying a haircut.

2.4 Exposure to credit risk

The parent company's total credit-risk exposure amounted to CHF 44.6bn at 31 December 2025, a year-on-year increase of 4.6%. At CHF 1.4bn, bank-counterparty lending represented 3% of total credit-risk exposure.

For non-bank-counterparty lending, the Bank's business is largely with customers located in Vaud Canton and accounts for 78% of this type of lending. BCV's corporate

loan book reflects the economic structure of the Canton, albeit with a somewhat larger exposure to real estate and construction (43%).

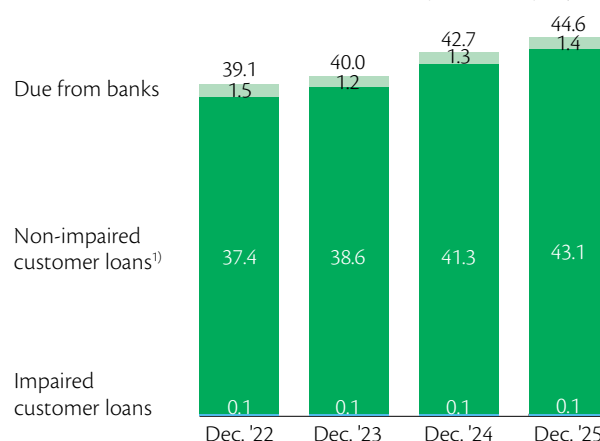
The 2025 breakdown by sector was generally stable compared with 2024. Retail and private banking clients remained the largest sector in total non-impaired loan-book exposures, at 51% at end-2025.

The low expected-loss ratio and impaired-loan level attest to the quality of the Bank's loan book. The expected-loss ratio on drawn loans reflects counterparty quality, the degree of credit coverage, and the amount of undrawn limits. For non-impaired customer loans as a whole, the expected loss ratio was 6 basis points, or 5 basis points excluding trade-finance exposures. Impaired loans were CHF 134m and represented 0.3% of total exposures at 31 December 2025.

The Final Basel III Accord – Pillar 3 report, available on the Bank's website, www.bcv.ch, contains more detailed information on the risk profile of the Bank's loan portfolio.

Customer loans and amounts due from banks

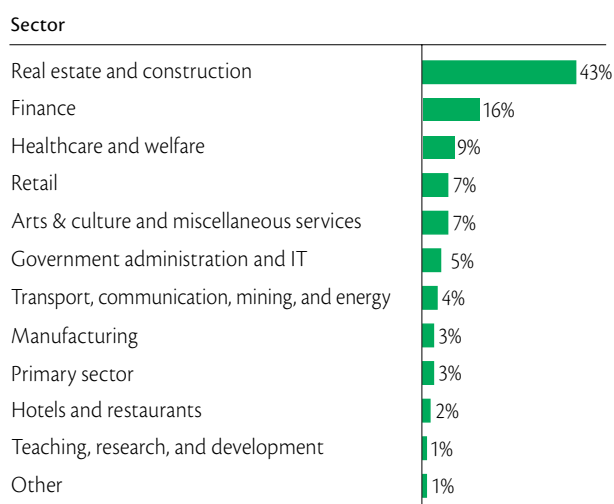
CHF billions, on and off balance sheet, for the parent company¹



¹ Excluding financial investments

Customer loans by economic sector

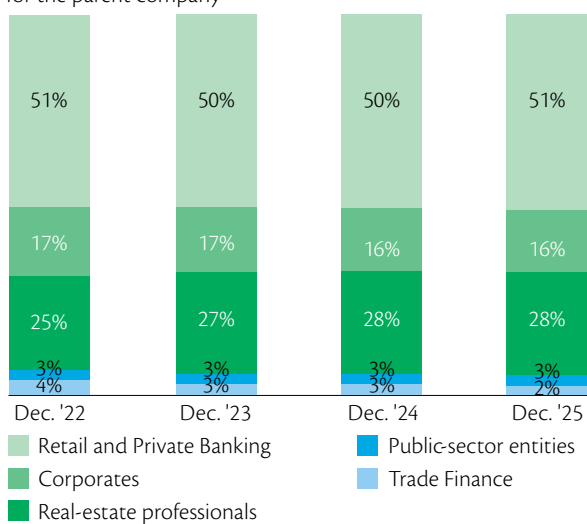
as a % of on-balance-sheet corporate loan exposure, for the parent company,¹ at 31 December 2025



¹ Excluding financial investments

Customer loans by segment

as a % of total non-impaired customer loan exposure, for the parent company



¹ Excluding financial investments

Customer loans by geographical zone

as a % of on-balance-sheet customer loan exposure, for the parent company¹

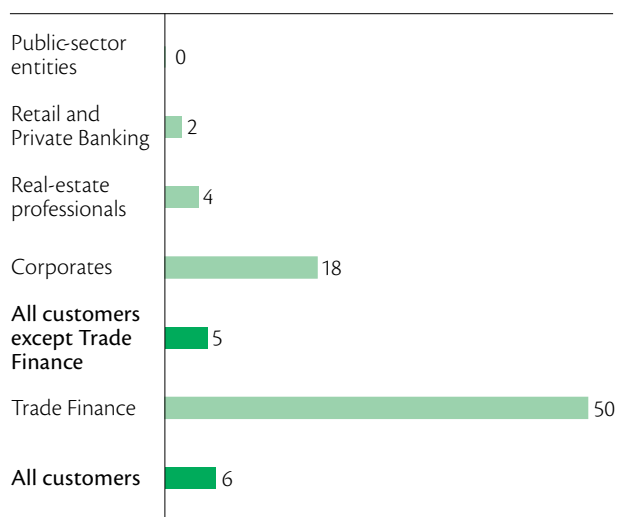
Client domicile	31/12/2024	31/12/2025
Vaud Canton	77%	78%
Rest of Switzerland	20%	19%
Europe + North America	1%	1%
Other	2%	2%

¹ Excluding financial investments

Expected loss rate

excluding workout costs, expressed in basis points of drawn customer loans, including OTC derivatives, at 31 December 2025

Customer segments



3. Market risk

BCV takes on market risk in conducting its trading activities and also in managing its interest-rate risk on the banking book. With appropriate risk management, the Bank can expect to earn a return commensurate with the risk that it takes.

3.1 Market risk on the trading book

All trading activities are managed by the Trading Department within the Asset Management & Trading Division. The Trading Department carries out market transactions primarily in equities, fixed-income instruments, forex, and precious metals on behalf of clients. It has also acquired expertise in structured products. The Trading Department is active along the entire structured product value chain, from issuing to market-making.

All new types of products and instruments issued by the Asset Management & Trading Division are approved by the Division's Product and Instrument Committee (PIC), which is chaired by the Executive Board member in charge of the Asset Management & Trading Division and includes the head of the Asset Management Department, the head of the Back Office Department, the head of the Investment Policy Department, the head of the Risk Management Department, and the head of the Trading Department. This process ensures that before a new type

of product is launched, all requirements in the areas of risk management, asset and liability management (ALM), treasury management, back office, legal, compliance, and IT have been met.

For all trading positions, overnight monitoring of market risk is under the responsibility of the Market Risk Unit within the Finance & Risks Division's Risk Management Department. This ensures that control of market risk is performed independently of the Asset Management & Trading Division. The Market Risk Unit uses the following risk control metrics in particular:

- historical overnight value-at-risk (VaR) with a one-day time horizon and a confidence level of 99%
- analysis of potential losses using static stress tests
- sensitivity metrics.

Limits have been established for each of the metrics currently in use. Limit utilization is monitored and reported daily by the Market Risk Unit.

Market risk arising from the trading book remains only a marginal source of risk for the Bank. Throughout 2025, VaR for the trading book remained low, at an average of around CHF 0.1m.

3.2 Market risk on the banking book

The main components of market risk on the banking book are interest-rate risk and liquidity risk.

3.2.1 Interest-rate risk on the banking book

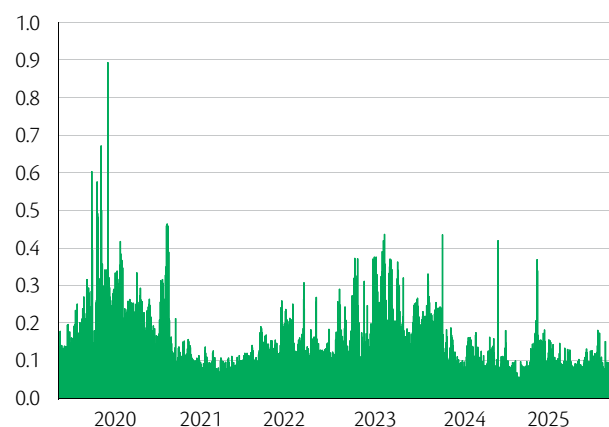
Exposure to interest-rate risk on the banking book arises from differences between the size and term maturities of assets and liabilities. Movements in the yield curve and changes in customer behavior give rise to interest-rate risk, which has a direct effect on the Bank's interest income and the economic value of its equity capital.

The strategy and limits for interest-rate risk are defined by the Executive Board's Asset and Liability Management Committee (ALCO) and then approved by the Board of Directors. The ALM and Financial Management (ALM-FM) Department of the Finance & Risks Division is responsible for operational management of interest-rate risk on the banking book.

Here, the goal is to control the interest margin and the duration of equity.

VaR in the trading portfolio (1-day, 99%)

in CHF millions



Exposure to interest-rate risk is measured in terms of equity duration, yield-curve sensitivity of the economic value of equity capital, and loss of interest margin under interest-rate and client-behavior stress scenarios.

3.2.2 Liquidity risk on the banking book

Exposure to liquidity risk arises from the Bank's obligation to honor its commitments to its clients and counterparties, meet regulatory requirements, and ensure that it can continue funding its activities. Liquidity risk is addressed through short-term liquidity management and long-term funding management. BCB's strategy is to minimize liquidity risk using these two dimensions. The Bank limits its exposure to liquidity risk by ensuring that it has a sound balance sheet, including a liquidity reserve to cover the impact of a major liquidity outflow, as well as a sustainable and diversified long-term funding structure so that it can expand its activities. This involves maintaining the safety margins set by the Board of Directors relative to regulatory requirements and balance sheet ratios.

The framework for liquidity management is drawn up by the Executive Board's ALCO and approved by the Board of Directors. The ALM-FM Department, which includes the Bank's treasury management team, is responsible for operational management of long-term funding and short-term liquidity.

Exposure to liquidity risk is calculated using a broad spectrum of indicators, including components of the liquidity reserve, market indicators, regulatory ratios, and simulations of funding needs based on several scenarios.

4. Operational risk

The Bank takes a comprehensive approach to managing operational risk in general and has designed specific approaches to the key risks managed by Compliance and Security. Further information on these types of risk is provided below.

The Bank's operational-risk management concept is based on the Basel Committee's principles of best practice and is in keeping with FINMA Circular 2023/1 on operational risks and resilience. It is designed to mitigate operational risk factors by identifying areas for improvement and strengthening the Bank's operational and management

control systems. In particular, the Bank aims to reduce its exposure to:

- breaches of laws, regulations, standards, and Bank directives, including the potential occurrence of a control-related risk event (i.e., resulting from a design flaw in the internal control system, non-compliant implementation of that system, or a lack of rigor in carrying out internal controls)
- erroneous or malicious actions taken by employees, suppliers, bank counterparties, customers, or other parties external to the Bank
- inadequacies of IT systems (e.g., applications, interfaces, and hardware) and communication systems (e.g., telephone, fax, email, and social networks)
- inappropriate infrastructure
- an organizational structure that is not adapted to the Bank's activities, both in terms of processes (methods, procedures, organizational structure, etc.) and governance (rules, policies, directives, manuals, etc.)
- natural hazards.

Operational risk factors can give rise to risk events. The Bank categorizes potential risk events as follows:

- non-compliance, that is, a failure to comply with laws, regulations, standards, and Bank directives
- internal fraud
- external fraud, including cyberattacks that specifically target the Bank's clients
- events related to human resources
- events linked to customer relations and business practices
- loss of operating resources
- failure of BCB's information systems, including failures connected with cyberattacks
- events related to transaction and process management.

Reviews are carried out periodically to assess the extent to which the main operational risks are mitigated. These are supplemented by ad-hoc reviews, for instance if a potential new threat emerges, if FINMA submits a specific request, or if a major risk materializes at another bank. These reviews and analyses are conducted by the Risk Management Department and by functional skills centers (e.g., the Compliance and Security departments). The aim of the reviews is to reveal possible improvements to the Bank's risk-management system, and particularly to operational and managerial controls.

In addition to identifying risks, the Bank exhaustively and systematically gathers information on and analyzes the

main operational events arising from the Bank's activities. These events are recorded in a dedicated operational-risk-management application. In order to monitor the Bank's operational-risk profile, tolerance limits are set for operational events (by number of events and their financial impact) and for various indicators relating to the main operational-risk threats. The results of this monitoring of operational events and tolerance limits are included in the risk reports prepared under the responsibility of the CRO.

If an important operational-risk event occurs, the Bank bases its response on clearly defined incident management measures, such as the Business Continuity Plan.

5. Key compliance risks

The key risks managed by Compliance relate to the risks inherent in money laundering and the financing of terrorism, in market abuse, in conducting a business relationship with – or receiving or transferring funds for – an individual or legal entity that is subject to economic sanctions or that is tax non-compliant, and in providing inappropriate investment advice. It also covers the respective control-related risks, such as the possibility that there is a design flaw in the internal control system, that implementation of the internal control system is non-compliant, or that internal controls are not rigorously carried out. These control-related risks stem from the Bank's regulatory requirement to have due diligence systems in place.

The Bank's approach to these inherent risks is in line with its position as a full-service bank with solid local roots. BCV's client relationships are representative of its locally focused core businesses and the other business activities that BCV conducts as a full-service bank, either because these activities offer strong synergies with the Bank's core businesses or because they offer solid profitability (e.g., trade finance). In all its business activities, the Bank prioritizes high-quality client relationships and does not enter into client relationships if there is a higher inherent risk in terms of money laundering and the financing of terrorism, market abuse, economic sanctions, or tax compliance, and it aims to provide appropriate investment advice.

To manage control-related risks, the Bank makes sure that the internal control system it sets up and implements is in line with its risk profile and relevant reference standards. It also ensures that the system is properly applied throughout

the Bank. The internal control system is periodically reviewed so that it remains adapted to the above inherent risks as they evolve.

The Compliance Department acts as the support and control function for these areas across the Bank. It has primary responsibility for conducting regulatory intelligence and monitoring and implementing changes to compliance-related rules, procedures, and processes. In addition, it provides employees with training and ongoing support on how to implement compliance-related rules and procedures. The Compliance Department also conducts level 2 oversight, which consists of controlling front-line businesses' implementation of the regulations within the Department's purview.

5.1 Risk of money laundering and the financing of terrorism

By accepting funds and executing payment and financing transactions, the Bank is exposed to the inherent risk that one or several of its clients may be directly or indirectly involved in money laundering or the financing of terrorism. Banking supervision rules require banks to play a key role in combating money laundering and the financing of terrorism. For this purpose, they must have systems in place to detect signs of these activities. Determining the economic background of client funds and the purpose of transactions is a central component of the due diligence process, which consists of monitoring client relationships and transactions made through the Bank.

The Bank's front-line businesses take initial responsibility for identifying money-laundering and terrorist-financing risks relating to both client relationships and transactions. The Compliance Department sets out the framework to be followed within the Bank, provides tools for implementing that framework, and supports and monitors the work of the front-line businesses.

Monitoring client relationships

For each client relationship, the Bank systematically identifies the contracting party, the beneficial owner, and/or the controlling owner. The entire client portfolio is constantly monitored in order to detect any individuals who have been convicted or are suspected of money laundering or terrorist financing, as well as politically exposed persons (PEPs) listed in public databases.

Each client relationship is categorized based on money-laundering and terrorist-financing risk factors, in alignment with the regulatory requirements set out in the Swiss Federal Anti-Money Laundering Act (AMLA) and the FINMA Anti-Money Laundering Ordinance (FINMA-AMLO), and with the risk profiles of the Bank's business activities. These categories are then used to determine the extent of monitoring and the decision-making authority applicable to each client relationship.

Client relationships showing signs of an increased risk of money laundering or terrorist financing must go through an approval process before they can be entered into and when periodically reviewed. This involves various levels of management, and approval by the Compliance Department is required in each case. The approval process draws on information provided by the Bank's front-line businesses and meets the strict in-house requirements set for each business line, especially regarding supporting documentation that must be provided.

For Private Banking and Trade Finance, client relationships are approved by specific review committees when relationships are entered into and reviewed. The Compliance Department takes part in those committee meetings and has veto power on client relationships.

Monitoring transactions

The Bank categorizes client transactions based on their size and the criteria set out in the AMLA and FINMA-AMLO relative to the Bank's risk profile. Dedicated software, configured for each of the Bank's business lines, is used to detect transactions that are at a high risk of money laundering or terrorist financing. The software's detection algorithms are calibrated to identify indicators relating to transaction frequency, volume, and type, as well as any unusual client behavior. If customer advisors become aware of any indications of money laundering or terrorist financing, particularly during interactions with clients or based on information from third parties, the Compliance Department is informed directly.

Clarifications on potential increased-risk transactions are made in accordance with the strict in-house requirements set for each of the Bank's business lines, and transactions representing the highest level of risk are approved by the Compliance Department.

Reporting suspected cases of money laundering

The Compliance Department, on behalf of the Bank, systematically reports suspected cases of money laundering or terrorist financing involving a client relationship or a transaction to the Money Laundering Reporting Office (MROS).

5.2 Risk of non-compliance with economic sanctions

Ensuring compliance with economic sanctions is an important obligation for the Bank. To the best of its knowledge, the Bank complies with the various sanction regimes that it is required to follow as a result of its business activities, the most important of which are the Swiss sanctions imposed by the State Secretariat for Economic Affairs (SECO), the US sanctions imposed by the Office of Foreign Assets Control (OFAC), and the European Union's sanctions. This mainly involves sanctions against countries or specific economic sectors, or sanctions intended to freeze individuals' or companies' assets.

The Compliance Department conducts due diligence at the start of each client relationship and continuously on its entire client portfolio, in order to detect individuals or companies that are subject to applicable economic sanctions. It also monitors incoming and outgoing transactions through its detection system and blocks suspicious transactions where necessary. It likewise monitors the securities of companies that are subject to sanctions and prohibits clients from trading in those securities.

5.3 Risk of market abuse

Monitoring market abuse involves identifying instances of insider trading and market manipulation, in keeping with FINMA Circular 2013/8 on market conduct rules and the Financial Market Infrastructure Act.

Trades by clients and employees are monitored through a dedicated computer system that detects any atypical returns and possible access to insider information. Individuals who are categorized as insiders based on information gathered from external databases are recorded as such in the Bank's computer systems, and their transactions are closely monitored by the Compliance Department.

The Bank's computer system also monitors trades in order to detect behavior that could constitute market

manipulation, including buy and sell trades conducted on the same day on the same security.

6. Key security risks

The key risks managed by the Security Department cover risks to IT security and to physical security:

- IT security risks, particularly risks relating to cybercrime, arise from exposure to the IT systems, data, and operations needed for the Bank to run smoothly.
- Physical security risks relate to the safety of people – clients, employees, partners, and external service providers – and the security of infrastructure, i.e., buildings and other premises containing Bank property, and all of the equipment that the Bank needs to operate.

The Bank is constantly evolving its security system to keep pace with these threats.

The Security Department is responsible for setting up, implementing, monitoring, and adapting the Bank's security system. It also makes sure that the safeguards and measures put in place to manage crisis situations and ensure business continuity remain effective and adequate over time. Its main missions are to:

- protect the Bank's IT systems, data, and operations by setting up and implementing a security system based on an analysis of threats, particularly regarding cybercrime
- keep people, infrastructure, and assets safe by setting up and implementing a range of related security measures, also based on an analysis of threats
- manage crisis situations and ensure business continuity by setting up and implementing measures to make sure that crises are handled effectively and the Bank can keep running its mission-critical business functions.

6.1 IT security risk

Three of the units within the Bank's Security Department are involved in protecting the Bank's IT systems, data, and operations. One unit is responsible for safeguarding the Bank against cybercrime, for developing the Bank's security architecture, and for managing cybersecurity incidents. A second unit covers the operational aspects of security, which include managing access rights and user IDs, ensuring continuous service and surveillance, and carrying out controls. A third unit is responsible for the Bank's security management system and for crisis and business continuity

management. It also supervises the management and financial oversight of security-related projects for the Bank.

The Bank has a series of security measures in place to protect its IT systems and data. The measures are based on an analysis of the Bank's inherent exposure to threats or potential risk events, and are adapted to the Bank's specific needs and areas of business. The main threats and mitigating measures are summarized below.

Risk of system hacking and unauthorized access to data.

Potential risk events include intrusions (e.g., as a result of malware or an insider's malicious intent) and attacks (e.g., denial of service) aimed at making certain IT channels unusable or causing a massive data breach. To limit this risk, the Bank has put in place a security system providing constant surveillance; the Bank records and analyzes hacking attempts, conducts IT security intelligence, hires external providers to test the resilience of its IT systems, and works closely with the Swiss federal authorities in charge of combating cybercrime, such as the National Cyber Security Centre (NCSC). In addition, it has a crisis management plan, which is regularly tested and updated.

Risk of data theft or the breach of client data privacy.

Potential risk events include a massive leak of confidential data by one or more employees of the Bank or by external individuals. Access to client data is centrally managed and access rights are granted strictly on a need-to-know basis to limit this risk. Confidentiality levels are set by type of client data, and access is restricted accordingly. The Bank also controls all outgoing data streams (e.g., internal emails, internet, USB flash drives, and CDs) using data loss prevention technology, and an alert is triggered if client-identifying data is detected.

Risk of client identity theft. Potential risk events include the theft of client usernames and passwords or the misuse of resources made available to clients (e.g., payment software) in order to conduct fraudulent transfers of client funds. To limit this risk, the Bank puts in place various procedures adapted to each channel and client segment; these include client-authentication procedures aimed in particular at ensuring the non-repudiation of transactions, and transaction-confirmation procedures. For BCV-net and TradeDirect, strong authentication is applied, and the level of protection is routinely reassessed. At the same time, the Bank regularly seeks to raise clients' awareness of the

risks of hacking through articles, recommendations, and other information published on its website, www.bcv.ch.

6.2 Physical security risk

The Security Department has a unit responsible for protecting people, physical assets, and infrastructure within the Bank.

The Bank has implemented a series of measures to keep its people, assets, and infrastructure safe and secure. The measures are based on an analysis of the Bank's inherent exposure to threats or potential risk events and are adapted to the Bank's specific needs and areas of business. The main threats and mitigating measures are described below.

Risks to personal safety. Potential risk events include accidents and verbal and physical attacks. To limit these risks, the Bank applies the Swiss government's directives on workplace health and safety and on prevention. It takes steps to raise employees' awareness and trains first aiders at its main sites. The Bank also focuses its efforts on managers, raising their awareness by providing training and putting in place employee monitoring tools.

Risk of physical theft. Potential risk events include the theft of assets, goods, or documents by individuals from inside or outside the Bank. Access to certain areas of the Bank's premises is restricted and buildings are kept under constant surveillance to limit this risk. The Bank is also insured against theft and raises branch employees' awareness of the issue through training.

Risk of damage to infrastructure. Potential risk events include a loss of operating resources as a result of events like a fire, power outage, pandemic, or natural disaster. To limit this risk, the Bank performs daily backups to its two data centers and has a data recovery plan that is tested regularly. In addition, the Bank has plans in place to ensure the continuity of critical business functions in the event of situations like a pandemic or a disaster. It also performs annual checks and updates on critical infrastructure.

7. Climate-related risk

The Bank's approach to managing climate-related risks is described in more detail in its 2025 Sustainability Report.

7.1 Introduction

The socioeconomic impacts of the physical hazards caused by climate change and of the transition to a low-carbon economy are increasing and can affect all economic agents, including the financial sector and banks.

The Bank integrates climate-related risk into its risk management framework in order to protect its interests and those of its customers. In keeping with the recommendations of supervisory authorities (i.e., FINMA and the Basel Committee), the Bank considers the physical hazards caused by acute and chronic climate events and the transition to a low-carbon economy – which is being driven in particular by changing legislation and societal expectations and by economic and technological developments – to be risk factors that could impact all categories of risk to which the Bank is exposed: strategic and business risk, credit risk, market risk, and operational risk.

As a full-service bank with solid local roots, BCV is exposed to climate-related risk factors in various ways. The main sources of exposure taken into account are:

- its lending activities, including mortgage financing and corporate financing, as well as trade finance
- its trading and investment activities, i.e., client-driven investments and proprietary assets
- its operations, in particular the buildings it uses for its banking activities.

For each source of exposure, the Bank uses a specific approach to assess and monitor the associated climate-related risk factors. That approach is based on various time horizons that can exceed 10 years (short term: 0 to 3 years; medium term: 3 to 10 years; and long term: more than 10 years).

7.2 The Bank's overall exposure to climate-related risk factors

BCV's exposure to climate-related risk is very low. That stems from the fact that BCV operates primarily in Vaud Canton, which has a strongly services-oriented economy;

the transition to a low-carbon economy has less of an impact on the services sector. In addition, BCV does not have significant operations in regions that are particularly exposed to physical hazards.

Based on current estimates, the potential impact of climate-related risk factors is well below that of the main risk factors associated with BCV's banking activities, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

A summary of the assessment of the Bank's overall exposure to climate-related risk factors is discussed below with regard to the Bank's business activities and operational procedures (more detailed information about our exposures, mitigation measures, methodologies and monitoring approach is set out in our sustainability report starting on page 132).

7.2.1 Exposure to climate-related risk factors in lending activities

BCV's lending activities mainly comprise mortgage financing and corporate financing in the Canton of Vaud and, to a limited extent, trade finance. The mortgage lending business has little exposure to transition risk (relating to regulatory changes in heating and construction standards, for example) and very limited exposure to physical risk (i.e., through loans on properties in regions subject to natural hazards). Our exposure to carbon-related assets as defined in the framework developed by the Task Force on Climate-Related Financial Disclosures – i.e., the proportion of loans granted to companies operating in one of the four non-financial sectors highlighted by the TCFD (energy, transportation, materials and buildings, and agriculture and food) – is considered low, and this exposure is not concentrated in any one sector.

The overall impact of climate-related risk factors on potential credit losses at the Bank is considered very low and well below that of other risk factors affecting lending, such as a rise in interest rates, a sharp increase in the value of the Swiss franc, or a marked decline in immigration in the Canton of Vaud.

7.2.2 Exposure to climate-related risk factors in client investments

As part of its asset-management activities, BCV makes investments at the request of its individual and institutional clients. The value of these client-driven investments may be affected by climate-related risk factors, such as stricter laws on greenhouse gas emissions, adverse public-image trends for certain business sectors or companies, changes in the value of resources, and extreme weather events like storms and heatwaves. These client-driven investments are considered to have only a very low overall exposure to market risk factors related to the energy transition. This is based on the results of the PACTA climate compatibility test run by the Swiss Federal Office for the Environment (SFOE), in which BCV took part for the third time in 2024. The 2024 test showed that BCV's portfolios have low overall exposure to the most carbon-intensive sectors of the economy and are less exposed than an aggregate portfolio of all banks participating in the test.

With regard to asset management activities, the Bank's reputation could be affected by controversies such as accusations of greenwashing. To mitigate this risk, BCV has introduced control processes and systems along its entire asset-management value chain, in accordance with FINMA guidelines and the recommendations of Asset Management Association Switzerland (AMAS), Swiss Sustainable Finance (SSF), and the Swiss Bankers Association (SBA).

7.2.3 Exposure to climate-related risk factors in the Bank's operations

With regard to its operations, and in particular the buildings it uses for its banking activities, BCV has very little exposure to climate-related risk. The Bank has taken various measures over the past several years to reduce its carbon footprint, especially when it comes to heating its buildings. It also encourages employees to commute using public transportation or by walking or biking.

Principles governing the Bank's internal control system

The Bank's internal control system (ICS) was developed in accordance with the recommendations of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the Basel Committee, and pursuant to FINMA Circulars 2017/1 on corporate governance and 2023/1 on operational risks and resilience. The purpose of the ICS is to ensure that the Bank's activities are in line with its overall objectives. More specifically, the ICS enables the Bank to:

- achieve its performance objectives in terms of both profit and controlling profit fluctuations
- provide reliable information both internally and externally
- comply with legal, regulatory, and self-regulatory requirements.

The Bank has an overall ICS along with an operational ICS. The overall ICS is designed to ensure that the Bank's risk appetite is in keeping with its risk-taking capacity and that the overall risk-management framework appropriately addresses the risks identified. It comprises a set of measures and procedures that structure the Bank's operations and the orientation of its business. They include: robust governance mechanisms; a clearly defined organizational structure; coherent business goals that will ensure the Bank's longevity; established operating procedures for the Executive Board, the Board of Directors, and their committees; regular reviews of the Bank's overall and business-specific strategies, financial strategy, and risk policy (including key risk limits); and reports that are in line with the Bank's business activities and risk-management framework.

In terms of procedures, implementing an overall risk-management framework involves assigning tasks, responsibilities, and decision-making authority to employees and managers, and setting out the limits, deadlines, procedures, and rules to be followed and the forms and other documents to be used. The overall risk-management framework therefore touches upon all aspects of the Bank's operations.

The operational ICS ensures that managers and other employees comply with the operational procedures governing their work. Department heads are in charge of implementing and updating the procedures for their department and the related operational ICS, with the relevant division head having ultimate responsibility in this regard.

The operational ICS covers execution-related operational risks (EORs) and the controls put in place to mitigate them. An EOR arises from potential errors, failures, or non-compliance with rules, limits, or documentation requirements. EORs with Bank-wide relevance are referred to as key EORs. Controls are set up and documented at Bank level for each key EOR. These controls always include operational oversight by employees, conducted in the course of their work, and managerial oversight, conducted at each management level (up to the department head) to ensure that the previous level of oversight was properly carried out.

The ICS comprises three levels. The Executive Board is responsible for the first two levels (the Executive Board's ICS), while the Board of Directors oversees the third level:

- level one: operational oversight (1a) and managerial oversight (1b) based on the reporting chain
- level two: controlling the appropriateness and effectiveness of level-one oversight by entities independent of the reporting chain (e.g., Risk Management and Compliance)
- level three: periodic audits of levels one and two by the Internal Audit Department; the principles guiding these reviews are described in Internal Audit regulations, and the review schedule is set out in a multi-year audit plan.

The Executive Board assigns extensive oversight responsibility to managers, with centralized functional units providing support. The Executive Board also ensures the requisite separation of tasks to prevent conflicts of interest between level-one and level-two oversight.

Executive Board members collectively and individually attach great importance to ensuring that the operational ICS is of a high quality, effective, and adapted to the Bank's needs, and they implement the operational ICS rigorously, thereby serving as an example for department heads and all other Bank employees.

The operational ICS is set up and implemented factoring in the Bank's organizational structure, the characteristics of its business lines and functions, its risk levels, and the need to make effective use of the know-how available within the Bank.

Corporate Governance

Group structure and shareholders	77
Capital structure	78
Board of Directors	80
Executive Board	94
Compensation, shareholdings, and loans	101
Shareholders' rights	110
Takeovers and defense measures	111
Auditors	111
Disclosure policy	112
Restriction periods	114
Contacts	115

Corporate Governance

General principles

BCV is aware of its responsibilities and meets corporate governance requirements. It strives to:

- communicate transparently. The information provided in this chapter complies with the information-disclosure requirements contained in the Corporate Governance Directive issued by the SIX Swiss Exchange.¹
- apply the principal standards of corporate governance. BCV follows the recommendations contained in the Swiss Code of Best Practice for Corporate Governance² whenever they are compatible with its status as a corporation organized under public law.
- carry out regular reviews of its organization with regard to the Bank's present needs and future growth, and ensure that all members of management are involved in its operational procedures.
- materially and continuously improve the information it publishes, in particular by means of its annual report, Final Basel III Accord – Pillar 3 report, and sustainability report, which is prepared in accordance with Articles 964a, 964b, and 964c of the Swiss Code of Obligations and with the Ordinance on Climate Disclosures.

This chapter explains how the Bank puts these principles into practice. Additional information can be found in the Articles of Association⁽ⁱ⁾ and the Cantonal Act of 20 June 1995

Governing the Organization of Banque Cantonale Vaudoise (LBCV),⁽ⁱⁱⁱ⁾ both of which are available on the BCV website.³

BCV is a corporation organized under public law that is exempt from the provisions of the Swiss Code of Obligations (CO) applicable to business corporations, in accordance with Article 763, paragraph 2, of the CO. Nevertheless, in the interest of good governance and given that BCV is publicly listed on the SIX Swiss Exchange, shareholders at the 1 May 2014 and 25 April 2024 Annual Shareholders' Meetings approved the inclusion of provisions in the Articles of Association⁽ⁱ⁾ regarding:

- the Independent Voting Representative (Article 18bis of the Articles of Association⁽ⁱ⁾)
- electronic voting (Article 18bis, paragraph 5, of the Articles of Association⁽ⁱ⁾)
- the ability to hold a fully or partly virtual Annual Shareholders' Meeting (Article 20, paragraph 4, of the Articles of Association⁽ⁱ⁾)
- the maximum number of positions outside BCV that may be held by members of the Board of Directors (Article 23 of the Articles of Association⁽ⁱ⁾) and the Executive Board (Article 29 of the Articles of Association⁽ⁱ⁾)
- the duties of the Compensation, Promotions and Appointments Committee (Article 30bis of the Articles of Association⁽ⁱ⁾)
- the length of the employment contracts of the members of the Executive Board (Article 28, paragraph 2, of the Articles of Association⁽ⁱ⁾)
- the compensation structure (Article 30ter of the Articles of Association⁽ⁱ⁾)
- the approval of compensation (Article 30quater of the Articles of Association⁽ⁱ⁾)
- unauthorized compensation (Article 30quinquies of the Articles of Association⁽ⁱ⁾).

¹ See the English translation of this text on the SIX website: <https://www.six-ag.com/en/resources/laws-regulations-determinations/regulations.html>.

² An English translation of this text, by Prof. Peter Böckli, may be found at www.economiesuisse.ch.

³ See page 113 for the links to these documents.

The election and term of office of members of the Board of Directors continue to be governed by the LBCV⁽ⁱⁱ⁾ (see Article 12). An amendment to the LBCV⁽ⁱⁱⁱ⁾ which took effect on 1 March 2025, removes the age limit for members of the Board of Directors and stipulates a total term limit of 12 years (see section 3.4.1 below). In addition, BCV is required to continue providing compensation reports in the form of a section of its annual report (Article 30^{sexies} of the Articles of Association⁽ⁱ⁾).

1. Group structure and shareholders

1.1 Group structure

1.1.1 Group operational structure (at 31 December 2025)

Details of all BCV Group companies are shown in note 10.7 (consolidated and non-consolidated holdings) to the consolidated financial statements, on page 143. BCV is the only listed company in the Group's scope of consolidation.

1.1.2 Listed companies included in the scope of consolidation

Company name	Banque Cantonale Vaudoise
Legal status	Corporation organized under public law, established on 19 December 1845 by Council Decree of the Vaud Cantonal Parliament (Grand Conseil vaudois) and governed by the Act ^(iv) of 20 June 1995, as amended on 25 June 2002, 30 January 2007, 2 March 2010, 8 December 2020, and 12 November 2024
Registered office	Place Saint-François 14 1003 Lausanne, Switzerland
Stock exchange listing	BCV shares are listed on the SIX Swiss Exchange
Market capitalization	At 31 December 2025, the value of BCV's listed shares with a par value of CHF 1.00 was CHF 8.6bn
Security number	53.175.175
ISIN code	CH0531751755

1.1.3 Unlisted companies included in the scope of consolidation (at 31 December 2025)

The parent company's Board of Directors and Executive Board also serve as the Board of Directors and Executive Board of the Group, which is not a holding company. Furthermore, relations between the Bank and its subsidiaries are governed by a Group directive.

Upon the recommendation of the parent company's Executive Board, the parent company's Board of Directors submits proposals to the subsidiaries' boards of directors

concerning the appointment of, as a general rule, the majority of the members of those boards (including the chair) and of their CEOs.

The share capital of BCV's subsidiaries and the holdings of the parent company are shown in note 10.7 on page 143 of the consolidated financial statements.

1.2 Major shareholders

At 31 December 2025, the Canton of Vaud held 66.95% of the Bank's share capital and UBS Fund Management (Switzerland) AG held more than 3% but less than 5% of the Bank's share capital. No other shareholder is known to hold an interest of 3% or more in either the voting rights or capital. BCV Group is currently unaware of any shareholders' pacts. Registered shareholders other than the Canton of Vaud represented 19.1% of the Group's capital at 31 December 2025.

1.3 Cross-shareholdings

There are no cross-shareholdings between the Bank and any other company which exceed the limit of 5% of either the voting rights or capital.

2. Capital structure

Share capital (registered shares)	CHF 86,061,900
Authorized capital	None
Conditional capital	None
Employee stock options	None

2.1 Share capital

Information on the Bank's share capital and changes in 2023, 2024, and 2025 may be found in notes 3 and 5.12 to the parent company financial statements (pages 179 and 187). Additional information on the Group's capital is shown on page 125 of the consolidated financial statements.

At 31 December 2025, the Bank's share capital stood at CHF 86,061,900 and consisted of 86,061,900 registered shares with a par value of CHF 1.

2.2 Authorized and conditional capital

There was no authorized or conditional capital at 31 December 2025.

2.3 Capital structure at the end of the 2023, 2024, and 2025 financial years

There were no other changes in the capital structure over the past three financial years.

Number of shares

Share capital	31/12/2023	31/12/2024	31/12/2025
Share capital (fully paid-in registered shares)	86,061,900	86,061,900	86,061,900

Equity – Group

CHF millions

Equity	31/12/2023	31/12/2024	31/12/2025
Share capital (fully paid-in)	86	86	86
Capital reserves and retained earnings	3,103	3,175	3,224
Reserves for general banking risks	666	666	666
Minority interests in shareholders' equity	0	0	0
Total	3,855	3,927	3,975

2.4 Shares and participation certificates

Registered shares at 31 December 2025

Number of shares	86,061,900
Proposed ordinary dividend	CHF 4.40
Par value	CHF 1.00
Stock exchange listing	SIX Swiss Exchange
Voting rights	One voting right per share

There were no outstanding participation certificates at 31 December 2025.

2.5 Dividend-right certificates

BCV has not issued any dividend-right certificates.

2.6 Restrictions on transfers and registration of nominees

The terms governing transfers of registered shares are set out in Article 13 of BCV's Articles of Association.⁽ⁱ⁾

2.6.1 Restrictions on transfers

Under Article 13 of the Articles of Association,⁽ⁱ⁾ the transfer of any registered share and its entry in the share register shall be subject to approval by the Board of Directors. If the Board of Directors does not reject the request within 20 days, the acquirer shall be recognized as a shareholder with voting rights.

The Board of Directors may refuse to register an acquirer as a shareholder with voting rights:

- a) in respect of a shareholding exceeding five percent (5%) of the Bank's share capital held by a single shareholder or group of shareholders as defined by the Federal Act on Financial Market Infrastructure (FinMIA). That limit shall not apply to the Canton of Vaud or any third party to which the Canton of Vaud sells part of its shareholding, or to the takeover of a company or part of a company.
- b) if a shareholder does not expressly state, when requested to do so, that the shareholder has acquired the shares in the shareholder's own name and for the shareholder's

own account, that no contract to buy back or return such shares has been entered into, and that the shareholder bears the economic risk related to the shares. The Board of Directors shall not refuse the registration on the sole ground that the request was made by the acquirer's bank.

- c) if and so long as recognition of the shareholder could prevent the Bank from furnishing proof of the shareholder base required under Swiss federal law.

2.6.2 Exemptions granted during the financial year

No exemptions were granted during the financial year.

2.6.3 Registration of nominees

The Board of Directors may refuse to register an acquirer as a shareholder with voting rights unless the shareholder expressly states, when requested to do so, that the shareholder has acquired the shares in the shareholder's own name and for the shareholder's own account.

2.6.4 Privileges under the articles and transfer restrictions

At any Shareholders' Meeting convened to vote on the removal of a clause relating to restrictions on the transfer of registered shares, such removal shall be decided by an absolute majority of votes attached to the shares represented, where each share shall entitle the holder to one vote (Article 11, paragraphs 3 and 4, of the LBCV⁽ⁱⁱ⁾), in compliance with the rules applicable to any resolution of the Shareholders' Meeting.

2.7 Convertible bonds and options

At 31 December 2025, there were no outstanding convertible bonds, warrants, structured products, or OTC options involving the BCV share and issued by BCV.

3. Board of Directors

3.1 Members of the Board of Directors

At 31 December 2025, the Board of Directors comprised only non-executive members. The Chair and members of the Board perform no other functions within BCV Group, and have not done so during the past three years.

The members of the Board of Directors maintain normal business relations with BCV and Group companies.

In accordance with Article 12, paragraph 2bis, of the LBCV⁽ⁱⁱ⁾ and Article 21, paragraph 3, of the Bank's Articles of Association,⁽ⁱ⁾ the Vaud Cantonal Government (VCG) gives an appointment letter to the members that it appoints to the Board of Directors. The VCG appoints four of the seven members of the Board; its appointees in 2025 were Eftychia Fischer, Fabienne Freymond Cantone, Stefan Fuchs, and Jean-François Schwarz. The purpose of the appointment letter is to describe the general framework of the mission entrusted to these members as VCG appointees to the Board and to define the full extent of their relationship with the Canton of Vaud in this regard. It addresses, in particular, the issues of loyally safeguarding the interests of both BCV and the Canton, complying with BCV's legal mandate, and exercising the VCG's power to appoint certain members of the Bank's governing bodies. The letter sets out the various factors that must be considered with respect to the governing bodies' organization, operation, and composition, as well as BCV's mission and strategy. Board members are called upon to ensure the implementation of a strategy that will allow the Bank to carry out its mandate under the best possible conditions, while generating a sufficient return to guarantee its financial soundness over the long term, and to contribute to defining objectives that take into account both its mission and its profitability (see also Article 24, paragraph 2, of the Bank's Articles of Association⁽ⁱ⁾). It also states what the VCG expects in terms of communication with Vaud Canton, BCV's shareholders, the financial community, and the public, bearing in mind the information-exchange agreement pursuant to the LBCV⁽ⁱⁱ⁾ and the Bank's Articles of Association⁽ⁱ⁾ (see in particular Article 24, paragraph 2). In 2025, the Audit and Risk Committee included two Board members appointed by the VCG (Stefan Fuchs, Committee Chair, and Jean-François Schwarz) – who therefore hold such an appointment letter – and one elected by shareholders

(Jack G. N. Clemons). The Board members are assigned to the various committees on the basis of their personal and professional abilities and their preferred fields, the aim being to protect the interests of the Bank, its shareholders, and all of its partners.

The seven members of the Board of Directors are independent members within the meaning of FINMA Circular 2017/1 on corporate governance. Three members are elected by shareholders and four are appointed by the VCG. Although the four members appointed by the VCG are given appointment letters, they are independent members in that they receive compensation for any BCV board-related activities from the Bank alone and do not receive any specific instructions from the VCG.



Eftychia Fischer

Dual Swiss and Greek citizen, 1963

Chair of the Board of Directors since 1 January 2022

Education

Bachelor's degree in physics from Imperial College London

Graduate of the Advanced Management Program (AMP) at the Wharton School at the University of Pennsylvania

Certified Chartered Financial Analyst (CFA) and Financial Risk Manager (FRM)

Career experience

After graduating with a bachelor's degree in physics from Imperial College London, she began her career in 1986 as an interest-rate derivatives trader at Société Générale Strauss Turnbull in London. She then held managerial positions at firms in Paris and Zurich, including J.P. Morgan & Co., Julius Baer, and EFG International, and joined UBP in 2010 as the Head of the Treasury & Trading Division. She took on an additional role as the Head of Asset Management at UBP from 2012 to 2015. Since 2015, she has served on the Board of Directors of Vaudoise Assurances.



Jean-François Schwarz

Swiss citizen, 1955

Vice Chair of the Board of Directors since 1 January 2020

Education

Master's degree in economics with a specialization in business administration from the University of Lausanne

Career experience

Jean-François Schwarz was appointed to the Board by the Vaud Cantonal Government, taking up his position on 1 January 2019. He was then appointed Vice Chair of the Board by the Vaud Cantonal Government on 1 January 2020. He has over 40 years of experience in the banking sector. He began his career at BCV in 1976 in corporate lending. From 1986 to 2003, he worked for Credit Suisse in Lausanne, New York, Zurich, and Geneva, where he took on important roles in the bank's lending and SME businesses. In 2003, he returned to BCV as a member of the Executive Board with responsibility for the Corporate Banking Division. He retired from the Executive Board in June 2017.



Jack G. N. Clemons

Dual Swiss and British citizen, 1966

Member of the Board of Directors since 21 April 2016

Education

Master's degree from Cambridge University

MBA from INSEAD, France

Fellow of the Institute of Chartered Accountants in England & Wales

Career experience

Jack G. N. Clemons was elected by shareholders at the Annual Shareholders' Meeting held on 21 April 2016 and joined the Board of Directors on that date. He started his career in auditing and subsequently became a partner at Deloitte. He then served as Chief Operating and Financial Officer for a pan-European internet group. In 2006, Mr. Clemons joined Lausanne-based Bata, a leading global manufacturer and retailer of footwear, as Chief Financial Officer; he was later appointed CEO, a position he held until 2015. Since then, he has served on the boards of several companies and foundations.



Ingrid Deltenre

Dual Swiss and Dutch citizen, 1960

Member of the Board of Directors from 1 May 2014 to 8 May 2025

Education

Master's degrees in education, journalism, and biological anthropology from the University of Zurich

Career experience

Ingrid Deltenre was elected at the Annual Shareholders' Meeting on 1 May 2014 and joined the Board on that date. She held various executive positions in publishing before becoming CEO of Publisuisse in 2000. She was appointed to head up Schweizer Fernsehen, the leading public TV broadcaster in German-speaking Switzerland, in 2004, and held this position for six years. From 2010 until 2017, Ms. Deltenre was Director General of the European Broadcasting Union. She has since joined the boards of several companies.



Fabienne Freymond Cantone

Dual Swiss and Italian citizen, 1963

Member of the Board of Directors since 26 April 2018

Education

Master's degree in economics with a specialization in political economy from the University of Geneva

Career experience

Fabienne Freymond Cantone was appointed to the Board by the Vaud Cantonal Government, taking up her position on 26 April 2018. Ms. Freymond Cantone began her professional career at Arthur Andersen and then worked at Banca della Svizzera Italiana. She served on and subsequently presided over the finance committee of the Nyon municipal legislature from 1998 to 2006. She then served in the Nyon municipal government until 30 June 2021, including as the head of finance from 2006 to 2011. Ms. Freymond Cantone was a member of the Vaud Cantonal Parliament from 2002 to 2018. She served on its finance committee until 2012 and became chair of the parliament's control committee in 2017. Since then, she has served on the boards of several companies and foundations.



Stefan Fuchs

Swiss citizen, 1960

Member of the Board of Directors since 1 July 2023

Education

Apprenticeship in banking

Degree in business economics from ESCEA Management School, Zurich

Swiss-certified accountant

Career experience

Stefan Fuchs was appointed by the Vaud Cantonal Government and joined the Board on 1 July 2023. He also became Chair of the Audit and Risk Committee on that date. In 1991 he was licensed by the Swiss Federal Banking Commission as a lead auditor for banks, securities firms, and investment funds. He worked for over 35 years first for the auditing and consulting firm Arthur Andersen and then for Ernst & Young (EY) following the merger of those two firms in 2002. Mr. Fuchs has acquired extensive experience through auditing assignments in banking and asset management. From 2002, he served in various audit-related executive functions at EY, and in 2017 he took over responsibility for compliance, risk management, and professional standards in the financial sector as the professional practice director in EY's financial services division. He joined the financial services committee for EY Switzerland in 2020, which he stepped down from on 30 June 2023 when he retired.



Sandra Hauser

Swiss citizen, 1969

Member of the Board of Directors since 8 May 2025

Education

Master's degree in computer science from the Swiss Federal Institute of Technology Zurich (ETH Zurich)

Diploma in financial analysis and portfolio management from AZEK

Career experience

Sandra Hauser was elected at the Annual Shareholders' Meeting on 8 May 2025 and joined the Board on that date. She has extensive experience in technology, finance, management, and board governance. Until 2023, she held technology-related management positions at financial institutions and services companies such as UBS, Avaloq, and Zurich Insurance. She also served on the boards of Assura (2013–2022) and Urner Kantonbank (2018–2024). Ms. Hauser has been a member of the Board of Directors of Cembra Money Bank since 2024 and heads the consulting firm acreas GmbH, which she founded in 2014.



Pierre-Alain Urech

Swiss citizen, 1955

Member of the Board of Directors since 1 January 2022

Education

Civil engineering degree from the Swiss Federal Institute of Technology Zurich (ETH Zurich)

Postgraduate degree in railways business management from the Swiss Federal Institute of Technology Lausanne (EPFL)

Courses in executive leadership, management, marketing, finance, and human resources in Switzerland and New York

Career experience

Pierre-Alain Urech was elected at the Annual Shareholders' Meeting on 29 April 2021 and joined the Board on 1 January 2022. He has been the chair of the Compensation, Promotions and Appointments Committee since 13 June 2024. He served on the Executive Board of Swiss Federal Railways (SBB) from 1995 to 2003, and as CEO of Romande Energie from 2004 to 2019. He is currently Vice Chair of the SBB Board of Directors. Mr. Urech has extensive experience in business management and strategy, risk management, and serving on boards of directors, and has deep roots in Vaud Canton. He serves on the boards of several companies.

Core skills on the Board of Directors

This table highlights the professional diversity of BGV's Board of Directors. Its members possess a wide range of skills, training, experience, and expertise across numerous sectors, which reflects the nature and scope of BGV's business.

Core skills	1	2	3	4	5	6	7
Banking							
Finance, audit							
Risk management							
Compliance, legal							
Technology, innovation							
ESG, sustainability							
Human resources, compensation							
Leadership, executive board							

Core skills defined

Banking

Relevant experience in the banking industry, supplemented by and combined with a sound understanding of the banking business, financial markets, and financial regulation

Finance, audit

Understanding of financial statements and financial risk management; ability to monitor and assess financial reporting and the integrity of financial statements

Risk management

Experience in identifying, assessing, and managing risks, particularly credit, market, operational, regulatory, and reputational risks

Compliance, legal

Expertise in legal matters; knowledge of governance structures and compliance requirements and regulations

Technology, innovation

Understanding of technology trends, innovation management, and digital and cybersecurity transformation

ESG, sustainability

Knowledge of environmental, social, and governance (ESG) issues, ESG investing, and corporate social responsibility

Human resources, compensation

Knowledge in the selection, compensation, retention, development, and evaluation of board members and senior executives; in succession planning, managing key talent, shaping the corporate culture, and designing incentive systems; and in the assessment of compensation risks

Leadership, executive board

Proven experience as a current or former member of an executive board of a publicly listed firm or large private company, and ability to develop, implement, and oversee strategic initiatives and business planning

3.2 Other activities and business relations (at 31 December 2025)

Eftychia Fischer	• Member of the Board of Directors of Vaudoise Assurances SA, Lausanne • Member of the Board of Directors of Alberca Foundation (single family office), Bahamas • Member of the Board of Directors of the Swiss School of Archaeology in Greece • Member of the Board of Trustees, the Management Committee, and the Nomination Committee of Avenir Suisse, Lausanne and Zurich • Member of the Advisory Boards of the University of Lausanne and of ACAD, Lausanne
Jean-François Schwarz	• Member of the Board of the Fondation pour le Maintien du Patrimoine Aéronautique (FMPPA), Lausanne
Jack G. N. Clemons	• Fellow of the Institute of Chartered Accountants in England and Wales • Member of the International Board and Chair of the Audit Committee of the World Wide Fund for Nature (WWF), Gland (until 30 November 2025) • Member of the Board of Directors of DKSH Holding AG, Zurich • Member of the Board of Trustees and Chair of the Audit & Risk Committee of CIFOR-ICRAF, Bogor, Indonesia and Nairobi, Kenya • Deputy Chairperson of the Supervisory Board and Chair of the Audit Committee of Nagarro SE, Munich
Ingrid Deltenre (Board member until 8 May 2025)	• Member of the Board of Directors of Givaudan SA, Vernier • Member of the University of Zurich's EMBA Executive Committee • Member of Aufsichtsrat Deutsche Post/DHL, Bonn • Member of the Foundation Board of Aide Suisse à la Montagne, Adliswil • Member of the Board of Directors of SPS Holding AG, Zurich • Member of the Board of Directors of Sunrise, Glattpark • Member of the Board of Directors of Hochdorf Swiss Nutrition AG, Hochdorf
Fabienne Freymond Cantone	• Member of the regional committee of Radio Télévision Suisse Romande (RTSR), Lausanne, and member of the Delegates Assembly of the Swiss Association of Broadcasting and Television (SRG-SSR), Bern • Committee Member of the Innovaud Association, Lausanne • Member of the Board of Directors and Chair of the Audit and Risks Committee of Transitec SA – optimized mobility, Lausanne • Committee member of EGW CCL – Central Financing Cooperative for Non-profit Housing Development, Olten • Member of the following foundation boards: Fondation pour les Arts et la Culture Nyon, Fondation pour le Développement du Musée Romain, and Fondation Guido Comba, Nyon; Fondation Pro Vapore – Fondation pour la Sauvegarde des Huit Bateaux Belle Epoque du Lac Léman, Geneva • Director of Fondation Esp'Asse, Nyon
Stefan Fuchs	• Member of the Board of Directors of Schroders Capital Management (Switzerland) AG, Zurich • Member of the Board of Directors of Schroders Capital Holding (Switzerland) AG, Zurich • Member of the Board of Directors of BZ Bank Aktiengesellschaft, Wilen bei Wollerau
Sandra Hauser (Board member since 8 May 2025)	• Member of the Board of Directors of Cembra Money Bank AG, Zurich • Board member of Die Dargebotene Hand, Zurich • Member of the Board of Trustees of Fraunhofer Institute for Intelligent Analysis and Information Systems (IAIS), Munich
Pierre-Alain Urech	• Vice Chair of the Board of Directors (Chair of the Risk and Compliance Committee, Chair of the Personnel and Organization Committee, and member of the Political Dialogue Committee) of SBB, Bern • Member of the Board of Directors of Compagnie du Chemin de Fer Lausanne-Echallens-Bercher SA (LEB SA), as the representative of the Canton of Vaud

3.3 Limits on external mandates

Article 23 of the Articles of Association⁽ⁱ⁾ sets out limits on the number of positions outside BGV that may be held by members of the Board of Directors. In short, the maximum number of positions in the management or on the boards of directors of legal entities other than the Bank that must be recorded in the Commercial Register or a similar register abroad is 15, five of which may be held in publicly traded companies. These limits do not apply to positions at companies within the Group, companies in which the Bank holds a material interest, real-estate companies, pension funds, associations, foundations, and unpaid positions.

No member of the Board of Directors exceeded either of those limits in 2025.

3.4 Election and term of office

3.4.1 Principles

Pursuant to the Articles of Association⁽ⁱ⁾ the Board of Directors is composed of seven, nine, or eleven members.

The Chair and half of the other members are appointed by the Vaud Cantonal Government (Article 12, paragraph 1, of the LBCV⁽ⁱⁱ⁾ departs from Articles 698 and 710 of the Swiss Code of Obligations on this point). The remaining members are elected individually by shareholders at the Annual Shareholders' Meeting, with the Cantonal Government abstaining from voting.

Pursuant to Article 12, paragraph 5, of the LBCV⁽ⁱⁱⁱ⁾ and in derogation of Article 710 of the Swiss Code of Obligations, the Chair and the other members of the Board of Directors are appointed to office for a renewable term of four years. On 1 March 2025, an amendment to Article 12, paragraph 5, of the LBCV⁽ⁱⁱⁱ⁾ took effect that reduces the total term limit to 12 years and removes the age limit for members of the Board of Directors (see the table below).

3.4.2 First election and term of office

The table below shows the terms of office of the current members of the Board.

Members of the Board of Directors	Date of first election	Latest possible expiration of term of office	Appointed by	Current term of office at 31 December 2025
Eftychia Fischer (Chair)	30 April 2020	2032	Vaud Government	Renewed in 2025 for four years
Jean-François Schwarz (Vice Chair)	1 January 2019	2031	Vaud Government	Renewed in 2025 for four years
Jack G. N. Clemons	21 April 2016	2028	Shareholders' Meeting	Renewed in 2024 for four years
Ingrid Deltenre (member until 2025 Annual Shareholders' Meeting)	1 May 2014	2026	Shareholders' Meeting	Stepped down at 2025 Annual Shareholders' Meeting
Fabienne Freymond Cantone	26 April 2018	2030	Vaud Government	Renewed in 2022 for four years
Stefan Fuchs	1 July 2023	2035	Vaud Government	Appointed in 2023 for four years
Sandra Hauser (member from 2025 Annual Shareholders' Meeting)	8 May 2025	2037	Shareholders' Meeting	Elected in 2025 for four years
Pierre-Alain Urech	1 January 2022	2034	Shareholders' Meeting	Renewed in 2025 for four years

3.5 Internal organization

3.5.1 Allocation of tasks

Eftychia Fischer, who was appointed by the Vaud Cantonal Government, chaired the Board of Directors in 2025. The current Vice Chair is Jean-François Schwarz. The other members are Jack G. N. Clemons, Ingrid Deltenre (until 8 May 2025), Fabienne Freymond Cantone, Stefan Fuchs, Sandra Hauser (from 8 May 2025), and Pierre-Alain Urech.

Pursuant to the Articles of Association(i) and the by-laws, the Board of Directors may delegate some of its responsibilities to committees drawn from among its members, except as otherwise provided by law.

The Board of Directors has set up an Audit and Risk Committee and a Compensation, Promotions and Appointments Committee. In principle, neither committee has decision-making powers. Their responsibility is to prepare Board resolutions and submit opinions. The Board of Directors may create other special committees to deal with matters that are submitted to the Board.

3.5.2 Committees: composition and terms of reference

Audit and Risk Committee

In 2025, the Audit and Risk Committee was made up of Stefan Fuchs (Chair), Jack G. N. Clemons, and Jean-François Schwarz.

The Audit and Risk Committee is tasked with ensuring the application and operation of risk control and management at BCU. It assists the Board of Directors in assessing the various types of risk faced by BCU, and in structuring and organizing the Bank's risk-management and control processes. It draws up opinions and recommendations for the Board after conducting a critical examination on a regular or case-by-case basis of the Group's main risks, the risk-management policy and strategy, reports on risks, and compliance with regulatory capital requirements.

The Committee reviews the Bank's financial data and the reports from the Chief Risk Officer, the head of Asset and Liability Management (ALM), and the Chief Compliance Officer every quarter and the reports from the head of Internal Audit and the head of the Legal Department

every six months. It has no decision-making authority and submits its conclusions to the Board of Directors.

The Committee supervises the work of both the internal and external auditors. Together with the external auditors' representative, it examines the external auditors' recommendations concerning BCU's organization and risk-assessment policy and gives its opinion on the qualifications of the internal auditors and the cooperation of Bank units in audit procedures. The head of Internal Audit also briefs the Committee on matters pertaining to BCU's organization and operations and provides a risk analysis. Furthermore, the Committee gives its own appraisal of the Internal Audit Department and reviews the status of litigation involving BCU.

The Committee meets for at least one full day every quarter to accomplish its duties, which are set out in detail in an Audit and Risk Committee Charter,⁽ⁱⁱⁱ⁾ and to review other matters related to its activities. An additional meeting is dedicated essentially to the closing of the annual accounts.

The head of Internal Audit, representatives of the external auditor, and the CFO attend all Committee meetings, with exceptions for certain specific subjects. Depending on the agenda, the meetings are also attended by other members of the Executive Board, the head of the Risk Management Department, the Chief Risk Officer, the Chief Compliance Officer, the head of ALM and Financial Management, the head of Accounting, and the head of the Legal Department.

In addition to its risk-related role described above, the main task of the Audit and Risk Committee is to assist the Board of Directors in carrying out its supervisory duties and ensuring the integrity of the consolidated financial statements and financial reports. Furthermore, the Committee is responsible for ensuring the quality and independence of the work performed by both the internal and external auditors. It discusses the contents of the parent company's audit reports, together with those of the subsidiaries, as part of a consolidated review. It also oversees implementation of the auditors' recommendations. The Committee agrees on the annual and six-year audit plans for the internal auditor and is informed of the external auditor's prudential and financial audit strategy.

Apart from its regular duties, the Audit and Risk Committee attended a one-day training seminar in 2025 that focused on a number of topics related to risks and the evolving regulatory landscape, particularly in the area of new technology.

Once a year, the Audit and Risk Committee conducts a detailed evaluation of the internal auditor (see section 3.7 below) and external auditor as well as a self-assessment.

Compensation, Promotions and Appointments Committee

In 2025, the Compensation, Promotions and Appointments Committee, which is expressly provided for in the Articles of Association⁽ⁱ⁾ (Article 30*bis*), consisted of Pierre-Alain Urech (Chair), Ingrid Deltenre (until 8 May 2025), Fabienne Freymond Cantone, and Sandra Hauser (from 8 May 2025). The Chair of the Board and the CEO take part in an advisory capacity.

A charter adopted by the Compensation, Promotions and Appointments Committee stipulates that the Committee is to aid the Board of Directors in fulfilling its oversight obligations under the LBCV,⁽ⁱⁱ⁾ Articles of Association,⁽ⁱ⁾ and internal directives and regulations, especially in the areas of compensation, appointments, succession planning, corporate social responsibility (CSR), and governance.

The Committee, which has no decision-making authority, thus defines the profile required for the Chair and the other members of the Board of Directors, as well as for the CEO and the other members of the Executive Board. It draws up and prioritizes proposals for the selection and hiring of the Bank's senior executives and examines the Board of Directors' compensation system. It also prepares and prioritizes recommendations for the Board of Directors and the Shareholders' Meeting on decisions concerning the compensation of the Chair of the Board of Directors (in their absence), the CEO, and the Executive Board members. It also makes recommendations to the Board of Directors on the compensation of the head of Internal Audit, and on the Bank's overall compensation policy and level.

In addition, it is responsible for making recommendations on the Bank's sustainability policy and CSR strategy for the Board of Directors and periodically reassessing the strategy's suitability. It also provides recommendations to the Board concerning CSR-related decisions, including a

recommendation on Board approval of the sustainability report. The head of CSR regularly submits reports to the Committee on the status of different projects being carried out at the Bank as part of the CSR strategy, which covers climate-related matters.

The Committee has the additional tasks of preparing and making recommendations for the Board of Directors on decisions concerning rules of good governance, including with respect to external positions held by members of governing bodies and conflicts of interest. Lastly, it is responsible for assessing the independence of the members of the Board of Directors at least once a year.

3.5.3 Operational procedures of the Board of Directors and its committees

In 2025, the Board of Directors held 11 ordinary plenary meetings and four conference calls. Each meeting generally lasted three-quarters of a day, with the exception of a few full-day meetings. The Board of Directors also went on a two-and-a-half-day retreat, in part with the Executive Board. The retreats provide the Board of Directors with the opportunity to address strategic topics in greater depth, including the Bank's overall strategy and its strategies in the areas of human resources, finance, IT, and risk management.

The Board committees meet whenever required by the business at hand. In 2025, the Audit and Risk Committee met eight times (five full-day meetings and three meetings that lasted a few hours) and took part in a full-day training seminar; the Compensation, Promotions and Appointments Committee met six times (for an average of three hours each time).

Board members receive the minutes and all documents provided to the committees. The chair of each committee informs members at Board meetings of important issues addressed by the committees and answers any questions raised by them. See section 3.5.2 above for information on the committees' operational procedures.

The CEO attends all regularly scheduled Board meetings and retreats. Executive Board members attend whenever issues relating to their divisions are on the agenda.

2025 Board of Directors attendance rates

	Board of Directors ¹		Audit and Risk Committee		Compensation, Promotions and Appointments Committee	
Eftychia Fischer	15/15	100%				
Jean-François Schwarz	15/15	100%	9/9	100%		
Jack G. N. Clemons	15/15	100%	9/9	100%		
Ingrid Deltenre	5/6	83%			3/3	100%
Fabienne Freymond Cantone	15/15	100%			6/6	100%
Stefan Fuchs	15/15	100%	9/9	100%		
Sandra Hauser	10/10	100%			3/3	100%
Pierre-Alain Urech	15/15	100%			6/6	100%

¹ Eleven ordinary plenary meetings and four conference calls

Where necessary, outside specialists are invited to attend Board or committee meetings to present a specific topic.

The Board of Directors has adopted an operational procedure for working with the Executive Board, with a subject-by-subject description and schedule of the tasks to be performed. This *modus operandi*, which is periodically reviewed, establishes the frequency with which matters are handled by the two Boards, including their committees, and in which form. The objective is good governance by ensuring that all pertinent issues are addressed at the right level, that the time available to the boards and committees is allocated optimally, and that their involvement is fully consistent with their responsibilities (see also section 3.7). Since 2009, the Board of Directors has delegated more matters to the committees. Decision-making authority nevertheless rests with the Board.

3.5.4 Performance appraisal of the Board of Directors

The Board of Directors sets itself annual objectives, taking into account the goals set forth in the Articles of Association,⁽ⁱ⁾ as well as the Bank's strategy and risk policy. The Board carries out an analysis every six months to determine whether these objectives have been achieved and reviews and improves its procedures on a regular basis.

Furthermore, the Board meets once a year to evaluate the Chair's performance.

3.6 Powers

The Board of Directors establishes the Bank's general policy. It directs the Bank's affairs at the highest level and issues the necessary instructions. It also supervises the Bank's management and those entrusted with it. In addition, it verifies the accomplishment of BCV's corporate mandate, as defined in Article 4 of the LBCV.⁽ⁱⁱ⁾

The Board of Directors exercises the inalienable powers described in Article 24, paragraph 4, of the Articles of Association⁽ⁱ⁾ and carries out all duties that have not been assigned to BCV's other governing bodies pursuant to the LBCV,⁽ⁱⁱ⁾ the Articles of Association,⁽ⁱ⁾ or the by-laws.

It also has the following responsibilities:

The Board of Directors determines which companies belong to BCV Group, in accordance with the legal provisions applicable to the scope of consolidated supervision. Subject to the non-transferable and inalienable powers of the subsidiaries, it exercises the same powers relative to the Group, through the directives that BCV issues and the instructions that BCV gives its representatives within the Group.

It decides on the creation, acquisition, sale, and liquidation of subsidiaries, branches, and retail banking offices and of representative offices abroad. It approves

the Bank's investment and growth policy and reviews it periodically. It ensures that systems for the preparation of financial statements and for financial planning are implemented and maintained and that these systems meet regulatory requirements and those related to internal and external audits.

The Board of Directors regulates, establishes, maintains, supervises, and regularly approves the internal control system (ICS). The relevant internal framework directive has been implemented. The Board regularly discusses its assessment of the appropriateness and effectiveness of the ICS with the Executive Board.

In terms of appointments, the Board of Directors has a number of responsibilities that fall outside the powers defined in Article 24, paragraph 4, of the Articles of Association.⁽ⁱ⁾ In agreement with the Vaud Cantonal Government, it determines the conditions governing the appointment of its Chair. It appoints and removes the head of Internal Audit along with all executives in that department with the rank of lead auditor or equivalent, and appoints and removes Bank executives with signing authority. It proposes its own compensation, together with that of its Chair and the Executive Board, to the Shareholders' Meeting (Article 30^{quater} of the Articles of Association⁽ⁱⁱ⁾). It sets the Bank's overall compensation level and the compensation of the head of Internal Audit. The Board also approves the conditions applicable to the Executive Board. It determines the method of signing used by the Bank, i.e., the joint signature of two persons.

The Board of Directors determines the organization and defines terms of reference by means of by-laws, the organization chart for divisions and departments, other regulations, and tables of terms of reference. In particular, it draws up the quantified terms of reference assigned to the Executive Board. It approves the Bank's lending policy upon the recommendation of the Executive Board, and the technical standards and regulations governing lending authority upon the recommendation of the Executive Board's Credit Committee. It also decides on the granting of loans to members of the Board of Directors and Executive Board.

It reviews the external auditor's annual reports and the activity reports submitted by the Internal Audit Department. It prepares the reports, accounts, and other documents and proposals to be presented at the Shareholders' Meeting and

approves the strategic development and investment plans. It approves the budget and the objectives defined by the Executive Board.

The Board of Directors determines the Bank's financial strategy and risk-management policy and strategy and reviews their appropriateness periodically. In this way, it sets out the overall framework for balance-sheet and risk management for the Executive Board. It monitors implementation of balance-sheet and risk-management policy, in particular by reviewing periodic risk-assessment reports prepared in accordance with its instructions, as well as those required by the regulatory authorities.

For all other matters, refer to the operational procedure set up by the Board of Directors and described in section 3.5.3.

The Executive Board is responsible for managing and directly monitoring the Bank's business. Its powers include drawing up the terms and procedures of operations listed in Article 4 of the Articles of Association,⁽ⁱ⁾ as defined in Article 4 of the LBCV.⁽ⁱⁱ⁾ It has the power to institute legal proceedings and represent the Bank in a court of law; it keeps the Board of Directors informed of any such situation.

Furthermore, the Executive Board implements the decisions made by the Board of Directors. It ensures that the organization and internal audit procedure in place at BCV meet FINMA requirements on the supervision and internal control of banks and the relevant framework directive issued in this regard by the Board of Directors; to this effect, the Executive Board issues the necessary directives and exercises appropriate oversight. It has adopted the ICS implementing directive.

The Executive Board draws up the Bank's financial strategy through the CFO, the risk-management policy and strategy through its Risk Management Committee, and the lending policy through its Credit Committee. It is responsible for preparing periodic risk-assessment reports in accordance with the instructions of the Board of Directors and prepares all documents that will be used in the decision-making and monitoring processes relative to operations and business dealings that involve special risks. It is responsible for overall risk management within the framework set by the Board of Directors, regularly verifies compliance with disclosure and reporting requirements defined by the regulatory authorities, and

monitors compliance with risk-exposure limits set by the Board of Directors.

The Executive Board releases the financial statements after they are approved by the Board of Directors. It then prepares the cash-flow and shareholders' equity statements, which it releases in accordance with current regulations. It draws up the budget of foreseeable revenues and expenses and submits it to the Board of Directors. It sets the rates and conditions applicable to the Bank's various types of operations. It also coordinates the activities and processes of the divisions and the strategic units.

It may issue or decide to participate in public or private bond offerings for the Bank's own account; buy, sell, equip, or renovate buildings within the limits set by the Board of Directors; and carry out other own-account operations within the criteria specified by the Board of Directors. It may approve the outsourcing of activities in compliance with the FINMA directive.

Subject to the powers of the Board of Directors, it hires and dismisses employees, whose rights, obligations, and responsibilities are defined in the employee handbook. It appoints and removes senior executives in accordance with the powers granted to it under the by-laws. It makes recommendations on the Bank's overall compensation level to the Board of Directors through the Compensation, Promotions and Appointments Committee.

3.7 Monitoring the Executive Board

The Board of Directors supervises the Executive Board with the support of the Internal Audit Department, the external auditors, and the Board of Directors' committees in accordance with the operational procedures described in section 3.5.3, the objective of which is to ensure good governance.

The CEO attends all meetings of the Board of Directors, including retreats. The CFO is always present when there are items on the agenda concerning the financial statements, risks, asset and liability management (ALM), compliance, and legal matters. In principle, Executive Board members attend whenever issues relating to their division are under discussion. Executive Board members in charge of front-office divisions present a business review to the

Board of Directors once a year. In addition to approving the half-year and full-year financial statements provided by the Financial Accounting Department and presented in detail to both the Audit and Risk Committee and the Board of Directors, the Executive Board sends (and in some cases presents) quarterly reports on the following issues to the Board of Directors: risks, compliance, equity, human resources, and investment policy. It also provides half-yearly reports on ALM, legal matters, and investor relations. The Board of Directors also reviews the parent company and consolidated financial statements for the first and third quarters.

The Risk Management chapter (pages 60–73) provides a summary of BCU's risk management procedures and an overview of its risk profile. Note 7 of the financial statements (pages 133–137) explains the principles applied by the Bank in assessing and managing risk. The Bank publishes a Final Basel III Accord – Pillar 3 report, which is updated every six months and can be found in the Investor Relations section of the BCU website (www.bcu.ch/en/About-us/Investor-Relations).

A Management Information System (MIS) was approved by the Board of Directors to monitor and steer performance across the Bank, broken down by segment. Monthly reports are sent to each manager of a specific segment and presentations are made to the Executive Board each month. The MIS contains information not only on financial performance but also on business activity, margins, risk, operational indicators, and human resources. In addition, it includes market watches. At each Board of Directors meeting, the CEO provides updates on the budget and the operating environment based on the MIS reports. In addition, MIS summary reports are presented to the Board every quarter.

No member of the Board of Directors belongs to the Executive Board or exercises any management function whatsoever at the Bank or its subsidiaries, in compliance with the principle of independence stipulated in Swiss banking regulations.

Internal Audit

The Internal Audit Department is a constituent entity of BCU pursuant to Article 14 of the Articles of Association.⁽ⁱ⁾ It reports directly to the Board of Directors. It performs regular audits of all the Bank's operations and has an

unlimited right to access information for this purpose. Its organization, sphere of operations, procedures, and cooperation with the external auditors are defined in its regulations. The Department is independent of the Executive Board. Its responsibilities extend to all entities directly or indirectly controlled by the Bank in the areas of banking, finance, and IT.

Every year, the head of the Internal Audit Department coordinates with the external auditors to draw up a six-year plan. That annual, multi-year audit plan is discussed with the executive boards of the parent company and BCV Group companies, approved by the Audit and Risk Committee, and submitted for information purposes to the Board of Directors. It may be changed during the year by the head of the Internal Audit Department, subject to approval by the Audit and Risk Committee.

The Internal Audit Department has complete freedom in preparing and executing its tasks and presenting its conclusions. After completing its work, the Department submits detailed audit reports to the Executive Board, the Audit and Risk Committee, and the Board of Directors and provides copies to the external auditor, with which it shares all of its conclusions. It also draws up half-yearly activity reports, which include an overview of all ongoing auditing activities within BCV Group. The report is intended for the Audit and Risk Committee and is also discussed at meetings of the Executive Board and the Board of Directors.

Supervision and regular evaluations of the Internal Audit Department are delegated to the Audit and Risk Committee. Every year, the Committee assesses the Department's cooperation with the external auditor, decides whether the Department is efficient and has the necessary resources and appropriate skills, and ensures that it performs its activities independently and objectively. The Audit and Risk Committee also has an objective external audit carried out at least once every five years, in accordance with international standards. This audit looks at all of the Internal Audit Department's systems and activities; the most recent one was conducted in 2021 and found that the Bank is in compliance with the standards issued by the Institute of Internal Auditors (IIA) and with the requirements of FINMA Circular 2017/01. Lastly, the Internal Audit Department is required to regularly develop and present a five-year internal audit strategy to the Risk

and Audit Committee, which makes a recommendation to the Board of Directors for decision; the most recent strategy was approved in 2019, and the next one is planned for early 2026. The strategy is discussed at an Executive Board meeting and is communicated to the boards of other BCV Group companies.

The head of the Internal Audit Department attends all meetings of the Audit and Risk Committee, as well as meetings of the Executive Board and Board of Directors when required.

4. Executive Board

4.1 Members of the Executive Board

The CEO and other members of the Executive Board work under an employment contract with a 12-month notice period.

Information about members of the Executive Board at 31 December 2025 can be found on the following pages (NB: pursuant to Article 27 of the Articles of Association,⁽ⁱ⁾ only the CEO is appointed by the Vaud Cantonal Government, while the other members are appointed by the Board of Directors).



Pascal Kiener

Swiss citizen, 1962

CEO since 1 May 2008 and CFO from 1 June 2003 until 31 December 2008

Education

MSc in mechanical engineering from the Swiss Federal Institute of Technology Lausanne (EPFL)
MBA from INSEAD in Fontainebleau

Career experience

Between 1985 and 1991, Mr. Kiener worked as an engineer for Fides Informatics in Zurich and Hewlett Packard in Geneva. In 1993, he joined the consulting firm McKinsey & Company. In 2000, he was made partner and a member of the Management Committee of McKinsey Switzerland. He acquired experience in financial services, and in banking in particular, during these years as an advisor for leading financial institutions in Switzerland and other European countries. He managed large projects involving strategy, risk management, controlling, and business process re-engineering. Mr. Kiener joined BCV as CFO on 1 June 2003 and was appointed CEO on 1 May 2008.



Thomas W. Paulsen

Swiss citizen, 1965

CFO, member of the Executive Board and head of Finance & Risks since 1 January 2009

Education

Degree in economics from the Business and Economics Faculty of the University of Lausanne
MSc in economics from the London School of Economics
PhD in economics from the University of Lausanne

Career experience

Mr. Paulsen started his career in energy trading. In 1995, he joined the consulting firm McKinsey & Company, where he was elected Principal Associate in 2000. During his time at McKinsey, he managed a large number of strategic projects for financial institutions and major energy companies in Switzerland and throughout Europe, focusing particularly on the risk management aspects. Mr. Paulsen joined BCV in July 2002 as Chief Risk Officer (CRO), and in this capacity created and led the Risk Management Department. He was named CFO and head of the Finance & Risks Division on 1 January 2009.



Andreas Diemant

Swiss citizen, 1968

Member of the Executive Board and head of Corporate Banking since 1 September 2017

Education

BSc in business administration from the Bern University of Applied Sciences
Executive MBA from the Universities of Bern and Rochester

Career experience

Mr. Diemant began his career in insurance, working for Zürich Versicherungs-Gesellschaft and subsequently for La Suisse Assurances in Lausanne. He moved into banking in 1994 when he took a position at UBS in corporate banking for Switzerland's Mittelland region. Mr. Diemant then rose through the ranks across all corporate segments to reach the position of head of Institutional Clients, Switzerland & Global Asset Servicing. On 1 September 2017, he joined BCF's Executive Board as head of the Corporate Banking Division.



Anne Maillard

Swiss citizen, 1969

Member of the Executive Board and head of Retail Banking since 1 May 2025

Education

Economics degree from the University of St. Gallen (HSG)
Stanford University's Executive Program

Career experience

Anne Maillard began her career at Swiss Bank Corporation in Zurich and the Fribourg Chamber of Commerce, Industry, and Services. In 1998, she joined Banque Cantonale de Fribourg (BCF), where she held several management positions, including head of marketing, products, and sponsoring. In 2017, she became a member of BCF's executive board as head of the branch network division, and in 2022 she took over responsibility for BCF's products and services division. On 1 May 2025, Ms. Maillard joined BCF's Executive Board as head of the Retail Banking Division.



Christian Meixenberger

Swiss citizen, 1960

Member of the Executive Board and head of Business Support since 1 January 2017

Education

Degree in electronic engineering from the University of Neuchâtel
MBA from the University of Lausanne

Career experience

From 1987 to 1993, Mr. Meixenberger worked as a software engineer at the Swiss Center for Electronics and Microtechnology (CSEM) in Neuchâtel before joining Credit Suisse in Geneva, where he was in charge of business processes and IT. In 1997, he became head of IT at Banque Cantonale de Fribourg. He was then appointed to that bank's Executive Board as head of the Services Division in 2000. He took up his position as head of BCF's Business Support Division on 1 January 2017.



Bertrand Sager

Swiss citizen, 1966

CCO, member of the Executive Board and head of Credit Management since 15 February 2010

Education

Master of Law from the University of Lausanne

Advanced Management Certificate from INSEAD in Fontainebleau

Career experience

Mr. Sager began his career at Credit Suisse in 1991, where he was involved in various lending activities. He joined BCV in 1998 and was appointed to lead BCV's Credit Recovery Management Department in 2003. In this position, he played a key role in strengthening the Bank's balance sheet by reducing the volume of impaired loans. In addition, as a member of the Executive Board's Credit Committee since 2008, he has acquired a thorough understanding of BCV's lending activities. Mr. Sager was named Chief Credit Officer and appointed to the Executive Board with responsibility for the Credit Management Division on 15 February 2010.



José François Sierdo

Swiss citizen, 1963

Member of the Executive Board and head of Retail Banking until 30 April 2025

Education

Degree in economics and business administration from the Business and Economics Faculty of the University of Lausanne

MBA from IMD in Lausanne

Career experience

Mr. Sierdo began his banking career in 1993 in retail banking at UBS. He went on to do project finance in New York and lending in Zurich before working at Lombard Odier & Cie from 1998 to 2002. He then returned to UBS, where he held key managerial positions in retail, private, and corporate banking, including head of Private Banking for French-speaking Switzerland, CEO of UBS Luxembourg, and head of Corporate Clients for Switzerland. Before becoming a banker, he was a military pilot and a member of the Swiss Air Surveillance Wing. He joined BCV's Executive Board as head of the Retail Banking Division on 3 March 2014.



Christian Steinmann

Swiss citizen, 1971

Member of the Executive Board and head of Private Banking since 1 December 2022

Education

Swiss certified fiduciary advisor and Swiss certified tax expert

MBA from the New York University Stern School of Business, HEC Paris, and London School of Economics

Career experience

Mr. Steinmann began his career at the Vaud Cantonal Tax Administration in 1987. He then moved to Credit Suisse in 1995, where he worked in wealth planning for private banking clients and SMEs. After holding various management positions in the private banking division, Mr. Steinmann became responsible for all individual clients for the greater Lausanne area in 2013, then regional head of private banking for French-speaking Switzerland in 2017. In 2020, he was appointed regional head of French-speaking Switzerland. He took up his position as head of the Private Banking Division on 1 December 2022.



Fabrice Welsch

Dual Swiss and French citizen, 1966

Member of the Executive Board and head of Asset Management & Trading since 1 January 2021

Education

Graduate of the École Nationale de la Statistique et de l'Administration Économique (ENSAE) in Paris

Master of Advanced Studies in Finance

Certified actuary

Executive MBA from the Centre for Advanced Studies in Insurance (CHEA)

Graduate of the Swiss Finance Institute (Senior Management Program in Banking)

Career experience

After working briefly for the International Trade Centre, Mr. Welsch joined BNP Paribas as a financial controller and actuary. In 1996, he became the chief actuary at Phenix Assurances (Allianz Group) before becoming the company's head of life insurance, IT, and external partnerships. Mr. Welsch joined BCV on 1 January 2004 as head of the Bank's occupational pension and financial planning department. Under his leadership, the department gained recognition as a center of expertise in this area. He took up his position as head of the Asset Management & Trading Division on 1 January 2021.

4.2 Other activities and business relations (at 31 December 2025)

Executive Board members also perform the following functions:

Pascal Kiener	• Member of the Board of Directors and the Board of Directors Committee of the Swiss Bankers Association • Member of the Board of Directors and the Board Committee of the Union of Swiss Cantonal Banks • Member of the Board of economiesuisse • Member of the Board of Directors and the Steering Committee of the Vaud Chamber of Commerce and Industry • Chair of the Fonds de Prévoyance en Faveur du Personnel de la BCU • Member of the Board of the BCU Foundation • Member of the Board of the Geneva Financial Center Foundation • Member of the Foundation Board of the Swiss Finance Institute, Zurich • Member of the Enterprise for Society (E4S) Advisory Board, Lausanne • Member of the CHUV (Lausanne University Hospital) Foundation Board, Lausanne • Member of the Foundation Board of Foot Avenir, Lausanne
Andreas Diemant	• Committee member of the Chambre Vaudoise Immobilière • Member of the Board of the Caisse de Pensions de la Banque Cantonale Vaudoise
Anne Maillard	• Member of the Board of Directors of TWINT AG and TWINT Acquiring AG, from 9 April 2025
Christian Meixenberger	• Member of the IT Infrastructure Committee of the Canton of Fribourg
Thomas W. Paulsen	• Vice Chair of the Board of Directors and member of the Audit and Risk Committee of Piguet Galland & Cie SA • Chair of the Swiss Cantonal Bank Issuing Committee • Member of the Board of Directors and Chair of the Audit Committee of the Swiss Cantonal Banks' Central Mortgage Bond Institution • Member of the Board of the Fonds de Prévoyance en Faveur du Personnel de la BCU • Member of the Foundation Board of ISREC Fondation Recherche Cancer
Bertrand Sager	• Member of the Board of Directors of GEP SA • Member of the Board of the Caisse de Pensions de la Banque Cantonale Vaudoise • Vice Chair of the Board of the Fondation de Prévoyance en Faveur de l'Encadrement Supérieur de la BCU • Member of the Board of the Fonds de Prévoyance en Faveur du Personnel de la BCU • Member of the Board of Directors and Treasurer of the Vaud Banking Association • Member of the Board of Directors and Treasurer of the Vaud Foundation for Banking Education • Judge for property disputes at the Eastern Vaud District Court • Member of the Management Committee of the Fonds Cantonal de Lutte Contre la Précarité
José F. Sierdo	• Member of the Board of Directors of TWINT AG and TWINT Acquiring AG until 9 April 2025
Christian Steinmann	• Member of the Board of the Institut Supérieur de Formation Bancaire (ISFB)
Fabrice Welsch	• Member of the Board of Directors and the Audit and Risk Committee of Banque Cantonale du Jura, Porrentruy • Chair of the Board of Directors of GÉrifonds, Lausanne • Member of the Tax Committee of the Vaud Chamber of Commerce and Industry (CVCI) • Vice Chair of the Board of the Caisse de Pensions de la Banque Cantonale Vaudoise

Internal organization of the Executive Board

The Executive Board may delegate its powers and duties as provided for in the by-laws, subject to applicable laws, Swiss Bankers Association agreements, circulars issued by FINMA and other supervisory authorities, and directives of the Board of Directors.

In particular, the Board may appoint committees to prepare and implement its decisions, make decisions, and oversee various matters.

The Executive Board has set up several committees, each of which consists of a chair and members appointed for an indefinite period by the Board and drawn from its own ranks or among senior executives.

In accordance with BGV's by-laws, the CEO has a right of veto, which must be duly recorded when used. In such cases, the CEO must inform the Chair of the Board of Directors.

Committee name, composition (at 31 December 2025)

Main roles

Risk Management Committee

Thomas W. Paulsen (Chair)
Pascal Kiener
Christian Meixenberger
Bertrand Sager
Christian Steinmann
Maxime Mermier

- Submits risk management policy and strategy proposals to the Executive Board for approval by the Board of Directors
- Ensures risk management and control processes are implemented and updated for the entire Bank and for all risk categories
- Monitors the Bank's overall risk profile
- Steers all the Bank's risk management projects

Asset and Liability Management Committee (ALCO)

Pascal Kiener (Chair)
Thomas W. Paulsen
Christian Steinmann
Andreas Diemant
Anne Maillard
Christopher Cherdel
Yves Crausaz
Sébastien Gyger

- Examines the exposure of the banking book to interest-rate risk and exchange-rate risk, as well as the Bank's exposure to liquidity risk
- Manages interest-rate-risk exposure on the balance sheet
- Manages the Bank's liquidity and funding

Credit Committee

Bertrand Sager (Chair)
Pascal Kiener
Andreas Diemant
Christian Steinmann
Eric Longchamp

- Submits proposals concerning the Bank's lending policy, technical standards, and regulations governing lending authority to the Executive Board for approval by the Board of Directors
- Makes decisions on the granting of lending authority
- Makes decisions regarding the granting and renewing of major lending facilities, within the limits of its powers
- Monitors the Bank's loan portfolio, particularly the sector breakdown
- Oversees credit-limit and overdraft management

Information Technology Committee

Christian Meixenberger (Chair)
Pascal Kiener
Thomas W. Paulsen
Andreas Diemant
Martin Dion
Serge Messin
Denys Papeil

- Submits IT strategy proposals, including with regard to IT security and cybersecurity
- Approves the Bank's granular critical-data-management and data-protection plan
- Makes decisions concerning BGV's IT sourcing strategy and ensures that strategy is correctly implemented
- Approves strategic use-cases for innovative IT solutions, including the implementation of AI solutions
- Carefully monitors strategic projects with an IT dimension
- Oversees the performance and availability of the Bank's IT environment
- Oversees all aspects of the IT budget

4.3 Limits on external positions

Article 29 of the Articles of Association⁽ⁱ⁾ sets out limits on the number of positions outside BCV that may be held by members of the Executive Board. In short, the maximum number of positions on the boards of directors of legal entities other than the Bank that must be recorded in the Commercial Register or a similar register abroad is five, two of which may be in publicly traded companies. These limits do not apply to positions at companies within the Group, companies in which the Bank holds a material interest, real-estate companies, pension funds, associations, foundations, and unpaid positions.

No member of the Executive Board exceeded either of those limits in 2025.

4.4 Management contracts

The Bank has not entered into any management contracts.

5. Compensation, shareholdings, and loans

5.1 Philosophy and principles underpinning BCV's compensation system

BCV is a universal bank with solid local roots that offers a large selection of products and services to both individuals and businesses. For this reason, it employs a wide range of profiles and skills in order to provide its customers with high-quality service. BCV offers attractive working conditions and a competitive compensation system designed to promote employee skills development and professionalism, and to attract and retain the talent that is integral to its long-term success and sustainable approach to doing business.

BCV's values

The Bank has defined four values that are central to its strategy and culture: responsibility, performance, professionalism, and close ties with customers and the broader community. The Bank's leadership believes that a key to long-term success is ensuring that all employees share a common culture built around core values. These values underpin all employees' actions, including their interactions with customers and colleagues. These values are also an integral part of employee performance reviews.

BCV's strategic plan: *vista*

BCV's current strategy – *vista* – was rolled out in 2019 and builds on those enacted in previous years. This strategy aims to maintain the positive trend that the Bank's business lines have been experiencing over the past few years. It is designed to position the Bank to respond to the main challenges it will face in the coming years. Its focus areas include:

- continuing to improve service quality along the entire value chain to create an even better customer experience
- enhancing the Bank's distribution channels (branches, digital services, and call centers) to give customers an integrated multichannel experience
- capturing more of the cross-selling potential inherent in BCV's universal bank business model
- implementing operational improvements through targeted measures
- increasing BCV's attractiveness as an employer, in particular by fostering continuous skills development among its employees
- sharpening the Bank's focus on corporate social responsibility (CSR) measures, including a wider range of socially responsible investment options, banking products, and mortgage solutions.

To ensure that the entire Bank – from the Executive Board on down – is working to execute this strategy, each employee is given individual performance objectives that stem directly from the focus areas set out in *vista*.

Performance reviews

BCV's performance review system is designed to help manage individual and team performance. This includes:

- encouraging employees to give their best in the workplace
- promoting a performance-based corporate culture
- recognizing employees for their performance
- promoting skills development
- fostering behavior that aligns with BCV's core values.

At an initial, mid-year review, line managers assess the progress made toward the main performance objectives set for each employee at the beginning of the year. The final performance review is carried out at the end of the year and covers four main points:

- the extent to which the performance objectives set at the beginning of the year were achieved

- the degree to which the position requirements, i.e., the responsibilities inherent in the post, were fulfilled
- whether the Bank's values were upheld and the appropriate behaviors demonstrated
- whether specific skills were acquired, if applicable.

Equal pay

BCV's compensation system guarantees equal pay regardless of origin or gender, in accordance with the principles set out in the Swiss Federal Act on Gender Equality (GEA).

Last year, the Bank successfully completed a new certification process, which involved commissioning a review of wage equality across the Bank based on April 2025 data. The review was carried out by Comp-On, a specialist consulting firm, in accordance with the international Fair-ON-Pay standard. Based on the review findings, the auditor SGS renewed our Fair-ON-Pay certification, confirming our longstanding commitment to gender pay equity.

Say on pay

As stated in section 5.4 below, shareholders have been able to vote on the compensation of the Board of Directors and the Executive Board at the Annual Shareholders' Meeting since 2014. Specifically, shareholders vote on the fixed compensation of these bodies for the period from one Meeting to the next. The annual performance-based compensation for the entire Executive Board for the previous year and the number of shares available as

long-term performance-based compensation under the plan beginning in the current financial year are also subject to votes at the Meeting.

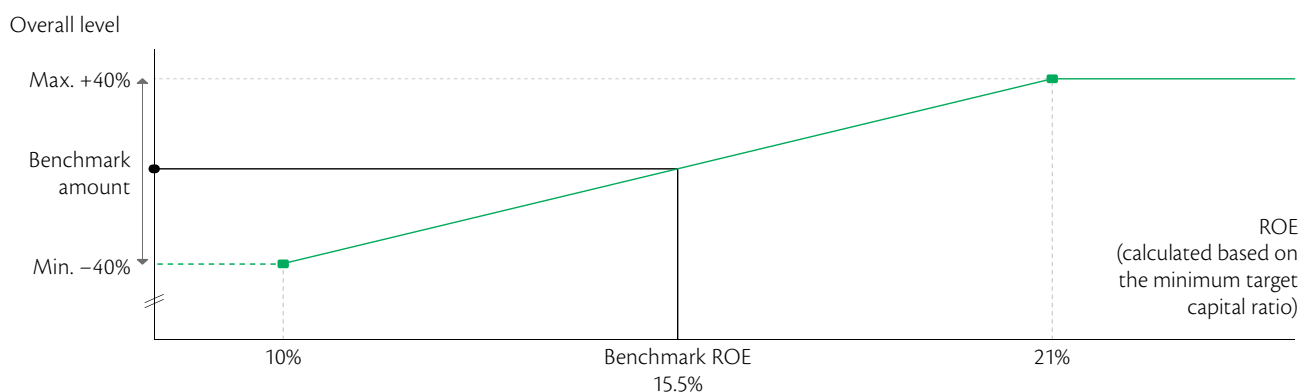
Unauthorized compensation

Payment of the following types of compensation to members of the Board of Directors or the Executive Board is not authorized:

- any and all types of severance pay, although compensation due until the end of the contractual relationship is authorized
- advance payments
- success fees on the transfer or takeover of all or part of a company by the Bank or by companies controlled directly or indirectly by the Bank
- payments resulting from a covenant not to compete that exceed the average compensation for the past three financial years or from a covenant not to compete that is not justified by standard business practice
- payments made in connection with prior service in a governing body of the Bank that are not consistent with standard banking-sector practice
- sign-on bonuses that do not offset an established financial disadvantage.

Payment of any of the above types of compensation to members of the Board of Directors or the Executive Board by other companies that are directly or indirectly controlled by the Bank is also not authorized.

Annual performance-based compensation - Financial performance



Benchmarks and external consultants

In order to keep compensation in line with the market, every year the Bank participates in a salary survey carried out by specialized firm Willis Towers Watson. The survey is used to produce statistics on salary trends for virtually all banking positions, and they provide these numbers to BCV.

In 2025, apart from these statistical sources, the Bank did not call on the services of any other external consultants in order to determine the amounts that would be paid at each level of responsibility within the Bank, or to modify its compensation system. The Bank did not carry out any comparative studies on the compensation of the Executive Board last year.

5.2 Components of the compensation system

The components of the compensation system are base salary, annual performance-based compensation, and the employee share-ownership plan. In addition, the members of the Executive Board and department heads are eligible for long-term performance-based compensation.

No stock-option plans are offered as part of compensation.

	Base salary	Annual performance-based compensation	Long-term performance-based compensation	Share-ownership plan
Board of Directors	✓			
Executive Board	✓	✓	✓	✓
Department heads	✓	✓	✓	✓
All other employees	✓	✓		✓

Base salary

The base salary is the core component of compensation for all Bank employees. It is set individually, taking into account the person's job description, scope of responsibilities, and

experience, as well as market values for equivalent positions obtained through salary surveys of a group of comparable companies.

Annual performance-based compensation

Annual performance-based compensation is compensation that varies each year based on the Bank's financial performance, adjusted following a qualitative evaluation. It is allocated to each employee on the basis of their individual year-end evaluation and the overall level of annual performance-based compensation allotted to their division and department.

	Cash	BCV shares
Board of Directors	-	-
Executive Board	70%	30% with at least a 5-yr lock-up period
Department heads	70%	30% with at least a 5-yr lock-up period
All other employees	> CHF 21,000: Choice of 100% or 70% < CHF 21,000: 100%	Choice of 0% or 30% with a 3-yr lock-up period 0%

Financial performance is measured by the return on equity (ROE), calculated taking shareholders' equity at the minimum target capital ratio of 13%. The overall level of annual performance-based compensation is calibrated to a benchmark amount. It varies linearly within a range of $\pm 40\%$ of the benchmark amount, based on the Bank's ROE.

The *qualitative evaluation* measures the achievement of objectives stemming directly from the strategic plan *vista* and the completion of key projects; it is used to adjust the overall level of annual performance-based compensation within a range of $\pm 20\%$.

A portion of annual performance-based compensation is allocated in BCV shares with a lock-up period of between

three and ten years, depending on the employee's level of responsibility. All BCV shares allocated for annual performance-based compensation are acquired by the Bank on the Swiss stock exchange in advance at market price, over several trading days. No new market shares are issued, so there is no shareholder dilution.

Long-term performance-based compensation

The purpose of long-term performance-based compensation is to further long-term strategic development by generating lasting shareholder value and achieving the Bank's strategic objectives. Only members of the Executive Board and department heads are eligible for long-term performance-based compensation, which is paid exclusively in BCV shares. Based on the overall share allocation, all eligible employees with the same level of responsibility receive the same number of shares; no distinctions are made between employees in the same category.

The share allocation for long-term performance-based compensation is determined based on the extent to which the financial objective and the strategic and qualitative objectives set at the start of each three-year plan have been achieved, with a new plan beginning each year.

The *financial objective* is measured in terms of economic profit, which is calculated on the basis of the profit generated after deducting the cost of equity using an approach that factors in the Bank's risk level. The Bank's three-year plan is considered fully executed if it generates the targeted level of economic profit, in which case 100% of the plan's share allocation can be distributed. However, if economic profit is below 60% of the target, the share allocation linked to financial performance is reduced to zero.

The share allocation is then adjusted to reflect the extent to which the *strategic and qualitative objectives* have been achieved. These objectives relate to implementing the Bank's strategy and driving change within its operations. An overall evaluation of the Bank's achievement of its strategic and qualitative objectives is used to adjust the share allocation linked to financial performance. However, the number of shares distributed can never exceed 100% of the share allocation set for each plan.

Overall evaluation of strategic and qualitative objectives	Adjustment factor
Objectives achieved far above expectations	+40%
Objectives achieved above expectations	+20%
Objectives achieved	0%
Objectives partially achieved	-20%
Objectives not achieved	-40%

Starting in 2023, the long-term performance-based compensation plans have included a malus provision. If an employee eligible for long-term performance-based compensation commits a serious breach of BCV's internal regulations or of professional standards, that person will be excluded from all ongoing plans under which they could have expected to receive BCV shares.

All BCV shares allocated for long-term performance-based compensation are acquired by the Bank on the Swiss stock exchange in advance at market price, over several trading days. No new market shares are issued, so there is no shareholder dilution.

Employee share ownership

An in-house subscription program is offered to all BCV employees each year in order to promote employee share ownership, which is considered an essential element of staff loyalty and identification with the Bank. This program entitles employees to subscribe shares at a reduced price. The maximum number of shares that may be purchased under this program is determined by the level of responsibility inherent in an employee's position and can range from 100 to 1,000 shares. The subscription price is set every year by the Board of Directors, typically by subtracting a fixed amount of around CHF 20 from the current share price.

With the aim of promoting a medium-term vision, the shares subscribed under this plan are subject to a three-year lock-up period.

All BCV shares allocated for employee share ownership are acquired by the Bank on the Swiss stock exchange in advance at market price, over several trading days. No new

market shares are issued, so there is no shareholder dilution. Members of the Board of Directors do not take part in the employee share-ownership plan.

Other compensation

BCV does not pay sign-on bonuses to compensate new hires for any loss of bonus due to changing jobs. This policy applies for hires at all levels of responsibility, including the Executive Board.

A seniority bonus equivalent to a month's salary is payable to all employees when they complete 10, 20, 30, or 40 years' service at BCV. Employees may opt to take extra vacation, i.e., up to 20 days for full-time staff, instead of the bonus, or they may opt to take half the bonus and half the extra vacation days. Members of the Executive Board must take their seniority bonus in the form of vacation days.

An amount for incidental expenses is paid to department heads and members of the Executive Board.

Occupational pension plans

Pursuant to the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans of 25 June 1982, the Caisse de Pensions de la Banque Cantonale Vaudoise (the "Pension Fund") insures BCV's employees against the economic consequences of retirement, disability, and death.

The Pension Fund is an occupational pension institution independent from BCV. It is run by a pension board made up of at least six members, half of whom are appointed by the Bank and half of whom are elected by insured members. Its assets mainly comprise members' regulatory and voluntary contributions, the employer's regulatory and voluntary contributions, and the Pension Fund's investment income. The Pension Fund's assets are managed by the pension board in accordance with the commonly accepted principles of sound asset management, with the goal of obtaining the highest possible return while ensuring a careful distribution of risk.

Joining the Pension Fund is mandatory for all permanent and temporary employees and for all members of BCV's Board of Directors who have not yet reached retirement age or who are not receiving retirement benefits.

Senior executives (i.e., employees at management levels C, D, or E) and members of the Board of Directors insured

with the Pension Fund are also members of the Fondation de Prévoyance Complémentaire de la Banque Cantonale Vaudoise (the "Supplementary Fund").

The Supplementary Fund is run by a pension board made up of at least four members, half of whom are appointed by the employer and half of whom are elected by insured members.

The Supplementary Fund also has a separate pool of assets mainly comprising members' regulatory and voluntary contributions, the employer's regulatory and voluntary contributions, and the Supplementary Fund's investment income. The Supplementary Fund's assets are managed in accordance with recognized principles and in compliance with the provisions of federal investment law.

The Fonds de prévoyance en faveur du personnel de la BCV is an employer-operated fund. It assists BCV employees, where necessary, in dealing with the economic consequences of old age, disability, illness, or early retirement.

5.3 Compensation paid in 2025

Board of Directors

BCV's compensation system is designed in part to guarantee the independence of the Board of Directors in carrying out its various oversight and organizational functions. To this end, the members of the Board of Directors receive only fixed compensation composed of fees, compensation for sitting on the various committees, and expenses. Members of the Board do not receive separate annual variable performance-based compensation or long-term variable performance-based compensation.

The Bank does not make any occupational-pension contributions for the seven members of the Board of Directors. By law and in accordance with pension-fund regulations, members of the Board of Directors who are not receiving retirement benefits must join the Caisse de Pensions de la Banque Cantonale Vaudoise and pay all of their occupational-pension contributions themselves.

Overall fixed compensation between one Shareholders' Meeting and the next is subject to approval at the Shareholders' Meeting. In 2025, 98.52% of voting shareholders approved a maximum of CHF 1.4m in fixed compensation for the members of the Board of Directors for the period

ending at the next Shareholder's Meeting on 30 April 2026. Details of the compensation paid to the members of the Board of Directors in 2025 can be found in the tables on page 192.

Each member of the Board of Directors receives fixed compensation of CHF 95,000, while the Chair receives fixed compensation of CHF 600,000. The Vice Chair receives additional fixed compensation of CHF 20,000. The chairs and members of committees created by the Board of Directors also receive additional fixed compensation (see table).

	Audit and Risk Committee	Compensation, Promotions and Appointments Committee
Chair	CHF 40,000	CHF 20,000
Members	CHF 20,000	CHF 10,000

In order to strengthen the Board of Directors' commitment to the Bank's long-term development, each member is required to own a minimum of 1,000 BCV shares. These shares must be acquired before the end of the member's first term and held throughout any subsequent terms served. Each member must acquire the shares on the market using their own funds and is not offered a preferential price.

Serving members of the Board of Directors are not granted any preferential terms for banking services. The Bank may grant loans and other credit facilities to members of the Board of Directors subject to the same conditions as those granted to customers.

Executive Board

Members of the Executive Board receive a base salary, annual performance-based compensation, long-term performance-based compensation, and incidental expenses. Members of the Executive Board may also take part in the annual employee share-ownership plan.

Details on the compensation paid to the members of the Executive Board in 2025 are given on page 193.

Base salary

The base salary of each member of the Executive Board is

set individually, taking into account the person's experience, job description, and scope of responsibilities, as well as market values for equivalent positions.

The base salary is paid exclusively in cash, in 12 monthly installments.

In 2025, the members of the Executive Board were accorded total compensation of CHF 4,780,071. This amount reflects the fact that there were nine members on the Executive Board from 1 April to 30 June 2025 due to the leadership transition in the Retail Banking Division.

Annual performance-based compensation

All members of the Executive Board are eligible for annual performance-based compensation.

Annual performance-based compensation paid to members of the Executive Board cannot exceed 100% of their base salary.

At its meeting on 12 March 2026, the Board of Directors approved the following terms for calculating annual performance-based compensation for 2025:

- Financial performance, as measured by the return on equity (ROE) calculated using the shareholders' equity required for a CET1 ratio of 13%, was 16.9%, which is unchanged from the previous year.
- The qualitative evaluation of strategic objectives shows that they were achieved, with no adjustment to the overall level of annual performance-based compensation determined on the basis of the financial performance.

The total amount paid to the members of the Executive Board, which will be submitted to a vote at BCV's Annual Shareholders' Meeting on 30 April 2026, is CHF 4,050,000 (versus the year-earlier amount of CHF 4,060,000). Annual performance-based compensation is in line with the Bank's results and reflects the fact that there were nine members on the Executive Board from 1 April to 30 June 2025 due to the leadership transition in the Retail Banking Division.

30% of the annual performance-based compensation for Executive Board members must be taken in BCV shares with a lock-up period of between five and ten years,

according to each Executive Board member's choice. For the 2025 financial year, these shares will be allocated at the closing price on 11 May 2026, subject to shareholder approval of Executive Board compensation at the Annual Shareholders' Meeting. Based on the amount submitted to shareholders at the Annual Shareholders' Meeting, the ratio of the annual performance-based compensation to the base salary will be 84.7% for the 2025 financial year.

Long-term performance-based compensation

All members of the Executive Board are eligible for long-term performance-based compensation. At the start of each plan, the maximum number of BCV shares that can be allocated to the Executive Board cannot exceed a total value of CHF 1.2m (rounded), or CHF 150,000 for each Executive Board member.

The 2023–2025 plan, which ended on 31 December 2025, was based on the Bank's cumulative economic profit and the following strategic and qualitative objectives:

- evolving the Bank's digital banking/multichannel services in line with its position as a "smart follower"
- improving customer service quality indicators under the Bank's "Smile" system

- achieving greater gender equality in management positions
- strengthening the Bank's CSR/sustainability strategy
- capturing the cross-selling potential between Divisions
- reducing employee turnover.

Economic profit reached 131% of the objective. In addition, the Board of Directors determined that the strategic and qualitative objectives were achieved. As a result, the total number of shares allocated to the 2023–2025 plan will be paid to those members still on the Executive Board.

For the plan ending on 31 December 2025, 14,296 shares were set aside for the members of the Executive Board, corresponding to a value of CHF 1,199,434 on the date on which the Board of Directors made its decision. After an assessment of the degree to which the objectives were achieved and taking into account the departure of an Executive Board member, 12,509 shares were distributed, equal to 87.5% of the total number approved at the 2023 Annual Shareholders' Meeting.

Overview of long-term performance-based compensation plans for the Executive Board

Starting year	Performance period	Year distributed	Number of shares set aside	Average cost per share	Initial cost of the plan for the Bank	Number of shares distributed	Market value (per share)	Market value of distributed shares
2019	2019 to 2021	2022	1,504	797.00	1,198,688	14,030 ¹	74.00 ¹	1,038,220
2020	2020 to 2022	2023	1,480	810.00	1,198,800	11,960 ¹	83.90 ¹	1,003,444
2021	2021 to 2023	2024	12,631	95.00	1,199,945	11,046	105.80	1,168,667
2022	2022 to 2024	2025	16,216	74.00	1,199,984	14,189	95.00	1,347,955
2023	2023 to 2025	2026	14,296	83.90	1,199,434	12,509	120.50	1,507,335

¹ Number of shares and market value adjusted for the 10-for-1 stock split on 28 May 2020

A new three-year plan, for which 12,624 shares have been set aside as approved by 94.90% of voting shareholders at the Annual Shareholder's Meeting held on 8 May 2025, began in 2025.

Employee share ownership

Executive Board members have the right to subscribe at most 1,000 shares at a subscription price set every year by the Board of Directors. With the aim of promoting a medium-term vision, the shares are subject to a three-year lock-up period.

In 2025, a total of 7,000 shares were acquired by the eight members of the Executive Board as part of the employee share ownership program.

Other employees

Compensation for non-executive employees includes the following components:

- base salary
- annual performance-based compensation
- long-term performance-based compensation (only for department heads)
- employee share-ownership plan.

Base salary

The base salary of each employee is set according to the job description and in line with current market practice. Salary increases depend on the extent to which skills-development objectives have been achieved.

The base salary is paid out in cash, in 13 monthly installments.

Annual performance-based compensation

All employees are eligible for annual performance-based compensation, provided their contracts have not been terminated. The overall level of annual performance-based compensation is broken down by division and then by department. Each employee then receives annual performance-based compensation based on their annual performance review.

The annual performance review results in an overall evaluation on a scale from one to five, where one corresponds to "does not meet expectations" and five to "greatly exceeds expectations." Each score and level of employee responsibility corresponds to an authorized range of annual performance-based compensation.

All employees are given the opportunity to express their level of satisfaction with their work situation over the past year and their career-development interests. This information is made available to their line manager and discussed during their review.

For department heads, 30% of annual performance-based compensation must be taken in BCV shares with a lock-up period of five to ten years. Other employees receiving annual performance-based compensation of CHF 21,000 or more may opt for full payment in cash, or 70% in cash and 30% in BCV shares with a lock-up period of three years. In the latter case, BCV increases the amount paid in shares by 30%. For the 2025 financial year, these shares will be allocated at the closing price on 13 March 2026. All other employees receive full payment of their annual performance-based compensation in cash.

Long-term performance-based compensation

Department heads receive long-term performance-based compensation on the same terms as Executive Board members.

Employee share ownership

All BCV employees may subscribe BCV shares at a reduced price. The maximum number of shares that may be purchased is determined by the level of responsibility inherent in an employee's position and can range from 100 to 1,000 shares. The subscription price is set every year by the Board of Directors. With the aim of promoting a medium-term vision, the shares are subject to a three-year lock-up period.

5.4 Governance

Compliance with regulations

All Bank employees work in Switzerland and sign an employment contract governed by the Swiss Code of Obligations and federal legislation on employment and social insurance, including the related implementing ordinances.

In complying with Swiss federal law, the Bank undertakes to fulfill the commitments made by Switzerland with regard to the international conventions and standards issued by the International Labour Organization, particularly in the areas of forced labor and child labor.

BCV is a corporation organized under public law that is exempt from the provisions of the Swiss Code of Obligations (CO) applicable to business corporations, in accordance with Article 763, paragraph 2, of the CO.

Nevertheless, shareholders at the 1 May 2014 Annual General Meeting approved the recommendation of the Board of Directors to incorporate provisions into the Articles of Association⁽ⁱ⁾ regarding the duties of the Compensation, Promotions and Appointments Committee (Article 30bis of the Articles of Association⁽ⁱ⁾), the length of the employment contracts of the members of the Executive Board (Article 28, paragraph 2, of the Articles of Association⁽ⁱ⁾), the compensation system (Article 30ter of the Articles of Association⁽ⁱ⁾), the approval of compensation (Article 30quater of the Articles of Association⁽ⁱ⁾), and unauthorized compensation (Article 30quinquies of the Articles of Association⁽ⁱ⁾).

Entities responsible for compensation

Shareholders' Meeting

Each year at the Shareholders' Meeting, shareholders approve the total maximum amount of fixed compensation for the Board of Directors and the Executive Board up to the following Meeting. They also approve the total amount of annual performance-based compensation for the Executive Board for the past financial year, and the maximum total number of BCV shares available for long-term performance-based compensation under the plan beginning in the current year.

Board of Directors

The Board of Directors determines the Bank's compensation policies and corresponding payroll budget. It determines how the compensation system is implemented, in particular by making adjustments to base salaries, the overall levels of annual performance-based compensation, the number of shares that can be individually subscribed through the employee share-ownership plan, and the objectives to be met in connection with long-term performance-based compensation.

The Board of Directors sets the compensation of its members and the CEO. On the recommendation of the Compensation, Promotions and Appointments Committee, it also sets the compensation of the other members of the Executive Board.

Compensation, Promotions and Appointments Committee

In accordance with its committee regulations, the Compensation, Promotions and Appointments Committee analyzes all matters and proposals relating to compensation policies put forward by the Executive Board and makes recommendations to the Board of Directors for decision.

The Committee assesses the performance of the CEO in the CEO's absence, reviews the CEO's assessment report on members of the Executive Board, and makes recommendations to the Board of Directors on the compensation of Board members, the CEO, and the other members of the Executive Board.

Executive Board

The Executive Board examines and makes recommendations on all matters of compensation policy to the Compensation, Promotions and Appointments Committee, taking into account the Bank's business strategy and objectives.

CEO

The CEO sets annual objectives for each member of the Executive Board and assesses the extent to which they have been achieved at the end of the financial year. The CEO also determines the individual compensation of the other members of the Executive Board and recommends that compensation to the Compensation, Promotions and Appointments Committee for approval by the Board of Directors.

Human Resources

The Human Resources Department works with the CEO to put forward proposals to the Executive Board on all aspects of compensation policy. The Department is responsible for implementing the decisions taken by the Board of Directors and the Executive Board and for ensuring that compensation is accurately booked. These bookings are also reviewed each year by an external auditor.

5.5 Transparency concerning compensation, shareholdings, and loans by issuers with their registered office abroad

This point does not apply to BCV.

6. Shareholders' rights

Under Article 18 of the Articles of Association,⁽ⁱ⁾ each share entitles the holder to one vote. No shareholder shall be entitled to vote at a Shareholders' Meeting either personally or by proxy, or to exercise associated rights, unless entered in the share register. Shareholder status and the right to appoint a proxy shall be determined on the basis of the share register on the 20th day prior to the Shareholders' Meeting.

6.1 Restrictions on voting rights and shareholder proxies

6.1.1 Restrictions on voting rights

Under Article 12 of the Articles of Association,⁽ⁱ⁾ the Bank shall recognize as shareholders only those persons and entities validly entered in the shareholder register. Only those persons and entities whose names appear in the register may exercise the rights attached to BCV shares, subject to the restrictions provided herein.

Shareholders without the right to vote may not exercise such a right or any other associated right. Shareholders with the right to vote may exercise all rights attached to the shares.

Under Article 13 of the Articles of Association,⁽ⁱ⁾ the transfer of any registered share and its entry in the share register shall be subject to approval by the Board of Directors. If the Board of Directors does not reject the request within 20 days, the acquirer shall be recognized as a shareholder with voting rights.

The Board of Directors may refuse to register an acquirer as a shareholder with voting rights:

- a) in respect of a shareholding exceeding five percent (5%) of the Bank's share capital held by a single shareholder or group of shareholders as defined by the Federal Act on Financial Market Infrastructure (FinMIA). That limit shall not apply to the Canton of Vaud or any third party to which the Canton of Vaud sells part of its shareholding, or to the takeover of a company or part of a company.
- b) if a shareholder does not expressly state, when requested to do so, that the shareholder has acquired the shares in the shareholder's own name and for the shareholder's own account, that no contract to buy

back or return such shares has been entered into, and that the shareholder bears the economic risk related to the shares. The Board of Directors shall not refuse the registration on the sole ground that the request was made by the acquirer's bank.

- c) if and so long as recognition of the shareholder could prevent the Bank from furnishing proof of the shareholder base required under Swiss federal law.

Under Article 16 of the Articles of Association⁽ⁱ⁾ (on convening a Shareholders' Meeting), one or more shareholders together representing no less than 5% of the share capital may request the convening of a Shareholders' Meeting. Shareholders together representing at least 0.5% of the share capital may request that an item of business be included on the agenda. The convening of a Shareholders' Meeting and the inclusion of an item of business on the agenda must be requested in writing, stating the business to be discussed and the motions to be submitted.

Any individual motion requiring a vote shall be submitted to the Chair of the Board of Directors in writing at least 45 days prior to the Meeting.

At any Shareholders' Meeting convened to vote on the removal of a clause relating to restrictions on the transfer of registered shares, such removal shall be decided by an absolute majority of votes attached to the shares represented, where each share shall entitle the holder to one vote (Article 11, paragraphs 3 and 4, of the LBCV⁽ⁱⁱⁱ⁾), in compliance with the rules applicable to any resolution of the Shareholders' Meeting.

6.1.2 Exemptions granted during the financial year

During the 2025 financial year, no exemptions from the above restrictions were granted.

The rules governing attendance at Shareholders' Meetings are set forth in Articles 16 and 18 of the Articles of Association,⁽ⁱ⁾ the main provisions of which are shown in sections 6.3, 6.4, and 6.5 below.

6.2 Quorum provisions

Under Article 19 of the Articles of Association,⁽ⁱ⁾ the Shareholders' Meeting shall have the power to transact business irrespective of the number of shares represented.

Resolutions put to the vote shall be decided by an absolute majority of the votes attached to the shares represented; in the event of a tie, the Chair shall have the deciding vote. Shares held by the Canton do not vote on the election of members of the Board of Directors carried out pursuant to Article 15(b).

6.3 Convening Shareholders' Meetings

Under Article 16 of the Articles of Association,⁽ⁱ⁾ Shareholders' Meetings shall be convened by the Board of Directors at least once a year.

The Annual Meeting shall be held within six months following the financial year-end at the headquarters of the Bank or at any other place in the Canton of Vaud as may be determined by the Board of Directors.

Special Shareholders' Meetings may be convened as often as required.

If necessary, a Shareholders' Meeting may be convened by the Auditors.

6.4 Agenda

Under Article 16 of the Articles of Association,⁽ⁱ⁾ one or more shareholders together representing no less than 5% of the share capital may also request the convening of a Shareholders' Meeting. Shareholders together representing at least 0.5% of the share capital may request that an item of business be included on the agenda. The convening of a Shareholders' Meeting and the inclusion of an item of business on the agenda must be requested in writing, stating the business to be discussed and the motions to be submitted.

Any individual motion requiring a vote shall be submitted to the Chair of the Board of Directors in writing at least 45 days prior to the Meeting.

6.5 Shareholder registration

Article 18, paragraph 2, of the Articles of Association⁽ⁱ⁾ stipulates that shareholder status and the right to appoint a proxy shall be determined on the basis of the share register on the 20th day prior to the Shareholders' Meeting.

Pursuant to paragraph 1 of the same Article, the right to vote at the Meeting shall be exercised by the shareholder registered in the share register or by the shareholder's proxy, who may not necessarily be a shareholder. At the Meeting held on 8 May 2025, Christophe Wilhelm, a Lausanne-based attorney, was elected to be the Independent Voting Representative until the end of the next Meeting, scheduled for 30 April 2026. Pursuant to Article 18bis, paragraph 5, of the Articles of Association,⁽ⁱ⁾ BCV will offer shareholders an electronic means of providing their instructions to the Independent Voting Representative for the Meeting.

7. Takeovers and defense measures

7.1 Obligation to make a bid

The Articles of Association⁽ⁱ⁾ do not contain an opting-out or opting-up clause based on the Financial Market Infrastructure Act (FinMIA).

7.2 Takeover clauses

There are no agreements or programs that would benefit members of the Board of Directors or the Executive Board or other BCV executives in the event of a takeover.

8. Auditors

8.1 Term of audit and length of service of lead auditor

The Board of Directors chose PricewaterhouseCoopers SA as its external auditor, within the meaning of the FINMA Act and the Federal Banking Act, for the 2025 financial year. At the Annual Shareholders' Meeting on 8 May 2025, BCV shareholders approved the Board's recommendation to appoint PricewaterhouseCoopers SA as the Bank's external auditor for 2025. PricewaterhouseCoopers SA has served as the external auditor within the meaning of the FINMA Act and the Federal Banking Act, as well as the external auditor for the Bank, since 2023. The lead auditor since 2023 has been Beresford Caloia, an audit expert licensed by the Federal Audit Oversight Authority and by FINMA.

Under Article 20 of the LBCV,⁽ⁱⁱ⁾ the Bank is required to regularly rotate the persons managing the audit and the auditing entity itself. A regular rotation is considered to be every seven years, according to the interpretation of the

Article by both the Canton of Vaud's Legal and Legislative Service and the Bank.

8.2 Audit fees

Fees invoiced by PricewaterhouseCoopers SA for its audits of the full-year consolidated financial statements, its prudential audit, and other statutory audits amounted to CHF 1,266,800 for the 2025 financial year.

Fees invoiced by PricewaterhouseCoopers SA in Switzerland and abroad for financial and statutory audits of other BCV Group companies were CHF 577,023 for the 2025 financial year.

Total fees invoiced by PricewaterhouseCoopers SA for audit services supplied to all the companies that make up BCV Group therefore amounted to CHF 1,843,823 in the reporting year.

8.3 Additional fees

Fees invoiced by companies within the PricewaterhouseCoopers SA group for other auditing and assurance services totaled CHF 114,250 for the parent company.

BCV subsidiaries paid CHF 6,000 in additional fees to companies within the PricewaterhouseCoopers SA group for non-financial auditing services.

Total additional fees for the 2025 reporting period invoiced by PricewaterhouseCoopers SA in Switzerland and abroad for all BCV Group companies therefore amounted to CHF 120,250.

Full compliance with regulations concerning the independence of auditors has been verified by the Audit and Risk Committee.

8.4 Monitoring of external auditors

The Audit and Risk Committee scrutinizes the work of the external auditors. In particular, it monitors their independence and performance on behalf of the Board of Directors so that the Board can make an informed recommendation to the Shareholders' Meeting on whether to extend the appointment of the auditors. The external

auditors submit a half-yearly activity report to the Audit and Risk Committee, which reviews the report at a meeting in the presence of representatives of the external auditors. Furthermore, the Audit and Risk Committee conducts a detailed evaluation of the external auditors once a year.

The Audit and Risk Committee advises the Board of Directors on whether to approve the external auditors' fees on the basis of a retainer letter, which is reviewed every year. It also discusses how the audit should be planned and approached, as well as risk-evaluation procedures and coordination between the Bank's internal and external auditors. Non-auditing assignments are submitted for prior approval to the Audit and Risk Committee, which, together with the external auditors, verifies compliance with the rules of independence.

The Chair of the Board of Directors and the Chair of the Audit and Risk Committee receive copies of all the reports, certifications, and opinions issued by the external auditors in the course of their duties. Every year, the Audit and Risk Committee reviews the parent company's financial statements and regulatory reports and a summary of the reports submitted by the subsidiaries. The external auditors are regularly invited to attend Audit and Risk Committee meetings to discuss the results of their work, make recommendations on internal audit procedures, and be informed of reports by other persons invited to the meetings. In 2025, representatives of the external auditors attended parts of four meetings of the Board of Directors and all ordinary meetings of the Audit and Risk Committee.

The Chair of the Board of Directors meets with the auditor in charge of the audit approximately once every quarter to see whether the work is proceeding as planned; the Chair of the Audit and Risk Committee attends once a year. The Chair of the Audit and Risk Committee also holds regular meetings with the auditor, at least once per quarter. If the Chair of the Audit and Risk Committee identifies any important issues, they submit their observations to all members of the Board of Directors, the Audit and Risk Committee, and the Executive Board.

9. Disclosure policy

9.1 Transparency

Pursuant to paragraphs 8 and 9 of Article 24 of the Bank's Articles of Association,⁽ⁱ⁾ the Board of Directors has a duty

to remain informed. It shall also ensure that shareholders are properly and fairly informed about the Bank's situation, insofar as this is consistent with business-related non-disclosure requirements, banking confidentiality, and securities laws. In particular, it shall reach an agreement governing disclosure of information to the Canton of Vaud.

9.2 Information-exchange agreement

BCV and the Canton of Vaud entered into an initial information-exchange agreement on 13 September 2004, which was followed by a second agreement on 7 October 2009. In 2015, the two parties negotiated a new information-exchange agreement, which was signed on 16 December 2015 and took effect on 1 January 2016.

This agreement commits the parties to increased transparency. In particular, it:

- sets out the content and frequency of information exchanges and the procedures for providing information, together with the type and frequency of meetings between representatives of the Canton and BCV
- defines the confidentiality rules governing these exchanges
- designates the persons who are to provide and receive information on behalf of the Bank and the Canton
- prohibits each party from exploiting for its own purposes the information received and provided
- specifies the legal principles that shall apply, in particular the obligation to make public any information that may affect the price of BCV shares.

9.3 Other information

Regular publications intended for shareholders are the annual report (published in late March/early April), the report on non-financial matters (published alongside the annual report), and the interim report at 30 June (published in August). Printed versions of these reports are available upon request from the following address: BCV, Publications, Post Office Box 300, 1001 Lausanne, Switzerland.

Information is provided to the public soon after the consolidated financial statements are approved by the Board of Directors, by means of a press release and press conference. In 2015, the Bank began publishing its financial statements in accordance with the new Swiss accounting standards for banks. As a result of those accounting rules, the Bank reports its financial results on a half-yearly rather than a

quarterly basis, which means that only results at 30 June and 31 December are released.

BCV also issues ad hoc press releases on important developments and business trends at the Bank as often as necessary.

The annual report, report on non-financial matters, interim report, and press releases are all posted on the BCV website (www.bcv.ch/en/home/la-bcv/investor-relations/reports.html). The annual report, report on non-financial matters, and interim report are published in French and English, while press releases are normally available in French, English, and German.

Final Basel III Accord – Pillar 3 reports, which are published half-yearly, and other data of particular interest to investors may also be consulted in the Investor Relations section of the BCV website (www.bcv.ch/en/home/la-bcv/investor-relations/reports.html).

BCV publishes notice of its Annual Shareholders' Meeting approximately 60 days in advance in the FOSC (*Feuille officielle suisse du commerce*). The invitation and the agenda of the Meeting are also published in the FOSC. In addition, shareholders listed on the shareholder register at least 20 days before the Annual Shareholders' Meeting receive a personal invitation by mail or email, depending on their preference.

9.4 Links to main documents referenced

Document	Link
(i) Articles of Association	https://www.bcv.ch/content/dam/bcv/fichiers/statuts/Articles_of_Association.pdf
(ii) Cantonal Act of 20 June 1995 Governing the Organization of Banque Cantonale Vaudoise (LBCV)	https://www.bcv.ch/content/dam/bcv/fichiers/statuts/Cantonal_Act_BCV.pdf
(iii) Audit and Risk Committee Charter	https://www.bcv.ch/content/dam/bcv/fichiers/la-bcv/relations-investisseurs/Charte_CAR.pdf (in French only)

10. Restriction periods

The Bank's internal directives prohibit specific groups of employees and third parties from trading BCV shares during scheduled restriction periods related to BCV's financial results and during ad hoc restriction periods related to having access to privileged information.

10.1 Scheduled restrictions related to BCV's financial results

The following employees and members of governing bodies are subject to scheduled restrictions related to BCV's financial results:

- the Chair and other members of the Board of Directors
- the CEO and other members of the Executive Board, as well as their immediate staff
- the secretary of the Board of Directors and the corporate secretaries of the Executive Board
- department heads and regional managers
- all employees in the following departments: Controlling, Financial Accounting, ALM & Financial Management, Risk Management, Compliance, and Corporate Communications
- employees in other departments involved in processing financial results before they are announced to the press and who may be aware of these figures. The heads of these departments inform the employees concerned and draw up and send a list of their names to the Compliance Department
- the Investor Relations Officer
- employees in the Internal Audit Department.

The representatives of Vaud Canton designated in the information-exchange agreement between BCV and the Canton of Vaud (see section 9.2 on page 113) are also subject to these restriction periods. This concerns the members of the Vaud Cantonal Government, as well as certain related parties.

The restriction periods are determined based on the financial results release dates. They begin ten business days before the close of the half-year and full-year accounts and end the day after the results are released. The Compliance Department informs employees of the start and end date of each restriction period and checks that no transactions have been conducted by the people concerned during that period. Limit orders (both buy and sell, including

stop-profit and stop-loss orders) placed by employees subject to scheduled restrictions are canceled at the start of a restriction period.

10.2 Ad hoc prohibitions on trading BCV shares

Employees and third parties who hold privileged information about the BCV share are subject to an ad hoc trading prohibition. If an event occurs that could significantly affect the BCV share, an ad hoc restriction period may be ordered by the Chair of the Board of Directors or by the CEO, who informs the Compliance Department of the decision.

On the basis of a list of employees and third parties who have access to the privileged information, the Compliance Department will:

- identify the individuals subject to confidentiality
- draw up a watchlist that includes the confidential information held, the people with access to that information, and the periods of confidentiality
- inform the individuals concerned of the ad hoc prohibition on distributing the privileged information and trading the share for their own account
- verify that the individuals concerned confirm by email that they are aware of the ad hoc restriction period
- check that no transactions are conducted on the BCV share by the individuals concerned during the restriction period
- notify those involved of the end of the prohibition when the privileged information is publicly distributed.

The procedure for putting in place an ad hoc prohibition is set out in the related internal directive.

10.3 Permanent prohibition on trading derivatives of the BCV share

All Bank employees are permanently prohibited from trading derivatives on the BCV share. This includes but is not limited to warrants, futures, and structured products for which over one-third of the return depends on the performance of the BCV share.

11. Contacts

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2026 corporate calendar

30 April	Annual Shareholders' Meeting
5 May	Ex-dividend date ¹
6 May	Dividend record date ¹
7 May	Dividend payment ¹
20 August	2026 half-year results

¹ Ordinary dividend of CHF 4.40 per share, subject to approval at the Annual Shareholders' Meeting

Financial Statements

Consolidated Financial Statements	121
Statutory Auditor's Report on the Consolidated Financial Statements	170
Parent Company Financial Statements	176
Statutory Auditor's Report on the Parent Company Financial Statements	200

Financial Statements

Consolidated Financial Statements	121		
1. Balance sheet	121	10.17 Stock options and shares granted to members of the Board of Directors, Executive Board members, and other employees	
2. Income statement	123	Employee share-ownership plans	150
3. Cash flow statement	124	10.18 Receivables and commitments with respect to related parties	152
4. Statement of changes in equity	125	10.19 Own shares	152
5. Company name, operations, and headcount	126	10.20 Maturity structure of financial instruments	153
6. Accounting principles for the consolidated financial statements	126	10.21 Breakdown of assets and liabilities by Swiss and foreign domicile	154
7. Risk-assessment and risk-management principles	133	10.22 Breakdown of assets by country/country group based on domicile	155
8. Use of hedge accounting	137	10.23 Breakdown of foreign assets by solvency of the country group in which the risk is domiciled	155
9. Significant events and events taking place after the closing date	138	10.24 Breakdown of assets and liabilities by currency	156
10. Notes to the consolidated balance sheet	139	11. Notes to off-balance-sheet transactions	157
10.1 Repurchase and reverse repurchase agreements	139	11.1 Contingent liabilities	
10.2 Risk mitigants for loans and off-balance-sheet transactions		Contingent receivables	157
Impaired loans	139	11.2 Confirmed credits	157
10.3 Trading portfolio assets and liabilities and other financial assets and liabilities at fair value	140	11.3 Fiduciary transactions	157
10.4 Derivative financial instruments	141	11.4 Assets under management	158
10.5 Financial investments	142	12. Notes to the consolidated income statement	159
10.6 Non-consolidated holdings	142	12.1 Net interest income before loan impairment charges/reversals	
10.7 Companies in which the Group has a significant long-term direct or indirect holding	143	Funding of trading positions and negative interest	159
10.8 Tangible fixed assets	144	12.2 Fees and commissions on securities and investment transactions	159
10.9 Intangible assets	144	12.3 Fees and commissions on other services	159
10.10 Other assets and liabilities	145	12.4 Net trading income and fair-value adjustments	160
10.11 Assets pledged or assigned as collateral for own liabilities, and assets with reservation of title	145	12.5 Personnel costs	160
10.12 Commitments relating to own occupational pension funds		12.6 Other operating expenses	160
BCV shares held by own occupational pension funds	146	12.7 Depreciation and amortization of fixed assets and impairment on equity investments	161
10.13 Economic situation of own occupational pension funds	146	12.8 Other provisions and losses	161
10.14 Issued structured products	147	12.9 Extraordinary income	161
10.15 Bonds and mortgage-backed bonds	148	12.10 Extraordinary expenses	161
10.16 Provisions		12.11 Taxes	161
Reserves for general banking risks	149		

12.12 Breakdown of operating profit by Swiss and foreign origin	162	Parent Company Financial Statements	176
12.13 Earnings per share	162	1. Balance sheet	176
13. Other information	163	2. Income statement	178
13.1 Regulatory capital requirements	163	3. Statement of changes in equity	179
13.2 Business sector information	164	4. Parent company name and accounting principles	180
13.3 Consolidated income statement – 5-year overview	168	5. Notes to the balance sheet	181
13.4 Consolidated balance sheet – 5-year overview	169	6. Notes to off-balance-sheet transactions	196
		7. Notes to the income statement	196
		8. Proposal by the Board of Directors	199
Statutory auditor's report on the audit of the consolidated financial statements	170	Statutory auditor's report on the audit of the parent company financial statements	200

Financial Statements

Consolidated Financial Statements

1. Balance sheet (in CHF millions)

	Notes	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Cash and cash equivalents		8 699	10 614	– 1 915	– 18
Due from banks		667	1 139	– 472	– 41
Reverse repurchase agreements	10.1	0	0	0	n/a
Loans and advances to customers	10.2	6 357	5 959	398	7
Mortgage loans	10.2	35 577	34 207	1 370	4
Trading portfolio assets	10.3	523	317	206	65
Positive mark-to-market values of derivative financial instruments	10.4	273	510	– 237	– 47
Other financial assets at fair value	10.3	1 440	1 131	309	27
Financial investments	10.5/10.7	7 449	6 065	1 384	23
Accrued income and prepaid expenses		107	113	– 6	– 5
Non-consolidated holdings	10.6/10.7	87	87	– 0	– 0
Tangible fixed assets	10.8	366	379	– 13	– 3
Intangible assets	10.9	0	0	0	n/a
Other assets	10.10	76	111	– 35	– 31
Assets	10.20/10.21/10.22/10.24	61 620	60 629	991	2
Total subordinated assets		0	0	0	n/a
<i>of which subject to mandatory conversion and/or conditional write-off</i>		0	0	0	n/a
Due to banks		3 610	5 941	– 2 330	– 39
Repurchase agreements	10.1	1 743	1 253	490	39
Customer deposits		38 257	37 672	584	2
Trading portfolio liabilities	10.3	1	1	– 0	– 23
Negative mark-to-market values of derivative financial instruments	10.4	318	517	– 199	– 38
Other financial liabilities at fair value	10.3/10.14	2 269	1 564	705	45
Medium-term notes		4	4	0	7
Bonds and mortgage-backed bonds	10.14/10.15	11 143	9 444	1 699	18
Accrued expenses and deferred income		223	215	8	4
Other liabilities	10.10	59	80	– 20	– 25
Provisions	10.16	17	12	5	37
Liabilities	10.20	57 645	56 703	942	2
Reserves for general banking risks	10.16	666	666	0	0
Share capital		86	86	0	0
Capital reserve		36	35	0	1
Retained earnings		2 776	2 714	62	2
Currency translation reserve		– 2	– 2	– 0	– 1
Own shares		– 16	– 13	– 3	– 20
Minority interests in equity		0	0	0	n/a
Net profit		430	441	– 11	– 2
<i>of which minority interests</i>		0	0	– 0	n/a
Shareholders' equity		3 975	3 927	49	1
Total liabilities and shareholders' equity	10.21/10.24	61 620	60 629	991	2
Total subordinated liabilities		0	0	0	n/a
<i>of which subject to mandatory conversion and/or conditional write-off</i>		0	0	0	n/a

Consolidated off-balance-sheet transactions (in CHF millions)	Notes	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Contingent liabilities	10.2/11.1	1 107	1 013	94	9
Irrevocable commitments	10.2	2 147	1 763	384	22
Commitments relating to calls on shares and other equity securities	10.2	243	243	0	0
Confirmed credits	10.2/11.2	44	37	7	19

2. Income statement (in CHF millions)

	Notes	2025	2024	Absolute change	Change as %
Interest and discount income		713.3	968.8	- 255.6	- 26
Interest and dividend income from financial investments		66.0	50.7	15.3	30
Interest expense		- 250.3	- 464.5	- 214.2	- 46
Net interest income before loan impairment charges/reversals	12.1	528.9	555.0	- 26.1	- 5
Loan impairment charges/reversals		- 2.7	- 1.4	1.3	89
Net interest income after loan impairment charges/reversals (NII)		526.2	553.6	- 27.4	- 5
Fees and commissions on securities and investment transactions	12.2	343.5	318.0	25.5	8
Fees and commissions on lending operations		30.1	31.4	- 1.3	- 4
Fees and commissions on other services	12.3	89.4	85.8	3.7	4
Fee and commission expense		- 68.8	- 65.7	3.1	5
Net fee and commission income		394.3	369.5	24.8	7
Trading income on fixed-income instruments and equity securities		28.3	25.2	3.1	12
Trading income on foreign currencies, banknotes, and precious metals		176.6	177.8	- 1.2	- 1
Trading fee and commission expense		- 10.1	- 8.2	1.8	22
Net trading income and fair-value adjustments	12.4	194.8	194.8	0.1	0
Gains/losses on disposals of financial investments		0.8	3.0	- 2.2	- 73
Income from equity investments		7.1	7.0	0.1	1
<i>of which other non-consolidated holdings</i>		7.1	7.0	0.1	1
Real-estate income		3.1	3.5	- 0.4	- 12
Miscellaneous ordinary income		23.7	24.6	- 0.9	- 3
Miscellaneous ordinary expenses		- 0.1	- 0.4	- 0.3	- 83
Other ordinary income		34.6	37.7	- 3.1	- 8
Total income from ordinary banking operations		1 149.9	1 155.5	- 5.6	- 0
Personnel costs	12.5	- 393.3	- 386.9	6.4	2
Other operating expenses	12.6	- 166.2	- 169.8	- 3.6	- 2
Operating expenses		- 559.5	- 556.7	2.8	1
Depreciation and amortization of fixed assets and impairment on equity investments	12.7	- 81.7	- 81.9	- 0.2	- 0
Other provisions and losses	12.8	- 5.9	- 2.0	4.0	202
Operating profit	12.12	502.8	515.0	- 12.1	- 2
Extraordinary income	12.9	0.8	0.6	0.2	44
Extraordinary expenses	12.10	- 0.0	- 0.0	0.0	n/a
Taxes	12.11	- 73.9	- 74.9	- 1.0	- 1
Net profit		429.7	440.6	- 10.9	- 2
Minority interests		- 0.0	- 0.0	- 0.0	n/a
Net profit attributable to BCV shareholders		429.7	440.6	- 10.9	- 2

3. Cash flow statement (in CHF millions)

			2025		2024	
	Notes	Source of funds	Use of funds	Net cash inflow / outflow	Source of funds	Use of funds
Net profit for the year		430			441	
Depreciation and amortization of fixed assets and impairment on equity investments	12.7	82			82	
Provisions and other impairment charges/reversals	10.16	10	5		7	6
Loan impairment charges/reversals	10.16	25	22		36	35
Accrued income and prepaid expenses		6			9	
Accrued expenses and deferred income		8			33	
Extraordinary income: disposal of equity holdings	12.9		0			
Dividend for the previous year			379			370
Cash flow from operations		560	406	154	607	411
Distribution drawn from paid-in reserves		0			0	
Own shares		27	30		29	28
Change in scope of consolidation, minority interests, and currency translation differences			0		0	
Cash flow from equity transactions		28	30	-2	29	28
Non-consolidated holdings	10.6	0				0
Real estate	10.8		4			6
Computer programs	10.8		48			48
Other tangible fixed assets	10.8		17			25
Cash flow from investments		0	69	-68	0	80
Cash flow from banking operations						
Due to banks			134		270	
Customer deposits		255			240	
Medium-term notes		1	1		2	
Long-term borrowings	10.15	2976	1276		2183	1182
Other liabilities			18			336
Due from banks						
Loans and advances to customers			141			35
Mortgage loans			1372			2428
Financial investments			1287			1204
Other receivables		35				81
Medium- and long-term operations (over 1 year)		3266	4229	-963	2695	5265
Due to banks			2196			282
Repurchase agreements		490				725
Customer deposits		330			957	
Trading portfolio liabilities			0			1
Negative mark-to-market values of derivative financial instruments			199		91	
Other financial liabilities at fair value		705			432	
Due from banks		474				477
Reverse repurchase agreements						
Loans and advances to customers			263		210	
Trading portfolio assets			206			88
Positive mark-to-market values of derivative financial instruments		237			209	
Other financial assets at fair value			309			196
Financial investments			97		335	
Short-term operations		2236	3271	-1035	2234	1769
Cash and cash equivalents		1915		1915	1988	1988
Total		8005	8005	0	7553	7553

A net positive amount represents a cash inflow, while a net negative amount represents a cash outflow.

4. Statement of changes in equity (in CHF millions)

	Share capital	Capital reserve	Retained earnings	Reserves for general banking risks	Currency translation reserve	Own shares	Equity - minority interests	Net profit for the year	Total equity
Status at 1 January 2023	86	35	2 554	666	- 2	- 14	0	388	3 713
2022 dividend								- 327	- 327
Retained earnings			61					- 61	0
Purchases of own shares (at cost)						- 23			- 23
Disposals of own shares (at cost)						23			23
Gain on disposals of own shares and dividends		0							0
Effect of exchange-rate differences					- 0				- 0
Changes in scope and/or minority interests									0
Net profit for the year							0	469	469
Status at 31 December 2023	86	35	2 615	666	- 2	- 14	0	469	3 855
2023 dividend								- 370	- 370
Retained earnings			99					- 99	0
Purchases of own shares (at cost)						- 28			- 28
Disposals of own shares (at cost)						29			29
Gain on disposals of own shares and dividends		0							0
Effect of exchange-rate differences					0				0
Changes in scope and/or minority interests									0
Net profit for the year							0	441	441
Status at 31 December 2024	86	35	2 714	666	- 2	- 13	0	441	3 927
2024 dividend								- 379	- 379
Retained earnings			62					- 62	- 0
Purchases of own shares (at cost)						- 30			- 30
Disposals of own shares (at cost)						27			27
Gain on disposals of own shares and dividends		0							0
Effect of exchange-rate differences					- 0				- 0
Changes in scope and/or minority interests							- 0		- 0
Net profit for the year							0	430	430
Status at 31 December 2025	86	36	2 776	666	- 2	- 16	0	430	3 975

5. Company name, operations, and headcount

5.1 Company name, legal status, and head office

Banque Cantonale Vaudoise (BCV) was founded on 19 December 1845 by the Vaud Cantonal Parliament as a *société anonyme de droit public* (i.e., a corporation organized under public law). Its legal status is defined in the Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995, and its head office is in Lausanne.

5.2 Overview of operations

BCV operates as a full-service bank with a community focus. Its corporate mandate is to contribute to the economic development of its home region, the Canton of Vaud.

It offers a full range of services in retail banking, wealth management, corporate banking, and trading. Along with its traditional areas of business (savings & loans and wealth management), BCV engages in large-corporate financing and selected trade-financing operations in commodities (primarily softs and metals). It offers a broad portfolio of financial-market services, including equity and derivatives trading and fixed-income instruments. The Bank is also active in foreign-exchange trading and in developing and issuing structured products.

BCV is the parent company of a banking and financial group, which encompasses a private bank and three fund management companies.

5.3 Headcount

Full-time equivalents	31 / 12 / 25	31 / 12 / 24
Group	2 083	2 089
of which parent company	1 857	1 863

6. Accounting principles for the consolidated financial statements

6.1 Basis of preparation of consolidated financial statements

The consolidated financial statements of BCV Group have been prepared in accordance with the provisions of the Swiss Code of Obligations, the Swiss Federal Act on Banks and Savings Institutions and its implementing ordinance, the FINMA Accounting Ordinance (FINMA-AO), and FINMA Circular 2020/1 on accounting rules for banks. The financial statements provide a true and fair view of the assets, financial position, and results of BCV Group.

The consolidated financial statements are based on Group companies' full-year accounts, which are prepared in accordance with generally accepted accounting principles. The accounts are closed at 31 December of every year.

6.2 Scope of consolidation

Companies over which BCV has control and companies in which it has significant influence over their operations are fully consolidated. Significant influence is generally recognized by BCV when it makes a profit on and bears the risks of a company's operations.

Companies over which BCV has significant influence but no outright control (holdings of 20% to 50%) are accounted for using the equity method.

The following companies are not included in the scope of consolidation:

- holdings of no material significance in terms of financial reporting and risk
- significant holdings not acquired for strategic purposes and intended to be sold or liquidated within 12 months.

6.3 Basis of consolidation

Equity is consolidated using the acquisition method. The acquisition cost of a holding is offset against the equity existing on the date on which control is transferred. Any goodwill is carried on the balance sheet under "Intangible assets."

6.4 Accounting and valuation principles

6.4.1 Cash and cash equivalents

Cash and cash equivalents comprise ordinary coins and banknotes and assets held with the Swiss National Bank; they are carried at nominal value.

6.4.2 Due from banks

Amounts due from banks are carried at nominal value less any impairment, as set out in note 7.2 under "Risk-assessment and risk-management principles."

6.4.3 Reverse repurchase agreements

Receivables from cash collateral related to reverse repurchase agreements are carried at nominal value.

Reverse repurchase agreements are not recognized on the balance sheet unless the ownership rights pass to the Group.

6.4.4 Loans and advances to customers and Mortgage loans

Loans and advances to customers and Mortgage loans are carried at nominal value less any impairment, as set out in note 7.2 under "Risk-assessment and risk-management principles."

6.4.5 Trading portfolio assets

Trading portfolio assets include positions in equity securities, debt securities, and precious metals and are held in order to take advantage of market-price fluctuations.

These positions are carried at fair value with reference to the prices quoted on the most representative market.

6.4.6 Positive mark-to-market values of derivative financial instruments

Derivative financial instruments recorded at the balance-sheet date are carried at fair value with reference to the prices quoted on the most representative market. For positions that are not traded on sufficiently liquid markets, fair value is determined using a valuation model. Any resulting positive mark-to-market values are recognized under this item.

Mark-to-market values relating to transactions with the same counterparty and hedged by a netting agreement are carried on the balance sheet at net value.

6.4.7 Other financial assets at fair value

Securities needed to hedge structured products issued by BCV and recorded as a liability are carried under this line item. These positions are carried at fair value with reference to the prices quoted on the most representative market. For positions that are not traded on sufficiently liquid markets, fair value is determined using a valuation model.

6.4.8 Financial investments

Financial investments include securities and precious metals acquired for medium- and long-term investment purposes, as well as equity securities held neither for trading nor as a long-term investment. Available-for-sale real estate acquired in connection with lending operations is also carried under this item.

Held-to-maturity interest-bearing securities are carried at cost, with premiums or discounts amortized over the remaining term of the instrument using the accrual method. Gains and losses arising from their sale or early redemption are recorded proportionally up to the initial maturity date of the securities. Any related loan impairment charges or reversals are recorded on the income statement under the corresponding line item.

Interest-bearing securities not intended to be held until maturity, as well as equity securities and available-for-sale real estate, are carried at the lower of cost or market value. As a general rule, impairment charges and reversals on these assets are recorded under “Miscellaneous ordinary expenses” or “Miscellaneous ordinary income.” Where impairment can be broken down into loan impairment and market-related impairment, loan impairment charges and reversals are recorded on the income statement under the corresponding line item.

6.4.9 Accrued income and prepaid expenses

This item mainly consists of accrued interest and other transitory assets.

6.4.10 Non-consolidated holdings

Non-consolidated holdings comprise equity securities that are held as a long-term investment, irrespective of voting rights. They also include the Group’s infrastructure-related holdings, particularly joint ventures. They are carried at cost less any impairment.

These holdings are reviewed for impairment at each balance-sheet date, based on whether there is an indication of a loss in value. If there is such an indication, the Group determines the realizable value of each asset.

The realizable value is the higher of the net fair value and the value in use. The asset is written down if its carrying value exceeds its realizable value. In this case, the carrying value is reduced to the realizable value and the difference is charged to the income statement under “Depreciation and amortization of fixed assets and impairment on equity investments.”

6.4.11 Tangible fixed assets

Tangible fixed assets are carried at cost. Software developed by the Bank for in-house use is carried at direct production cost, and the corresponding income is recorded under “Miscellaneous ordinary income.”

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives within the following limits:

- 50 years for real estate
- 10 years for technical facilities
- 5 years for furniture, fittings, machinery, and computer hardware
- 3 years for computer software.

Any depreciation recorded over an asset’s remaining estimated useful life or additional write-downs made subsequent to impairment reviews are charged to the income statement for the period, under “Depreciation and amortization of fixed assets and impairment on equity investments.”

These assets are reviewed annually for impairment. If there is a decline in value or a change in the useful life, the carrying value of the asset is written down and the written-down value is depreciated over the remaining estimated useful life of the asset.

6.4.12 Intangible assets

Any goodwill is carried on the balance sheet and amortized on a straight-line basis over its estimated useful life, up to a maximum of ten years.

Goodwill is reviewed for impairment at each balance-sheet date, based on whether there is an indication of a loss in value. In this case, the carrying value is reduced to the realizable value and the difference is charged to the income statement under “Depreciation and amortization of fixed assets and impairment on equity investments.”

6.4.13 Other assets

This item mainly comprises coupons, indirect taxes to be recovered, and any positive offset account balances.

6.4.14 Due to banks

Amounts due to banks are carried at nominal value.

6.4.15 Repurchase agreements

Commitments from cash collateral related to repurchase agreements are carried at nominal value.

Repurchase agreements are carried on the balance sheet and valued in the same way as financial investments, provided that the Group continues to be the beneficial owner.

6.4.16 Customer deposits

This item comprises all amounts due to non-bank customers, carried at nominal value.

6.4.17 Trading portfolio liabilities

Trading portfolio liabilities result from short positions in debt and equity securities that are established in order to take advantage of market price fluctuations. They are carried at fair value with reference to the prices quoted on the most representative market.

Securities borrowed to establish short positions are not recorded on the balance sheet insofar as BCV Group does not take ownership of the attached rights.

6.4.18 Negative mark-to-market values of derivative financial instruments

Derivative financial instruments recorded at the balance-sheet date are carried at fair value with reference to the prices quoted on the most representative market. For positions that are not traded on sufficiently liquid markets, fair value is determined using a valuation model. Any resulting negative mark-to-market values are recognized under this line item.

Mark-to-market values relating to transactions with the same counterparty and hedged by a netting agreement are carried on the balance sheet at net value.

6.4.19 Other financial liabilities at fair value

This item includes structured products that are issued by the Bank and carried at fair value with reference to a quoted market price or a valuation model. Subsequent revaluations are carried under "Net trading income and fair value adjustments."

6.4.20 Medium-term notes

Medium-term notes issued by the Bank are carried at nominal value.

6.4.21 Bonds and mortgage-backed bonds

This item consists of borrowings from the Central Mortgage-Bond Institution of Swiss Cantonal Banks, as well as bonds issued by the Bank. They are carried at nominal value; any discount or premium is recorded under accrued or deferred items and amortized over the term of the instrument under "Interest expense."

This line item also includes structured products that are issued by the Bank and whose host instrument and embedded derivatives are treated separately. In this case, the host instrument is recorded under this line item at nominal value as a debt issued by the Bank, while the embedded derivatives are carried as either positive or negative mark-to-market values. Any subsequent changes in fair value are recognized under "Net trading income and fair-value adjustments." Interest accrued in the interest-rate component is recorded under "Interest expense" using the accrual method.

Positions in bonds and structured products issued by BCV are deducted from this item.

6.4.22 Accrued expenses and deferred income

This item mainly consists of accrued interest, taxes due on Group companies' earnings and capital, and other transitory liabilities.

Direct tax is calculated in accordance with the matching principle and is recognized in the income statement under "Taxes."

6.4.23 Other liabilities

This item mainly comprises coupons, indirect taxes to be paid, and any negative offset account balances.

6.4.24 Provisions

This line item includes provisions necessary for business operations, provisions for hedging recognized and inherent risks of loss, credit-risk provisions for off-balance-sheet transactions, and provisions for deferred taxes.

Deferred taxes are calculated based on differences between tax values and book values. They are recognized in the income statement under "Taxes."

6.4.25 Reserves for general banking risks

To cover risks inherent in the banking business that are not already covered by specific provisions, the Group can set aside "Reserves for general banking risks." These reserves are part of shareholders' equity and are taxed or subject to a deferred tax.

6.4.26 Share capital

This line item consists of the Bank's share capital.

6.4.27 Capital reserve

The capital reserve comprises additional paid-in capital obtained through the issue of equity securities and the exercise of conversion rights and options, along with gains and losses realized and dividends received on own shares.

6.4.28 Retained earnings

This line item represents capital accrued by the Group; it consists primarily of appropriated retained earnings and the effect of changes in the scope of consolidation.

6.4.29 Currency translation reserve

Exchange-rate differences resulting from the translation of Group company accounts denominated in foreign currencies are recorded under this line item and not through profit or loss.

6.4.30 Own shares

Own shares (i.e., registered shares of Banque Cantonale Vaudoise) are deducted from shareholders' equity at cost. Dividend payments and gains and losses on disposals are allocated directly to the capital reserve.

6.4.31 Contingent liabilities

Contingent liabilities mainly comprise commitments to secure credits, issued in the form of bills of exchange, surety bonds, and guarantees, including irrevocable letters of credit, endorsements of re-discounted bills, advance payment guarantees, and similar facilities, such as pledges in favor of third parties.

This type of liability is contingent if, when the transaction is entered into, the main debtor has no debt towards a third party but may incur such debt at a later date.

6.4.32 Irrevocable commitments

This line item includes commitments to grant loans and other services that are unused but firm and irrevocable at the balance-sheet date, together with payment commitments relative to depositor-protection schemes.

6.4.33 Commitments relating to calls on shares and other equity securities

This line item includes commitments relating to calls on shares and other equity securities.

6.4.34 Confirmed credits

Commitments arising from deferred payments, as well as from acceptances and other confirmed credits, are included under this line item.

6.4.35 Pension-fund liabilities

Pension-fund liabilities are understood to mean obligations arising under pension plans and pension funds which provide retirement, death, and disability benefits.

When preparing its year-end accounts, the Group determines, for each pension fund, whether there are any assets (benefits) or liabilities (obligations) other than the contribution benefits and related adjustments. This assessment is based on the financial situation of the pension funds as shown in their interim accounts at 30 September.

Any liabilities are carried on the balance sheet under "Provisions," while any economic benefit is carried under "Other assets." Any changes from the corresponding value in the previous financial year are recognized for each pension fund under "Personnel costs."

Adjusted contributions for the period are also carried under "Personnel costs."

An economic liability arises if the Group decides or is obliged to participate in the financing of an underfunded pension fund, while an economic benefit arises if there is a potential positive effect on future cash flows as a result of pension-fund overfunding. Moreover, in the case of

overfunding, an economic benefit exists if there is a lawful intention to use the overfunding to reduce the employer's contributions, to refund the contributions to the employer by virtue of local legislation, or to use them for any economic purpose of the employer other than regulatory benefits.

6.5 Changes to accounting principles

No changes were made to the accounting principles in 2025.

6.6 Registration of business transactions

All transactions concluded up until the balance-sheet date are recorded on the date they are concluded and are valued according to the above accounting principles.

6.7 Foreign-currency translation

Transactions in foreign currencies during the year are translated at the exchange rates prevailing on the transaction date.

Assets and liabilities held in foreign currencies at the close of the financial year are translated into Swiss francs at the exchange rates prevailing on that date, provided that they are not valued at their historical rates.

Foreign-exchange gains and losses, including unrealized gains and losses on forward foreign-exchange contracts open at the balance-sheet date, are carried in the income statement. Balance-sheet items and off-balance-sheet transactions of foreign holdings are translated at year-end exchange rates set for the Group, with the exception of shareholders' equity invested in these holdings, which is translated at historical rates.

Income-statement items are translated at the average annual exchange rates set for the Group. Differences arising from the translation of shareholders' equity and the income statement are recorded directly in shareholders' equity.

Major currencies in CHF	2025		2024	
	Close	Average	Close	Average
Euro	0.9305	0.9359	0.9384	0.9501
U.S. dollar	0.7923		0.9063	

6.8 Funding of trading positions

The cost of funding securities held in the trading portfolios is netted against interest and dividend income from these portfolios and recorded under “Net trading income and fair-value adjustments.”

6.9 Rounding

The figures contained in the tables have each been properly rounded depending on the number of significant digits used for the table; this may result in discrepancies between listed column and row totals and the sum of individual column or row items.

7. Risk-assessment and risk-management principles

7.1 Introduction

The Board of Directors periodically analyzes the Bank's main risks. The analyses are based on the risk-management processes and methods in place, and contain a forward-looking evaluation of the risks to which BCV is exposed. In these analyses, the Board of Directors takes into account the Bank's existing control system for managing and mitigating risks.

BCV's risk-management objectives and approach are presented in the Risk Management chapter. This section explains in more detail the principles that the Bank applies in assessing risks.

7.2 Credit risk

7.2.1 Exposure to credit risk

Credit risk arises from the possibility that a counterparty might default on its financial obligations to the Bank. It corresponds to the default risk set out in FINMA-AO and includes settlement risk. All forms of credit commitments to bank and non-bank counterparties, whether on or off the balance sheet, represent a credit risk for the Bank.

The Bank distinguishes five types of exposure to credit risk:

- financial exposures, which are characterized by an outflow of funds
- off-balance-sheet exposures, resulting from undrawn credit facilities and from guarantees given by the Bank or obtained from counterparties
- exposures resulting from derivatives contracts
- exposures resulting from repos/reverse repos and securities lending/borrowing transactions
- settlement exposures, which result from a time lag between when funds or securities are sent and when funds or securities are received in exchange.

Every position that entails credit risk is clearly assigned to one of these exposure categories. The Bank uses clearly defined methods for determining exposure levels by exposure category. Overall or specific limits are set for financial, off-balance-sheet commercial, and OTC derivatives exposures. Limits are likewise set for settlement exposures to bank counterparties. When positions are unwound through a simultaneous settlement system, such as Continuous Linked Settlement (CLS), settlement risk is not considered.

For trade-finance activities, credit risk is closely linked to country risk in emerging markets. In order to monitor this type of risk, the Bank analyzes and limits both its financial exposure (financial transfer risk) and non-financial exposure (risk that a physical transaction will not be unwound), particularly with respect to emerging markets.

7.2.2 Internal counterparty default ratings

The Bank considers a counterparty to be "in default" if one or more criteria are met (see definition of "in default" in note 7.2.5). Each counterparty is assigned a default rating based on clearly defined models. Each default rating is defined by an interval of default probabilities. Seven main ratings and 16 sub-ratings are used to classify counterparties according to their risk of default.

7.2.3 Loss given default and expected loss

Loss given default is the amount that the Bank stands to lose on a credit-risk exposure at the time that the counterparty defaults. Loss given default is determined for each credit-risk exposure by taking into account the credit limit and the coverage ratio, which is the value of the risk mitigants expressed as a percentage of the limit. For this purpose, collateral is taken at market value (see note 7.2.4).

For non-impaired credit-risk exposure, the Bank estimates the amount that it expects to lose in a "normal" year (i.e., in the middle of the economic cycle). This amount is called the 12-month expected loss.

For credit-risk exposures not relating to trade finance and real-estate development, the expected loss is determined based on the probability of default (PD), reflected in the counterparty default rating, loss given default (LGD), and exposure at default (EAD). These three risk variables are

calculated using internal models, many of which have received FINMA approval to be used as Internal Ratings-Based (IRB) approaches for determining regulatory capital requirements (see note 7.2.8). LGD and EAD models are structurally identical to the internal models used to determine regulatory capital requirements but are calibrated through the cycle to produce a conservative estimate of the expected loss over the entire cycle.

For trade-finance and real-estate-development exposures, the expected loss is estimated for each transaction, using an approach based on Basel III slotting criteria.

7.2.4 Market value of collateral

The Bank measures collateral on the basis of its market value, provided a suitable market exists. Various valuation methods are used depending on the characteristics of the collateral and the sources of information about it. Each item of collateral is clearly assigned to a valuation method.

More specifically, the market value for a real-estate asset is the estimated price at which the asset would be likely to change hands on the measurement date, between knowledgeable, willing parties in an arm's length transaction, after an appropriate marketing process.

Provided their value is below a set amount, single-family homes, condominium apartments, and income-generating real estate are valued using hedonic pricing models or capitalization pricing models in collaboration with experts. Other types of real estate and real estate with values above the set amount are valued by experts.

7.2.5 Impaired loans and off-balance-sheet exposures

A loan or off-balance-sheet exposure is impaired when the counterparty is unlikely to be able to meet its future credit obligations. The counterparty is then "in default" and all its debts to the Bank are considered "non-performing."

A counterparty is "in default" when it is more than 90 days past due on any material credit obligation to the Bank or when the Bank considers that the counterparty is unlikely to pay its credit obligations to the Bank in full.

7.2.6 Overdue-interest loans

A loan is considered to be an "overdue-interest" loan when at least one of the following three criteria is met:

- Advances and mortgage loans: interest and fees are more than 90 days past due.
- Current-account credits: the agreed credit limit has been exceeded owing to insufficient payments in respect of interest and fees for more than 90 days.
- The credit has been called in by the Bank.

"Overdue-interest" loans are in principle impaired.

7.2.7 Provisions for credit risk

The purpose of credit-risk provisions is to recognize, at the balance-sheet date, the expected loss on impaired and non-impaired credit-risk exposures.

Provisions for non-impaired credit-risk exposures are determined individually by counterparty and meet the requirement to set aside provisions for inherent credit risks (Articles 25 and 28 FINMA-AO). The aim is to ensure that the Bank's provisions for non-impaired loans cover the expected loss. For provisioning purposes, the expected loss is calculated differently depending on the level of credit risk, i.e., whether the exposure is identified as high-risk or not.

Provisions for non-impaired credit-risk exposures that have not been identified as high-risk are determined based on the 12-month expected loss, as described in note 7.2.3. These provisions are set aside for all bank and client loans, with the exception of derivatives contracts and securities lending and borrowing transactions, which have a low expected loss. The base assumption is that the Bank's expected-loss models provide reliable estimates of future annual losses. This assumption is tested each year by the units responsible for developing models and checked by an independent validation unit. The internal models have been approved for use under the IRB approach to determine the regulatory capital requirements for a large part of the Bank's credit-risk exposure (see the Bank's Final Basel III Accord – Pillar 3 report). They are calibrated using over ten years of past data (which includes periods of stress for the Bank).

Provisions for non-impaired credit-risk exposures that have been identified as high-risk are determined based on the expected loss at maturity. The probability of default for

these exposures corresponds to the probability of default at maturity. Heightened credit risks are identified for counterparties that are “reputed to be in financial difficulty” (RD). A counterparty is classified as RD when the criteria for “in default” are not met, but when the Bank considers there to be a high risk that part of its exposure to credit risk on the counterparty will not be recovered, or when a significant breach of contract on any of the forms of credit extended to the counterparty by the Bank has occurred and has not been remedied without a temporary or permanent exemption being granted.

Provisions for impaired credit-risk exposures, as defined in note 7.2.5, are determined individually by counterparty, pursuant to Article 24 FINMA-AO. The provision calculation takes into account total credit exposures to the counterparty on and off the balance sheet, the liquidation value of the collateral, market conditions, the quality of the counterparty’s management, and the counterparty’s ability and willingness to honor its commitments.

The liquidation value is the estimated net realizable value of the asset. It is calculated on the basis of the current market value of the asset, taking into account sell-by objectives, current market conditions, and selling costs (including any costs of holding the asset until sale and transaction-related costs).

As an exception, in the event of a major crisis, provisions for inherent credit risks can be used to cover impaired loans. A major crisis occurs when the new provisions for impaired exposures over a 12-month period are significantly higher (by a factor of two) than the expected loss on non-impaired exposures. However, once the crisis has ended, those provisions must be steadily built up again over a five-year period.

7.2.8 Regulatory capital requirements for credit risk

BCV has been applying the Foundation Internal Ratings-Based (FIRB) approach to determine the regulatory capital requirements for a large part of its credit-risk exposure since 2009, having obtained approval from FINMA in December 2008. The scope of this approach is detailed in the Bank’s Final Basel III Accord – Pillar 3 report. The International Standardized Approach (SA-BIS) is used for the remaining credit-risk exposure.

7.3 Market risk on the trading book

Market risk arises from the possibility of losses on the Bank’s trading book as a result of changes in market parameters, in particular the price and price volatility of the underlying security. Trading positions are positions in equities, fixed-income instruments, currencies, and precious metals. Positions in underlying instruments are classified as “simple” positions, whereas positions in futures contracts, swaps, or options are classified as “derivative” positions.

Each trading position is valued at the price quoted on a reference market or on the basis of price information calculated using a valuation model that incorporates observable market parameters.

The Bank manages its market risk on the trading book by setting limits in terms of net portfolio value, value-at-risk (VaR), stress loss, and sensitivity measures (Greeks).

VaR is a statistical measure. It is calculated with a 99% confidence interval. For a given time horizon, VaR represents the distribution of results by showing the best result among the worst 1% of possible results. It is measured at the portfolio and sub-portfolio levels. It is calculated on the basis of complete revaluations of positions by subjecting them to past changes in the various market parameters. For trading positions, the liquidation horizon is one day. For the Asset Management Department’s nostro (i.e., proprietary) portfolio, the liquidation horizon is six months.

Stress-loss analyses are used to measure potential losses that are not taken into account by VaR analysis. Stress scenarios seek to model the most adverse possible movements in risk factors. Scenarios are determined for all trading positions taken together as well as for the various sub-portfolios.

For all trading positions, the Bank uses static-portfolio stress scenarios to model short-term stress. Six-month scenarios are used for the Asset Management Department’s nostro portfolio, analyzing cumulative results over that period.

Sensitivity measures are used to monitor local exposure to risks arising from trading positions (i.e., marginal variations in risk factors). For trading book portfolios, the main sensitivity measures used are delta, gamma, vega, theta, and rho.

The Bank determines its capital requirements for market risk using the simplified standardized approach.

7.4 Market risk on the banking book

The Bank assesses market risk on positions in the banking book by measuring interest-rate risk and liquidity risk.

7.4.1 Interest-rate risk on the banking book

Interest-rate risk on the banking book arises from mismatches between exposures and term maturities among asset, liability, and off-balance-sheet positions. It is attributable to movements in the yield curve and changes in customer behavior. These variations directly affect the Bank's interest margin and the economic value of its share capital.

The Bank monitors two measures of loss arising from interest-rate risk on the balance sheet:

- loss of interest margin, which is both an economic loss and an accounting loss
- loss of economic value of share capital, which by definition is not reflected in the accounts.

Every month, the Bank calculates various measures of interest-rate risk, which enable it to monitor the impacts on the interest margin and the economic value of share capital:

- Static indicators: to monitor the economic value of share capital, the Bank calculates the duration of share capital and the sensitivity of share capital to an interest-rate shock. To monitor the net interest margin, the Bank calculates interest-rate gaps by residual maturity.
- Dynamic indicators: every month, the Bank prepares scenarios regarding interest rates and business volumes, combined with various hedging strategies. These dynamic simulations take into account customer behavior with respect to interest rates in order to simulate the interest margin and potential losses in circumstances that lie between a probable scenario and a stress scenario. For each scenario, indicators showing the duration and value of share capital are calculated for several future dates to measure the future exposure of share capital to interest-rate risk. These dynamic simulations are carried out for a three-year horizon.

In calculating all indicators, models are used to replicate variable-rate positions (adjustable-rate mortgages, traditional savings deposits with no fixed term, and sight deposits) in order to simulate as faithfully as possible the pace and magnitude of changes in customer interest rates as the market rate changes. These models are recalibrated periodically and submitted to the Executive Board's Asset and Liability Management Committee (ALCO) for approval.

7.4.2 Liquidity risk

Liquidity risk arises from the possibility that the Bank does not have the resources on hand to deal with the potential outflow of funds that could occur at any time in view of its commitments and changes in its assets and off-balance-sheet exposures. This risk is determined by the pace of withdrawals from customer deposits, the concentration of liabilities, the Bank's ability to raise funds, and prevailing terms and conditions in the interbank and capital markets.

The Bank monitors its exposure to liquidity risk by preparing maturity schedules for on-balance-sheet exposures and calculating balance-sheet ratios, and by modeling the future structure of its balance sheet using dynamic simulations. When conducting these simulations, the Bank also calculates regulatory ratios – i.e., the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) – at different future dates. These simulations enable the Bank to determine its long-term approach to funding, particularly as regards raising funds from the Central Mortgage-Bond Institution and on the bond market, as well as the size and composition of its liquidity reserve. The Bank also stress-tests its regulatory liquidity ratios.

In dynamic simulations, the Bank distinguishes exposures with a contractual maturity resulting in an actual transfer of liquidity from exposures with no contractual maturity, such as customer deposits. The Bank uses outflow models to measure the liquidity risk of exposures without a contractual maturity date; for each of these exposures, the Bank simulates an equivalent portfolio with set maturities and similar liquidity risk. These models are recalibrated periodically and submitted to the ALCO for approval.

7.5 Operational risk

Operational risk is inherent in the Bank's activities and arises from possible inadequacies or failures relating to processes, people, and information systems within or external to the Bank. Operational risk factors arise from:

- changes in legislation, regulations, and values – particularly in Swiss and other legal and regulatory frameworks that are applicable to BCV – and in the expectations of customers and other stakeholders, and public opinion of the Bank
- erroneous or malicious behavior of employees, suppliers, bank counterparties, customers, or other parties external to the Bank
- inadequacies of information systems, infrastructure, or the Bank's organization
- natural hazards, including climate-related physical hazards, pandemics, and other natural phenomena (e.g., seismic, hydrological, and geological hazards).

The Bank monitors its exposure to operational-risk events using a classification with eight categories:

- non-compliance
- incidents linked to customer relations and commercial practices
- incidents related to transaction and process management
- internal fraud
- external fraud
- failure of information systems
- incidents related to human resources, including workplace safety
- losses of operating resources.

An operational-risk event that has occurred is booked directly as an outright loss. Provisions are recognized for the additional costs expected but not yet incurred. The Bank determines its regulatory capital requirements for operational risk according to the Standardized Approach (SA-BIS).

8. Use of hedge accounting

The Group uses derivatives as part of its asset- and liability-management strategy, primarily to hedge interest-rate risk. These transactions are recognized as macro and micro hedges, and net gains or losses after interest are recorded under "Interest and discount income" or "Interest expense." Changes in the fair value of hedging instruments are recognized in the offset accounts under "Other assets" or "Other liabilities."

Whenever derivatives are used for hedging purposes, records are kept of the transactions, the objectives and strategies of the Bank's unit in charge of managing market risk on the balance sheet, and the system used to monitor the effectiveness of the hedge.

The hedging instruments used are almost exclusively interest-rate swaps (IRSs), in which the Bank may be either the payer or the receiver; the large majority of these IRSs is denominated in Swiss francs. Micro hedges are used mainly to hedge the Bank's long-term borrowings (i.e., its own bond issues or issues made through the Central Mortgage-Bond Institution) and debt securities intended to be held until maturity and booked as financial investments. Macro hedges are used mainly to hedge fixed-rate mortgages.

Micro hedges are used to reduce the risk on a clearly defined underlying position. The hedges have the same nominal value and the same maturity as the hedged position, although a large underlying position may require several hedges.

Most macro hedges are used to hedge mortgage loans. The hedging instruments mature during the same month that the interest rates on the underlying mortgage loans expire.

In order to prevent any over-hedged positions, the nominal value of the underlying positions must be 10% higher than that of the hedging instrument in order to take account of any depreciation, impairment, early redemption, or repayment.

When entering into a hedging relationship, the Bank draws up documents stipulating the designation of the hedging instrument and the underlying transaction or group of transactions, together with their main features. The type of risk hedged and the system for assessing the effectiveness of the hedge are also provided.

As the Bank uses linear hedging (i.e., without an options component), there is a very close economic relationship between the underlying positions and the hedging instruments. For mortgage loans, the main difference between the hedging instrument and the underlying position is the interest rate, as the rate on the mortgage loans includes the Bank's commercial margin.

Hedges are tested for their effectiveness every quarter. The main aim of the test is to ensure that the nominal value of the underlying positions is still at or above the nominal value of the hedging instrument. A forward-looking assessment of the hedging relationship is also conducted by measuring how the economic value of the hedging instrument and the hedged positions would be affected by a 100bp rise or fall in interest rates. To qualify as a hedge, the change in the value of the hedging instrument must offset the change in value of the underlying positions by between 80% and 125%.

Given that linear hedging is used, the hedges are unlikely to be ineffective. In the event of an over-hedged position, the excess portion of the derivative financial instrument is treated as a trading portfolio asset and recorded under "Net trading income and fair-value adjustments."

9. Significant events and events taking place after the closing date

9.1 Significant events

The Bank did not experience any significant events during the previous financial year.

9.2 Events taking place after the closing date

No event liable to have a material influence on the Group's financial statements took place after the closing date.

10. Notes to the consolidated balance sheet

10.1 Repurchase and reverse repurchase agreements (in CHF millions)

	31 / 12 / 25	31 / 12 / 24
Book value of claims arising from cash collateral pledged in connection with securities borrowing or reverse repurchase agreements ¹	0	0
Book value of liabilities arising from cash collateral received in connection with securities lending or repurchase agreements ¹	1 743	1 253
Book value of securities held for own account, lent or transferred as collateral in connection with securities borrowing or repurchase agreements	1 729	1 202
<i>of which those that can be sold or repledged without restriction</i>	1 729	1 202
Fair value of securities received as collateral in connection with securities lending and those received in connection with securities borrowing and under reverse repurchase agreements, which can be sold or repledged without restriction	0	0
<i>of which securities repledged as collateral</i>	0	0
<i>of which sold securities</i>	0	0

¹Before netting agreements

10.2 Risk mitigants for loans and off-balance-sheet transactions

Impaired loans (in CHF millions)

		Type of risk mitigant			Total
		Mortgage	Other	Unsecured	
Loans and advances to customers		601	2 229	3 611	6 441
Mortgages		35 371	152	68	35 591
<i>Residential real estate</i>		29 534	2	14	29 550
<i>Office and business premises</i>		3 035		4	3 038
<i>Commercial and industrial property</i>		1 626	1	5	1 631
<i>Other</i>		1 176	149	45	1 371
Loans (before impairment charges/reversals)	31 / 12 / 25	35 971	2 381	3 679	42 032
	31 / 12 / 24	34 545	2 318	3 392	40 256
Loans (after impairment charges/reversals)	31 / 12 / 25	35 971	2 381	3 582	41 934
	31 / 12 / 24	34 545	2 318	3 302	40 166
Contingent liabilities		7	250	850	1 107
Irrevocable commitments		550	0	1 597	2 147
Commitments relating to calls on shares and other equity securities				243	243
Confirmed credits				44	44
Off-balance-sheet transactions	31 / 12 / 25	557	250	2 733	3 540
	31 / 12 / 24	443	239	2 374	3 056

		Gross receivables	Realization value of risk mitigants	Net receivables	Individual impairment charge/reversal
Impaired loans and off-balance-sheet commitments	31 / 12 / 25	144	- 57	86	79
	31 / 12 / 24	122	- 40	82	73
Change (absolute)		22	18	4	6
Change (as %)		18	45	5	8

10.3 Trading portfolio assets and liabilities and other financial assets and liabilities at fair value (in CHF millions)

Assets	31 / 12 / 25	31 / 12 / 24
Debt securities	0	0
<i>of which listed</i>	0	0
Equity securities	3	6
Commodities and precious metals	520	311
Trading portfolio assets	523	317
Debt securities	7	7
Structured products	0	0
Other assets held in order to hedge issued structured products	1 433	1 124
Other financial assets at fair value	1 440	1 131
Total	1 963	1 448
<i>of which determined using a valuation model</i>	0	0
<i>of which securities eligible for repurchase agreements in accordance with liquidity regulations</i>	0	0

Liabilities	31 / 12 / 25	31 / 12 / 24
Debt securities	0	0
<i>of which listed</i>	0	0
Equity securities	1	1
Other trading portfolio liabilities	0	0
Trading portfolio liabilities	1	1
Debt securities	0	0
Structured products	2 269	1 564
Other financial liabilities at fair value	2 269	1 564
Total	2 270	1 565
<i>of which determined using a valuation model</i>	19	28

10.4 Derivative financial instruments (in CHF millions)

	Trading instruments			Hedging instruments			
	Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset	Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset	
Swaps	43	43	668	140	182	10 181	
Futures			234				
Options (OTC)							
Interest-rate instruments	43	43	902	140	182	10 181	
Forward contracts and swaps	125	127	29 065				
Options (OTC)	24	14	1 517				
Foreign currencies and precious metals	149	142	30 582	0	0	0	
Futures			350				
Options (OTC)	29	39	1 246				
Options (exchange-traded)	0	1	422				
Equity securities and indices	29	40	2 018	0	0	0	
Total	31 / 12 / 25	221	225	33 502	140	182	10 181
of which determined using a valuation model		221	224	–	140	182	–
	31 / 12 / 24	632	573	37 149	176	243	10 317
of which determined using a valuation model		632	573	–	176	243	

		Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset
Breakdown				
Trading instruments		221	225	33 502
Hedging instruments		140	182	10 181
Total before netting agreements	31 / 12 / 25	362	407	43 682
	31 / 12 / 24	808	815	47 467
Total after netting agreements	31 / 12 / 25	273	318	43 682
	31 / 12 / 24	510	517	47 467
Change	absolute	– 237	– 199	– 3 784
	as %	– 47	– 38	– 8

Breakdown by counterparty

	Central clearing houses	Banks and securities dealers	Other clients
Positive mark-to-market value (after netting agreements)	130	86	56

10.5 Financial investments (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Book value	Fair value	Book value	Fair value
Debt securities	7 389	7 428	6 004	6 072
<i>of which securities intended to be held until maturity</i>	7 387	7 425	6 002	6 069
<i>of which securities available for sale</i>	3	3	3	3
Equity securities	26	73	25	69
<i>of which significant holdings (minimum of 10% of capital or voting rights)</i>	5	5	3	3
Available-for-sale real estate and goods acquired in connection with lending operations	34	36	36	37
Financial investments	7 449	7 537	6 065	6 178
<i>of which securities eligible for repurchase agreements in accordance with liquidity regulations</i>	7 221	–	5 982	–

Counterparty breakdown
by rating

	AAA to AA–	A+ to A–	BBB+ to BBB–	BB+ to B–	Below B–	Not rated	Total
Book value of debt securities	6 955	11	3			421	7 389

The rating categories are based on Standard & Poor's ratings; they are used for the specific instruments to which the Bank has subscribed. If an instrument is not rated by Standard & Poor's, then a rating from another agency is used. Where there is no specific rating for a given instrument, the issuer's long-term rating is used, with the same order of rating agencies.

Most of the Bank's unrated positions are in investment-grade debt securities issued by Swiss public-sector entities or by Switzerland's housing-construction bond issuer (EGW/CCL).

10.6 Non-consolidated holdings (in CHF millions)

	Cost	Accumulated impairment charges/ reversals	Book value at year-end	Changes in allocation or scope	Additions	Disposals	Impairment charges/ reversals	Book value at year-end	Market value
	2024							2025	2025
Holdings accounted for using the equity method	–		–					–	–
Other equity holdings	93	–6	87			–0	–0	87	2
<i>listed</i>	0	0	0					0	2
<i>unlisted</i>	92	–6	86			–0	–0	86	
Non-consolidated holdings	93	–6	87	0	0	–0	–0	87	2

10.7 Companies in which the Group has a significant long-term direct or indirect holding

With the exception of the parent company, none of the Group companies is listed on a stock exchange.

Fully consolidated Group companies

Company name and headquarters	Main business	Capital	31 / 12 / 25			
			% of share capital held	% of voting rights held	% of stake held directly /indirectly	
		in millions		as %	as %	as %
Piguet Galland & Cie SA, Yverdon-les-Bains (Switzerland)	Private bank	CHF	24.4	99.7	99.7	99.7 / 0
Gérifonds SA, Lausanne	Fund management	CHF	2.9	100	100	100 / 0
Gérifonds (Luxembourg) SA, Luxembourg	Fund management	EUR	0.1	100	100	0 / 100
Société pour la gestion de placements collectifs GEP SA, Lausanne	Fund management	CHF	1.5	100	100	100 / 0

The scope of consolidation did not change relative to end-2024.

No companies are accounted for using the equity method.

Main non-consolidated holdings

Company name and headquarters	Main business		Capital in millions	31 / 12 / 25			
				% of share capital held as %	% of voting rights held as %	% of stake held directly /indirectly as %	
Central Mortgage-Bond Institution of Swiss Cantonal Banks Ltd, Zurich	Central mortgage-bond institution	CHF	2 225.0	13.6	13.6	13.6 / 0	
	- of which share capital not paid in	CHF	1 800.0				
SIX Group Ltd, Zurich	Swiss stock exchange operator and provider of payment and other services	CHF	19.5	2.5	2.5	2.4 / 0.1	
Société vaudoise pour le logement (SVL) SA, Lausanne (Switzerland)	Property developer for low-income housing	CHF	2.0	45.0	45.0	45 / 0	
TWINT Ltd., Zurich	Swiss mobile payment system	CHF	12.8	3.2	3.2	3.2 / 0	
Viseca Payment Services Ltd., Zurich	Cashless payment services	CHF	25.0	4.8	4.8	4.8 / 0	

In 2025, BCV committed to participating in the capital increase to be carried out in 2026 by the Central Mortgage-Bond Institution of Swiss Cantonal Banks Ltd. This capital increase will be worth CHF 600m, 20% of which will be paid in. After the capital increase has been completed, BCV's holding will remain unchanged at 13.6%; this represents a commitment of CHF 81.8m, of which CHF 16.4m will be paid in. At 31 December 2025, the total commitment of CHF 81.8m was recorded as an off-balance-sheet irrevocable commitment.

In 2025, BCV sold its 3.2% stake in Swiss Bankers Prepaid Services SA.

As the Bank's holding in SVL is not material in terms of the consolidated financial statements, it is not included in the scope of consolidation. At end-2024, SVL had total assets of CHF 10m and equity of CHF 1m.

Main equity security positions held under “Financial investments”

Company name and headquarters	Main business		Capital in millions	31 / 12 / 25		
				% of share capital held as %	% of voting rights held as %	% of stake held directly /indirectly as %
Banque Cantonale du Jura SA, Porrentruy (Switzerland)	Bank	CHF	42.0	4.8	4.8	4.8 / 0
Romande Energie Holding SA, Morges (Switzerland)	Purchase, sale, and management of equity holdings in the energy sector	CHF	28.5	3.0	3.0	3.0 / 0

10.8 Tangible fixed assets (in CHF millions)

	Cost	Accumulated depreciation and write-offs	Book value at year-end	Changes in allocation or scope	Additions	Disposals	Depreciation and write-offs	Book value at year-end
			2024					2025
Group premises	487	– 262	225	– 0	3		– 11	217
Other real estate	80	– 43	37	0	0		– 2	36
Furniture and fixtures	31	– 14	17	– 0	7		– 5	18
Computer programs	174	– 92	82		48		– 55	75
<i>of which under finance leases</i>	10	– 5	5				– 3	2
Other tangible fixed assets	68	– 49	19	0	10		– 8	21
<i>of which under finance leases</i>	3	– 0	3				– 1	2
Tangible fixed assets	839	– 460	379	0	69	0	– 82	366

Off-balance-sheet operating-lease commitments	31 / 12 / 25
Expiring within 12 months	2
Expiring in 12 months to 5 years	6
Expiring in 5 years or more	2
Total off-balance-sheet operating-lease commitments	9
<i>of which cancellable within 12 months</i>	0

The Group holds leases for its commercial premises (branches) with a remaining term exceeding one year; these leases are not considered operating leases.

10.9 Intangible assets (in CHF millions)

The Group has no intangible assets.

10.10 Other assets and liabilities (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Other assets	Other liabilities	Other assets	Other liabilities
Offset accounts	35	0	86	0
Indirect taxes	11	16	10	35
Coupons/coupons and securities due	4	2	0	2
Settlement accounts	1	28	4	22
Miscellaneous assets and liabilities	24	14	11	20
Other assets and liabilities	76	59	111	80

10.11 Assets pledged or assigned as collateral for own liabilities, and assets with reservation of title (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Amount or book value of pledge	Real liability	Amount or book value of pledge	Real liability
Cash and cash equivalents	2	0	1	0
Due from banks	154	130	339	293
Loans and advances to customers	86	72	138	119
<i>of which Covid-19 loans granted to customers</i>	70	60	129	115
Mortgages pledged or assigned to Central Mortgage-Bond Institution of Swiss Cantonal Banks	10 882	8 490	9 715	7 314
Other financial assets at fair value	6	3	0	0
Financial investments	791	607	802	632
Total assets pledged or assigned	11 921	9 301	10 994	8 358

The Group has no assets with reservation of title.

Securities serving as collateral in connection with securities borrowing or repurchase agreements and that can be sold or repledged are shown in note 10.1.

10.12 Commitments relating to own occupational pension funds

BCV shares held by own occupational pension funds (in CHF millions)

	31 / 12 / 25	31 / 12 / 24
Customer deposits	184	133
Accrued income and prepaid expenses	0	0
Total	184	133

BCV's own occupational pension funds held no BCV shares at 31 December 2025 or at 31 December 2024.

10.13 Economic situation of own occupational pension funds (in CHF millions)

There were no employer contribution reserves at end-2025 or end-2024.

Economic benefit/liability and pension expenses	Surplus / deficit ¹	Economic benefit/liability			Contributions adjusted for the period 2025	Pension expenses included in "Personnel costs"	
		31 / 12 / 25	31 / 12 / 24	Change		2025	2024
Employer-financed pension funds: "Fonds de prévoyance en faveur du personnel de la BCV"	62.6	0	0	0	0.0	0.0	0.0
Pension funds with surpluses: "Caisse de pensions de la BCV" and "Fondation de prévoyance complémentaire en faveur de l'encadrement supérieur de la BCV"	136.8	0	0	0	40.9	40.9	40.2
Total²	199.4	0	0	0	40.9	40.9	40.3

¹The surplus or deficit of a pension fund is based on its unaudited interim accounts at 30 September 2025.

²Since the intention is not to apply the surpluses to reduce or refund the employer's contributions, or for the employer to use them for any economic purpose other than regulatory benefits, there is no identifiable economic benefit to be recognized on the balance sheet.

Pension funds

BCV Group employees are members of the "Caisse de pensions de la Banque Cantonale Vaudoise" (CP BCV). Its purpose is to insure its members against the economic consequences of retirement, disability, and death by guaranteeing benefits in accordance with the terms of the pension-fund regulations. It is a provider of the compulsory insurance introduced under the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (LPP) and provides coverage in excess of the minimum LPP requirements.

Senior executives insured with the CP BCV are also members of the "Fondation de prévoyance complémentaire de la Banque Cantonale Vaudoise," the purpose of which is to insure its members against the economic consequences of retirement, disability, and death by guaranteeing benefits in accordance with the terms of the pension-fund regulations.

The "Fonds de prévoyance en faveur du personnel de la BCV" is an employer-operated fund. Its purpose is to assist BCV employees, where necessary, in dealing with the economic consequences of old age, disability, illness, or early retirement.

10.14 Issued structured products (in CHF millions)

Underlying risk of embedded derivative	Carrying value				Total
	Single treatment	Recognized in other financial liabilities at fair value	Value of the host instrument	Value of the derivative	
	Recognized in trading portfolio liabilities				
Interest-rate instruments	–	0			0
Equity securities	–	2 210	878	– 11	3 077
Foreign currencies	–	59			59
Commodities and precious metals	–	0			0
Total	31 / 12 / 25	2 269	878	– 11	3 136
	31 / 12 / 24	–	785	– 23	2 325

All structured products issued by BCV comprise own debt securities.

Single accounting treatment

Linear and non-linear structured products carried at fair value are booked under “Other financial liabilities at fair value,” with reference to a quoted market price or a valuation model. Subsequent revaluations are recognized under “Net trading income and fair-value adjustments.”

Separate accounting treatment

For those non-linear structured products not carried at fair value, the host instrument and embedded derivatives are treated separately. The host instrument is recorded under “Bonds” at nominal value as a debt issued by the Bank, and the embedded derivatives are carried at either positive or negative mark-to-market values. Any subsequent changes in fair value are recognized under “Net trading income and fair-value adjustments.” Interest accrued in the interest-rate component is recorded under “Interest expense” using the accrual method.

10.15 Bonds and mortgage-backed bonds (in CHF millions)

Rate	Year of issue	Nominal value	Maturity	Group-held	31 / 12 / 25 Amount outstanding	31 / 12 / 24
1.625%	2011	220	30/11/2026	30	190	
0.500%	2016	150	13/12/2028		150	
0.400%	2016	150	07/04/2031		150	
0.500%	2017	150	12/07/2029		150	
0.400%	2021	150	05/05/2036		150	
0.200%	2021	125	22/12/2033		125	
2.100%	2023	150	07/06/2032		150	
1.700%	2024	130	04/06/2038		130	
0.950%	2025	220	28/11/2034		220	
1.200%	2025	165	06/02/2035		165	
1.250%	2025	130	29/10/2040		130	
Bond issues by BCV Lausanne¹		1 740		30	1 710	1 345
<i>of which subordinated bonds</i>		0		0	0	0
Private bonds					65	
Structured products issued (value of the host instrument)					878	785
Central Mortgage-Bond Institution of Swiss Cantonal Banks					8 490	7 314
Bonds and mortgage-backed bonds					11 143	9 444

¹None of these issues can be called in for redemption before the maturity date.

Borrowings by maturity

	2026	2027	2028	2029	2030	2031–2046	31 / 12 / 25 Total	Average
Bond issues	190		150	150		1 220	1 710	0.9%
Private bonds			65				65	2.6%
Structured products	517	228	128	4			878	0.7%
Central Mortgage-Bond Institution of Swiss Cantonal Banks	566	563	541	635	747	5 438	8 490	1.1%
Total	1 273	791	885	789	747	6 658	11 143	

	Status at year-end 2024	New issues	Redemptions	Net change in own securities	Status at year-end 2025
Bond issues	1 345	515	– 150		1 710
Private bonds		65			65
Structured products	785	882	– 783	– 6	878
Central Mortgage-Bond Institution of Swiss Cantonal Banks	7 314	1 514	– 338		8 490
Total	9 444	2 976	– 1 271	– 6	11 143

10.16 Provisions

Reserves for general banking risks (in CHF millions)

	Status at year-end	Used as allocated	Changes in scope of consolidation	Currency translation differences	Recoveries, overdue interest	New provisions charged to income statement	Releases credited to income statement	Status at year-end
	2024							2025
Provisions for deferred taxes	1						- 0	1
Provisions for credit risk	9				0	4	- 5	8
<i>of which provisions under Art. 28.1 FINMA-AO</i>	1				0	0	- 1	0
<i>of which provisions for inherent credit risk</i>	8				0	3	- 4	8
Provisions for other operating risks	2	- 0			0	1	- 0	2
Other provisions	1	- 0		- 0		6	- 0	6
Total provisions	12	- 1	0	- 0	0	10	- 5	17
Reserves for general banking risks¹	666							666
Provisions for credit risk and country risk	93	- 4			7	25	- 22	98
<i>of which provisions for impaired loans</i>	72	- 4			7	17	- 14	78
<i>of which provisions for inherent credit risk</i>	20				0	8	- 8	20

¹Reserves for general banking risks are taxable.

10.17 Stock options and shares granted to members of the Board of Directors, Executive Board members and other employees

Employee share-ownership plans

	Shares (in units)	2025 Value (in CHF)	Shares (in units)	2024 Value (in CHF)
Members of the Board of Directors	0	0	0	0
Executive Board members	27 693	2 345 047	30 421	2 310 574
Other employees	241 600	12 172 122	259 682	12 903 709
Total	269 293	14 517 169	290 103	15 214 283

No stock options have been granted to members of the Board of Directors, Executive Board members, or other employees.

Employee share ownership

Annual performance-based compensation

For Executive Board members and department heads, 30% of their annual performance-based compensation must be taken in BCV shares with a lock-up period of five to ten years.

Other employees receiving annual performance-based compensation of CHF 21,000 or more may opt for full payment in cash, or 70% in cash and 30% in BCV shares with a lock-up period of three years. In the latter case, BCV increases the portion of shares by 30%.

Executive Board members are allocated their shares subject to approval at the Shareholders' Meeting. The number of shares allocated will be calculated based on the closing market price on 11 May 2026, rounded up to the nearest whole number.

Other employees will receive their shares at the end of April 2026. The number of shares allocated will be calculated based on the closing market price on 13 March 2026, rounded up to the nearest whole number. These employees have until 26 March 2026 to decide on the proportion they wish to receive in the form of shares. As their decision was not known at the time this report was published, the number of shares taken into account in the above table corresponds to the maximum possible number of shares.

The market prices used to calculate the number of shares will be those on 13 March 2026 and 11 May 2026, so they were not known at the time of writing. As a result, the maximum possible number of shares was calculated based on the closing market price on 12 March 2026, the date of the Board of Directors' final decision on this compensation.

Share-ownership plan

The Executive Board and other Group employees, with the exception of employees of Piguët Galland & Cie SA, were given the opportunity to subscribe to the share-ownership plan in April 2025 on the following terms:

- The number of shares that may be purchased was determined by the level of responsibility inherent in the employee's position.
- The subscription period ran from 14 to 27 March 2025.
- The subscription price was set at CHF 77 per share, and the market price used was CHF 95 (closing price on 13 March 2025, the day before the subscription period started).

The amounts (number of shares and value) shown in the table above correspond to the number of shares subscribed multiplied by CHF 18, which is the difference between the market price of CHF 95 and the subscription price of CHF 77.

Long-term performance-based compensation

At the beginning of each three-year share-ownership plan, participants are informed of the number of shares that will be allocated if all objectives are met in full. At the end of each plan, the Bank informs participants of the extent to which objectives have been met based on the Bank's financial results and strategic and qualitative performance. The number of shares initially allocated is multiplied by the level of attainment of the objectives in order to determine the number of shares allocated to each participant.

The amounts taken into account in the table on the previous page correspond to the expense recorded in 2025 for the various plans in progress.

Free shares

The Bank awards 20 BCV shares to apprentices, high school graduate trainees, and university interns who join the Bank after their training.

The number allocated and their value, based on the market price on the last business day of the month before the shares are awarded, are also included in the table.

10.18 Receivables and commitments with respect to related parties (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Receivable	Commitment	Receivable	Commitment
Qualified shareholder	0	2 174	0	2 240
Affiliated companies	243	558	225	492
Governing bodies	27	20	30	17

Individuals and companies that hold at least 10% of voting rights are considered qualified shareholders.

Corporations organized under public law in Vaud Canton and public-private entities in which Vaud Canton has a qualified holding are considered affiliated companies.

Transactions with members of the Board of Directors were conducted on market terms. Receivables and commitments with respect to Executive Board members were granted on the standard terms for BCV employees. Transactions with related parties were conducted on market terms.

10.19 Own shares

Number of shares (in units)	Average transaction price	Total	Own shares
Status at 1 January 2025		86 061 900	152 140
<i>of which shares reserved for long-term performance-based compensation</i>			115 709
Purchases	93		319 452
Sales	91		– 296 343
Status at 31 December 2025		86 061 900	175 249
<i>of which shares reserved for long-term performance-based compensation</i>			103 281

Own shares were traded at market prices. The proceeds of the sale of own shares were allocated directly to the capital reserve.

10.20 Maturity structure of financial instruments (in CHF millions)

		Sight	Callable	Maturity				Fixed assets	Total
				up to 3 months	3 to 12 months	12 months to 5 years	over 5 years		
Cash and cash equivalents		8 697	2						8 699
Due from banks		402		185	80				667
Reverse repurchase agreements									0
Loans and advances to customers		43	1 294	1 624	639	1 499	1 257		6 357
Mortgage loans		822	469	3 082	3 098	16 402	11 703		35 577
Trading portfolio assets		523							523
Positive mark-to-market values of derivative financial instruments		273							273
Other financial assets at fair value		1 440							1 440
Financial investments		28	99	102	272	2 657	4 257	34	7 449
Current assets	31 / 12 / 25	12 228	1 864	4 993	4 090	20 558	17 218	34	60 985
	31 / 12 / 24	14 264	1 745	5 028	3 846	17 586	17 435	36	59 940
Due to banks		972	277	1 474	751	136			3 610
Repurchase agreements				1 743					1 743
Customer deposits		20 311	12 794	3 881	757	515			38 257
Trading portfolio liabilities		1							1
Negative mark-to-market values of derivative financial instruments		318							318
Other financial liabilities at fair value		2 269							2 269
Medium-term notes				0	2	2	0		4
Bonds and mortgage-backed bonds				179	1 095	3 212	6 658		11 143
Borrowed funds	31 / 12 / 25	23 871	13 071	7 277	2 604	3 864	6 658		57 345
	31 / 12 / 24	22 980	11 775	10 275	2 311	3 583	5 471		56 395

10.21 Breakdown of assets and liabilities by Swiss and foreign domicile (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Swiss	Foreign	Swiss	Foreign
Cash and cash equivalents	8 699		10 614	
Due from banks	190	478	477	662
Reverse repurchase agreements				
Loans and advances to customers	6 028	329	5 554	405
Mortgage loans	35 577		34 207	
Trading portfolio assets	523		317	0
Positive mark-to-market values of derivative financial instruments	91	181	237	273
Other financial assets at fair value	530	909	351	780
Financial investments	5 751	1 698	4 810	1 254
Accrued income and prepaid expenses	106	1	112	1
Non-consolidated holdings	86	1	86	1
Tangible fixed assets	366	0	379	0
Intangible assets				
Other assets	75	1	109	2
Assets	58 023	3 598	57 253	3 376
Total as %	94	6	94	6
Due to banks	1 671	1 939	3 341	2 600
Repurchase agreements	923	820	573	680
Customer deposits	36 051	2 206	35 346	2 327
Trading portfolio liabilities	1		1	
Negative mark-to-market values of derivative financial instruments	78	240	113	404
Other financial liabilities at fair value	2 269		1 564	
Medium-term notes	4		4	
Bonds and mortgage-backed bonds	11 143		9 444	
Accrued expenses and deferred income	223	1	215	1
Other liabilities	59	0	79	0
Provisions	17		12	
Reserves for general banking risks	666		666	
Share capital	86		86	
Capital reserve	36		35	
Retained earnings	2 776		2 714	
Currency translation reserve	- 2		- 2	
Own shares	- 16		- 13	
Minority interests in equity	0		0	
Net profit	430		441	
Total liabilities and shareholders' equity	56 415	5 206	54 617	6 012
Total as %	92	8	90	10

10.22 Breakdown of assets by country/country group based on domicile (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Absolute value	as % of total	Absolute value	as % of total
Europe	2 564	4	2 495	4
Germany	912	1	743	1
France	314	1	360	1
United Kingdom	238	0	404	1
Luxembourg	218	0	349	1
Finland	156	0	125	0
Ireland	136	0	117	0
Sweden	121	0	93	0
Netherlands	112	0	114	0
Other	357	1	192	0
Asia	270	0	241	0
Latin America, the Caribbean	128	0	108	0
United States, Canada	507	1	384	1
Other	129	0	149	0
Foreign assets	3 598	6	3 376	6
Switzerland	58 023	94	57 253	94
Assets	61 620	100	60 629	100

10.23 Breakdown of foreign assets by solvency of the country group in which the risk is domiciled (in CHF millions)

Internal country rating	Standard & Poor's rating	31 / 12 / 25		31 / 12 / 24	
		Absolute value	as % of total	Absolute value	as % of total
1&2	AAA to AA–	3 160	86	3 041	88
3	A+ to A–	168	5	89	3
4	BBB+ to BBB–	36	1	63	2
5	BB+ to BB–	31	1	61	2
6	B+ to B–	162	4	137	4
7	CCC+ to C	41	1	24	1
Not rated	Not rated	63	2	45	1
Foreign exposure		3 661	100	3 459	100

10.24 Breakdown of assets and liabilities by currency (in CHF millions)

	CHF	EUR	USD	Other	Total
Cash and cash equivalents	8 673	23	2	1	8 699
Due from banks	185	80	229	173	667
Reverse repurchase agreements					0
Loans and advances to customers	5 279	397	660	20	6 357
Mortgage loans	35 574	3			35 577
Trading portfolio assets	3			520	523
Positive mark-to-market values of derivative financial instruments	242	22	8	0	273
Other financial assets at fair value	546	184	486	222	1 440
Financial investments	6 481	967	0	0	7 449
Accrued income and prepaid expenses	93	13	1	0	107
Non-consolidated holdings	86	0	1		87
Tangible fixed assets	366	0			366
Intangible assets					0
Other assets	53	16	5	2	76
Positions carried as assets	57 582	1 706	1 392	940	61 620
Delivery claims arising from spot and forward transactions and options	9 348	7 735	10 274	4 944	32 301
Assets	31 / 12 / 25	66 930	9 441	11 667	93 921
	31 / 12 / 24	66 876	10 437	15 228	97 734
Due to banks	1 936	683	483	509	3 610
Repurchase agreements	1 711		32		1 743
Customer deposits	34 732	1 571	1 401	553	38 257
Trading portfolio liabilities	1				1
Negative mark-to-market values of derivative financial instruments	306	10	2	–0	318
Other financial liabilities at fair value	1 440	299	530	1	2 269
Medium-term notes	4				4
Bonds and mortgage-backed bonds	11 078	65			11 143
Accrued expenses and deferred income	218	2	3	1	223
Other liabilities	52	2	4	1	59
Provisions	14	0	2	0	17
Reserves for general banking risks	666				666
Share capital	86				86
Capital reserve	36				36
Retained earnings	2 776				2 776
Currency translation reserve	–2				–2
Own shares	–16				–16
Minority interests in equity	0				0
Net profit	430				430
Positions carried as liabilities	55 468	2 632	2 456	1 065	61 620
Delivery commitments arising from spot and forward transactions and options	11 448	6 756	9 329	4 588	32 121
Total liabilities and shareholders' equity	31 / 12 / 25	66 916	9 388	11 784	93 741
	31 / 12 / 24	66 975	10 421	15 158	97 655
Net position by currency	31 / 12 / 25	14	53	–118	231
	31 / 12 / 24	–99	16	71	92

11. Notes to off-balance-sheet transactions

11.1 Contingent liabilities

Contingent receivables (in CHF millions)

	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Irrevocable and similar guarantees	538	440	98	22
Other guarantees	569	573	– 5	– 1
Contingent liabilities	1 107	1 013	94	9
Contingent receivables	0	0	0	0

11.2 Confirmed credits (in CHF millions)

	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Commitments arising from deferred payments	44	37	7	19

11.3 Fiduciary transactions (in CHF millions)

	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Fiduciary investments with third parties	535	656	– 122	– 19
Fiduciary loans	0	0	0	n/a
Fiduciary transactions	535	656	– 122	– 19

11.4 Assets under management (in CHF millions)

Breakdown	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Assets held by collective investment vehicles under own management	41 798	36 366	5 432	15
Assets under discretionary management agreements	24 470	22 583	1 887	8
Other assets under management	67 842	65 215	2 626	4
Total assets under management (incl. double-counted)	134 110	124 164	9 945	8
<i>of which double-counted</i>	<i>15 956</i>	<i>14 278</i>	<i>1 678</i>	<i>12</i>

Change	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Initial total assets under management (incl. double-counted)	124 164	117 296	6 868	6
Net fund inflows/outflows	3 814	3 248	566	17
Changes in prices, interest, dividends, and exchange rates	6 132	3 620	2 511	69
Final total assets under management (incl. double-counted)	134 110	124 164	9 945	8

Assets under management

All customer assets held or managed for investment purposes are included under “Assets under management.” As defined in the Swiss accounting rules for banks, assets under management comprise all customer deposit accounts, together with fiduciary investments and all duly valued assets in custody accounts. Assets held for investment purposes by institutional investors, companies, and individual customers, along with investment fund assets, are included unless they are custody-only assets for which the Group provides only safekeeping and corporate-action services. Deposits for which additional services are provided (such as investment management, advice, and fund administration) also come under “Assets under management.”

Net new money

Net new money, which is determined in accordance with the same scope as assets under management, is the sum of inflows from new customers, outflows from departing customers, and movements in the assets of existing customers during the financial year. Changes in assets under management resulting from price fluctuations, exchange-rate movements, interest and dividend payments, and commissions and fees are not part of the net new money calculation. Nor does it include changes in assets under management resulting from the acquisition, disposal, or closure of companies or complete business lines.

12. Notes to the consolidated income statement

12.1 Net interest income before loan impairment charges/reversals

Funding of trading positions and negative interest (in CHF millions)

	2025	2024	Absolute change	Change as %
Banks and reverse repurchase agreements	24.6	167.0	– 142.4	– 85
Customers	673.7	690.7	– 16.9	– 2
Interest and dividends on financial investments	66.0	50.7	15.3	30
Other interest income	15.0	111.2	– 96.2	– 87
Total interest income	779.2	1019.5	– 240.3	– 24
Banks and repurchase agreements	53.8	135.1	– 81.3	– 60
Customers	89.9	232.6	– 142.7	– 61
Medium-term notes and bonds	106.7	96.8	9.9	10
Other interest expense	0.0	0.0	– 0.0	n/a
Total interest expense	250.3	464.5	– 214.2	– 46
Net interest income before loan impairment charges/reversals	528.9	555.0	– 26.1	– 5

For 2025, total interest expense included CHF 2.2m in negative interest, and no negative interest was recorded under total interest income. Net interest income before loan impairment charges/reversals was not affected by negative interest in 2024.

The cost of funding trading positions, credited to other interest income, was not material for 2025 or for 2024.

12.2 Fees and commissions on securities and investment transactions (in CHF millions)

	2025	2024	Absolute change	Change as %
Securities administration	51.3	50.1	1.2	2
Brokerage	39.7	39.0	0.7	2
Income from new issues	14.0	7.9	6.0	76
Management fees	89.6	81.6	8.0	10
Investment-fund operations	144.3	134.5	9.8	7
Other	4.7	4.9	– 0.2	– 5
Total	343.5	318.0	25.5	8

12.3 Fees and commissions on other services (in CHF millions)

	2025	2024	Absolute change	Change as %
Payment cards, ATMs, transfers, and checks	35.6	34.2	1.4	4
Administrative services for institutional clients, and statements	20.3	20.0	0.3	1
Account management fees	22.6	21.3	1.3	6
Document collection fees and bancassurance	5.8	5.0	0.9	17
Safe rentals, numbered accounts, and mail holding services	5.1	5.2	– 0.1	– 2
Total	89.4	85.8	3.7	4

12.4 Net trading income and fair-value adjustments (in CHF millions)

	2025	2024	Absolute change	Change as %
Breakdown by business sector				
Retail Banking	18.8	19.0	– 0.2	– 1
Corporate Banking	10.2	10.7	– 0.5	– 4
Wealth Management	28.7	26.0	2.8	11
Trading	56.0	51.0	5.0	10
Corporate Center	81.1	88.1	– 7.0	– 8
Total	194.8	194.8	0.1	0

2024 figures were adjusted to facilitate like-for-like comparisons.

Trading income and fair-value adjustments

Trading income on fixed-income instruments and equity securities	28.3	25.2	3.1	12
Trading income on foreign currencies, banknotes, and precious metals	176.6	177.8	– 1.2	– 1
Total trading income and fair-value adjustments	204.9	203.0	1.9	1
<i>of which fair-value adjustments</i>	24.7	22.0	2.7	12
<i>of which fair-value adjustments on assets</i>	395.7	163.3	232.4	142
<i>of which fair-value adjustments on liabilities</i>	– 371.0	– 141.3	229.6	162
Trading fee and commission expense	– 10.1	– 8.2	1.8	22
Net trading income and fair-value adjustments	194.8	194.8	0.1	0

12.5 Personnel costs (in CHF millions)

	2025	2024	Absolute change	Change as %
Fixed and variable compensation	303.2	296.0	7.2	2
<i>of which charges related to share-based compensation and other variable compensation (including the portion paid in cash)</i>	45.9	46.2	– 0.2	– 0
Employee benefits	32.2	32.6	– 0.4	– 1
Contributions to staff pension funds	40.9	40.3	0.7	2
Other personnel expenses	17.0	18.0	– 1.0	– 6
Total	393.3	386.9	6.4	2

12.6 Other operating expenses (in CHF millions)

	2025	2024	Absolute change	Change as %
Premises	24.2	25.9	– 1.7	– 7
IT	61.2	64.7	– 3.5	– 5
Machinery, furniture, vehicles, etc.	2.3	2.9	– 0.6	– 22
Office supplies	1.1	1.1	0.0	3
Telecommunications and shipping	5.3	5.8	– 0.5	– 9
Marketing and communications, gifts, and subscriptions	19.2	18.7	0.5	3
Financial information	17.1	16.4	0.7	4
Auditor fees	2.0	1.9	0.1	3
<i>of which for financial and prudential audits</i>	1.8	1.8	0.1	3
<i>of which for other services</i>	0.1	0.1	– 0.0	– 3
Other professional fees	6.6	7.9	– 1.3	– 17
Payment transactions	16.1	14.6	1.5	10
Issuing fees	2.6	1.6	1.0	62
Miscellaneous operating expenses	8.6	8.2	0.3	4
Total	166.2	169.8	– 3.6	– 2

12.7 Depreciation and amortization of fixed assets and impairment on equity investments (in CHF millions)

	2025	2024	Absolute change	Change as %
Real estate	18.0	17.1	0.9	5
Computer programs	55.4	55.9	-0.5	-1
Other investments	8.2	8.9	-0.8	-8
Holdings	0.1	0.0	0.1	n/a
Total	81.7	81.9	-0.2	-0

12.8 Other provisions and losses (in CHF millions)

	2025	2024	Absolute change	Change as %
Provisions for credit risk	-1.2	1.2	-2.4	-197
Miscellaneous provisions	6.4	-0.9	7.3	847
Miscellaneous losses	0.7	1.6	-1.0	-60
Total	5.9	2.0	4.0	202

12.9 Extraordinary income (in CHF millions)

	2025	2024	Absolute change	Change as %
Disposals of equity holdings	0.3	0.0	0.3	n/a
Other extraordinary income	0.5	0.6	-0.1	-11
Total	0.8	0.6	0.2	44

12.10 Extraordinary expenses (in CHF millions)

	2025	2024	Absolute change	Change as %
Miscellaneous extraordinary expenses	0.0	0.0	0.0	n/a
Total	0.0	0.0	0.0	n/a

12.11 Taxes (in CHF millions)

	2025	2024	Absolute change	Change as %
Direct federal tax	35.4	36.4	-1.0	-3
Cantonal and municipal taxes	35.9	33.2	2.8	8
Swiss supplementary tax	2.4	5.1	-2.7	-52
Foreign taxes	0.1	0.2	-0.1	-49
Deferred taxes	-0.0	-0.0	-0.0	-33
Total	73.9	74.9	-1.0	-1
Weighted average tax rate, based on operating profit	15%	15%		
Tax breakdown by country	2025		2024	
	Absolute value	As % of total	Absolute value	As % of total
Switzerland	73.8	99.8	74.7	99.7
Luxembourg	0.1	0.2	0.2	0.3
Total	73.9	100.0	74.9	100.0

12.12 Breakdown of operating profit by Swiss and foreign origin (in CHF millions)

	2025		2024	
	Swiss	Foreign	Swiss	Foreign
Net interest income	526.2	0.0	553.6	0.0
Net fee and commission income	382.8	11.4	357.2	12.3
Net trading income	194.9	– 0.0	194.7	0.0
Other ordinary income	34.6		37.7	
Total income from ordinary banking operations	1 138.5	11.4	1 143.2	12.3
Personnel costs	392.5	0.8	386.1	0.8
Other operating expenses	165.2	1.0	168.8	1.0
Operating expenses	557.7	1.8	554.9	1.8
Depreciation and amortization of fixed assets and impairment on equity investments	81.7	0.0	81.9	0.0
Other provisions and losses	5.9		2.0	0.0
Operating profit	493.2	9.6	504.4	10.5

12.13 Earnings per share

	2025	2024
Net profit attributable to BCV Group shareholders (CHF millions)	429.7	440.6
Average number of shares in issue during the period (in units)	86 061 900	86 061 900
Average number of own shares held during the period (in units)	– 192 111	– 185 827
Average number of outstanding shares during the period (in units)	85 869 789	85 876 073
Basic earnings per share (CHF)	5.00	5.13

There are no ongoing financial transactions that would dilute earnings per share.

13. Other information

13.1 Regulatory capital requirements (in CHF millions)

	31 / 12 / 25	31 / 12 / 24
Common Equity Tier 1 (CET1) capital	3 528	3 519
Instruments and reserves	3 613	3 561
Regulatory adjustments	–84	–43
Additional Tier 1 (AT1) capital	0	0
Instruments	0	0
Regulatory adjustments	0	0
Tier 2 (T2) capital	21	20
Compulsory reserves in equities and general provisions	21	20
Regulatory adjustments		0
Total eligible capital	3 550	3 539
Risk-weighted assets		
Credit risk	17 521	18 781
Market risk	261	118
Operational risk	1 835	1 995
BIS required capital	19 617	20 894
BIS ratios		
CET1 ratio	18.0%	16.8%
T1 ratio	18.0%	16.8%
Total capital ratio	18.1%	16.9%
Leverage Ratio	5.4%	5.5%
Liquidity ratios		
Liquidity Coverage Ratio (LCR)	133%	129%
Net Stable Funding Ratio (NSFR)	120%	118%

In December 2008, the Bank obtained approval from FINMA to use the Basel Foundation Internal Ratings-Based approach to determine regulatory capital requirements for credit risk. It began applying this approach in 2009.

The Bank's Pillar 3 report, prepared in accordance with the reporting requirements of the Final Basel III Accord, describes its capital adequacy, risk-assessment methods, and the level of risk taken. It also gives information on the Group and parent-company leverage and liquidity ratios. The report is available in the Investor Relations section of the BCV website (www.bcv.ch).

13.2 Business sector information

13.2.1 Methodology

Results by business sector are presented at BCV Group level and are broken down according to the Bank's activities.

Retail Banking covers operations with retail customers who have up to CHF 500,000 in assets and no wealth-management services, or a mortgage loan worth up to CHF 1.5m. It also includes the Digital and Multichannel Banking Department, which works to expand the Bank's digital offering.

Corporate Banking handles SMEs (including micro-businesses), real-estate professionals, large corporations, public-sector enterprises, and trade finance.

Wealth Management addresses the needs of private and institutional clients. This sector also includes custody activities, occupational pensions, and the subsidiaries Piguet Galland & Cie SA, Gérifonds SA, and GEP SA.

Trading encompasses financial market transactions (forex, equities, fixed-income instruments, metals, options, derivatives, and structured products) conducted by the Bank on behalf of customers and for its own account, as well as custody activities.

The Corporate Center comprises the Board of Directors, executive management, the Human Resources Department, the Strategy & Organization Department, the Corporate Communications Department, the Service Quality Unit, the Finance & Risks Division (Risk Management, Financial Accounting, Controlling, ALM & Financial Management, Compliance, and Legal), the Credit Management Division (Credit Analysis, Credit Analysis Support, and Credit Recovery Management), and the Business Support Division (IT Solutions, IT Services, Facility Management & General Services, Back Office, and Security).

As a general rule, revenue is allocated to the sector to which the client or their advisor is attached.

For sectors dealing with clients, "Net interest income before loan impairment charges/reversals" corresponds to

the gross commercial margin, i.e., the difference between the customer rate and the money-market rate, taking into account the nature and duration of the transaction (Funds Transfer Pricing, or FTP, method).

For the Corporate Center, net interest income before loan impairment charges/reversals comprises the net gain/loss on asset and liability management, on interbank activities, and on fixed assets as well as gross interest on impaired loans handled by the Credit Recovery Management Department.

Loan losses correspond to expected losses for sectors dealing with clients. The difference between new provisioning needs and expected loan losses, together with loan impairment charges/reversals, changes in existing provisions, recoveries on repaid loans, and changes in provisions for non-impaired loans, are booked to the Corporate Center.

Income from customer-driven forex and structured-products trading is allocated to Trading, which reallocates part of this income to the business sector to which the client is attached.

"Other income" is allocated based on the nature of the item.

Operating expenses and depreciation and amortization are allocated in two stages. The first of these involves charging direct expenses to the sector that uses the resources (personnel, premises, IT, etc.). In the second stage, indirect expenses are allocated on the basis of services provided among sectors.

Taxes are calculated per sector according to the tax rates in effect.

Balance-sheet and off-balance-sheet volumes reflect client-related business. In general, following the same rule used for income, business volumes are allocated to the sector to which the client or their advisor is attached.

Customer business volumes and revenues in foreign currencies are booked to the relevant client-facing business sector using exchange rates set at the start of the year; any subsequent foreign-currency translation differences (see note 6.7) are booked to the Corporate Center.

The definition of assets under management can be found in note 11.4.

Shareholders' equity is allocated to the business sectors at 13.0% of RWA, in accordance with the Final Basel III Accord (which took effect in 2025). Surplus equity is booked to the Corporate Center.

	Retail Banking		Corporate Banking	
	2025	2024	2025	2024

13.2.2 Customer business volumes by sector

(in CHF millions)

Loans and advances to customers ¹	145	102	5 236	4 961
Mortgage loans	11 560	10 981	14 064	13 673
Total customer loans	11 705	11 082	19 300	18 634
Customer deposits¹	12 626	12 088	12 130	12 116
Off-balance-sheet commitments¹	242	240	2 343	1 984
Assets under management (including double-counted)	16 617	15 583	19 435	18 428

13.2.3 Results by business sector (in CHF millions)

Net interest income before loan impairment charges/reversals	222.6	186.7	244.6	250.9
Loan impairment charges/reversals ²	- 3.2	- 2.9	- 22.8	- 22.8
Net interest income after loan impairment charges/reversals	219.4	183.8	221.7	228.1
Net fee and commission income	68.7	65.6	40.6	38.7
Net trading income	18.8	19.0	10.2	10.7
Other income	1.0	1.0	2.2	2.4
Revenues	307.9	269.4	274.7	279.9
Personnel costs	- 49.3	- 48.7	- 33.7	- 33.3
Operating expenses	- 40.4	- 39.5	- 11.3	- 11.4
Depreciation, amortization, and write-offs	- 13.0	- 14.8	- 1.8	- 2.0
Interdivisional billing	- 55.1	- 53.1	- 60.7	- 61.3
Other provisions and losses	- 0.5	- 0.6	- 2.5	- 2.9
Operating profit	149.5	112.7	164.7	168.9
Extraordinary income and expenses	0.0	0.0	0.0	0.0
Taxes ³ and minority interests	- 22.4	- 16.9	- 24.7	- 25.3
Net profit	127.1	95.8	140.0	143.6

13.2.4 Indicators

Average shareholders' equity (in CHF millions) ⁴	330	279	1 363	1 455
ROE (%)	38.6	34.4	10.3	9.9
Cost/income ratio (%) ⁵	50.7	57.3	36.1	35.7
Average headcount	366	367	188	188

2024 figures were adjusted to facilitate like-for-like comparison.

¹ Customer business volumes and revenues in foreign currencies are booked to the relevant client-facing business sector using exchange rates set at the start of the year; any subsequent foreign-currency translation differences (see note 6.7) are booked to the Corporate Center.

² Loan losses correspond to expected losses for sectors dealing with clients. The difference between new provisioning needs and expected loan losses, together with loan impairment charges/reversals, changes in existing provisions, recoveries on repaid loans, and changes in provisions for non-impaired loans are booked to the Corporate Center.

³ Taxes are calculated per business sector according to the tax rates in effect.

⁴ Equity is allocated to the business sectors at 13.0% of RWA (from 2025 in accordance with the Final Basel III Accord); surplus equity is booked to the Corporate Center.

⁵ Costs used for calculating the cost/income ratio per sector comprise: personnel costs; operating expenses; depreciation, amortization, and write-offs; and interdivisional billing. Income comprises income before loan impairment charges.

Wealth Management		Trading		Corporate Center		BCV Group	
2025	2024	2025	2024	2025	2024	2025	2024
935	837	0	0	41	59	6 357	5 959
9 122	8 760	0	0	831	794	35 577	34 207
10 057	9 596	0	0	872	853	41 934	40 166
12 362	12 171	5	2	1 134	1 296	38 257	37 672
163	140	9	9	783	684	3 540	3 056
96 451	88 702	0	0	1 606	1 451	134 110	124 164
166.6	166.7	13.1	10.6	- 118.0	- 59.9	528.9	555.0
- 2.0	- 2.0	0.0	- 0.0	25.3	26.3	- 2.7	- 1.4
164.6	164.7	13.1	10.6	- 92.7	- 33.6	526.2	553.6
288.9	266.1	- 3.2	- 2.7	- 0.8	1.7	394.3	369.5
28.7	26.0	56.0	51.0	81.1	88.1	194.8	194.8
0.9	1.2	0.0	0.0	30.6	33.1	34.6	37.7
483.2	458.0	65.9	58.9	18.2	89.4	1 149.9	1 155.5
- 128.3	- 125.8	- 13.0	- 13.1	- 168.9	- 165.9	- 393.3	- 386.9
- 47.5	- 47.3	- 7.8	- 8.3	- 59.2	- 63.3	- 166.2	- 169.8
- 11.2	- 10.9	- 2.0	- 2.1	- 53.6	- 52.1	- 81.7	- 81.9
- 63.3	- 60.4	- 3.3	- 2.9	182.4	177.7	0	0.0
- 0.5	- 0.1	- 0.5	- 0.8	- 2.0	2.4	- 5.9	- 2.0
232.4	213.5	39.3	31.7	- 83.1	- 11.9	502.8	515.0
0.0	0.0	0.0	0.0	0.8	0.5	0.8	0.5
- 34.9	- 32.1	- 5.9	- 4.8	14.0	4.1	- 73.9	- 75.0
197.6	181.4	33.4	27.0	- 68.4	- 7.2	429.7	440.6
379	378	74	71	1 755	1 644	3 900	3 827
52.2	48.0	45.3	37.8	0	0	11.0	11.5
51.6	53.1	39.8	44.8	0	0	55.6	55.2
596	582	50	51	897	864	2 096	2 051

13.3 Consolidated income statement – 5-year overview (in CHF millions)

	2021	2022	2023	2024	2025
Interest and discount income	480.5	524.5	936.0	968.8	713.3
Interest and dividend income from financial investments	18.0	21.4	36.7	50.7	66.0
Interest expense	– 26.0	– 84.2	– 376.0	– 464.5	– 250.3
Net interest income before loan impairment charges/reversals	472.6	461.7	596.7	555.0	528.9
Loan impairment charges/reversals	– 8.2	2.8	– 0.5	– 1.4	– 2.7
Net interest income after loan impairment charges/reversals (NII)	464.4	464.5	596.1	553.6	526.2
Fees and commissions on securities and investment transactions	312.1	291.6	288.4	318.0	343.5
Fees and commissions on lending operations	42.1	39.1	30.5	31.4	30.1
Fees and commissions on other services	67.8	73.1	79.3	85.8	89.4
Fee and commission expense	– 64.7	– 60.4	– 59.1	– 65.7	– 68.8
Net fee and commission income	357.3	343.4	339.1	369.5	394.3
Trading income on fixed-income instruments and equity securities	38.2	27.5	27.9	25.2	28.3
Trading income on foreign currencies, banknotes, and precious metals	117.5	168.7	169.8	177.8	176.6
Trading fee and commission expense	– 12.5	– 7.5	– 7.6	– 8.2	– 10.1
Net trading income and fair-value adjustments	143.2	188.7	190.1	194.8	194.8
Gains/losses on disposals of financial investments	4.3	10.1	0.5	3.0	0.8
Income from equity investments	5.5	5.5	6.8	7.0	7.1
<i>of which other non-consolidated holdings</i>	5.5	5.5	6.8	7.0	7.1
Real-estate income	7.0	6.6	5.0	3.5	3.1
Miscellaneous ordinary income	24.3	22.9	23.4	24.6	23.7
Miscellaneous ordinary expenses	– 0.6	– 2.3	– 1.0	– 0.4	– 0.1
Other ordinary income	40.5	42.8	34.6	37.7	34.6
Total income from ordinary banking operations	1 005.4	1 039.4	1 160.0	1 155.5	1 149.9
Personnel costs	– 349.3	– 352.9	– 364.1	– 386.9	– 393.3
Other operating expenses	– 155.8	– 163.7	– 176.6	– 169.8	– 166.2
Operating expenses	– 505.2	– 516.7	– 540.8	– 556.7	– 559.5
Depreciation and amortization of fixed assets and impairment on equity investments	– 72.0	– 69.6	– 76.1	– 81.9	– 81.7
Other provisions and losses	0.6	– 5.4	– 1.7	– 2.0	– 5.9
Operating profit	428.8	447.7	541.5	515.0	502.8
Extraordinary income	12.6	1.2	1.9	0.6	0.8
Extraordinary expenses	– 0.2	– 0.0	– 0.0	– 0.0	– 0.0
Taxes	– 62.5	– 60.6	– 74.2	– 74.9	– 73.9
Net profit	378.7	388.3	469.2	440.6	429.7
Minority interests	– 0.0	– 0.0	– 0.0	– 0.0	– 0.0
Net profit attributable to BCV Group shareholders	378.7	388.3	469.2	440.6	429.7

13.4 Consolidated balance sheet – 5-year overview (in CHF millions)

	31 / 12 / 21	31 / 12 / 22	31 / 12 / 23	31 / 12 / 24	31 / 12 / 25
Cash and cash equivalents	12 600	12 916	12 602	10 614	8 699
Due from banks	952	1 187	662	1 139	667
Reverse repurchase agreements	158	79	0	0	0
Loans and advances to customers	6 209	6 201	6 128	5 959	6 357
Mortgage loans	29 373	30 425	31 780	34 207	35 577
Trading portfolio assets	200	206	229	317	523
Positive mark-to-market values of derivative financial instruments	368	1 160	719	510	273
Other financial assets at fair value	1 212	897	934	1 131	1 440
Financial investments	4 287	5 757	5 196	6 065	7 449
Accrued income and prepaid expenses	67	70	122	113	107
Non-consolidated holdings	86	87	87	87	87
Tangible fixed assets	393	376	381	379	366
Intangible assets	0	0	0	0	0
Other assets	46	37	30	111	76
Assets	55 952	59 397	58 870	60 629	61 620
Due to banks	3 378	5 975	5 953	5 941	3 610
Repurchase agreements	1 458	1 008	1 977	1 253	1 743
Customer deposits	38 195	38 395	36 475	37 672	38 257
Trading portfolio liabilities	2	3	2	1	1
Negative mark-to-market values of derivative financial instruments	273	450	426	517	318
Other financial liabilities at fair value	1 340	1 006	1 132	1 564	2 269
Medium-term notes	2	0	2	4	4
Bonds and mortgage-backed bonds	7 313	7 942	8 443	9 444	11 143
Accrued expenses and deferred income	139	154	182	215	223
Other liabilities	183	725	400	80	59
Provisions	24	27	22	12	17
Liabilities	52 308	55 683	55 015	56 703	57 645
Reserves for general banking risks	666	666	666	666	666
Share capital	86	86	86	86	86
Capital reserve	36	35	35	35	36
Retained earnings	2 493	2 554	2 615	2 714	2 776
Currency translation reserve	-2	-2	-2	-2	-2
Own shares	-15	-14	-14	-13	-16
Minority interests in equity	0	0	0	0	0
Net profit	379	388	469	441	430
Shareholders' equity	3 644	3 713	3 855	3 927	3 975
Total liabilities and shareholders' equity	55 952	59 397	58 870	60 629	61 620



Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall group materiality	CHF 25'000'000
Benchmark applied	Operating result (profit before tax and changes in reserves for general banking risks and extraordinary elements)
Rationale for the materiality benchmark applied	We chose this benchmark because it is a generally accepted reference to measure the results of a group.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Identification and valuation of the value adjustments related to amounts due from customers and mortgage loans which are impaired or presenting increased risks.

Key audit matter

Mortgages and loans are one of the Group's main activities and represent approximately two thirds of its balance sheet as at 31 December 2025. The valuation of a counterparty's default risk relies largely on the use of rating methods developed by the Group. The valuation of the loans which are impaired or presenting increased risks relies on an analysis method that takes into account various elements such as market factors, the client's estimated willingness to repay and financial capacity or the estimation of the collateral's value. The analysis method used considers hypotheses and parameters over which the Group benefits from a margin of appreciation. Exposures that create greater uncertainty are typically those that result from unsecured loans or those that are subject to a collateral's loss of value.

For further information on methods regarding identification and valuation of the value adjustments related to amounts due from customers and mortgage loans which are impaired or presenting increased risks and value adjustments for non-impaired loans, refer to the following notes to the consolidated financial statements of Banque Cantonale Vaudoise as at 31 December 2025:

- Section 7.2: "Credit Risk" (p. 133 to 135 of the Annual report)
- Section 10.2: "Risk mitigants for loans and off balance-sheet transactions, impaired loans" (p. 139 of the Annual report)

How our audit addressed the key audit matter

Our procedures consisted in particular in assessing and testing the key controls related to the granting, recording and monitoring of mortgages and loans as well as the methodology used for the identification of default risk and the valuation of the loan impairment charges. For non-impaired exposures, we have verified and tested the following controls:

- controls to assess the risk of default as part of the counterparty rating process;
- annual review by the Risk Management department of the credit risk model used as part of the IRB approach.

For exposures considered impaired, we tested and verified the following controls:

- controls relating to the identification of signs of failure in order to determine the scope of overdue and/or impaired exposures;
- controls relating to the relevance and approval of the hypotheses and parameters of the internal model used to determine value adjustments;
- controls relating to the determination of the amount of value adjustments for default risk.

We have concluded that we can rely on the key controls verified. In addition, on the basis of sample tests, we verified that:

- the selected credit files were assigned to the corresponding rating class;
- automatically generated alert reports are reliable;
- the retained value of the collateral (market or liquidation value) has been established, respectively updated, in accordance with market practices;
- the amount of value adjustments was determined in accordance with accounting principles;
- the amount of value adjustments for non-impaired receivables which are not identified as increased risks was determined using the IRB approach implemented by the Group.

The methods applied to determine the need for value adjustments for both impaired and non-impaired receivables are appropriate.



Other information

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

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

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

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

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

Financial Statements

Parent Company Financial Statements

1. Balance sheet (in CHF millions)

	Notes	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Cash and cash equivalents		8 478	10 389	- 1 911	- 18
Due from banks		921	1 354	- 433	- 32
Reverse repurchase agreements	5.1	0	0	0	n/a
Loans and advances to customers	5.2	6 041	5 669	372	7
Mortgage loans	5.2	34 829	33 474	1 355	4
Trading portfolio assets	5.3	523	317	206	65
Positive mark-to-market values of derivative financial instruments	5.4	271	504	- 232	- 46
Other financial assets at fair value	5.3	1 440	1 131	309	27
Financial investments	5.5	7 423	6 040	1 383	23
Accrued income and prepaid expenses		105	111	- 6	- 6
Holdings		194	194	- 0	- 0
Tangible fixed assets		341	353	- 12	- 3
Other assets	5.6	54	102	- 47	- 46
Assets	5.18	60 621	59 637	984	2
Total subordinated assets		0	0	0	n/a
<i>of which subject to mandatory conversion and/or conditional write-off</i>		0	0	0	n/a
Due to banks		3 720	5 990	- 2 271	- 38
Repurchase agreements	5.1	1 743	1 253	490	39
Customer deposits		37 212	36 687	525	1
Trading portfolio liabilities	5.3	1	1	- 0	- 23
Negative mark-to-market values of derivative financial instruments	5.4	317	516	- 199	- 39
Other financial liabilities at fair value	5.3/5.10	2 269	1 564	705	45
Medium-term notes		4	4	0	7
Bonds and mortgage-backed bonds		11 143	9 444	1 699	18
Accrued expenses and deferred income		205	197	8	4
Other liabilities	5.6	54	74	- 20	- 27
Provisions	5.11	14	10	5	49
Liabilities		56 683	55 739	944	2
Reserves for general banking risks	5.11	666	666	0	0
Share capital	5.12/5.15/5.16	86	86	0	0
Regulatory capital reserve		7	7	0	0
<i>of which tax-exempt paid-in capital</i>		7	7	0	0
Regulatory retained earnings		87	87	0	0
Optional retained earnings		2 687	2 628	59	2
Own shares		- 16	- 13	- 3	- 20
Profit for the year		421	438	- 16	- 4
Shareholders' equity		3 938	3 898	40	1
Total liabilities and shareholders' equity		60 621	59 637	984	2
Total subordinated liabilities		0	0	0	n/a
<i>of which subject to mandatory conversion and/or conditional write-off</i>		0	0	0	n/a

Off-balance-sheet transactions (in CHF millions)	Notes	31 / 12 / 25	31 / 12 / 24	Absolute change	Change as %
Contingent liabilities	5.2	1 103	1 010	93	9
Irrevocable commitments	5.2	2 117	1 754	363	21
Commitments relating to calls on shares and other equity securities	5.2	243	243	0	0
Confirmed credits	5.2	44	37	7	19

2. Income statement (in CHF millions)

	Notes	2025	2024	Absolute change	Change as %
Interest and discount income		700.5	948.9	- 248.4	- 26
Interest and dividend income from financial investments		65.7	50.4	15.2	30
Interest expense		- 247.2	- 457.4	- 210.2	- 46
Net interest income before loan impairment charges/reversals	7.1	519.1	542.0	- 23.0	- 4
Loan impairment charges/reversals		- 3.3	- 2.2	1.1	50
Net interest income after loan impairment charges/reversal (NII)		515.8	539.8	- 24.1	- 4
Fees and commissions on securities and investment transactions		221.5	209.0	12.5	6
Fees and commissions on lending operations		30.1	31.3	- 1.3	- 4
Fees and commissions on other services		86.2	82.4	3.7	5
Fee and commission expense		- 23.8	- 23.9	- 0.1	- 1
Net fee and commission income		313.9	298.8	15.1	5
Trading income on fixed-income instruments and equity securities		28.3	25.2	3.1	12
Trading income on foreign currencies, banknotes, and precious metals		159.8	162.4	- 2.6	- 2
Trading fee and commission expense		- 11.3	- 9.2	2.1	23
Net trading income and fair-value adjustments	7.2	176.7	178.3	- 1.6	- 1
Gains/losses on disposals of financial investments		0.8	2.9	- 2.2	- 74
Income from equity investments		24.7	27.0	- 2.3	- 8
Real-estate income		2.8	3.1	- 0.3	- 11
Miscellaneous ordinary income		24.3	24.9	- 0.6	- 2
Miscellaneous ordinary expenses		- 0.1	- 0.4	- 0.3	- 83
Other ordinary income		52.5	57.5	- 5.1	- 9
Total income from ordinary banking operations		1 058.9	1 074.6	- 15.7	- 1
Personnel costs	7.3	- 341.2	- 336.3	4.8	1
Other operating expenses	7.4	- 145.5	- 150.2	- 4.7	- 3
Operating expenses		- 486.7	- 486.5	0.1	0
Depreciation and amortization of fixed assets and impairment on equity investments		- 76.8	- 77.9	- 1.1	- 1
Other provisions and losses	7.5	- 5.6	- 2.3	3.3	143
Operating profit		489.7	507.8	- 18.1	- 4
Extraordinary income	7.6	0.8	0.6	0.2	41
Extraordinary expenses	7.7	0	0	0	n/a
Taxes	7.8	- 69.3	- 70.8	- 1.5	- 2
Profit for the year		421.2	437.6	- 16.3	- 4
Appropriations	8				
Profit for the year		421.2	437.6		
Profit shown on the balance sheet		421.2	437.6		
Appropriation of profit					
- Allocation to optional retained earnings		42.6	58.9		
- Allocation to regulatory retained earnings		0.0	0.0		
- Distribution from distributable profit		378.7	378.7		

3. Statement of changes in equity (in CHF millions)

	Share capital	Capital reserve	Regulatory retained earnings	Reserves for general banking risks	Optional retained earnings	Own shares	Profit/loss for the year	Total equity
Status at 1 January 2023	86	7	86	666	2 481	- 14	386	3 698
Allocation to other reserves					59		- 59	0
2022 dividend							- 327	- 327
Purchases of own shares						- 23		- 23
Disposals of own shares						22		22
Gain on disposals of own shares and dividends			0					0
Profit/loss for the year							458	458
Status at 31 December 2023	86	7	86	666	2 540	- 14	458	3 829
Allocation to other reserves					88		- 88	0
2023 dividend							- 370	- 370
Purchases of own shares						- 27		- 27
Disposals of own shares						28		28
Gain on disposals of own shares and dividends			0					0
Profit/loss for the year							438	438
Status at 31 December 2024	86	7	87	666	2 628	- 13	438	3 898
Allocation to other reserves					59		- 59	0
2024 dividend							- 379	- 379
Purchases of own shares						- 29		- 29
Disposals of own shares						26		26
Gain on disposals of own shares and dividends			0					0
Profit/loss for the year							421	421
Status at 31 December 2025	86	7	87	666	2 687	- 16	421	3 938

4. Parent company name and accounting principles

4.1 Company name, legal status, and head office

Banque Cantonale Vaudoise (BCV) was founded on 19 December 1845 by the Vaud Cantonal Parliament as a *société anonyme de droit public* (i.e., a corporation organized under public law). Its legal status is defined in the Cantonal Act Governing the Organization of Banque Cantonale Vaudoise (LBCV) of 20 June 1995, and its head office is in Lausanne.

4.2 Accounting principles for the parent company financial statements

BCV's financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations, the Swiss Federal Act on Banks and Savings Institutions and its implementing ordinance, the FINMA Accounting Ordinance (FINMA-AO), and FINMA Circular 2020/1 on accounting rules for banks. The financial statements provide a true and fair view of the Bank's financial position that would enable a third party to form an accurate opinion of the Bank's financial situation.

Under Article 36, paragraph 1, of the implementing ordinance of the Swiss Federal Act on Banks and Savings Institutions and Article 86, paragraph 1, of the FINMA-AO, the parent company is exempt from certain requirements in preparing its annual financial statements and notes. As a result, the cash flow statement and a number of tables are provided only in the consolidated financial statements.

4.3 Accounting and valuation principles

The valuation principles used to draw up the parent company financial statements are the same as those used for the consolidated financial statements, with the exception of the following items:

4.3.1 Holdings

This line item comprises shares and other equity securities held as long-term investments. They are carried at cost less any impairment.

4.3.2 Own shares

Dividend payments on own shares and gains and losses on own-share disposals are allocated directly to regulatory retained earnings, while for the consolidated financial statements they are allocated to the capital reserve.

4.4 Changes to accounting principles

No changes were made to the accounting principles in 2025.

4.5 Risk-assessment and risk-management principles

Risk-assessment and risk-management principles for the parent company are the same as those for the Group; they are detailed in note 7 to the consolidated financial statements.

4.6 Use of hedge accounting

Information on the use of hedge accounting by the parent company is the same as for the Group; it is provided in note 8 to the consolidated financial statements.

4.7 Events taking place after the closing date

No event liable to have a material influence on the parent company's financial statements took place after the closing date.

5. Notes to the balance sheet

5.1 Repurchase and reverse repurchase agreements (in CHF millions)

	31 / 12 / 25	31 / 12 / 24
Book value of claims arising from cash collateral pledged in connection with securities borrowing or reverse repurchase agreements ¹	0	0
Book value of liabilities arising from cash collateral received in connection with securities lending or repurchase agreements ¹	1 743	1 253
Book value of securities held for own account, lent or transferred as collateral in connection with securities borrowing or repurchase agreements	1 729	1 202
<i>of which those that can be sold or repledged without restriction</i>	1 729	1 202
Fair value of securities received as collateral in connection with securities lending and those received in connection with securities borrowing and under reverse repurchase agreements, which can be sold or repledged without restriction	0	0
<i>of which securities repledged as collateral</i>	0	0
<i>of which sold securities</i>	0	0

¹ Before netting agreements

5.2 Risk mitigants for loans and off-balance-sheet transactions

Impaired loans (in CHF millions)

		Type of risk mitigant			Total
		Mortgage	Other	Unsecured	
Loans and advances to customers		597	1 923	3 603	6 123
Mortgages		34 622	152	68	34 842
<i>Residential real estate</i>		28 794	2	14	28 809
<i>Office and business premises</i>		3 025		4	3 029
<i>Commercial and industrial property</i>		1 625	1	5	1 631
<i>Other</i>		1 178	149	45	1 373
Loans (before impairment charges/reversals)	31 / 12 / 25	35 220	2 075	3 671	40 966
	31 / 12 / 24	33 810	2 038	3 382	39 231
Loans (after impairment charges/reversals)	31 / 12 / 25	35 220	2 075	3 575	40 870
	31 / 12 / 24	33 810	2 038	3 294	39 142
Contingent liabilities		14	239	850	1 103
Irrevocable commitments		523	0	1 593	2 117
Commitments relating to calls on shares and other equity securities				243	243
Confirmed credits				44	44
Off-balance-sheet transactions	31 / 12 / 25	537	239	2 730	3 506
	31 / 12 / 24	444	228	2 371	3 043

		Gross receivables	Realization value of risk mitigants	Net receivables	Individual impairment charge/reversal
Impaired loans and off-balance-sheet commitments	31 / 12 / 25	134	- 50	84	77
	31 / 12 / 24	119	- 38	80	71
Change (absolute)		15	11	4	5
Change (as %)		13	29	5	8

5.3 Trading portfolio assets and liabilities and other financial assets and liabilities at fair value (in CHF millions)

Assets	31 / 12 / 25	31 / 12 / 24
Debt securities	0	0
<i>of which listed on a recognized stock exchange</i>	0	0
Equity securities	3	6
Commodities and precious metals	520	311
Trading portfolio assets	523	317
Debt securities	7	7
Structured products	0	0
Other assets held in order to hedge issued structured products	1 433	1 124
Other financial assets at fair value	1 440	1 131
Total	1 963	1 447
<i>of which determined using a valuation model</i>	0	0
<i>of which securities eligible for repurchase agreements in accordance with liquidity regulations</i>	0	0

Liabilities	31 / 12 / 25	31 / 12 / 24
Debt securities	0	0
<i>of which listed on a recognized stock exchange</i>	0	0
Equity securities	1	1
Other trading portfolio liabilities	0	0
Trading portfolio liabilities	1	1
Debt securities	0	0
Structured products	2 269	1 564
Other financial liabilities at fair value	2 269	1 564
Total	2 270	1 565
<i>of which determined using a valuation model</i>	19	28

5.4 Derivative financial instruments (in CHF millions)

	Trading instruments			Hedging instruments			
	Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset	Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset	
Swaps	43	43	670	141	184	10 290	
Futures			234				
Options (OTC)							
Interest-rate instruments	43	43	904	141	184	10 290	
Forward contracts and swaps	126	128	29 270				
Options (OTC)	24	14	1 517				
Foreign currencies and precious metals	150	142	30 787	0	0	0	
Futures			350				
Options (OTC)	29	39	1 246				
Options (exchange-traded)	0	1	422				
Equity securities / indices	29	40	2 018	0	0	0	
Total	31 / 12 / 25	222	225	33 708	141	184	10 290
of which determined using a valuation model		222	224	–	141	184	–
	31 / 12 / 24	632	577	37 336	178	245	10 426
of which determined using a valuation model		632	577	–	178	245	–

		Positive mark-to-market value	Negative mark-to-market value	Value of underlying asset
Breakdown				
Trading instruments		222	225	33 708
Hedging instruments		141	184	10 290
Total before netting agreements	31 / 12 / 25	363	409	43 998
	31 / 12 / 24	809	822	47 762
Total after netting agreements	31 / 12 / 25	271	317	43 998
	31 / 12 / 24	504	516	47 762
Change	absolute	– 232	– 199	– 3 765
	as %	– 46	– 39	– 8

Breakdown by counterparty

	Central clearing houses	Banks and securities dealers	Other clients
Positive mark-to-market value (after netting agreements)	130	86	55

5.5 Financial investments (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Book value	Fair value	Book value	Fair value
Debt securities	7 366	7 404	5 982	6 049
<i>of which securities intended to be held until maturity</i>	7 366	7 404	5 982	6 049
<i>of which securities available for sale</i>	0	0	0	0
Equity securities	24	70	23	66
<i>of which significant holdings (minimum of 10% of capital or voting rights)</i>	5	5	3	3
Available-for-sale real estate and goods acquired in connection with lending operations	34	36	36	37
Financial investments	7 423	7 511	6 040	6 152
<i>including securities eligible for repurchase agreements in accordance with liquidity regulations</i>	7 221	–	5 982	–

Counterparty breakdown by rating

	AAA to AA–	A+ to A–	BBB+ to BBB–	BB+ to B–	Below B–	Not rated	Total
Book value of debt securities	6 948					418	7 366

The rating categories are based on Standard & Poor's ratings; they are used for the specific instruments to which the Bank has subscribed. If an instrument is not rated by Standard & Poor's, then a rating from another agency is used. Where there is no specific rating for a given instrument, the issuer's long-term rating is used, with the same order of rating agencies.

Most of the Bank's unrated positions are in investment-grade debt securities issued by Swiss public-sector entities or by Switzerland's housing-construction bond issuer (EGW/CCL).

5.6 Other assets and liabilities (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Other assets	Other liabilities	Other assets	Other liabilities
Offset accounts	36	0	86	0
Indirect taxes	11	14	10	33
Coupons/coupons and securities due	4	1	0	2
Settlement accounts	1	28	4	22
Miscellaneous assets and liabilities	2	11	1	17
Other assets and liabilities	54	54	102	74

5.7 Assets pledged or assigned as collateral for own liabilities, and assets with reservation of title (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Amount or book value of pledge	Real liability	Amount or book value of pledge	Real liability
Cash and cash equivalents	0	0	0	0
Due from banks	151	130	336	293
Loans and advances to customers	82	72	133	119
<i>of which Covid-19 loans granted to customers</i>	70	60	129	115
Mortgages pledged or assigned to Central Mortgage-Bond Institution of Swiss Cantonal Banks	10 882	8 490	9 715	7 314
Other financial assets at fair value	6	3	0	0
Financial investments	791	607	802	632
Total assets pledged or assigned	11 913	9 301	10 985	8 358

BCV has no assets with reservation of title.

Securities serving as collateral in connection with securities borrowing or repurchase agreements and that can be sold or repledged are shown in note 5.1.

5.8 Commitments relating to own occupational pension funds

BCV shares held by own occupational pension funds (in CHF millions)

	31 / 12 / 25	31 / 12 / 24
Customer deposits	184	133

BCV's own occupational pension funds held no BCV shares at 31 December 2025 or at 31 December 2024.

5.9 Economic situation of own occupational pension funds (in CHF millions)

There were no employer contribution reserves at end-2025 or end-2024.

Economic benefit/liability and pension expenses	Surplus / deficit ¹	Economic benefit/liability			Contributions adjusted for the period	Pension expenses included in Personnel costs	
		31 / 12 / 25	31 / 12 / 24	Change		2025	2024
Employer-financed pension fund: "Fonds de prévoyance en faveur du personnel de la BCV"	62.6	0	0	0	0.0	0.0	0.0
Pension funds with surpluses: "Caisse de pensions de la BCV" and "Fondation de prévoyance complé- mentaire en faveur de l'encadrement supérieur de la BCV"	136.8	0	0	0	35.4	35.4	35.0
Total²	199.4	0	0	0	35.4	35.4	35.0

¹ The surplus or deficit of a pension fund is based on its unaudited interim accounts at 30 September 2025.

² Since the intention is not to apply the surpluses to reduce or refund the employer's contributions, or for the employer to use them for any economic purpose other than regulatory benefits, there is no identifiable economic benefit to be recognized on the balance sheet.

Pension funds

BCV Group employees are members of the “Caisse de pensions de la Banque Cantonale Vaudoise” (CP BCV). Its purpose is to insure its members against the economic consequences of retirement, disability, and death by guaranteeing benefits in accordance with the terms of the pension-fund regulations. It is a provider of the compulsory insurance introduced under the Federal Act on Occupational Retirement, Survivors’ and Disability Pension Plans (LPP) and provides coverage in excess of the minimum LPP requirements.

Senior executives insured with the CP BCV are also members of the “Fondation de prévoyance complémentaire de la Banque Cantonale Vaudoise,” the purpose of which is to insure its members against the economic consequences of retirement, disability, and death by guaranteeing benefits in accordance with the terms of the pension-fund regulations.

The “Fonds de prévoyance en faveur du personnel de la BCV” is an employer-operated fund. Its purpose is to assist BCV employees, where necessary, in dealing with the economic consequences of old age, disability, illness, or early retirement.

5.10 Issued structured products (in CHF millions)

Underlying risk of embedded derivative	Carrying value				Total
	Single treatment	Recognized in other financial liabilities at fair value	Value of the host instrument	Value of the derivative	
Interest-rate instruments	–	0			0
Equity securities	–	2 210	878	– 11	3 077
Foreign currencies	–	59			59
Commodities and precious metals	–	0			0
Total	31 / 12 / 25	2 269	878	– 11	3 136
	31 / 12 / 24	–	785	– 23	2 325

All structured products issued by BCV comprise own debt securities.

Single accounting treatment

Linear and non-linear structured products carried at fair value are booked under “Other financial liabilities at fair value,” with reference to a quoted market price or a valuation model. Subsequent revaluations are recognized under “Net trading income and fair-value adjustments.”

Separate accounting treatment

For those non-linear structured products not carried at fair value, the host instrument and embedded derivatives are treated separately. The host instrument is recorded under “Bonds” at nominal value as a debt issued by the Bank, and the embedded derivatives are carried at either positive or negative mark-to-market values. Any subsequent changes in fair value are recognized under “Net trading income and fair-value adjustments.” Interest accrued in the interest-rate component is recorded under “Interest expense” using the accrual method.

5.11 Provisions

Reserves for general banking risks (in CHF millions)

	Status at year-end	Used as allocated	Changes in scope of consolidation	Currency translation differences	Recoveries, overdue interest	New provisions charged to income statement	Releases credited to income statement	Status at year-end
	2024							2025
Provisions for credit risk	9				0	4	- 5	8
<i>of which provisions under Art. 28.1 FINMA-AO</i>	1				0	0	- 1	0
<i>of which provisions for inherent credit risk</i>	8				0	3	- 4	8
Provisions for other operating risks	1	- 0			0	0	- 0	1
Other provisions	0	- 0				6	- 0	6
Total provisions	10	- 0	0	0	0	10	- 5	14
Reserves for general banking risks¹	666							666
Provisions for credit risk and country risk	91	- 4	0	0	6	25	- 21	96
<i>of which provisions for impaired loans</i>	71	- 4			6	17	- 14	76
<i>of which provisions for inherent credit risk</i>	20				0	8	- 8	20

¹ Reserves for general banking risks are taxable.

5.12 Share capital (in CHF millions)

		2025		2024	
		Number of shares (in units)	Total par value	Number of shares (in units)	Total par value
Share capital					
Registered shares, fully paid-in	Par value	CHF 1.00		CHF 1.00	
Status at 1 January		86 061 900	86	86 061 900	86
No movement		0	0	0	0
Status at 31 December		86 061 900	86	86 061 900	86
<i>of which share capital qualifying for dividends</i>			86		86

Participation certificate capital

BCV does not have any participation certificate capital.

Conditional capital

BCV does not have any conditional capital.

Authorized capital

BCV does not have any authorized capital.

5.13 Stock options and shares granted to members of the Board of Directors, Executive Board members, and other employees

Employee share-ownership plans

	Shares (in units)	2025 Value (in CHF)	Shares (in units)	2024 Value (in CHF)
Members of the Board of Directors	0	0	0	0
Executive Board members	27 693	2 345 047	30 421	2 310 574
Other employees	235 050	12 082 167	253 296	12 769 517
Total	262 743	14 427 214	283 717	15 080 091

No stock options have been granted to members of the Board of Directors, Executive Board members, or other employees.

Employee share ownership

Annual performance-based compensation

For Executive Board members and department heads, 30% of their annual performance-based compensation must be taken in BCV shares with a lock-up period of five to ten years.

Other employees receiving annual performance-based compensation of CHF 21,000 or more may opt for full payment in cash, or 70% in cash and 30% in BCV shares with a lock-up period of three years. In the latter case, BCV increases the portion of shares by 30%.

Executive Board members are allocated shares subject to approval at the Shareholders' Meeting. The number of shares allocated will be calculated based on the closing market price on 11 May 2026, rounded up to the nearest whole number.

Other employees will receive their shares at the end of April 2026. The number of shares allocated will be calculated based on the closing market price on 13 March 2026, rounded up to the nearest whole number. These employees have until 26 March 2026 to decide on the proportion they wish to receive in the form of shares. As their decision was not known at the time this report was published, the number of shares taken into account in the above table corresponds to the maximum possible number of shares.

The market prices used to calculate the number of shares will be those on 13 March 2026 and 11 May 2026, so they were not known at the time of writing. As a result, the maximum possible number of shares was calculated based on the closing market price on 12 March 2026, the date of the Board of Directors' final decision on this compensation.

Share-ownership plan

The Executive Board and other BCV employees were given the opportunity to subscribe to the share-ownership plan in April 2025 on the following terms:

- The number of shares that may be purchased was determined by the level of responsibility inherent in the employee's position.
- The subscription period ran from 14 to 27 March 2025.
- The subscription price was set at CHF 77 per share, and the market price used was CHF 95 (closing price on 13 March 2025, the day before the subscription period started).

The amounts (number of shares and value) shown in the table above correspond to the number of shares subscribed multiplied by CHF 18, which is the difference between the market price of CHF 95 and the subscription price of CHF 77.

Long-term performance-based compensation

At the beginning of each three-year share-ownership plan, participants are informed of the number of shares that will be allocated if all objectives are met in full. At the end of each plan, the Bank informs participants of the extent to which objectives have been met based on the Bank's financial results and strategic and qualitative performance. The number of shares initially allocated is multiplied by the level of attainment of the objectives in order to determine the number of shares allocated to each participant.

The amounts taken into account in the table on the previous page correspond to the expense recorded in 2025 for the various plans in progress.

Free shares

The Bank awards 20 BCV shares to apprentices, high school graduate trainees, and university interns who join the Bank after their training.

The number allocated and their value, based on the market price on the last business day of the month before the shares are awarded, are also included in the table.

5.14 Receivables and commitments with respect to related parties (in CHF millions)

	31 / 12 / 25		31 / 12 / 24	
	Receivable	Commitment	Receivable	Commitment
Qualified shareholder	0	2 174	0	2 239
Group companies	268	135	249	67
Affiliated companies	243	558	225	492
Governing bodies	27	11	29	9

Individuals and companies that hold at least 10% of voting rights are considered qualified shareholders.

Corporations organized under public law in Vaud Canton and public-private entities in which Vaud Canton has a qualified holding are considered affiliated companies.

Transactions with members of the Board of Directors were conducted on market terms. Receivables and commitments with respect to Executive Board members were granted on the standard terms for BCV employees. Transactions with related parties were conducted on market terms.

5.15 Significant shareholders (in CHF millions)

	31 / 12 / 25			31 / 12 / 24		
	Number of shares (in units)	Total par value	Stake	Number of shares (in units)	Total par value	Stake
Voting rights						
Vaud Canton, direct interest	57 622 520	57.6	66.95%	57 622 520	57.6	66.95%

Shareholders with more than 5% of voting rights are considered significant shareholders.

5.16 Own shares and breakdown of share capital

Number of shares (in units)

	Average transaction price	Total	Own shares
Status at 31 December 2024		86 061 900	152 140
<i>of which shares reserved for long-term performance-based compensation</i>			115 709
Purchases	93		319 452
Sales	91		– 296 343
Status at 31 December 2025		86 061 900	175 249
<i>of which shares reserved for long-term performance-based compensation</i>			103 281

The breakdown of share capital is provided in note 5.12.

Own shares were traded at market prices. The proceeds of the sale of own shares were allocated directly to the capital reserve.

Non-distributable reserves

If the combined total of regulatory retained earnings and the regulatory capital reserve does not exceed half the amount of the Bank's share capital (i.e., CHF 43m), these line items can be used only to cover losses. There are no regulatory restrictions on how optional reserves can be used.

The Bank must set part of its reserves aside in order to meet regulatory capital requirements.

5.17 Compensation and loans granted to the Board of Directors and Executive Board

5.17.1 Compensation and loans granted to members of the Board of Directors and the Executive Board

Compensation breakdown (see pages 192–193)

Members of the Board of Directors

For 2025, the members of the Board of Directors in office in 2025 (including the member who stepped down on 8 May 2025) were accorded total compensation of CHF 1,400,099. Benefit expense resulting from compensation to the Board of Directors totaled CHF 141,190 (social security, unemployment insurance, accident insurance, and family allowances). The Bank does not make any occupational-pension contributions on behalf of the members of the Board. By law and in accordance with pension-fund regulations, members of the Board of Directors who are not receiving retirement benefits must join the "Caisse de pensions de la Banque Cantonale Vaudoise" and pay all of their occupational-pension contributions themselves.

Compensation comprises fees, remuneration, and expenses.

The Vice Chair receives additional fixed compensation of CHF 20,000. For the members of the Board committees – the Audit and Risk Committee and the Compensation, Promotions and Appointments Committee – annual compensation was set as follows: CHF 40,000 for the chair and CHF 20,000 for the other members of the Audit and Risk Committee; and CHF 20,000 for the chair and CHF 10,000 for the other members of the Compensation, Promotions and Appointments Committee.

The average compensation of Board members, excluding the Chair, amounted to CHF 128,350.

Since 1 November 2002, serving members of the Board of Directors have not been granted any preferential terms for banking services.

Members of the Executive Board

For 2025, the nine members of the Executive Board in office in 2025 were accorded total compensation of CHF 8,461,141 (there were nine members from 1 April to 30 June 2025 due to the leadership transition in the Retail Banking Division). This includes annual performance-based compensation for an aggregate amount of CHF 4,050,000.

This compensation will be submitted to shareholders for approval at the Shareholders' Meeting on 30 April 2026. If approved, this amount will be paid in May 2026 in two parts: CHF 2,835,000 in cash and the remaining CHF 1,215,000 in the form of shares locked up for between five and ten years. Benefit expense resulting from compensation to the Executive Board totaled CHF 1,217,105 for occupational pensions and CHF 848,719 for other benefits (social security, unemployment insurance, accident insurance, income replacement, and family allowances), subject to approval of the proposed annual performance-based compensation at the Shareholders' Meeting.

Allocation of shares during 2025

Members of the Board of Directors

Since 2018, the members of the Board of Directors receive their compensation entirely in cash.

Members of the Executive Board

For 2025, Executive Board members in office at 31 December 2025 will receive a number of locked-up BCV shares equivalent to 30% of their annual performance-based compensation. The number of locked-up shares will be determined in accordance with the closing share price on 11 May 2026. They also subscribed to 7,000 locked-up shares under the employee share-ownership program.

Other fees and compensation

Members of the Board of Directors and Executive Board received no fees or other compensation from BCV that are not included in the above compensation. Moreover, all fees and other amounts received by Executive Board members representing BCV on the boards of directors of other companies are remitted to the Bank. In 2025, such payments to the Bank amounted to CHF 252,861.

Loans to members of the Board of Directors and Executive Board

Serving members of the Board of Directors are not accorded preferential terms on loans granted to them. For members of the Executive Board, as well as for all employees, the interest on variable-rate first mortgages was 2.10% at 31 December 2025. In 2025, the interest charged on short-term mortgage loans and on medium- and long-term fixed-rate loans was between 0.55 and 0.65 percentage points above market rates, depending on the term of the loan.

Share ownership

Members of the Board of Directors

Under a resolution adopted by the Board of Directors on 7 October 2002, each director is required to own a minimum of 1,000 BCV shares, which must be acquired before the end of their first term. At 31 December 2025, directors and their close relations¹ held a total of 42,622 BCV shares.

Members of the Executive Board

At 31 December 2025, Executive Board members and their close relations¹ held 146,758 BCV shares.

¹ For members of a BCV governing body, "close relations" refers to partners (a married or unmarried couple, or a married but separated couple), any other individual living under the same roof, and any legal entities that a member controls, is a beneficial owner of, or on whose management board the member serves.

Compensation of members of the Board of Directors for the 2025 financial year (in CHF)

		Fees	Committee-related compensation	Other	Total	Other benefits ¹
Eftychia Fischer	Chair	600 000	0	30 000	630 000	44 137
Jean-François Schwarz	Vice Chair	115 000	20 000	10 000	145 000	16 683
Jack G. N. Clemons	Member	95 000	20 000	10 000	125 000	15 648
Ingrid Deltenre	Member until 8 May 2025	33 489	3 561	3 561	40 611	3 543
Fabienne Freymond Cantone	Member	95 000	10 000	10 000	115 000	14 994
Stefan Fuchs	Member	95 000	40 000	10 000	145 000	21 010
Sandra Erika Hauser	Member from 8 May 2025	61 534	6 477	6 477	74 488	11 314
Pierre-Alain Urech	Member	95 000	20 000	10 000	125 000	13 861
Total		1 190 023	120 038	90 038	1 400 099	141 190
Average compensation	Excluding Chair	98 337	20 006	10 006	128 350	16 176

¹Social security, unemployment insurance, accident insurance, and family allowances. The Bank does not make any occupational-pension contributions on behalf of the members of the Board. By law and in accordance with pension-fund regulations, members of the Board of Directors who do not receive retirement benefits must join the “Caisse de pensions de la Banque Cantonale Vaudoise” and pay all of their occupational-pension contributions themselves.

Compensation of members of the Board of Directors for the 2024 financial year (in CHF)

		Fees	Committee-related compensation	Other	Total	Other benefits ¹
Eftychia Fischer	Chair	600 000	0	30 000	630 000	44 390
Jean-François Schwarz	Vice Chair	115 000	20 000	10 000	145 000	16 746
Jack G. N. Clemons	Member	95 000	20 000	10 000	125 000	15 698
Ingrid Deltenre	Member	95 000	15 108	10 000	120 108	14 344
Fabienne Freymond Cantone	Member	95 000	10 000	10 000	115 000	15 042
Stefan Fuchs	Member	95 000	40 000	10 000	145 000	22 524
Pierre-Alain Urech	Member	95 000	14 892	10 000	119 892	13 189
Total		1 190 000	120 000	90 000	1 400 000	141 933
Average compensation	Excluding Chair	98 333	20 000	10 000	128 333	16 257

¹Social security, unemployment insurance, accident insurance, and family allowances. The Bank does not make any occupational-pension contributions on behalf of the members of the Board. By law and in accordance with pension-fund regulations, members of the Board of Directors who do not receive retirement benefits must join the “Caisse de pensions de la Banque Cantonale Vaudoise” and pay all of their occupational-pension contributions themselves.

Compensation of members of the Executive Board for the 2025 financial year (in CHF)

	Total ¹		Pascal Kiener CEO	
	Shares (in units)		Shares (in units)	
Fixed salary		4 780 071		960 000
Annual performance-based compensation paid in cash ²		2 835 000		476 000
Annual performance-based compensation paid in shares ^{2, 3}		803 323		113 912
Shares acquired under employee share-ownership program ⁴	7 000	19 347	1 000	2 764
Stock options (BCV has no employee stock-option plan)	0		0	
Other		23 400		6 000
Total		8 461 141		1 558 676
<i>Previous year</i>		<i>8 338 201</i>		<i>1 577 002</i>
2023–2025 long-term performance-based compensation plan				
Shares allocated at CHF 120.50 per share ⁵	12 509	1 507 335	1 787	215 334
<i>Previous year</i>	<i>14 189</i>	<i>1 347 955</i>	<i>2 027</i>	<i>192 565</i>
Total		9 968 476		1 774 010
<i>Previous year</i>		<i>9 686 156</i>		<i>1 769 567</i>
Occupational pension		1 217 105		154 678
Other benefits ⁶		848 719		146 884
<i>Previous year</i>				
<i>Occupational pension</i>		<i>1 267 242</i>		<i>151 326</i>
<i>Other benefits⁶</i>		<i>811 490</i>		<i>147 183</i>

¹ There were nine members of the Executive Board from 1 April to 30 June 2025 due to the leadership transition in the Retail Banking Division.

² Subject to approval at the 2026 Annual Shareholders' Meeting

³ The number of shares will be calculated based on the market price on 11 May 2026, and rounded up to the nearest unit. The value of the shares (in Swiss francs) is discounted according to the duration of the share lock-up period.

⁴ Difference between the subscription price (CHF 77) and the market price on 13 March 2025 (CHF 95) at its discounted value

⁵ Market price on 12 March 2026

⁶ Social security, unemployment insurance, accident insurance, income replacement, and family allowances

Loans to members of governing bodies (in CHF)

	Position	Nominal	Secured	Unsecured	31 / 12 / 25 Drawn down
Board of Directors					
Eftychia Fischer	Chair	2 100 000	2 100 000		2 100 000
Jean-François Schwarz	Vice Chair	11 050 000	11 050 000		10 700 000
Jack G. N. Clemons	Member	365 000	365 000		365 000
Fabienne Freymond Cantone	Member	0			
Stefan Fuchs	Member	0			
Sandra Erika Hauser	Member	0			
Pierre-Alain Urech	Member	0			
Total		13 515 000	13 515 000	0	13 165 000
<i>Previous year</i>		<i>13 515 000</i>	<i>13 515 000</i>	<i>0</i>	<i>13 165 000</i>
Executive Board					
Total		15 616 000	15 616 000		14 103 000
<i>Previous year</i>		<i>20 895 000</i>	<i>20 535 000</i>	<i>360 000</i>	<i>16 635 000</i>
Thomas W. Paulsen ¹	Member	5 754 000	5 754 000	0	5 104 000

¹Largest individual loan granted to an Executive Board member

No loans were granted to close relations of the members of the Board of Directors and Executive Board on terms not in keeping with market practice.

For members of a BCV governing body, “close relations” refers to partners (a married or unmarried couple, or a married but separated couple), any other individual living under the same roof, and any legal entities that a member controls, is a beneficial owner of, or on whose management board the member serves.

Loans to companies with links to members of governing bodies (in CHF)

No loans were granted to companies with links to members of governing bodies.

Share and option ownership

		31 / 12 / 25 Shares (in units)	31 / 12 / 24 Shares (in units)
Board of Directors			
Eftychia Fischer	Chair	1 110	1 110
Jean-François Schwarz	Vice Chair	36 910	36 910
Jack G. N. Clemons	Member	1 000	1 000
Ingrid Deltenre (until 8 May 2025)	Member		1 740
Fabienne Freymond Cantone	Member	1 002	1 002
Stefan Fuchs	Member	1 000	1 000
Sandra Erika Hauser (from 8 May 2025)	Member	600	
Pierre-Alain Urech	Member	1 000	300
Total		42 622	43 062
Executive Board			
Pascal Kiener	CEO	37 197	32 016
Andreas Diemant	Corporate Banking	9 664	12 528
Anne Maillard (from 1 April 2025)	Retail Banking	0	
Christian Meixenberger	Business Support	9 554	18 066
Thomas W. Paulsen	CFO	12 069	11 298
Bertrand Sager	Credit Management	50 328	46 916
José François Sierdo (until 30 June 2025)	Retail Banking		15 881
Christian Steinmann	Private Banking	3 849	2 249
Fabrice Welsch	Asset Management & Trading	24 097	19 731
Total		146 758	158 685

Members of the Board of Directors and Executive Board held no options at 31 December 2025.

5.17.2 Compensation and loans granted to former members of the Board of Directors and Executive Board

Compensation of former members of the Board of Directors and Executive Board for the 2025 financial year

No compensation was paid directly or indirectly to former members of the Board of Directors or Executive Board, or to their close relations, for the 2025 financial year.

For former members of the Board of Directors or Executive Board, “close relations” refers to partners (a married or unmarried couple, or a married but separated couple), any other individual living under the same roof, and any legal entities that a former member controls, is a beneficial owner of, or on whose management board the former member serves.

Loans granted to former members of the Board of Directors and Executive Board

Since 1 November 2002, serving members of the Board of Directors have not been granted any preferential terms for banking services, while former members who held office prior to this date continue to receive preferential terms that are in line with market practice for the banking industry.

Retired Executive Board members continue to receive preferential terms that are in line with market practice for the banking industry.

Jean-François Schwarz, a retired Executive Board member who receives a pension from the “Caisse de pensions de la Banque Cantonale Vaudoise,” joined the Board of Directors on 1 January 2019 and will continue to receive preferential terms, in line with market practice for the banking industry, on his fixed-term mortgage loans until they mature. He will receive no other preferential terms during his time in office, like the other members of the Board of Directors.

5.18 Breakdown of foreign assets by solvency of the country group in which the risk is domiciled (in CHF millions)

Internal country rating	Standard & Poor's rating	31 / 12 / 25		31 / 12 / 24	
		Absolute value	as % of total	Absolute value	as % of total
1&2	AAA to AA–	3 087	87	2 906	88
3	A+ to A–	128	4	86	3
4	BBB+ to BBB–	32	1	61	2
5	BB+ to BB–	31	1	59	2
6	B+ to B–	162	5	137	4
7	CCC+ to C	41	1	24	1
Not rated	Not rated	57	2	30	1
Foreign exposure		3 539	100	3 302	100

6. Notes to off-balance-sheet transactions

6.1 Fiduciary transactions (in CHF millions)

	31 / 12 / 25	31 / 12 / 24	Absolute Change	Change as %
Fiduciary investments with third parties	332	426	– 93	– 22

6.2 Assets under management

As BCV is not required to disclose these figures, they are provided voluntarily and only on a consolidated basis (see note 11.4 to the consolidated financial statements).

7. Notes to the income statement

7.1 Net interest income before loan impairment charges/reversals

Funding of trading positions and negative interest (in CHF millions)

	2025	2024	Absolute change	Change as %
Banks and reverse repurchase agreements	25.3	166.4	– 141.1	– 85
Customers	660.5	672.9	– 12.4	– 2
Interest and dividends on financial investments	65.7	50.4	15.2	30
Other interest income	14.7	109.6	– 94.9	– 87
Total interest income	766.2	999.4	– 233.2	– 23
Banks and repurchase agreements	53.8	135.1	– 81.3	– 60
Customers	86.7	225.5	– 138.8	– 62
Medium-term notes and bonds	106.7	96.8	9.9	10
Other interest expense	0	0	0	n/a
Total interest expense	247.2	457.4	– 210.2	– 46
Net interest income before loan impairment charges/reversals	519.1	542.0	– 23.0	– 4

For 2025, total interest expense included CHF 2.2m in negative interest, and no negative interest was recorded under total interest income. Net interest income before loan impairment charges/reversals was not affected by negative interest in 2024.

The cost of funding trading positions, credited to other interest income, was not material for 2025 or for 2024.

7.2 Net trading income and fair-value adjustments (in CHF millions)

	2025	2024	Absolute change	Change as %
Breakdown by business sector				
Retail Banking	18.8	19.0	-0.2	-1
Corporate Banking	10.2	10.7	-0.5	-4
Wealth Management	11.9	10.5	1.4	13
Trading	56.0	51.0	5.0	10
Corporate Center	79.8	87.1	-7.3	-8
Total	176.7	178.3	-1.6	-1

2024 figures were adjusted to facilitate like-for-like comparisons.

Trading income and fair-value adjustments

Trading income on fixed-income instruments and equity securities	28.3	25.2	3.1	12
Trading income on foreign currencies, banknotes, and precious metals	159.8	162.4	-2.6	-2
Total trading income and fair-value adjustments	188.0	187.6	0.5	0
<i>of which fair-value adjustments</i>	24.7	22.0	2.7	12
<i>of which fair-value adjustments on assets</i>	395.7	163.3	232.4	142
<i>of which fair-value adjustments on liabilities</i>	-371.0	-141.3	229.6	162
Trading fee and commission expense	-11.3	-9.2	2.1	23
Net trading income and fair-value adjustments	176.7	178.3	-1.6	-1

7.3 Personnel costs (in CHF millions)

	2025	2024	Absolute change	Change as %
Fixed and variable compensation	262.7	256.8	6.0	2
<i>of which charges related to share-based compensation and other variable compensation (including the portion paid in cash)</i>	39.0	38.9	0.1	0
Employee benefits	28.1	28.6	-0.5	-2
Contributions to staff pension funds	35.4	35.0	0.4	1
Other personnel expenses	15.0	16.0	-1.0	-6
Total	341.2	336.3	4.8	1

In compliance with the Swiss Federal Gender Equality Act, we had a pay analysis of all employees carried out in 2021. The results showed that BCV's compensation meets Swiss legal requirements on gender-equal pay. Beyond legal requirements, our Fair-ON-Pay certification was renewed in 2025.

7.4 Other operating expenses (in CHF millions)

	2025	2024	Absolute change	Change as %
Premises	21.6	23.4	– 1.9	– 8
IT	53.5	57.8	– 4.3	– 7
Machinery, furniture, vehicles, etc.	2.3	2.9	– 0.6	– 22
Office supplies	0.9	0.9	0.0	4
Telecommunications and shipping	4.9	5.5	– 0.6	– 10
Marketing and communications, gifts, and subscriptions	17.3	17.0	0.4	2
Financial information	14.6	14.1	0.6	4
Auditor fees	1.4	1.5	– 0.1	– 8
<i>of which for financial and prudential audits</i>	1.3	1.4	– 0.1	– 8
<i>of which for other services</i>	0.1	0.1	– 0.0	– 8
Other professional fees	5.6	6.8	– 1.2	– 17
Payment transactions	16.1	14.6	1.5	10
Issuing fees	2.6	1.6	1.0	62
Miscellaneous operating expenses	4.6	4.1	0.5	12
Total	145.5	150.2	– 4.7	– 3

7.5 Other provisions and losses (in CHF millions)

	2025	2024	Absolute change	Change as %
Provisions for credit risk	– 1.2	1.2	– 2.4	– 197
Miscellaneous provisions	6.3	– 0.4	6.7	1592
Miscellaneous losses	0.5	1.6	– 1.0	– 67
Total	5.6	2.3	3.3	143

7.6 Extraordinary income (in CHF millions)

	2025	2024	Absolute change	Change as %
Disposals of equity holdings	0.3	0	0.3	n/a
Other extraordinary income	0.5	0.6	– 0.1	– 14
Total	0.8	0.6	0.2	41

7.7 Extraordinary expenses (in CHF millions)

	2025	2024	Absolute change	Change as %
Miscellaneous extraordinary expenses	0.0	0.0	0.0	n/a
Total	0.0	0.0	0.0	n/a

7.8 Taxes (in CHF millions)

	2025	2024	Absolute change	Change as %
Direct federal tax	33.2	34.5	– 1.3	– 4
Cantonal and municipal taxes	33.8	31.3	2.5	8
Swiss supplementary tax	2.2	5.0	– 2.7	– 55
Total	69.3	70.8	– 1.5	– 2
Weighted average tax rate, based on operating profit	14%	14%		

8. Proposal by the Board of Directors

At the Annual Shareholders' Meeting to be held on 30 April 2026, the Board of Directors will recommend the following appropriation of profit and distributions:

The proposed allocation of available earnings of CHF 421.2m is as follows:

	Dividend in CHF per registered share	Number of shares (in units)	Appropriation (in CHF millions)
Payment of an ordinary dividend	4.40	86 061 900	378.7
Allocation to regulatory retained earnings			0.0
Allocation to optional retained earnings			42.6
			421.2

If this proposal is adopted, the dividend will be payable, after deduction of Swiss withholding tax, at the Bank's head office and branches beginning on 7 May 2026.



Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 24'000'000
Benchmark applied	Operating result (profit before tax changes in reserves for general banking risks and extraordinary elements)
Rationale for the materiality benchmark applied	We chose this benchmark because it is generally accepted reference to measure the results of a bank.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Identification and valuation of the value adjustments related to amounts due from customers and mortgage loans which are impaired or presenting increased risks.

Key audit matter	How our audit addressed the key audit matter
Mortgages and loans are one of the Banque Cantonale Vaudoise's ('the Bank') main activities and represent approximately two thirds of its balance sheet as at 31 December 2025. The valuation of a counterparty's default risk relies largely on the use of rating methods developed by the Bank. The valuation of the loans which are impaired or presenting increased risks relies on an analysis method that takes into account various elements such as market factors, the client's estimated willingness to repay and financial capacity or the estimation of the collateral's value. The analysis method used considers hypotheses and parameters over which the Bank benefits from a margin of appreciation. Exposures that create greater uncertainty are typically those that result from unsecured loans or those that are subject to a collateral's loss of value. For further information on methods regarding identification and valuation of the value adjustments related to amounts due from customers and mortgage loans which are impaired or presenting increased risks and value adjustments for non-impaired loans, refer to the following notes to the consolidated and parent company financial statements of Banque Cantonale Vaudoise as at 31 December 2025: – Section 7.2: "Credit Risk" (p. 133 to 135 of the Annual report) – Section 5.2: "Risk mitigants for loans and off-balance sheet transactions, impaired loans" (p. 181 of the Annual report)	Our procedures consisted in particular in assessing and testing the key controls related to the granting, recording and monitoring of mortgages and loans as well as the methodology used for the identification of default risk and the valuation of the loan impairment charges. For non-impaired exposures, we have verified and tested the following controls: – controls to assess the risk of default as part of the counterparty rating process; – annual review by the Risk Management department of the credit risk model used as part of the IRB approach. For exposures considered impaired, we tested and verified the following controls: – controls relating to the identification of signs of failure in order to determine the scope of overdue and/or impaired exposures; – controls relating to the relevance and approval of the hypotheses and parameters of the internal model used to determine value adjustments; – controls relating to the determination of the amount of value adjustments for default risk. We have concluded that we can rely on the key controls verified. In addition, on the basis of sample tests, we verified that: – the selected credit files were assigned to the corresponding rating class; – automatically generated alert reports are reliable; – the retained value of the collateral (market or liquidation value) has been established, respectively updated, in accordance with market practices; – the amount of value adjustments was determined in accordance with accounting principles; – the amount of value adjustments for non-impaired receivables which are not identified as increased risks was determined using the IRB approach implemented by the Bank. The methods applied to determine the need for value adjustments for both impaired and non-impaired receivables are appropriate.



Other information

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

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

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

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

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

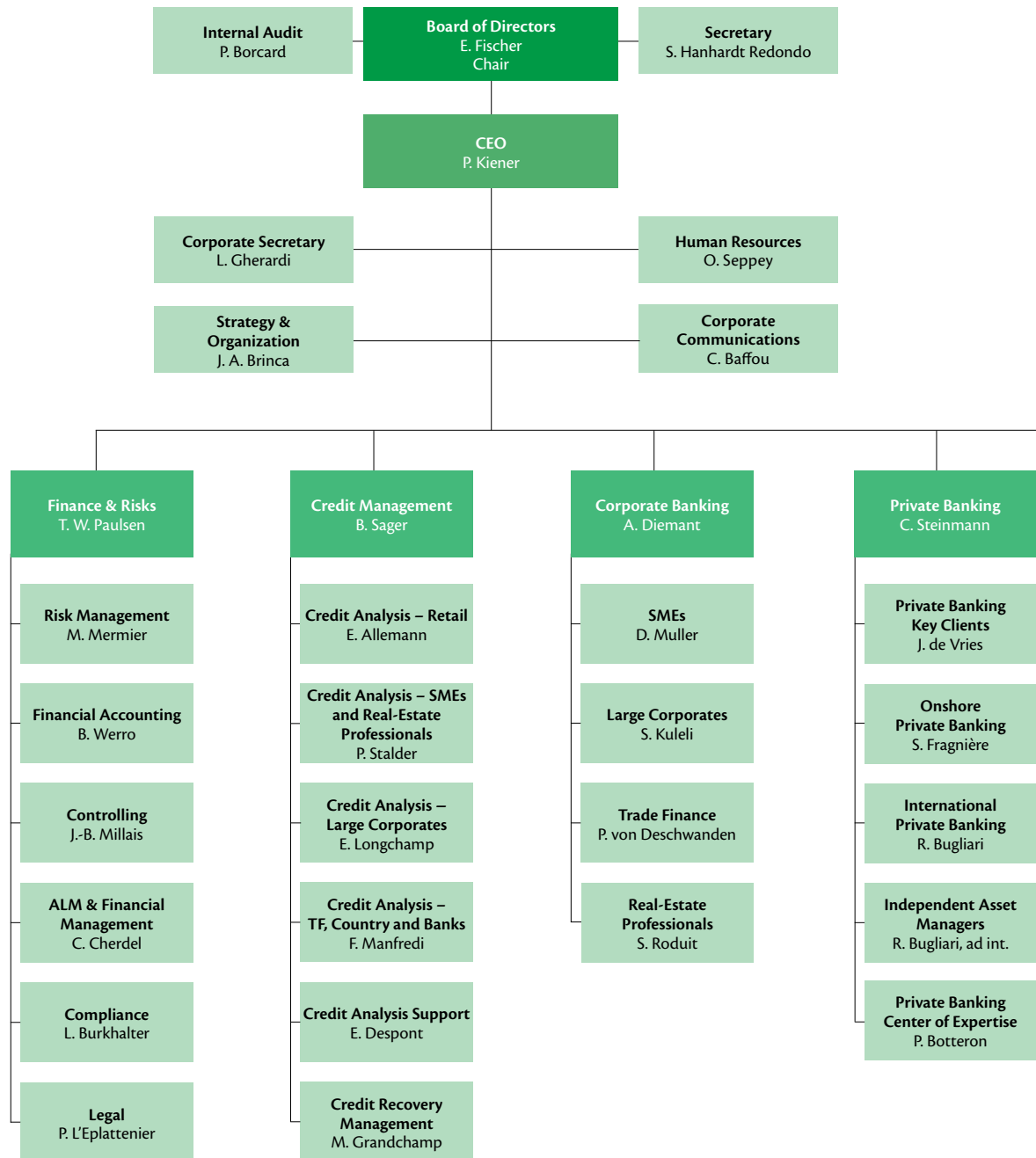
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

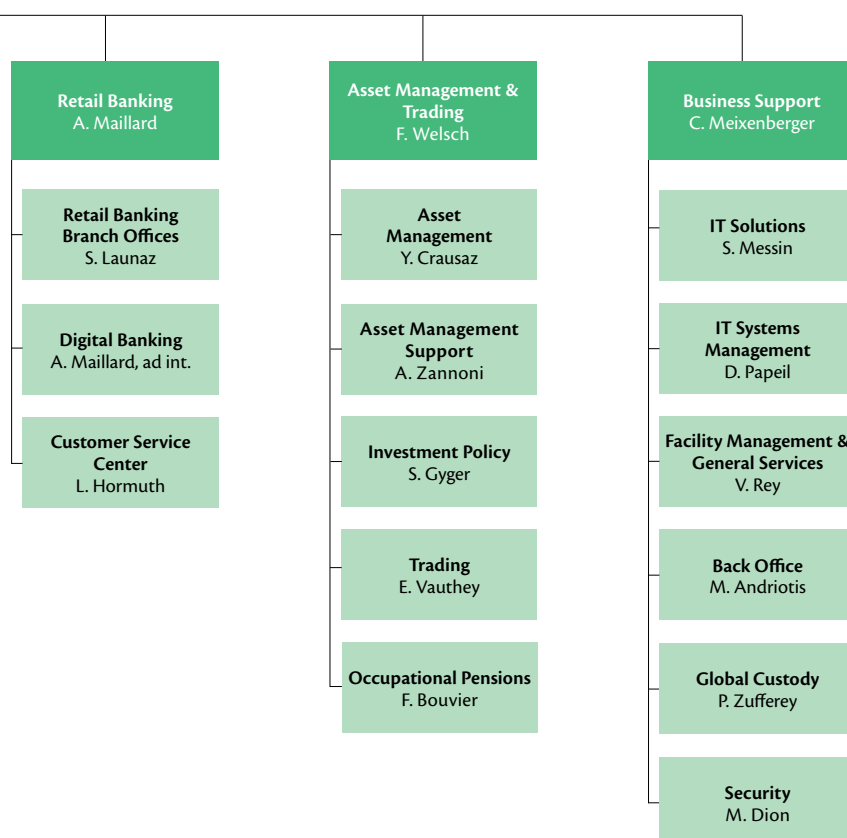
As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

Organization Chart

As at 1 March 2026





Retail Network

As at 1 March 2026



Regional Managers

As at 1 March 2026

Broye region

Retail banking
Private banking
SME

Cristina Martinez
Sandrine Duvoisin, ad int.
Alexandre Berthoud, ad int.

Morges region

Retail banking
Private banking
SME

Cédric Weissert
Victor Ovelha
Patrick Blanc

Chablais region

Retail banking
Private banking
SME

Dario Bucci
Vincent Mottier, ad int.
David Hunacek

Nord Vaudois region

Retail banking
Private banking
SME

Pascal Udry
Sandrine Duvoisin
Alexandre Berthoud

Gros-de-Vaud region

Retail banking
Private banking
SME

Aleksandar Radic
Yann Duroux
Stéphane Binggeli

Nyon region

Retail banking
Private banking
SME

Christophe Chérix
Valérie Grivel Weber
Jean-Marc Pichon

Lausanne region

Retail banking
Private banking
SME

Jean-Daniel Dreifuss
Christophe Millius
Henri-Pierre Monney

Riviera region

Retail banking
Private banking
SME

Elena Lederrey
Vincent Mottier
Rachel Perroud

Lavaux region

Retail banking
Private banking
SME

David Platel
Cédric Molleyres
Cédric Ottet

Branch Offices

As at 1 March 2026

Broye region

Avenches

Route de Lausanne 9
Case postale
1580 Avenches

Lucens

Avenue de la Gare 4 A
Case postale
1522 Lucens

Payerne

Rue du Temple 9
Case postale
1530 Payerne

Chablais region

Aigle

Rue du Collège 2
Case postale
1860 Aigle

Bex

Rue Centrale 5
Case postale
1880 Bex

Château-d'Œx

Grand-Rue 82
Case postale
1660 Château-d'Œx

Les Diablerets

Les Ormonts 7
Case postale
1865 Les Diablerets

Leysin

Place du Marché
Case postale
1854 Leysin

Villars

Avenue Centrale 119
Case postale
1884 Villars

Villeneuve

Grand-Rue 1
Case postale
1844 Villeneuve

Gros-de-Vaud region

Cheseaux-sur-Lausanne

Rue du Pâquis 1
Case postale
1033 Cheseaux-sur-Lausanne

Echallens

Place de la Gare 7
Case postale
1040 Echallens

Moudon

Rue du Temple 10
Case postale
1510 Moudon

Penthalaz

Place Centrale 3
Case postale
1305 Penthalaz

Lausanne region

Bellevaux

Route Aloys-Fauquez 116
1018 Lausanne

Bergières

Avenue Bergières 42
Case postale
1000 Lausanne 22

Bussigny

Rue St-Germain 2 A
Case postale
1030 Bussigny

Chauderon

Place Chauderon 8
Case postale
1001 Lausanne

CHUV

Rue du Bugnon 46
Case postale
1011 Lausanne

Crissier

Centre MMM
Case postale
1023 Crissier

Écublens

Chemin du Croset 3
Case postale
1024 Écublens

Épalinges

Place de la Croix-Blanche 17
Case postale
1066 Épalinges

Lausanne – Gare

Place de la Gare 10
Case postale
1001 Lausanne

Ouchy

Avenue d'Ouchy 76
1006 Lausanne

Prilly

Route de Cossonay 21
Case postale
1008 Prilly

Renens

Rue du Midi 15
Case postale
1020 Renens

Unil

Internef – Dorigny
Case postale
1015 Lausanne

Lausanne – St-François

Place St-François 14
Case postale
1001 Lausanne

Lavaux region

Chailly

Avenue de Chailly 10
Case postale
1000 Lausanne 12

Cully

Place de l'Hôtel de Ville 7
Case postale
1096 Cully

Lutry

Route de Lavaux 166
Case postale
1095 Lutry

Mézières

Rue du Théâtre 2
Case postale
1083 Mézières

Oron-la-Ville

Le Bourg 16
Case postale
1610 Oron-la-Ville

Pully

Rue de la Poste 8
Case postale
1009 Pully

Savigny

Place du Forum 2
Case postale
1073 Savigny

Morges region

Aubonne

Chemin du Mont-Blanc 2
Case postale
1170 Aubonne

Cossonay

Rue des Etangs 5
Case postale
1304 Cossonay-Ville

Denges

Route de Genève 107 B
Case postale
1026 Denges

Morges Hôtel-de-Ville

Place de l'Hôtel-de-Ville 2
Case postale
1110 Morges 1

St-Prex

Route de Rolle 2
Case postale
1162 St-Prex

Nord Vaudois region

Chavornay

Route d'Yverdon 2
Case postale
1373 Chavornay

Grandson

Place du Château 8
Case postale
1422 Grandson

Le Sentier

Grand-Rue 36
Case postale
1347 Le Sentier

Orbe

Place du Marché 9
Case postale
1350 Orbe

Ste-Croix

Rue Neuve 2
Case postale
1450 Ste-Croix

Vallorbe

Rue de l'Horloge 1
Case postale
1337 Vallorbe

Yverdon-les-Bains

Rue des Remparts 17
Case postale
1401 Yverdon-les-Bains

Nyon region

Coppet

Rue Froide 1
Case postale
1296 Coppet

Gland

Avenue du Mont-Blanc 14 A
Case postale
1196 Gland

Nyon

Rue Perdttemps 6
Case postale
1260 Nyon 1

Rolle

Grand-Rue 60
Case postale
1180 Rolle

Riviera region

Blonay

Route du Village 7
Case postale
1807 Blonay

Chexbres

Grand-Rue
Case postale
1071 Chexbres

Clarens

Avenue Vinet 15
Case postale
1815 Clarens

La Tour-de-Peilz

Grand-Rue 38
Case postale
1814 La Tour-de-Peilz

Montreux

Grand-Rue 50
Case postale
1820 Montreux

Vevey – Gare

Place de la Gare
Case postale
1800 Vevey 1

Vevey – Nestlé

Avenue Nestlé 55
Case postale
1800 Vevey 1

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