



Vontobel

Bank Vontobel AG, Zurich
Annual Report

2024



Vontobel has been present in St. Gallen since the takeover of Notenstein La Roche in 2018. Clients from eastern Switzerland are served in St. Gallen and, due to its proximity to the border, the branch also supports clients from southern Germany, who have always valued St. Gallen as their banking base in Switzerland. As a client-centric investment firm, Vontobel established a Germany desk in St. Gallen on June 1, 2024, with a dedicated team serving the German market. As such, the Vontobel team in St. Gallen is physically closer to its clients, who have access to the full offering of global investment capabilities and expertise.

Bank Vontobel AG, Zurich

4	Balance sheet
5	Income statement
6	Statement of equity
7	Appendix
14	Notes to the balance sheet
23	Notes to the off-balance sheet business
25	Notes to the income statement
27	Information on capital and liquidity
28	The corporate bodies of Bank Vontobel AG, Zurich
29	Report of the statutory auditor
31	Where to find us

Balance sheet

	APPENDIX	31.12.2024 CHF 1,000	31.12.2023 CHF 1,000	CHANGE TO 31.12.2023	
				CHF 1,000	IN %
Assets					
Liquid assets		3,183,850	3,411,761	-227,911	-6.7
Amounts due from banks		1,787,373	1,590,636	196,736	12.4
Amounts due from securities financing transactions	1	1,332,410	19	1,332,391	
Amounts due from customers	2	4,874,801	5,478,019	-603,218	-11.0
Mortgage loans	2	1,894,506	1,800,117	94,389	5.2
Trading portfolio assets	3	4,798,895	4,026,917	771,978	19.2
Positive replacement values of derivative financial instruments	5	953,171	624,071	329,100	52.7
Financial investments	6	709,204	995,347	-286,143	-28.7
Accrued income and prepaid expenses		129,500	115,278	14,222	12.3
Participations		18,036	18,154	-117	-0.6
Tangible fixed assets		167,156	166,269	887	0.5
Intangible assets		14,963	23,639	-8,676	-36.7
Other assets	7	391,514	462,452	-70,938	-15.3
Total assets		20,255,380	18,712,679	1,542,701	8.2
Liabilities					
Amounts due to banks		1,968,455	1,336,442	632,013	47.3
Liabilities from securities financing transactions	1	600		600	
Amounts due in respect of customer deposits		11,750,216	10,440,546	1,309,671	12.5
Trading portfolio liabilities	4	377,462	189,846	187,616	98.8
Negative replacement values of derivative financial instruments	5	1,541,031	1,083,162	457,869	42.3
Liabilities from other financial instruments at fair value	4, 12	2,487,156	2,331,056	156,100	6.7
Debt issued		45,000	571,660	-526,660	-92.1
Accrued expenses and deferred income		275,507	225,237	50,270	22.3
Other liabilities	8	427,556	1,162,819	-735,263	-63.2
Provisions	13	117,072	112,672	4,400	3.9
Total liabilities		18,990,055	17,453,441	1,536,615	8.8
Equity					
Bank's capital	14	149,000	149,000		
Statutory capital reserve		169,369	169,369		
of which tax-exempt capital contribution reserve		169,369	169,369		
Statutory retained earnings reserve	18	217,206	217,206		
Voluntary retained earnings reserve		427,600	427,600		
Profit carried forward		100,574	100,540	35	0.0
Profit (result of the period)		201,574	195,523	6,052	3.1
Total equity		1,265,324	1,259,238	6,086	0.5
Total liabilities and equity		20,255,380	18,712,679	1,542,701	8.2
Off-balance sheet operations					
Contingent liabilities	2	382,601	327,217	55,384	16.9
Irrevocable commitments	2	46,283	53,817	-7,533	-14.0

Income statement

	APPENDIX	2024 CHF 1,000	2023 CHF 1,000	CHANGE TO 2023	
				CHF 1,000	IN %
Result from interest operations					
<i>Interest and discount income</i>	23	239,467	251,975	-12,508	-5.0
<i>Interest and dividend income from trading portfolio</i>		60,657	50,752	9,905	19.5
<i>Interest and dividend income from financial investments</i>		11,574	16,572	-4,998	-30.2
<i>Interest expense</i>	23	-114,752	-68,512	-46,240	67.5
Gross result from interest operations		196,946	250,787	-53,841	-21.5
<i>Changes in value adjustments for default risks and losses and losses from interest operations</i>		-10,311	-8,739	-1,572	18.0
Subtotal net result from interest operations		186,635	242,048	-55,413	-22.9
Result from commission business and services					
<i>Commission income from securities trading and investment activities</i>		461,560	412,968	48,592	11.8
<i>Commission income from lending activities</i>		430	12,585	-12,155	-96.6
<i>Commission income from other services</i>		41,518	41,293	225	0.5
<i>Commission expense</i>		-139,215	-125,872	-13,343	10.6
Subtotal result from commission business and services		364,292	340,974	23,318	6.8
Result from trading activities and the fair value option	22	351,713	212,718	138,995	65.3
Other result from ordinary activities					
<i>Result from the disposal of financial investments</i>		4,390	3,551	839	23.6
<i>Income from participations</i>		4,650	3,187	1,463	45.9
<i>Other ordinary income</i>		139,626	176,593	-36,967	-20.9
Subtotal other income from ordinary activities		148,666	183,331	-34,664	-18.9
Operating expenses					
<i>Personnel expenses</i>	24	-442,563	-411,056	-31,508	7.7
<i>General and administrative expenses</i>	25	-291,666	-265,558	-26,108	9.8
Subtotal operating expenses		-734,229	-676,613	-57,616	8.5
<i>Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets</i>		-59,031	-63,304	4,273	-6.7
<i>Changes to provisions and other value adjustments, and losses</i>	26	-6,389	-4,638	-1,751	37.8
Operating result		251,659	234,517	17,143	7.3
Extraordinary income	26	141	12	129	
Taxes	27	-50,226	-39,006	-11,220	28.8
Profit		201,574	195,523	6,052	3.1

Appropriation of profit

Profit		201,574	195,523	6,052	3.1
Profit carried forward		100,574	225,700	-125,125	-55.4
Distribution from profit carried forward (extraordinary dividend)			-125,160	125,160	-100.0
Distributable profit		302,149	296,062	6,086	2.1
Appropriation of profit					
<i>Distribution from distributable profit (ordinary dividend)</i>		-201,597	-195,488	-6,109	3.1
New amount carried forward		100,552	100,574	-23	-0.0

Statement of equity

Statement of changes in equity

CHF M	BANK'S CAPITAL	STATUTORY CAPITAL RESERVES	STATUTORY RETAINED EARNINGS RESERVES	VOLUNTARY RETAINED EARNINGS RESERVES AND PROFIT CARRIED FORWARD	RESULT OF THE PERIOD	TOTAL
Equity as of 01.01.2024	149.0	169.4	217.2	528.1	195.5	1,259.2
Appropriation of profit 2023						
<i>Ordinary dividend</i>					-195.5	-195.5
Net change in profit carried forward				0.0	-0.0	
Profit of the year					201.6	201.6
Equity as of 31.12.2024	149.0	169.4	217.2	528.2	201.6	1,265.3

Appendix

1. Name, legal form and domicile

1.1 The Bank

Bank Vontobel AG is a public limited company under Swiss law. Services are provided at the bank's head office in Zurich and at its branches in Basel, Berne, Chur, Geneva, Lausanne, Locarno, Lugano, Lucerne, St. Gallen and Winterthur. It is a 100 percent subsidiary of Vontobel Holding AG, Zurich.

2. Accounting and valuation principles

2.1 Type of financial statements and presentation

The reliable assessment statutory single-entity financial statements of Bank Vontobel AG were prepared in accordance with the accounting rules for banks (Banking Ordinance, FINMA Accounting Ordinance and FINMA Circular 2020/1). The accounting year end is 31 December. Since Vontobel prepares consolidated financial statements in accordance with IFRS, Bank Vontobel AG makes use of disclosure exemptions in the single-entity financial statements.

The figures contained in the tables have been rounded. The total may therefore differ from the sum of the individual figures. An empty space means that the corresponding line item does not have any value. 0.0 means that the corresponding line item contains a value that amounts to 0.0 when rounded.

2.2 Recognition of transactions

Purchases and sales of financial assets are recorded on the trade date in the balance sheet.

2.3 Foreign currency translation

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the balance sheet date, monetary foreign currency positions are translated using the closing exchange rates. Profit and losses arising from exchange differences in foreign currency positions are recognized in trading income.

	BALANCE SHEET RATES AS OF 31.12.2024	BALANCE SHEET RATES AS OF 31.12.2023
1 USD	0.90625	0.84165
100 JPY	0.57664	0.59700
1 EUR	0.93842	0.92973
1 GBP	1.13499	1.07294

2.4 Valuation and recognition of individual positions

2.4.1 Liquid assets, receivables due from banks and clients, mortgages as well as borrowed funds

They are recognized in the balance sheet at nominal value. Specific value adjustments are made for identifiable risks of losses on receivables. In addition, value adjustments are recorded for latent default risks from mortgages.

2.4.2 Determining fair value

If a position (financial instrument, precious metal, cryptocurrency, etc.) is traded in an active market, its fair value is based on the listed market prices or the prices quoted by traders. Otherwise, the fair value is determined on the basis of valuation models or other generally accepted valuation methods (third party vendor sourced standard models like Black Scholes or Finite Difference methods as well as Monte Carlo Simulations based on industry standard (stochastic) local volatility models). The appropriateness of the valuation of positions that are not traded in an active market is ensured through the application of clearly defined methods and processes as well as independent controls. The control processes comprise the analysis and approval of new instruments, the regular analysis of risks as well as gains and losses, the verification of prices and the examination of the models on which the estimates of fair value are based. These controls are conducted by units that possess the relevant specialist knowledge and operate independently from the trading and investment functions.

2.4.3 Trading portfolio assets

Fair value is used for the valuation of trading portfolio assets. Positions for which no representative market exists or for which no market price is available, are accounted based on the lower of cost or market principle. Realized and unrealized gains and losses are recognized in "Result from trading activities and the fair value option" and interest and dividend income are recognized in "Result from interest operations".

2.4.4 Trading portfolio liabilities

Short positions are recognized at fair value in this balance sheet item. Realized and unrealized gains and losses are recognized in "Result from trading activities and the fair value option" and interest and dividend expense are recognized in "Result from interest operations".

2.4.5 Liabilities from other financial instruments at fair value as well as other financial instruments at fair value

Products issued by the bank are recognized in the balance sheet item “Liabilities from other financial instruments at fair value”. The balance sheet item “Other financial instruments at fair value” comprises structured products. Both balance sheet positions are measured at fair value. Realized and unrealized gains and losses as well as any accrued or deferred interest are recognized in “Result from trading activities and the fair value option”. In the case of products issued by the bank with an interest component, any impact of a change of own creditworthiness on fair value is recognised in the compensation account.

2.4.6 Derivative financial instruments

Derivative instruments are stated at fair value and shown in the balance sheet as positive and negative replacement values. All income components from trading instruments are recognized in “Result from trading activities and the fair value option”. Information on derivatives used in hedge accounting is provided in the next section.

2.4.7 Hedge Accounting

Vontobel hedges part of the long-term loans and customer deposits against general interest rate risk using payer or receiver interest rate swaps with maturities that match the terms of the hedged loans or customer deposits as far as possible. The client- or Vontobel-specific risk premium is not part of the hedge. The effectiveness of the hedge is tested prospectively using various interest rate scenarios. Hedge ineffectiveness can arise primarily due to any differences between the term of the hedged loans or customer deposits and the maturities of the hedging instruments. The interest rate swaps are carried in the balance sheet at fair value as positive or negative replacement values, with changes in the value of the effective portion of the interest rate swaps recognized in the compensation account and changes in the value of the ineffective portion of the interest rate swaps carried under “Result from trading activities and the fair value option”.

2.4.8 Financial investments

Available-for-sale debt instruments (i.e. debt instruments purchased with the intent of selling before they reach maturity) are stated at the lower of amortized cost or market. Interest is accrued in the period in which it is earned using the effective interest method and recognized together with dividend income in the item “Interest and dividend income from financial investments”. Foreign exchange income is recognized in “Result from trading activities and the fair value option”. The balance of other market-induced value adjustments is recognized in “Other ordinary income” or “Other ordinary expense”. When a

financial investment is sold, the difference between the carrying value and the sale price is reported in “Result from the disposal of financial investments”.

2.4.9 Participations

Equity securities owned by the bank in enterprises, where the securities are intended to be a permanent investment, are classed as participations. The participations are recognized at acquisition costs less economically necessary value adjustments. They are tested for impairment at each balance sheet date. Dividends received are reported in “Income from participations”.

2.4.10 Securities lending and borrowing transactions

Own securities that have been lent continue to be reported as a trading position or financial investment as long as control over the securities has not been surrendered. Borrowed securities are not carried in the balance sheet as long as the control over the securities remains with the lender. The re-sale of securities received is shown at market value in the item “Trading portfolio liabilities”.

In securities borrowing agreements, cash collateral provided is recognized in the balance sheet as “Amounts due from securities financing transactions”. In securities lending agreements, cash collateral received is recognized in the balance sheet as “Liabilities from securities financing transactions”. Fees and interest from securities lending and borrowing operations are recognized as “interest income” and “interest expense”, respectively.

2.4.11 Repurchase and reverse-repurchase agreements

Repurchase and reverse-repurchase agreements are treated as secured financing agreements. Securities received within the scope of reverse-repurchase agreements and securities delivered within the scope of repurchase agreements are recognized on or removed from the balance sheet only if control over the contractual rights that comprise these securities has been transferred.

In reverse-repurchase agreements, cash collateral provided is recognized in the balance sheet as “Amounts due from securities financing transactions”. In repurchase agreements, the cash collateral received is recognized in the balance sheet as “Liabilities from securities financing transactions”. Interests from reverse-repurchase agreements and from repurchase agreements are recognized over the term of the corresponding transactions on an accrual basis.

2.4.12 Tangible fixed assets

The cost of acquisition or construction of tangible fixed assets is capitalized if the Bank is likely to receive an economic benefit derived therefrom in the future and the costs can be identified as well as reliably measured. Depreciation is computed on a straight-line basis over the useful life period of 3 to 10 years. Tangible fixed assets are tested for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If the carrying value exceeds the recoverable value, an impairment loss will be recognized.

2.4.13 Intangible Assets

Intangible assets comprise client relationships acquired and goodwill. They are accounted according to the acquisition cost principle if they provide a measurable benefit to the company over several years. They are amortized on a straight-line basis over 10 years. The intangible assets are tested for impairment if results or circumstances indicate that the carrying amount may be impaired. If the carrying amount exceeds the recoverable amount, an impairment loss is recorded.

2.4.14 Accruals and deferrals

Items in the income statement unrelated to the accounting period are accrued or deferred. Interest and commissions due from clients and banks that are more than 90 days in arrears are not credited until actually received.

2.4.15 Value adjustments and provisions

Based on the size and structure of the credit portfolio, as well as Vontobel's policy of essentially only granting loans on a secured basis or to counterparties with very high creditworthiness, only specific allowances are made for credit losses, with the exception of mortgages.

In the case of mortgages, value adjustments for latent default risks are additionally recorded. Value adjustments for latent default risks comprise value adjustments for losses that have been incurred but are not yet assigned to a specific borrower ("incurred but not yet reported" approach). These value adjustments represent total mortgage receivables in the three highest risk classes excluding individual value adjustments, multiplied by a factor.

A loan is considered impaired if it is likely that the contractually due amount cannot be collected in full. If the debtor's total exposure exceeds the estimated realizable disposal value of the collateral and if the assessment of the

debtor's creditworthiness does not justify such an unsecured portion, an allowance for credit loss in the corresponding amount is made in the income statement. The reasons for impairment are specific to the relevant counterparties or countries. Interest income on loans that are not overdue is accrued in the period incurred. As a rule, derecognition occurs at the time when a legal title confirms the conclusion of the liquidation process or a loan that was already written off is no longer expected to be recovered. Default-related value adjustments and losses from interest operations are recognized in "Result from interest operations". Value adjustments are deducted from the corresponding assets. Provisions for other business that are operationally necessary are recognized through the item "Changes to provisions and other value adjustments, and losses". The general risks associated with banking activities are covered by precautionary provisions.

2.4.16 Accrual of earnings

Income from services rendered over a specific period of time is recorded on a pro rata basis for the duration of the service. This includes asset management fees and custody fees. Performance-based income is not recorded until all of the relevant criteria have been met. This type of income may, for example, be generated in the corporate finance business. Interest is accrued in the relevant period. Dividends are recorded when payment is received. Fees for services provided at a point in time (e.g. brokerage fees) are recognized immediately after the service is rendered.

2.4.17 Income taxes

Current income taxes are calculated on the basis of the applicable tax laws and recognized as expense in the period in which the related profits are made. The tax effects of loss carryforwards are not taken into consideration. Since 2024, non-recoverable withholding taxes on dividends and interest of financial instruments held in the balance sheet items "Trading portfolio assets" and "Participations" have been reported in the income statement item "Taxes".

2.4.18 Employee and management stock ownership plans

According to the bonus model of Vontobel, employees of Bank Vontobel AG are offered an annual bonus as well as a performance-related future allocation of shares. Employees have the right and/or the obligation to draw part of their annual bonus in shares of Vontobel Holding AG instead of cash. The fair value of these shares at grant date is charged to personnel expense. Employees who elect to draw part of their annual bonus in shares are entitled to receive a further allocation of shares of Vontobel Holding AG after three years have lapsed depending on the performance of the business. The anticipated liability as of the end of the vesting period (estimated number of shares to be allocated multiplied by the fair value of the Vontobel Holding AG share as of the balance sheet date, less the present value of the anticipated dividends between the balance sheet date and the allocation date) for these so-called performance shares is accrued on a pro rata temporis basis. The change in this accrual is recorded in the personnel expense for the corresponding period.

2.4.19 Pension funds

If a pension fund has a shortfall according to Swiss GAAP FER 26, Bank Vontobel AG records a liability in the amount of the probable outflow of funds required to make up the shortfall. In the event of a pension fund surplus (incl. employer contribution reserves), the surplus is not capitalized as a future economic benefit.

2.4.20 Extraordinary expense and income

Expense and income that are both non-recurring and not related to ordinary operating activities are classed as extraordinary.

2.4.21 Contingent liabilities, irrevocable commitments

These are reported off the balance sheet at their nominal value.

2.5 Changes to accounting and valuation principles

There are no changes, except for the adjustment shown in section 2.4.17.

2.6 Disclosures relating to capital and liquidity

In accordance with FINMA Circular 2016/1 (Disclosure-banks), Bank Vontobel AG benefits from an extended consolidation discount. The minimum disclosure nevertheless required in this context according to Appendix 4 is shown in note 28. Further detailed information on capital and liquidity is provided in Vontobel's consolidated Annual Report in part risk management and risk control, section 7.4 "Balance sheet risks".

2.7 Transfer of share-based Actively Managed Certificates (AMCs)

In the second half of 2023, the issuance and hedging of share-based AMCs were transferred from Vontobel Financial Products Ltd., Dubai to Bank Vontobel AG. The purchase price of CHF 4.5 million was recognized as an intangible asset and will be amortized over its useful life of 10 years.

2.8 Important events after the balance sheet date

On January 1, 2025, Bank Vontobel AG completed the acquisition of the client book and further assets of Privatbank IHAG Zürich AG.

3. Risk management and risk control

3.1 Risk policy

For Bank Vontobel a conscious and prudent approach to risk is a prerequisite for the achievement of sustained, long-term success. The bank assumes risks as an inherent part of its business activities. The Bank-wide risk culture, which is firmly established at every level of the company and is reviewed on an ongoing basis, ensures that risks are recognized, and that appropriate control and mitigation mechanisms are implemented and refined in all areas of the organization, including Bank Vontobel.

As part of its risk policy – as a component of the framework concept for Group-wide risk management – Vontobel defines the relevant risk categories (risk taxonomy), the corresponding risk appetite, as well as the powers of authorization, organizational structure, methods, and processes relating to the management and control of risks. The appropriateness of the risk policy is reviewed at least once annually by the Board of Directors. The Risk Management and Risk Control units are responsible for managing and controlling the risks with the utmost care. Vontobel is managed strictly according to functional criteria. This is also the case at Bank Vontobel AG which is 100 percent owned by Vontobel Holding AG. Consequently, the risk management and risk controls of Bank Vontobel AG form part of the Group-wide processes and methods. They are explained in detail in the chapter “Risk Management and Risk Control” of consolidated Vontobel Annual Report.

3.1 Transversal risks

Transversal risks, in the context of Vontobel’s Risk Taxonomy, refer to far-reaching risks which span across multiple risk types. Transversal risks concerning the Bank include reputational risk, strategic risk, and sustainability risk.

Further information on transversal risks can be found in chapter “Risk management and risk control”, section “Transversal risks” of the consolidated Vontobel Annual Report.

3.2 Core risks

Core risks refer to standalone risk categories with a material impact on the overall risk profile. Core risks for Bank Vontobel include market risk, credit risk, balance sheet risk, operational risk and fiduciary risk.

3.2.1 Market risks

Market risk refers to the potential for financial losses resulting from changes in market conditions, including but not restricted to fluctuations in stock prices, interest rates, exchange rates, commodity prices, credit spreads and their respective volatilities. It encompasses the risk of losses on positions due to factors driven by market forces and can have a material impact on the performance and valuation of financial assets. Market risks are relevant in various areas within our Structured Solutions division and in our Treasury division.

Further information on market risks at overall balance sheet level including market risks in the Structured Solutions and Treasury divisions, as well as on market risk related to the balance structure can be found in chapter “Risk Management and Risk Control”, section of the consolidated Vontobel Annual Report.

3.2.2 Credit risks

Credit risk refers to the potential for financial losses resulting from the failure of a borrower or counterparty to fulfill their contractual obligations to repay borrowed funds or meet other contractual obligations. It encompasses various credit-related risks, such as default risk, credit migration risk, and concentration risk. It can impact both the expected cash flows and the valuation of positions.

In the case of Bank Vontobel, it is related to the following positions:

- Lending to private clients: Lombard lending and loans secured by real estate (mortgages)
- Exposure to professional counterparties: Positions primarily include bond positions (issuer risk), money market Investments, and exposures due to securities lending and borrowing, repo transactions, collateral management, and derivatives

In principle, Bank Vontobel does not engage in commercial lending. Detailed information on the corresponding processes and methods, as well as the aggregate exposures, can be found in chapter “Risk management and risk control”, section “Credit risk” of the consolidated Vontobel Annual Report.

3.2.3 Balance sheet risks

Balance sheet risk refers to the potential for financial losses and the risk of non-compliance with regulatory requirements resulting from the composition and structure of the balance sheet.

Detailed information on the assessment and reporting of balance sheet risks including management and monitoring of capital and liquidity can be found in chapter “Risk Management and Risk Control”, section “Balance Sheet Risks” of the consolidated Vontobel Annual Report.

3.2.4 Operational risks

Operational Risk refers to the potential for financial losses resulting from inadequate or failure of internal processes or systems, inappropriate human actions or errors, or external events. It encompasses the risk of disruptions or failures in Vontobel’s day-to-day operations, leading to adverse impacts such as financial losses, regulatory penalties, legal liabilities, and a decline in Vontobel’s overall performance and stability.

Further information about operational risks can be found in the chapter “Risk Management and Risk Control,” specifically in the section titled “Operational Risk” of the consolidated Vontobel Annual Report.

3.2.5 Fiduciary risks

Fiduciary risk refers to the potential for financial losses and other adverse consequences resulting from a breach of fiduciary duty, or the improper handling of assets or obligations entrusted to Vontobel when acting as a fiduciary. It encompasses situations in which a firm, as an agent and decision-maker for a client, fails to act in the client’s best interest when managing their assets or other fiduciary responsibilities and obligations. Adverse consequences include for example reputational damage, legal liabilities, erosion of trust, and other adverse impacts on the fiduciary, the beneficiary, or the relationship between them.

3.3 Emerging risks

Emerging risks represent risks which may be the result of changes in external environment such as technological or regulator developments, economic shifts and trend or other social and environmental factors. These may have the potential of materializing and having a potential significant impact to the Group, its businesses, operations, or employees. Vontobel monitors these potential new risks on a regular basis and assesses the likelihood of materialization.

Further information about emerging risks risks can be found in the chapter “Risk Management and Risk Control,” specifically in the section titled “Emerging Risk” of the consolidated Vontobel Annual Report.

4. Use of derivative Instruments

4.1 Business policy when using derivative financial instruments

Derivative financial instruments are used for trading and hedging purposes. Both standardized and OTC instruments are traded on own account and on client account; this mainly involves instruments for interest rates, currencies, equity securities/indices and, to a small extent, commodities and credit derivatives.

As part of its risk management activities, the bank uses derivative financial instruments primarily to hedge interest rate, currency and equity risks.

4.2 Use of hedge accounting

4.2.1 Hedged items and hedging transactions

The bank uses hedge accounting for long-term loans and customer deposits in the banking book. They are hedged using multi-year payer or receiver interest rate swaps.

4.2.2 Objective

Bank Vontobel AG is exposed to fluctuations in the net present value of long-term loans and customer deposit. The hedge with multi-year payer or receiver interest rate swaps is aimed at hedging against changes in net present value, taking account of the amount and timing of future cash flows, as well as the contractual terms and other market factors.

4.2.3 Economic link between the hedged item and the hedging transaction

From the point in time when a financial instrument is classed as a hedging instrument, the bank documents the link between the hedging instrument and the hedged item. Among other things, it documents the risk management objectives and risk management strategy of the hedging transaction and the methods used to measure the effectiveness of the hedging relationship. The economic link between the hedged item and the hedging transaction is continuously measured on a retrospective and a prospective basis as part of the test of its effectiveness by monitoring factors such as an inverse change in value and its correlation.

4.2.4 Measurement of effectiveness

A hedge is considered to be highly effective if the following criteria are essentially met:

- The hedge is determined to be highly effective both upon initial recognition and during the hedging period.
- There is a close economic link between the hedged item and the hedging transaction.
- There is an inverse relationship between changes in the value of the hedged item and of the hedging transaction with regard to the hedged risk.
- The relationship between the change in value of the underlying item and the hedging transaction should be within the 80–125 percent range.

Hedge accounting was effective in the year under review.

Notes to the balance sheet

1 Breakdown of securities financing transactions (assets and liabilities)

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse-repurchase transactions ¹	1,332.4	0.0	1,332.4	
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions ¹	0.6		0.6	
Book value of the securities lent in connection with securities lending or delivered as collateral in connection with securities borrowing as well as securities in own portfolio transferred in connection with repurchase agreements	785.2	786.5	-1.3	-0.2
<i>with unrestricted right to resell or pledge</i>	758.2	755.7	2.5	0.3
Fair value of the securities received and serving as collateral in connection with securities lending or securities borrowed in connection with securities borrowing as well as securities received in connection with reverse-repurchase agreements with an unrestricted right to resell or repledge	2,102.0	841.6	1,260.4	149.8
<i>of which, repledged securities</i>	299.8	179.7	120.1	66.9
<i>of which, resold securities</i>	294.5	189.8	104.7	55.2

1 Before netting agreements

2 Presentation of collateral for loans / receivables and off-balance-sheet transactions

CHF M	SECURED BY MORTGAGE	OTHER COLLATERAL	UNSECURED	TOTAL
Loans (before netting with value adjustments)				
Amounts due from customers		4,627.4	288.6	4,916.0
Mortgage loans	1,897.0		0.2	1,897.3
<i>Residential property</i>	1,813.3		0.2	1,813.5
<i>Office and business premises</i>	56.8			56.8
<i>Commercial and industrial premises</i>	27.0			27.0
Total loans in current year (before netting with value adjustments)	1,897.0	4,627.4	288.8	6,813.2
Total loans in previous year (before netting with value adjustments)	1,802.2	5,431.2	78.9	7,312.3
Total loans in current year (after netting with value adjustments)	1,894.3	4,598.7	276.4	6,769.3
Total loans in previous year (after netting with value adjustments)	1,799.9	5,411.2	67.1	7,278.1
Off-balance sheet				
Contingent liabilities		343.1	39.5	382.6
Irrevocable commitments	21.7		24.6	46.3
Total off-balance-sheet in current year	21.7	343.1	64.1	428.9
Total off-balance-sheet in previous year	26.0	290.5	64.5	381.0

Impaired loans / receivables

CHF M	GROSS DEBT AMOUNT	ESTIMATED LIQUIDATION VALUE OF COLLATERAL	NET DEBT AMOUNT	INDIVIDUAL VALUE ADJUSTMENTS
Current year	150.5	106.6	43.9	43.9
Previous year	45.2	30.4	14.8	14.8

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

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Trading portfolio assets				
Debt securities, money market securities / transactions	1,090.7	836.8	253.9	30.3
<i>of which, listed</i>	<i>1,056.7</i>	<i>810.8</i>	<i>245.8</i>	<i>30.3</i>
Equity securities incl. investment funds	2,314.7	1,949.2	365.5	18.8
Precious metals	1,007.8	870.6	137.2	15.8
Cryptocurrencies	384.4	368.5	15.9	4.3
Other trading portfolio assets	1.3	1.7	-0.5	-26.0
Total assets	4,798.9	4,026.9	772.0	19.2
<i>of which, determined using a valuation model</i>	<i>1,393.5</i>	<i>1,240.9</i>	<i>152.6</i>	<i>12.3</i>
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	<i>606.5</i>	<i>247.3</i>	<i>359.2</i>	<i>145.2</i>

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

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Trading portfolio liabilities				
Debt securities, money market securities / transactions	151.1	107.6	43.5	40.5
<i>of which, listed</i>	<i>151.1</i>	<i>107.6</i>	<i>43.5</i>	<i>40.5</i>
Equity securities incl. investment funds	226.4	82.2	144.1	175.3
Other trading portfolio liabilities		0.1	-0.1	-100.0
Other financial instruments at fair value				
Structured products	2,487.2	2,331.1	156.1	6.7
Total liabilities	2,864.6	2,520.9	343.7	13.6
<i>of which, determined using a valuation model</i>	<i>2,487.2</i>	<i>2,331.1</i>	<i>156.0</i>	<i>6.7</i>

5 Presentation of derivative financial instruments (assets and liabilities)

CHF M	TRADING INSTRUMENTS			HEDGING INSTRUMENTS		
	POSITIVE RV ¹	NEGATIVE RV ¹	CONTRACT VOLUME	POSITIVE RV ¹	NEGATIVE RV ¹	CONTRACT VOLUME
Debt instruments						
Swaps	60.9	50.0	28,134.3	8.1	12.1	727.2
Futures			0.3			
Options (OTC)	0.0	2.6	9.6			
Options (exchange traded)	0.3		13.8			
Foreign currency / precious metals						
Forward contracts	40.3	32.5	2,001.5			
Swaps	240.6	203.9	20,390.7			
Futures			43.6			
Options (OTC)	26.9	66.2	2,210.6			
Options (exchange traded)	0.1	0.1	6.7			
Equities / indices						
Swaps	228.3	34.6	3,397.8			
Futures			308.7			
Options (OTC)	161.4	369.7	6,331.0			
Options (exchange traded)	178.1	619.0	17,778.8			
Credit derivatives						
Credit Default Swaps	7.9	6.8	639.6			
Other / Cryptocurrencies						
Futures			391.2			
Options (OTC)	0.0	143.6	251.7			
Options (exchange traded)	0.1		1.3			
Total before netting agreements in the current year	945.1	1,529.0	81,911.3	8.1	12.1	727.2
of which, determined using a valuation model	945.1	1,529.0	81,911.3	8.1	12.1	727.2
Total before netting agreements in the previous year	585.3	1,078.2	61,060.8	38.8	5.0	795.6
of which, determined using a valuation model	585.3	1,078.2	61,060.8	38.8	5.0	795.6
Total after netting agreements in the current year	586.7	1,225.1				
Total after netting agreements in the previous year	382.7	753.7				

1 Replacement values

Breakdown by counterparty

CHF M	CENTRAL CLEARING HOUSES	BANKS AND SECURITIES DEALERS	OTHER CUSTOMERS
Positive replacement values (after netting agreements)	115.7	93.1	377.8

6 Breakdown of financial investments

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Debt securities incl. investment funds held for sale	640.5	936.2	-295.8	-31.6
<i>Market value</i>	<i>641.0</i>	<i>936.5</i>	<i>-295.5</i>	<i>-31.6</i>
Equity securities incl. investment funds	68.7	59.1	9.6	16.3
<i>Market value</i>	<i>84.4</i>	<i>66.0</i>	<i>18.4</i>	<i>27.8</i>
Total financial investments	709.2	995.3	-286.1	-28.7
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	<i>178.2</i>	<i>320.3</i>	<i>-142.1</i>	<i>-44.4</i>
Market value	725.3	1,002.5	-277.2	-27.6
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	<i>178.6</i>	<i>320.5</i>	<i>-141.9</i>	<i>-44.3</i>

Breakdown of counterparties by rating¹

CHF M	AAA to AA-	A+ to A-	BBB+ to BBB-	UNRATED
Book values of the debt securities	547.6	88.8	3.6	0.4

1 The bank bases the management and limitation of exposures to professional counterparties on internal assessments by the Credit Research unit as well as on the ratings of external agencies recognized by FINMA. It uses the ratings of Fitch, Moody's, Standard & Poor's and Fedafin (public sector bodies only). If various ratings exist for a specific position, the relevant rating is assigned according to the rules prescribed by the Basel Committee on Banking Supervision.

7 Breakdown of other assets

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Compensation account	5.1		5.1	
Open settlements	342.7	412.2	-69.5	-16.9
Indirect taxes	12.8	14.7	-1.9	-12.7
Remaining other assets	30.9	35.6	-4.6	-13.0
Total other assets	391.5	462.5	-70.9	-15.3

8 Breakdown of other liabilities

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Compensation account		32.6	-32.6	-100.1
Open settlements	384.3	1,086.4	-702.1	-64.6
Indirect taxes	31.4	34.3	-2.9	-8.6
Remaining other liabilities	11.9	9.6	2.3	24.2
Total other liabilities	427.6	1,162.8	-735.3	-63.2

9 Pledged or assigned assets to secure own commitments and assets under reservation of ownership, excluding securities financing transactions

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Book value of pledged and assigned assets	1,523.1	1,082.0	441.0	40.8
Effective commitment	2,224.2	1,621.3	602.9	37.2

10 Liabilities to own pension schemes¹

	31.12.2024	31.12.2023	CHANGE TO 31.12.23	
	CHF M	CHF M	CHF M	IN %
Amounts due in respect of customer deposits	43.7	60.5	-16.8	-27.8
Negative replacement values of derivative financial instruments		3.1	-3.1	-100.0
Total liabilities to own pension schemes	43.7	63.6	-20.0	-31.4

1 The bank's employee pension funds did not hold any of the bank's equity instruments in the year under review or in the prior year.

11 Information on pension funds

Employer contribution reserves (ECR)¹

CHF M	NOMINAL VALUE 31.12.2024	WAIVER OF USE 31.12.2024	NET AMOUNT 31.12.2024	NET AMOUNT 31.12.2023	INFLUENCE OF ECR ON PERSONNEL EXPENSES	
					2024	2023
Pension plans	6.3					
Total	6.3					

1 The bank does not recognize the future economic benefit (including employer contribution reserves) as an asset as defined in FINMA Circular 2020/1.

Economic benefit or economic liability

CHF M	SURPLUS/ SHORTFALL 31.12.2024	ECONOMIC BENEFIT OR (ECONOMIC LIABILITY) OF THE BANK		CHANGE VERSUS PREVIOUS YEAR	CONTRIBUTIONS PAID CURRENT PERIOD	PENSION COST	
		31.12.2024	31.12.2023			2024	2023
Patronage funds and pension plans	35.4						
Pension plans without a surplus/shortfall					-32.9	-32.9	-30.9
Total	35.4				-32.9	-32.9	-30.9

Bank Vontobel AG has three pension funds that insure the bank's employees and employees of associated companies against the financial consequences of a loss of income as a result of old age, disability or death.

The pension funds provide the mandatory benefits prescribed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) as well as supplementary benefits. The pension funds' assets are managed by Vontobel companies.

12 Presentation of issued structured products¹ related to the underlying risk of the embedded derivative

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Interest rate instruments	53.5	33.5	20.0	59.6
Equity securities incl. investment funds	2,018.0	1,893.2	124.8	6.6
Foreign currencies	8.8	8.7	0.1	1.5
Precious metals	14.2	24.5	-10.3	-42.1
Cryptocurrencies	383.9	361.5	22.3	6.2
Other	8.8	9.6	-0.8	-8.2
Total issued structured products	2,487.2	2,331.1	156.1	6.7

1 All issued structured products are recognized in liabilities from other financial instruments at fair value and they have their own debenture component.

13 Value adjustments and provisions and reserves for general banking risks

CHF M	BOOK VALUE 01.01.2024	USING IN CONFORMITY WITH DESIGNATED PURPOSE	PAST DUE INTEREST, RECOVERIES	NEW CREATION CHARGED TO INCOME	RELEASES TO INCOME	BOOK VALUE 31.12.2024
Provisions for business risks	11.3	5.3		9.7	0.0	15.7
Other provisions	101.4					101.4
Total provisions	112.7	5.3		9.7	0.0	117.1
Value adjustments for default and country risks	34.1		10.6	0.0	0.8	43.9
<i>of which, value adjustments for default risks in respect of impaired loans/receivables</i>	<i>34.1</i>		<i>10.6</i>	<i>0.0</i>	<i>0.8</i>	<i>43.9</i>
<i>of which, value adjustments for latent risks</i>	<i>0.0</i>				<i>0.0</i>	

“Provisions for business risks” mainly comprise litigation provisions. Litigation risks are assessed on an ongoing basis and the relevant provision is adjusted in the course of court proceedings if necessary. The occurrence of a loss depends on the decision of the competent courts.

“Other provisions” consist of collective value adjustments of “Amounts due from customers” and “Mortgage loans” as well as “Contingent liabilities” that are permissible from a tax perspective according to the fact sheet on the taxation of the banks and securities firms issued by the Cantonal Tax Office of Zurich on 23 September 2021.

14 Presentation of the bank's capital

	31.12.2024			31.12.2023		
	TOTAL PAR VALUE CHF M	NUMBER OF SHARES	CAPITAL RANKING FOR DIVIDEND CHF M	TOTAL PAR VALUE CHF M	NUMBER OF SHARES	CAPITAL RANKING FOR DIVIDEND CHF M
Share capital - registered shares	149.0	149,000	149.0	149.0	149,000	149.0
Total share capital	149.0	149,000	149.0	149.0	149,000	149.0

There was no capital band or conditional share capital in the current and prior period. Capital increases or reductions have not occurred.

15 Disclosure of holders of significant participations

Disclosure of holders of significant participations in the Bank Vontobel AG, Zurich

	31.12.2024		31.12.2023	
	NOMINAL CHF M	SHARE IN %	NOMINAL CHF M	SHARE IN %
With voting rights on share capital of Bank Vontobel AG				
Vontobel Holding AG, Zurich	149.0	100.0	149.0	100.0
Total voting rights in share capital ranking for dividends	149.0	100.0	149.0	100.0

Disclosure of holders of significant participations in the Vontobel Holding AG, Zurich

	31.12.2024		31.12.2023	
	NOMINAL CHF M	SHARE IN %	NOMINAL CHF M	SHARE IN %
With voting rights on share capital of CHF 56.875 M of Vontobel Holding AG				
Advontes AG	6.1	10.6	6.1	10.6
Vontrust AG (holding company of the Vontobel family shareholders)	8.1	14.3	8.1	14.3
Vontobel Foundation	8.5	14.9	8.5	14.9
Pellegrinus Holding AG (charitable foundation Corvus) ¹	2.7	4.7	2.7	4.7
Further shares of a family member	3.6	6.3	3.6	6.3
Total voting rights on share capital	28.9	50.9	28.9	50.9

1 Usufruct incl. voting right by Pellegrinus Holding AG, ownership by Vontobel Foundation

16 Number and value of equity securities held by all executives and directors and by employees

	31.12.2024 CHF M	31.12.2024 NUMBER ¹	31.12.2023 CHF M	31.12.2023 NUMBER ¹
Members of the board of directors				
Members of executive bodies	6.5	186,403	8.5	265,214
Employees	25.6	745,884	22.6	728,894
Total	32.1	932,287	31.1	994,108

Employees of Bank Vontobel AG participate in Vontobel's share participation plan. Contractual terms and conditions and the basis of calculation are described in the Compen-

sation Report of the consolidated Annual Report of Vontobel. The values accrued for performance shares on a pro rata temporis basis are shown in the above table.

17 Disclosure of amounts due from/to related parties

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Amounts due from				
Holders of qualified participations	38.9	499.5	-460.7	-92.2
Affiliated companies	1,094.3	887.7	206.7	23.3
Members of governing bodies	3.9	5.0	-1.1	-21.4
Amounts due to				
Holders of qualified participations	54.2	367.9	-313.7	-85.3
Affiliated companies	1,985.3	1,220.4	764.9	62.7
Members of governing bodies	3.8	4.4	-0.5	-11.6
Other related parties	15.6	4.9	10.7	216.3

Due from holders of qualified participations mainly comprises fixed advances to Vontobel Holding AG in the amount of CHF 33.0 million, which were granted in accordance with market conditions. A large proportion of the due from and to affiliated companies results from the issuing of structured products of the affiliates in Dubai and Frankfurt as well as from intra-Group financing activities. The trans-

actions are conducted in accordance with market conditions. In the case of members of governing bodies and other related parties, the transactions (e.g. securities transactions, lending and income paid on deposits) are conducted according to the conditions that apply to third parties.

18 Own shares and composition of equity capital

Bank Vontobel AG did not hold, sell or purchase its own equity securities during the year under review. Information on the composition of the equity capital and the rights and

restrictions associated with shares of capital is provided in note 14 "Presentation of the bank's capital".

Not distributable reserves

	31.12.2024	31.12.2023	CHANGE TO 31.12.2023	
	CHF M	CHF M	CHF M	IN %
Not distributable statutory retained earnings reserves	74.5	74.5		
Total non distributable reserves	74.5	74.5		

19 Breakdown of total of the net foreign exposure by credit rating of country groups (risk domicile view)

Bank's own country rating¹

	31.12.2024		31.12.2023	
	ABSOLUTE CHF M	SHARE IN %	ABSOLUTE CHF M	SHARE IN %
AAA to AA-	6,130.5	89.8	5,754.4	89.9
A+ to BBB-	418.4	6.1	489.7	7.7
BB+ to D	151.7	2.2	70.0	1.1
Without rating	125.8	1.8	85.4	1.3
Total net foreign exposure	6,826.4	100.0	6,399.6	100.0

¹ When determining its own country rating, Bank Vontobel AG uses a calculation that is based on the recognized rating agencies Fitch, Moody's and Standard & Poor's.

Notes to the off-balance sheet business

20 Breakdown of fiduciary transactions

	31.12.2024 CHF M	31.12.2023 CHF M	CHANGE TO 31.12.2023	
			CHF M	IN %
Fiduciary investments with third-party companies	4,996.9	5,002.3	-5.4	-0.1
Total fiduciary transactions	4,996.9	3,327.3	5,002.3	3,327.3

21 Breakdown and development of the assets under management

Breakdown of the assets under management¹

	31.12.2024 CHF B	31.12.2023 CHF B	CHANGE TO 31.12.2023	
			CHF B	IN %
Assets under discretionary asset management agreements	21.6	19.0	2.5	13.4
Other managed assets	91.5	81.3	10.2	12.6
Total assets under management (including double counting)	113.1	100.3	12.8	12.7
<i>of which, double counting</i>				

1 Calculation in accordance with the guidelines issued by the Swiss Financial Market Supervisory Authority concerning accounting standards for financial institutions and Vontobel internal guidelines

Assets under management are calculated and reported in accordance with the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA) concerning accounting standards for financial institutions. Assets under management comprise all of the assets managed or held for investment purposes of private, corporate and institutional clients excluding borrowings, as well as assets in self-managed collective investment instruments. This includes all amounts due to customers on savings and deposit accounts, fixed-term and fiduciary deposits, and all valued assets. Assets under management that are

deposited with third parties are included to the extent that they are managed by the Bank. Assets under management only include those assets on which the Bank generates considerably higher income than on assets that are held solely for custody purposes or the execution of transactions. These types of custody assets are reported separately. Assets that are counted more than once, i. e. in several categories of assets under management to be disclosed, are shown under double counts. They primarily include shares in self-managed collective investment instruments in client portfolios.

Presentation of the development of the assets under management

	2024 CHF B	2023 CHF B	CHANGE TO 2023	
			CHF B	IN %
Total assets under management (including double counting) as of 01.01.	100.3	94.2	6.2	6.6
Net new money inflow or net money outflow	5.3	4.3	1.0	22.6
Price gains/losses, interests, dividends and currency gains/losses	8.4	3.0	5.3	174.3
Other effects ¹	-0.9	-1.2	0.3	-27.2
Total assets under management (including double counting) as of 31.12.	113.1	100.3	12.8	12.7

1 Negative effect due to the decision to exit the market in connection with the strategic focus on a strictly limited selection of developed markets.

Net inflows or outflows of assets under management during the reporting period consist of the acquisition of new clients, the departure of clients as well as inflows and outflows of assets from existing clients. This also includes borrowing and the repayment of loans. The calculation of the net inflow or outflow of new money is performed at the level “total assets under management” (including double counting). If there is a change in the service provided, resulting in the reclassification of assets under management as assets held for custody purposes or vice versa, this is recorded as an outflow of new money or an inflow of new money, respectively. However, starting from the 2023 financial year, an outflow is treated as NNM-neutral if it is due to a strategic decision to exit a specific market or service offering. In this case, the outflow is reported as “other effects”. Securities-related and currency-related changes in market value, interest income and dividends, fee charges, loan interest paid and the impacts of acquisitions and disposals of business divisions of the Bank do not constitute inflows or outflows of assets.

Notes to the income statement

22 Result from trading activities and the fair value option

Result from trading activities and the fair value option by business area

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Securities	213.9	85.7	128.2	149.7
Forex, banknotes and precious metals	137.8	127.0	10.8	8.5
Total result from trading activities and the fair value option	351.7	212.7	139.0	65.3
<i>of which, from fair value option on liabilities</i>	<i>-510.9</i>	<i>-320.8</i>	<i>-190.2</i>	<i>59.3</i>

Result from trading activities and the fair value option by underlying risk

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Result from trading activities from:				
<i>Interest rate instruments (including investment funds)</i>	<i>6.9</i>	<i>5.6</i>	<i>1.3</i>	<i>23.6</i>
<i>Equity securities (including investment funds)</i>	<i>-42.4</i>	<i>64.6</i>	<i>-107.0</i>	<i>-165.7</i>
<i>Foreign currencies</i>	<i>274.5</i>	<i>106.3</i>	<i>168.2</i>	<i>158.2</i>
<i>Precious metals</i>	<i>29.2</i>	<i>2.6</i>	<i>26.6</i>	
<i>Others / Cryptocurrencies</i>	<i>83.5</i>	<i>33.7</i>	<i>49.8</i>	<i>147.7</i>
Total result from trading activities and the fair value option	351.7	212.7	139.0	65.3
<i>of which, from fair value option on liabilities</i>	<i>-510.9</i>	<i>-320.8</i>	<i>-190.2</i>	<i>59.3</i>

23 Breakdown of interest and discount income¹ and interest expense

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Interest income on loans / receivables	239.5	252.2	-12.7	-5.0
Negative interest on assets	-0.0	-0.2	0.2	-98.1
Total interest and discount income	239.5	252.0	-12.5	-5.0
Interest expense on liabilities	-114.8	-68.5	-46.2	67.5
Negative interest on liabilities	0.0	0.0	0.0	
Total interest expense	-114.7	-68.5	-46.2	67.5

1 For the trading business no refinancing income will be credited in the interest income.

24 Breakdown of personnel expenses

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Salaries and bonuses	-357.8	-330.7	-27.1	8.2
<i>of which, expenses relating to share-based compensation</i>	<i>-20.8</i>	<i>-16.2</i>	<i>-4.6</i>	<i>28.7</i>
Employee benefits	-29.3	-26.0	-3.3	12.8
Contribution to pension funds	-32.9	-30.9	-1.9	6.2
Other personnel expense	-22.5	-23.4	0.9	-3.7
Total personnel expense	-442.6	-411.1	-31.5	7.7

25 Breakdown of general and administrative expenses

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Office space expenses	-33.1	-34.2	1.1	-3.1
Expenses for information and communications technology	-93.6	-89.6	-4.0	4.5
Expenses for vehicles, equipment, furniture and other fixtures	-0.2	-0.2	0.0	-18.1
Fees of audit firm	-1.6	-1.6	-0.1	3.8
of which, for financial and regulatory audit	-1.2	-1.2	0.0	-1.7
of which, for other services	-0.4	-0.3	-0.1	23.5
Expenses for travel and representation, public relations, marketing and consulting	-123.7	-100.1	-23.6	23.6
Other operating expenses	-39.5	-39.9	0.4	-1.1
Total general and administrative expenses	-291.7	-265.6	-26.1	9.8

26 Significant losses, extraordinary income and expense, significant release of hidden reserves, reserves for general banking risks, and value adjustments and provisions that are no longer required

In the year under review, there were no other material transactions in the positions in question. In particular, no tangible fixed assets or investments were revalued and no

significant amount of hidden reserves, value adjustments or provisions was released.

27 Presentation of taxes

Income and capital taxes

	2024 CHF M	2023 CHF M	CHANGE TO 2023	
			CHF M	IN %
Withholding tax on portfolio dividends and interest paid ¹	-5.9		-5.9	
Current income tax	-42.8	-37.5	-5.3	14.2
Current capital tax	-1.5	-1.5	0.0	-0.7
Total taxes	-50.2	-39.0	-11.2	28.8

1 Since 2024, non-recoverable withholding taxes on dividends and interest of financial instruments held in the balance sheet items "Trading portfolio assets" and "Participations" have been reported in the income statement item "Taxes". In the previous year, the corresponding expenses were included in the items "Interest and Dividend Income from Trading portfolio" (2023: CHF 3.0m) and "Income from participations" (2023: CHF 0.2m).

Average tax rate

IN %	2024	2023
Average tax rate weighted on the basis of the operating result	17.0	16.0

Information on capital and liquidity

28 Regulatory key figures

Capital ratios and Leverage ratio

	31.12.2024	31.12.2023
Eligible capital (CHF M)		
Common equity tier 1 (CET1)	1,048.8	1,040.1
Tier 1 capital (T1)	1,048.8	1,040.1
Total capital	1,150.1	1,141.5
Risk-weighted assets (RWA) (CHF M)		
Risk-weighted assets (RWA)	4,967.6	4,560.0
Minimum capital requirement	397.4	364.8
Risk-based capital ratios (in % of RWA)		
CET1 capital ratio (in %)	21.1	22.8
Tier 1 capital ratio (in %)	21.1	22.8
Total capital ratio (in %)	23.2	25.0
CET1 buffer requirements (in % of RWA)		
Capital buffer in accordance with Basel Minimum Standards (as of 2019: 2.5%) (in %)	2.5	2.5
Countercyclical buffer (Article 44a CAO) in accordance with the Basel Minimum Standards (in %)		
Additional capital buffer due to national or international systemic importance (%)		
Overall buffer requirements in accordance with the Basel Minimum Standards in CET1 quality (%)	2.5	2.5
Available CET1 to cover buffer requirements in accordance with Basel Minimum Standards (after deducting CET1 from the cover of the minimum requirements and possibly to cover the TLAC requirements) (%)	15.1	16.8
Targeted capital ratio according to Annex 8 of the CAO (in % of RWA)		
Capital buffer according to Annex 8 CAO (%)	4.0	4.0
Countercyclical buffer (Articles 44 and 44a CAO) (%)	0.2	0.2
CET1 capital ratio target according to Annex 8 CAO plus countercyclical buffer	8.0	8.0
T1 target ratio (in %) according to Annex 8 CAO plus countercyclical buffer in accordance	9.8	9.8
Total capital target ratio (in %) according to Annex 8 CAO plus countercyclical buffer in accordance with Articles 44 and 44a CAO	12.2	12.2
Basel III leverage ratio		
Total exposure (in CHF M)	20,561.6	18,979.0
Basel III leverage ratio (Tier 1 capital % of the total exposure)	5.1	5.5
Net stable funding ratio (NSFR)		
Available stable refinancing (in CHF M)	1,008.8	9,208.2
Required stable refinancing (in CHF M)	7,670.3	8,129.2
Net stable funding ratio (NSFR) (in %)	131.5	113.3

Liquidity Coverage Ratio¹

AVERAGE	31.12.2024 Q4 2024	30.09.2024 Q3 2024	30.06.2024 Q2 2024	31.03.2024 Q1 2024	31.12.2023 Q4 2023
Numerator of LCR: Total stock of high quality liquid assets (HQLA) in CHF M	5,254.5	5,325.0	5,098.3	4,849.9	4,831.7
Denominator of LCR: Total net cash outflows in CHF M	3,051.8	3,037.6	3,367.6	3,043.2	2,253.9
Liquidity Coverage Ratio LCR in %	172.2	175.3	151.4	159.4	214.4

1 The liquidity coverage ratio is disclosed in accordance with the requirements set out in FINMA Circular 16/1. The values used to calculate the liquidity coverage ratio are simple monthly averages for the relevant quarter or halfyear. The average is calculated based on the values shown and the SNB. This results in three data points per quarter. The main factors influencing Bank Vontobel AG's liquidity coverage ratio are cash holdings as high-quality liquid assets, and customer cash accounts as weighted cash outflows.

The corporate bodies of Bank Vontobel AG, Zurich

The Board of Directors

The Board of Directors consists of the following members as of December 31, 2024:

NAME	FUNCTION
Andreas E.F. Utermann	Chairman
Bruno Basler	Vice-Chairman
Dr. Maja Baumann	Member
Dr. Elisabeth Bourqui	Member
David Cole	Member
Stefan Loacker	Member
Björn Wettergren	Member
Kristine Braden	Member
Annika Falkengren	Member
Mary Pang	Member
RESIGNATION IN 2024:	
Clara C. Streit	
Dr. Michael Halbherr	

As of December 31, 2024 the majority of the members of the Board of Directors of Bank Vontobel AG meet the independence criteria prescribed in the FINMA Circular 17/1 “Corporate governance, risk management and internal control at banks”, mn 18–22. They are: Andreas Utermann, Bruno Basler, Dr. Elisabeth Bourqui, David Cole, Stefan Loacker, Kristine Braden, Annika Falkengren and Mary Pang. Dr. Maja Baumann and Björn Wettergren are members of the Vontobel and de la Cour families. They serve on some governing bodies of entities representing the interests of majority shareholders.

The Executive Committee

The Executive Committee comprises the following members as of December 31, 2024:

NAME	FUNCTION
Christel Rendu de Lint	Co-CEO
Georg Schubiger	Co-CEO
Dr. Thomas Heinzl	CFO/CRO
Markus Pfister	COO
Dr. Maria-Antonella Bino	GC

Dr. Zeno Staub and Felix Lenhard left the Executive Committee as of 31 December 2023. As of 1 January 2024, Christel Rendu de Lint and Georg Schubiger took over the CEO role from Dr. Zeno Staub as Co-CEOs. Markus Pfister was appointed Chief Operating Officer (COO) as of January 1, 2024.



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To the General Meeting of
Bank Vontobel AG, Zurich

Berne, 6 February 2025

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Bank Vontobel AG (the Company), which comprise the balance sheet as at 31 December 2024 the income statement and the statement of equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 4 to 26) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

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

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



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 and our auditor's report thereon.

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

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

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



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework for banks, 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.

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

Report on other legal and regulatory requirements



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

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Andreas Blumer
(Qualified Signature)

Licensed audit expert
(Auditor in charge)



Philipp Müller
(Qualified Signature)

Licensed audit expert

Our locations

At Vontobel, we actively shape the future. We master what we do – and we only do what we master.

From Zurich, Frankfurt am Main and London over New York and Dubai to Hong Kong – throughout 26 offices, we service our clients.

Find an overview of all our offices on vontobel.com



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LEGAL INFORMATION

This Annual Report is intended solely for information purposes. The information and views contained in it do not constitute a request, offer or recommendation to use a service, to buy or sell investment instruments or to conduct other transactions. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved.

This report also appears in German. The German version is prevailing.

