

 Banque Cantonale de Genève

HALF-YEAR GROUP RESULTS AS AT 30 JUNE 2023

Press conference dated 8 August 2023

Blaise Goetschin
CEO

Frédéric Vernet
CFO

Summary

2023 half-year results

1. Record net profit
2. Positive trend for key performance indicators
3. Sharp rise in business turnover
4. Revenue growth driven by interest margin
5. BCGE: a major financier of Geneva's economy
6. Ongoing growth in client deposits
7. Increase in gross interest margin (+48.5%)
8. Commissions stayed resilient amid contrasting economic conditions
9. Growth in assets under management and administration
10. Embracing new technologies that benefit clients
11. Continued increase in shareholders' equity (+3.7%)
12. 15,425 shareholders (including 15,004 private shareholders)
13. BCGE share performance: +20.9%

Achievements in the first half of 2023

Strategic outlook for 2023

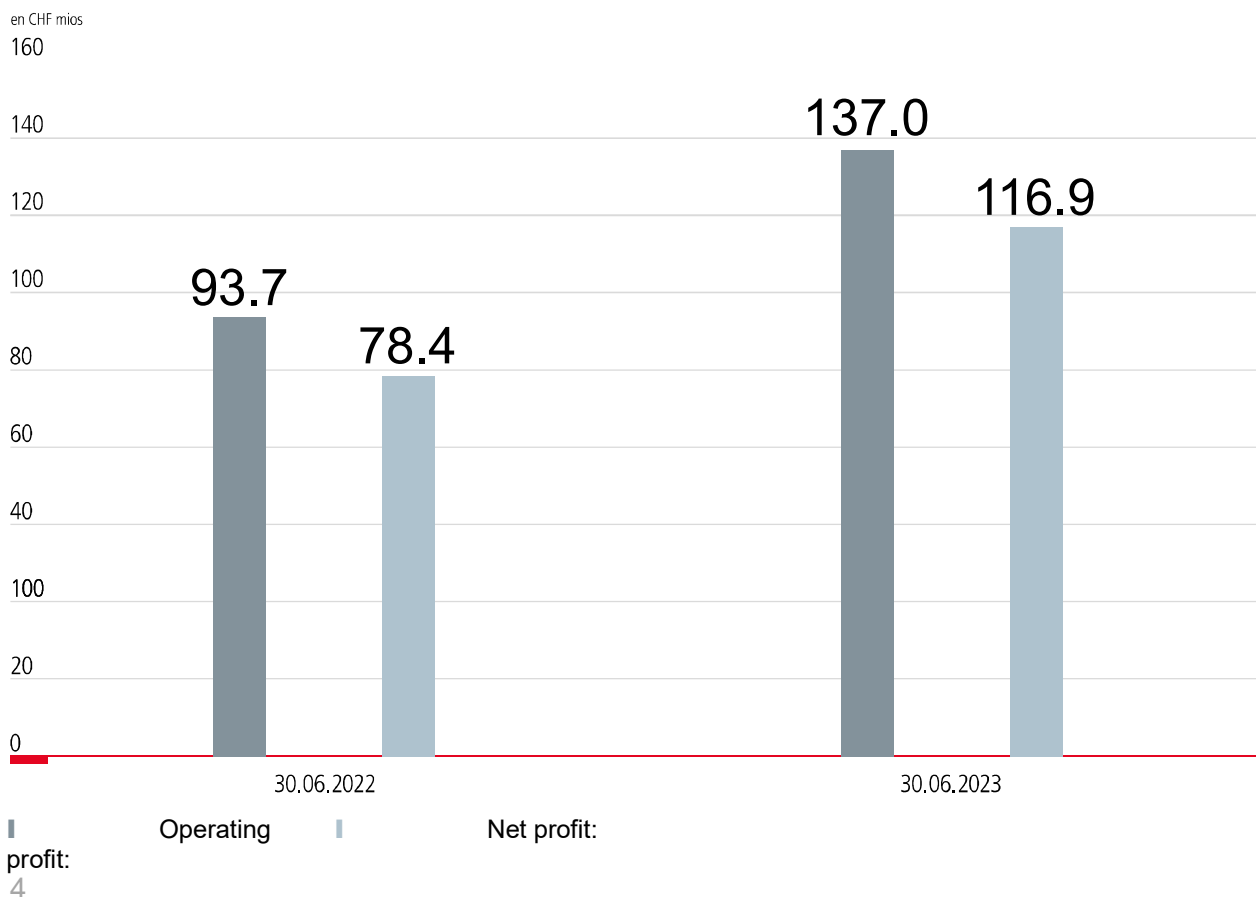


HALF-YEAR GROUP RESULTS AS AT 30 JUNE 2023

1. Record net profit

■ Net profit: CHF 116.9 million (+49.0%)

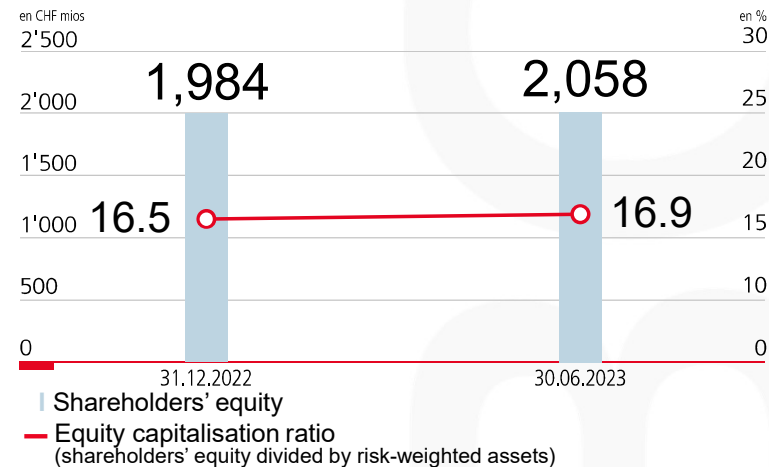
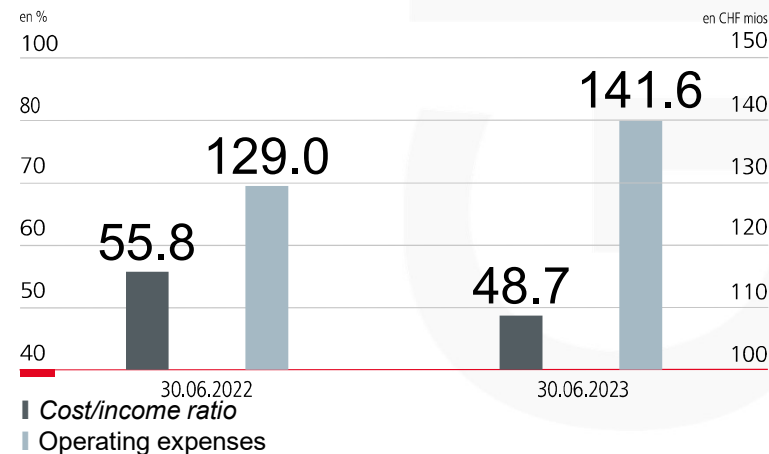
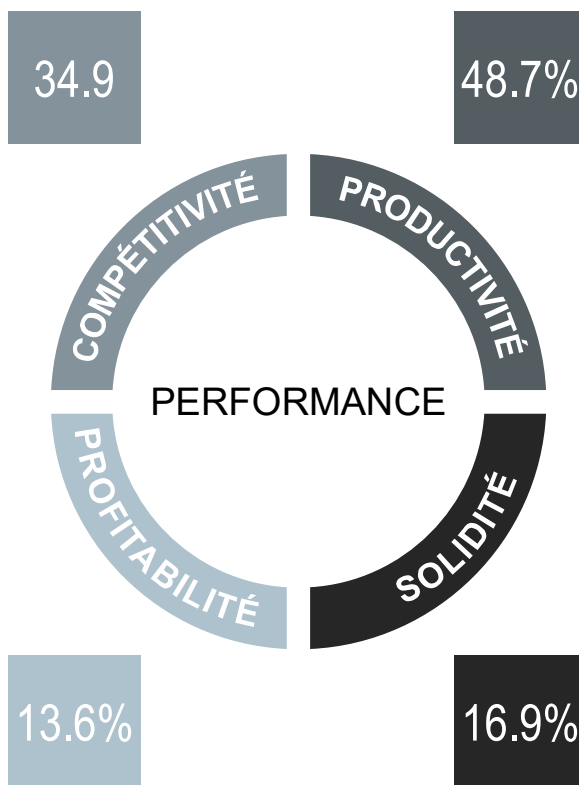
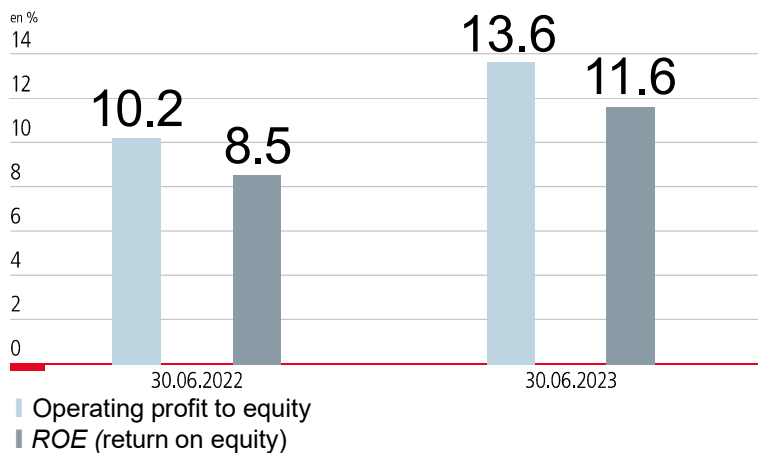
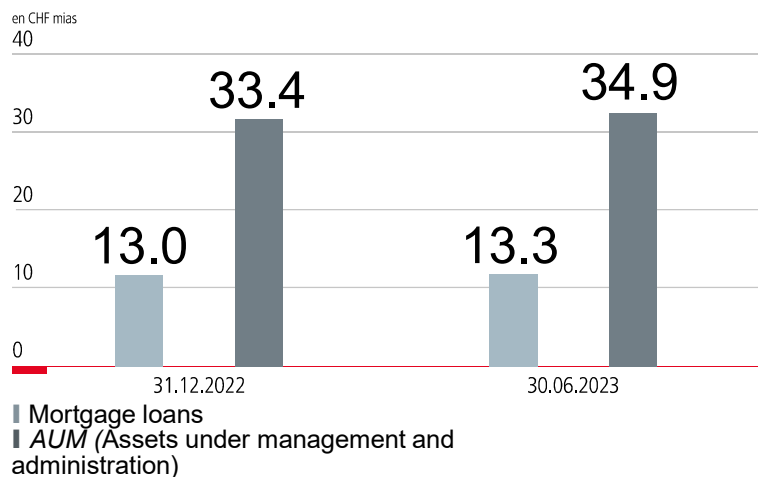
■ Operating profit: CHF 137.0 million (+46.2%)



Executive summary 1st Half Year 2023

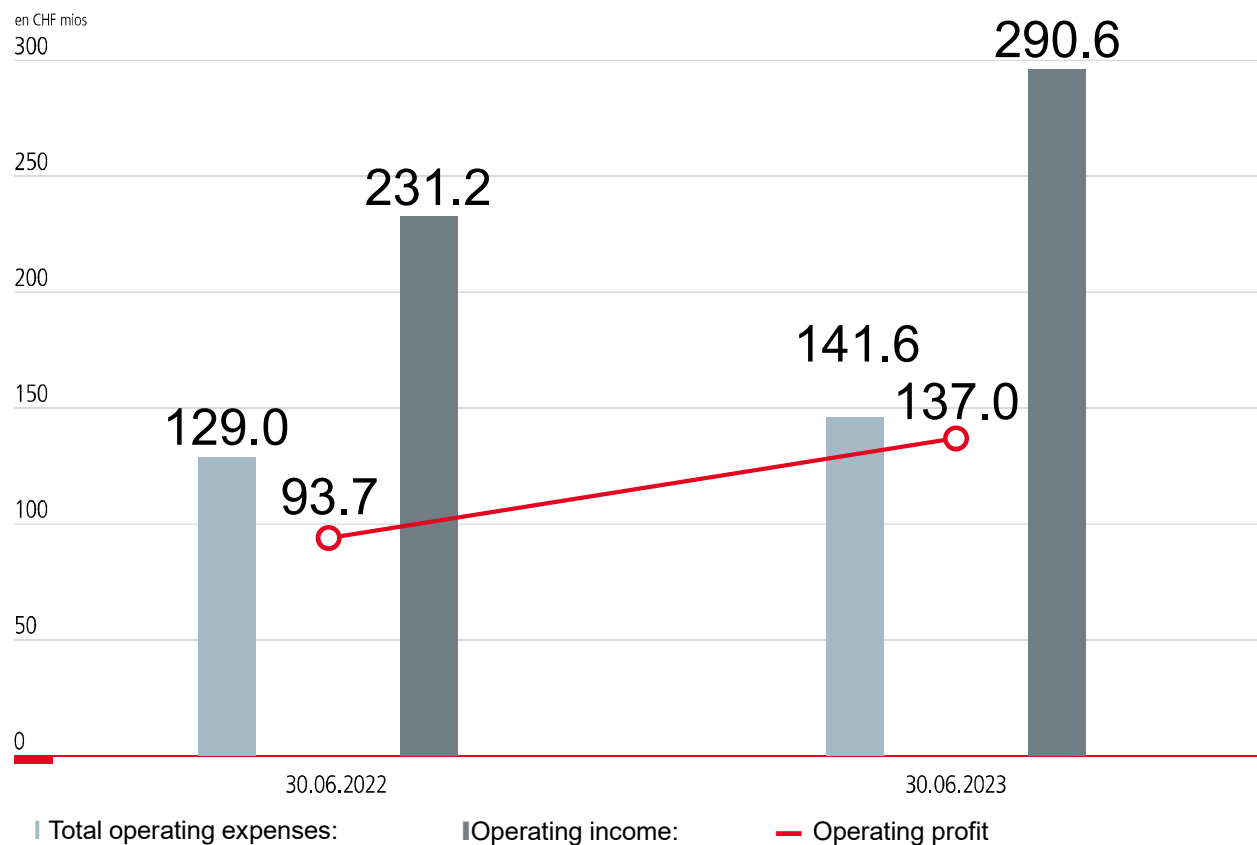
- Continued growth – private and corporate clients
- Operating expenses contained
- Modest cost of risk
- Operating profit up significantly
- Coverage ratio and return on equity at an excellent level

2. Positive trend for key performance indicators



3. Business turnover rose sharply

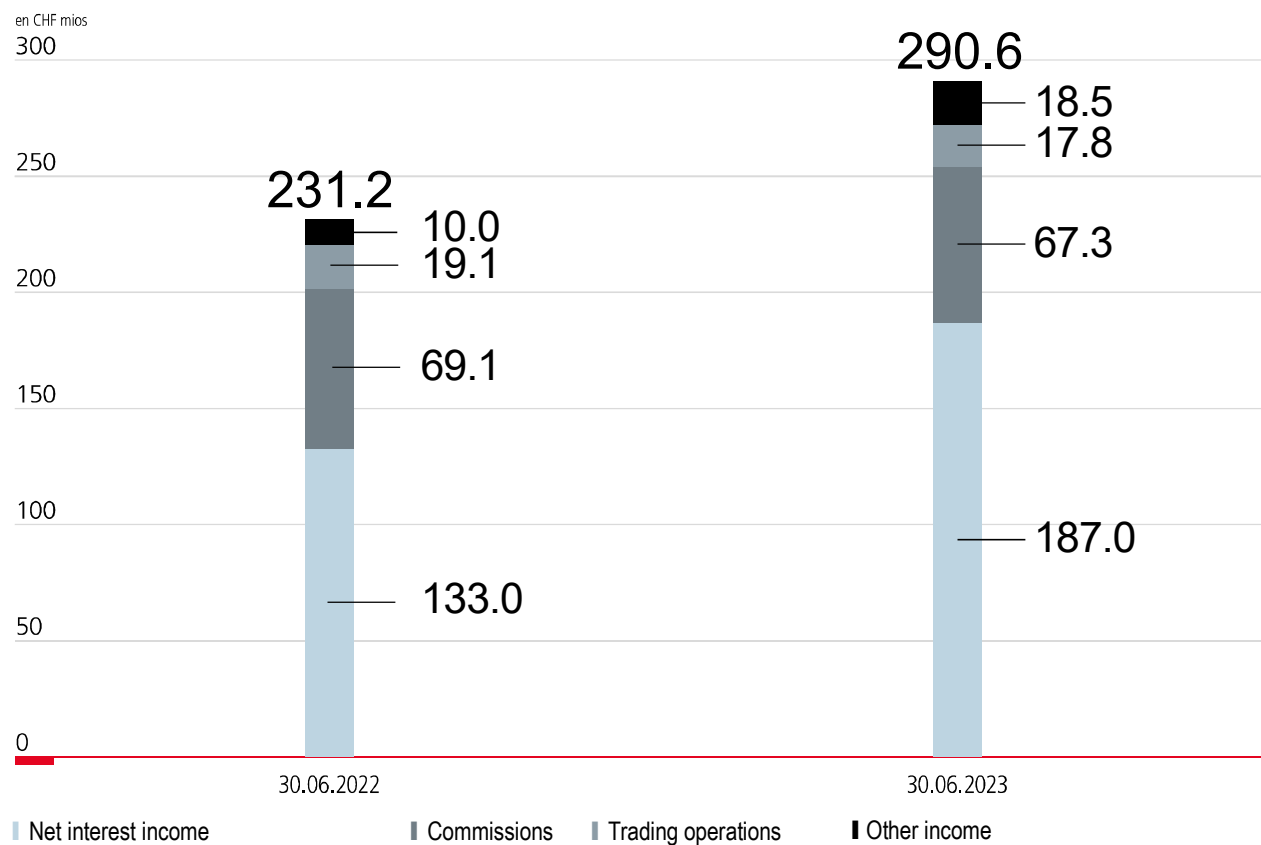
- Total revenues: CHF 290.6 million (+25.7%)
- Operating expenses: CHF 141.6 million (+9.8%)



- Turnover reflects good strategic positioning, capturing the dynamism of economic growth sectors
- Interest margin increased as interest rates rose
- Investments in technology and business development were sustained

4. Revenue growth driven by interest margin

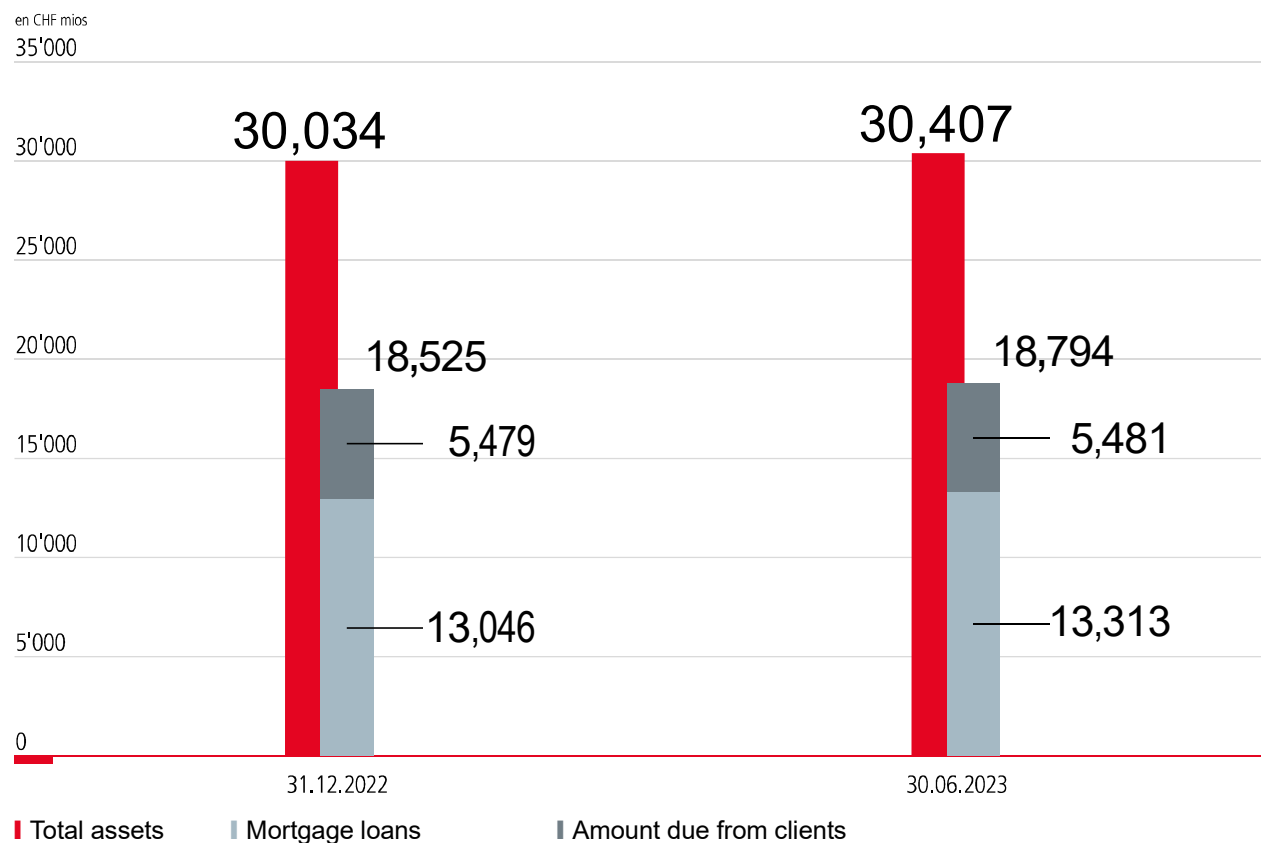
- The Bank has adapted well to the change in interest rates
- Sources of income remain very well diversified



- The rise in interest income can be explained by the increase in loan volume and yield in addition to efficient asset and liability management.
- Commissions reflect a still hesitant stock market environment and a slowdown in international trade activity
- Trading operations (forex) remain at a good level
- Other results reflect the positive performance of our own financial assets

5. BCGE: a major financier of Geneva's economy

▮ The Bank grants loans worth CHF 18.8 billion to companies and private individuals (+CHF 269 million)



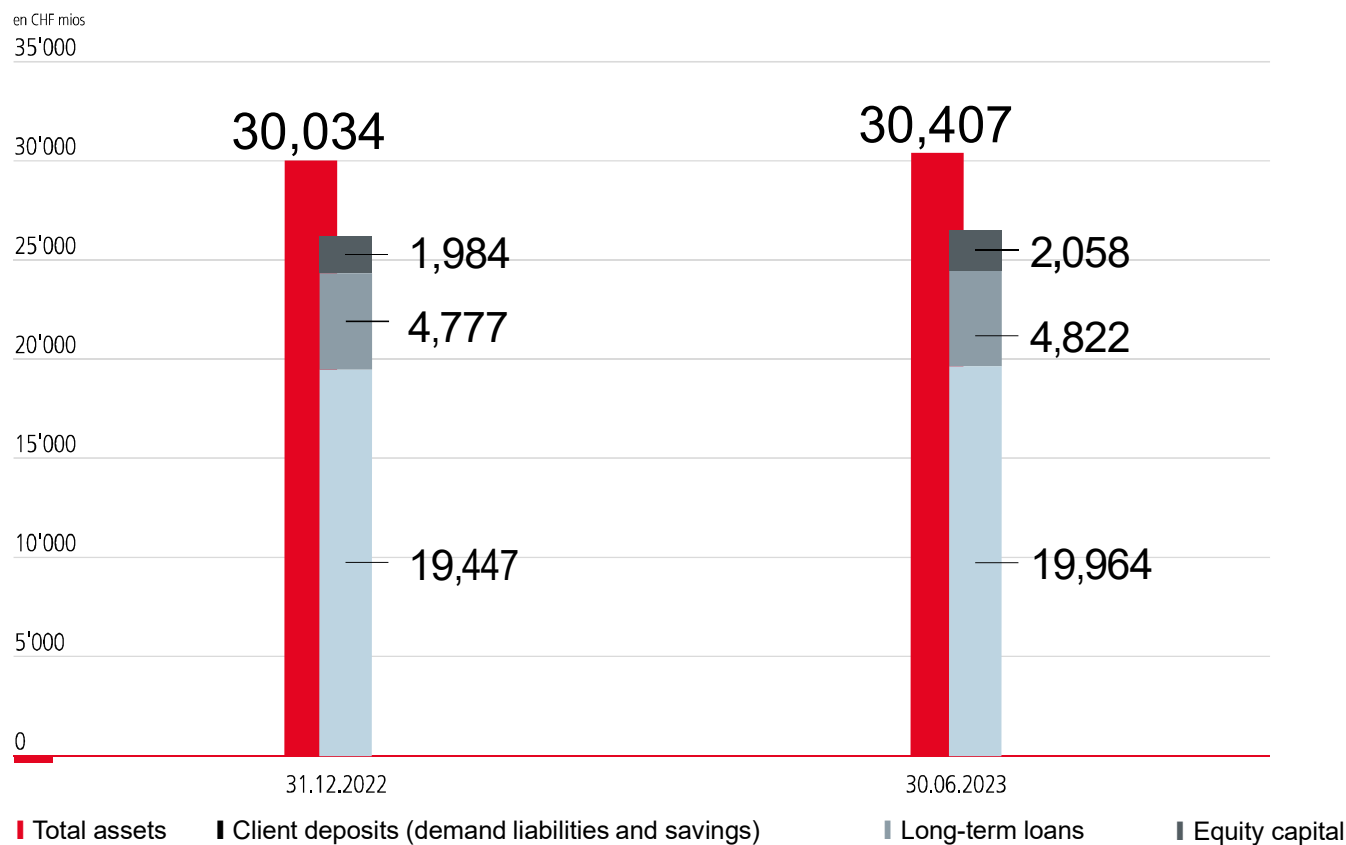
- Mortgage loans rose 2% and their share of the balance sheet (44%) reflect solid diversification of assets¹
- Loans and advances to clients: loans to businesses and public authorities up, international trade finance down (cyclical effects)
- The Bank is currently serving 21'809 corporate clients² (+452 since 31/12/2022)

¹ 18% share of the Geneva banking market (Source: BNS 2023)

² Legal entities

6. Ongoing growth in client deposits

█ Deposits have approached CHF 20.0 billion (+2.7%), demonstrating the attractiveness of a stable bank in an uncertain economic climate

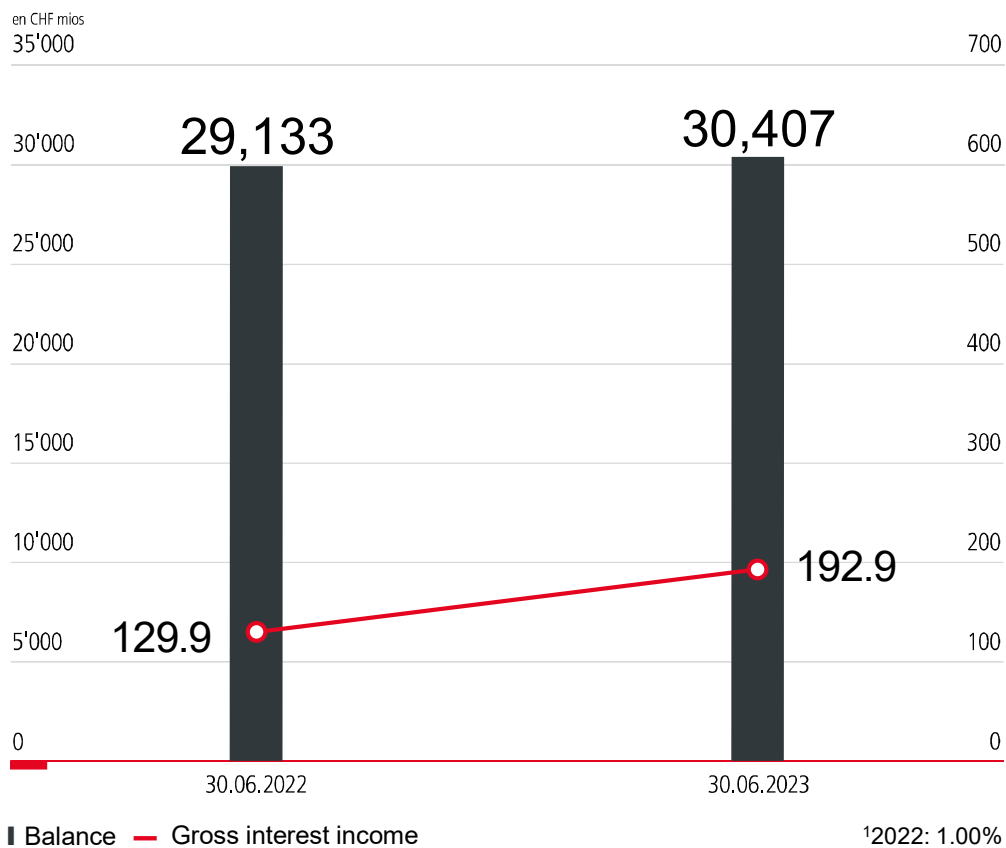


- Well-diversified liability structure and liquidity ratios above regulatory requirements
- High coverage rate of mortgages by client deposits: 150% (2022: 149%)
- The loyalty programme boasts around 37,000 members

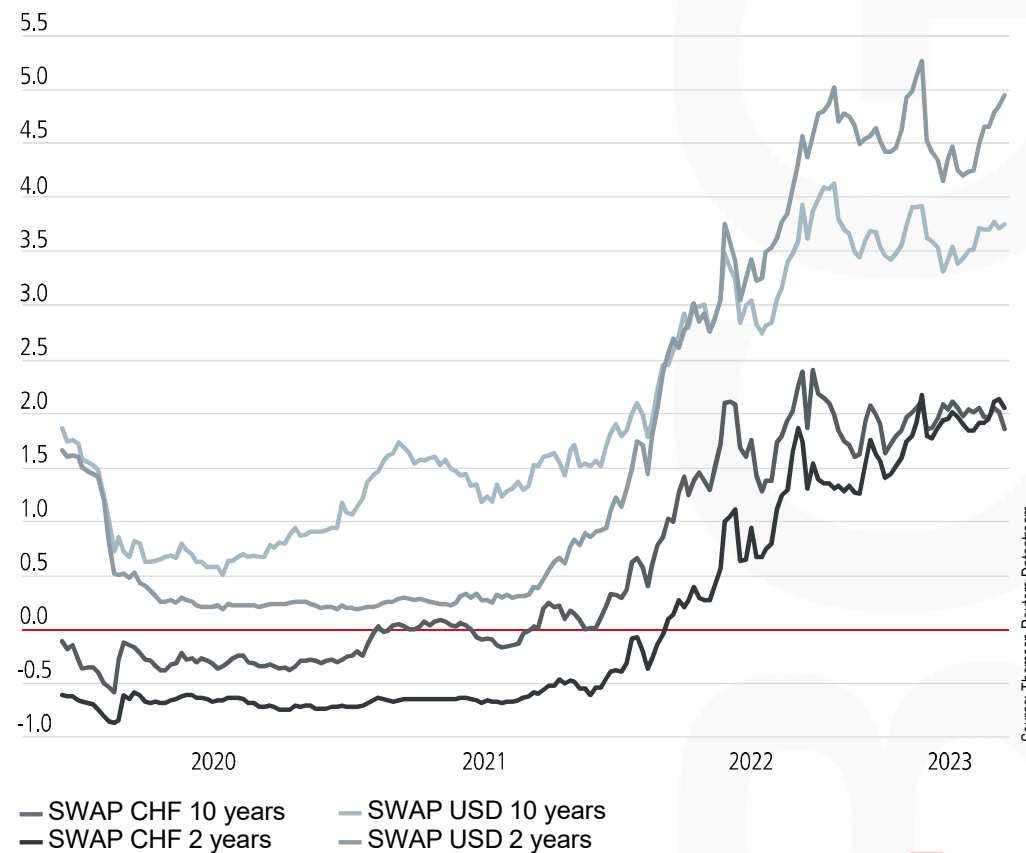
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7. Increase in gross interest margin (+48.5%)

■ Growth in financing volumes and yields in addition to an adapted ALM strategy boosted the margin rate to 1.28%¹

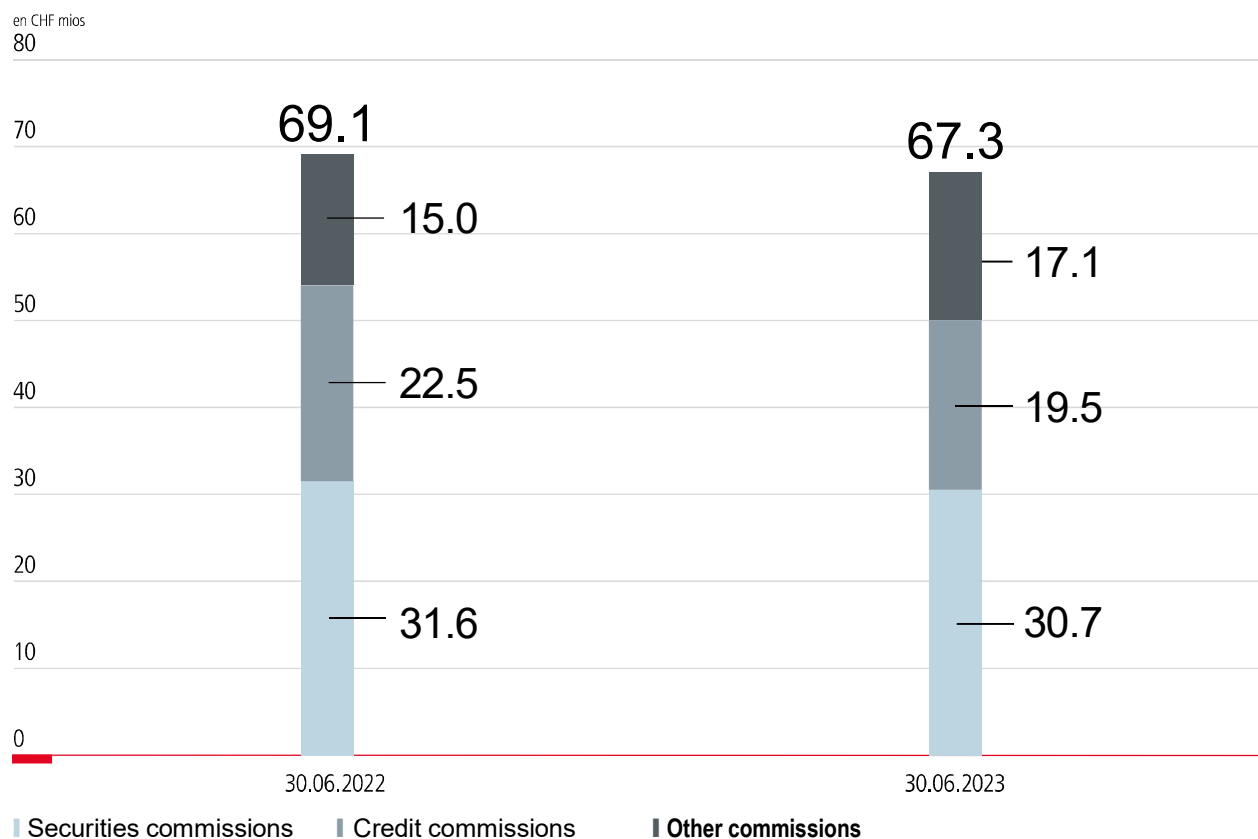


■ Balance — Gross interest income
sheet
10



8. Commissions stayed resilient amid contrasting economic conditions

Commissions account for a high proportion of total sales (23%)

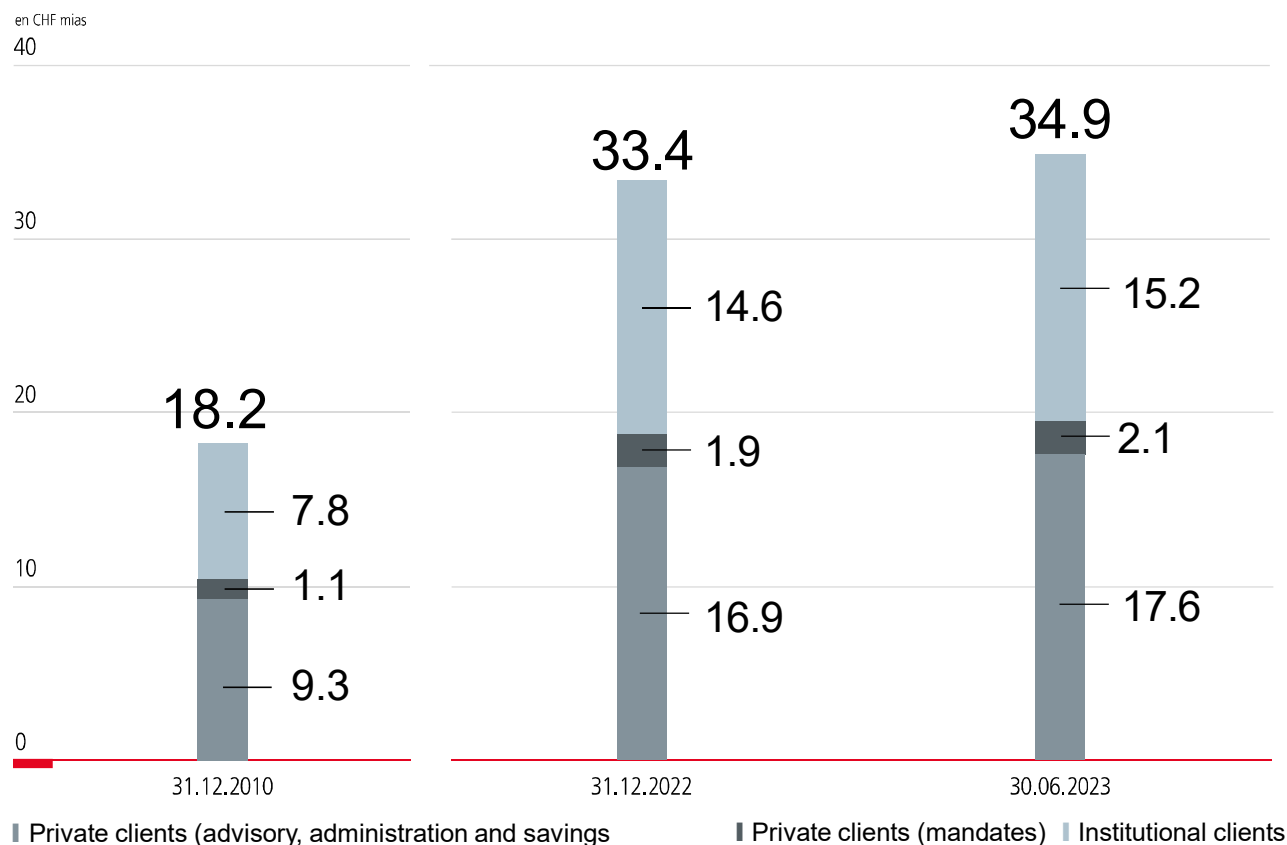


- The 2.8% decline in securities commissions reflects a wait-and-see attitude on the part of investors, with clients remaining committed to management mandates.
- Credit fees (-13.1%) reflect the slowdown in the volume of international trade.
- Other commissions (+13.9%) reflect the growth in individual clients (+2,648 clients), both in-branch and online.

9. Growth in assets under management and administration

■ Private client assets increased by CHF 904 million to CHF 19.7 billion (+4.8%)

■ # of institutional clients grew by 4.2%, representing a total of more than CHF 15 billion



> The net inflow into new discretionary mandates was CHF 112 million



> The 41 investment funds total CHF 3.8 billion



> The online trading platform¹ passed the 12,000th-investor threshold

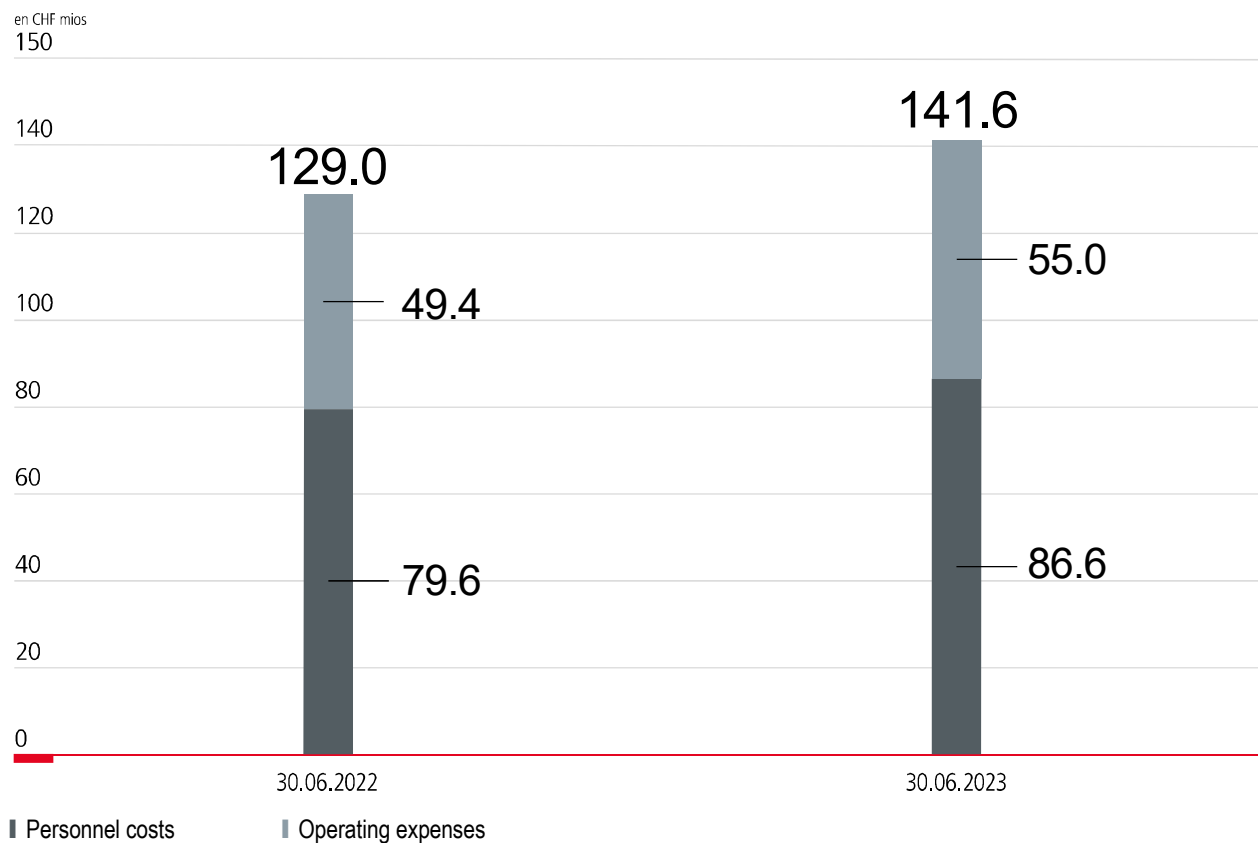


¹In association with the platform



10. Embracing new technologies that benefit clients

- The Bank has been investing in technology, IT security and energy optimisation
- BCGE Group created 13 new jobs during the first half of the year

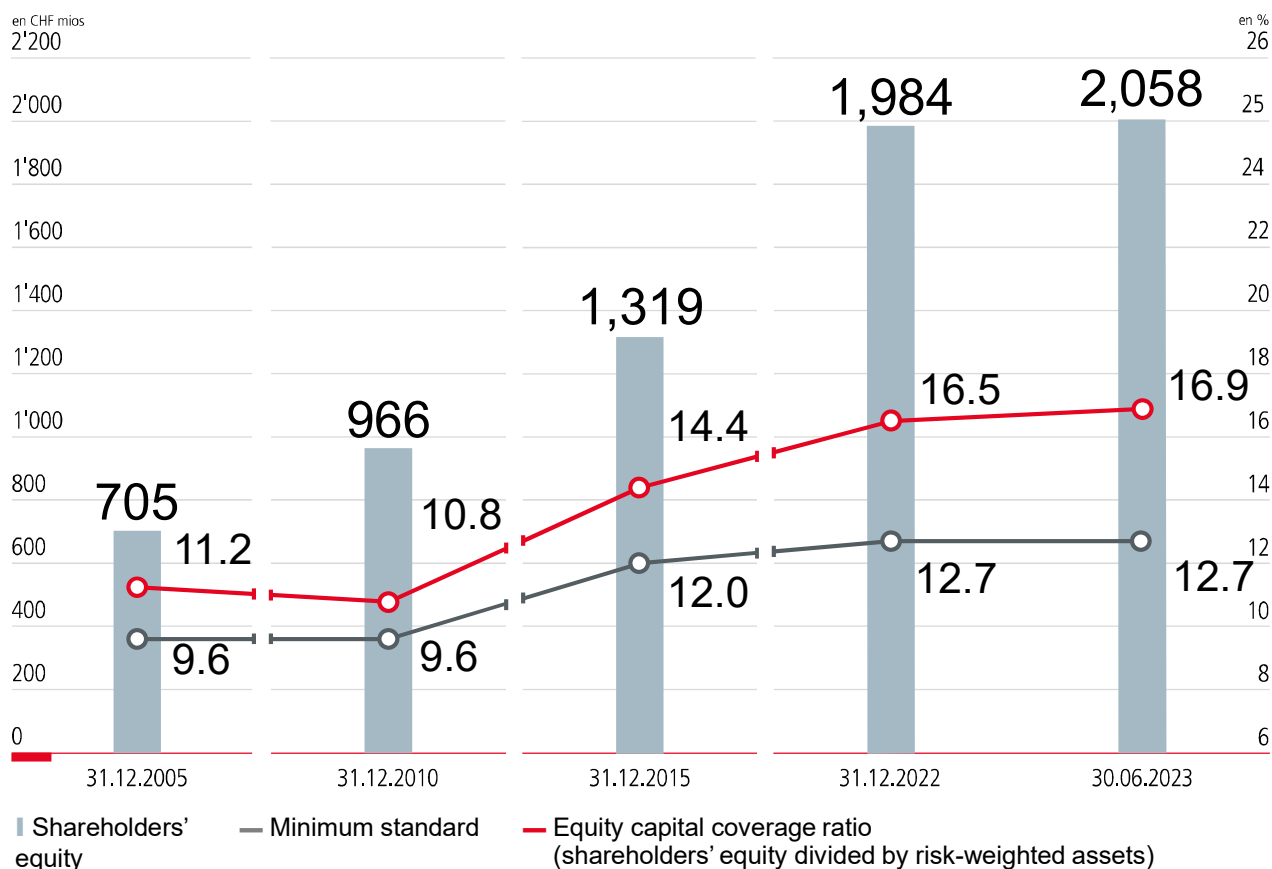


- BCGE Group employs 887 individuals (full-time equivalents) over at its 31 sites
- Implementation of the online subscription function for Best of management mandates
- The Bank is continuing to modernise its network of branches (Vernier branch currently being renovated)
- Certified CO₂ Footprint



11. Continued increase in shareholders' equity (+3.7%)

- Shareholders' equity increased by CHF 74 million
- Almost CHF 1.4 billion in additional equity since 2005

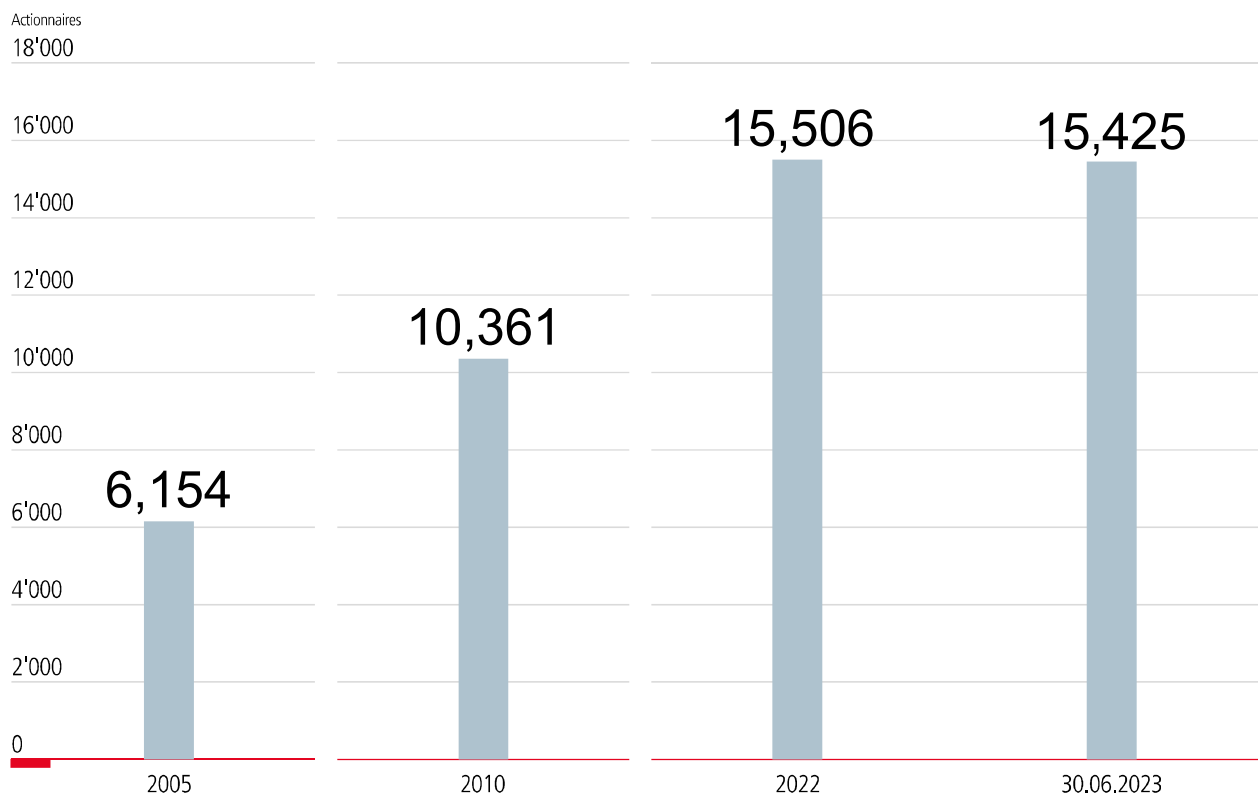


- BCGE is one of an elite group of well-capitalised and sound banks
- The consolidated equity capital coverage ratio exceeded 16.9% (required standard: 12.7%)
- S&P Rating (AA-/A-1+/Stable)¹

As of 24.07.2023

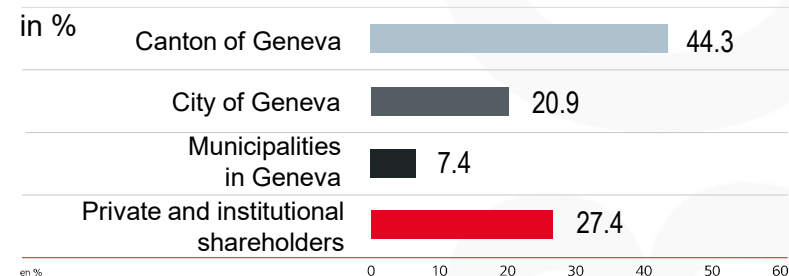
12. 15,425 shareholders (including 15,004 private shareholders)

A stable shareholder base



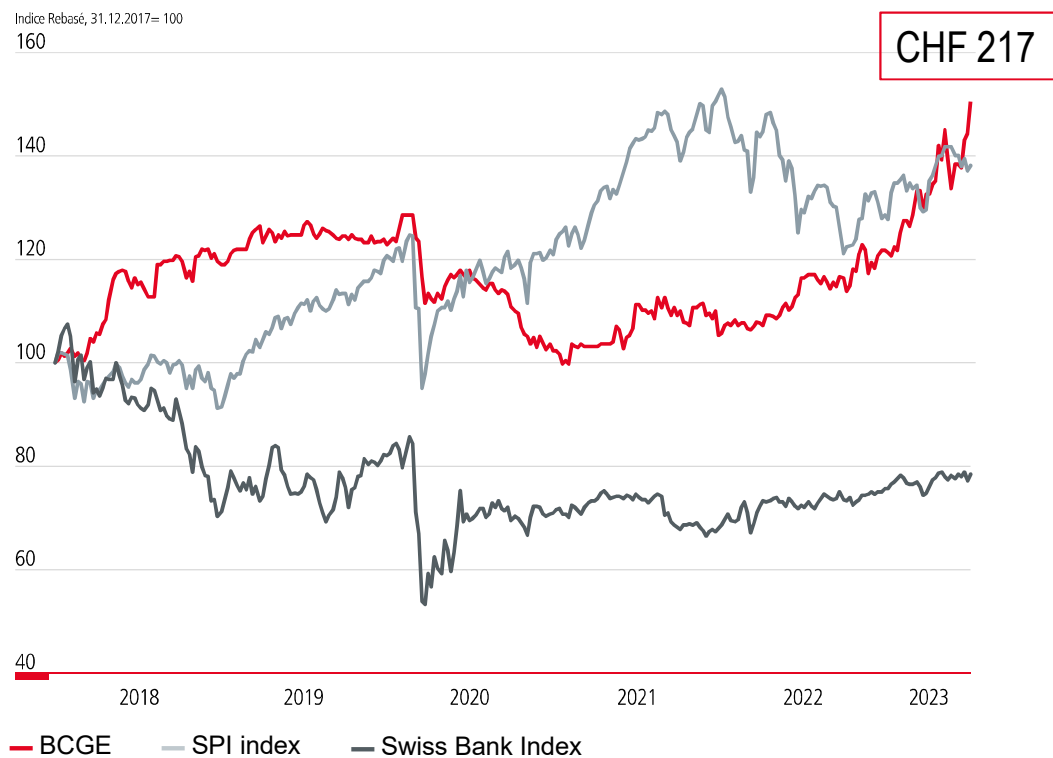
- Private shareholder base is broadly distributed (83% of shareholders own between 1 and 50 shares)
- Alignment of interests between the shareholder base and employees (80% of BCGE employees are shareholders, owning 3.3% of the Bank's capital)

Breakdown of capital according to shareholding structure

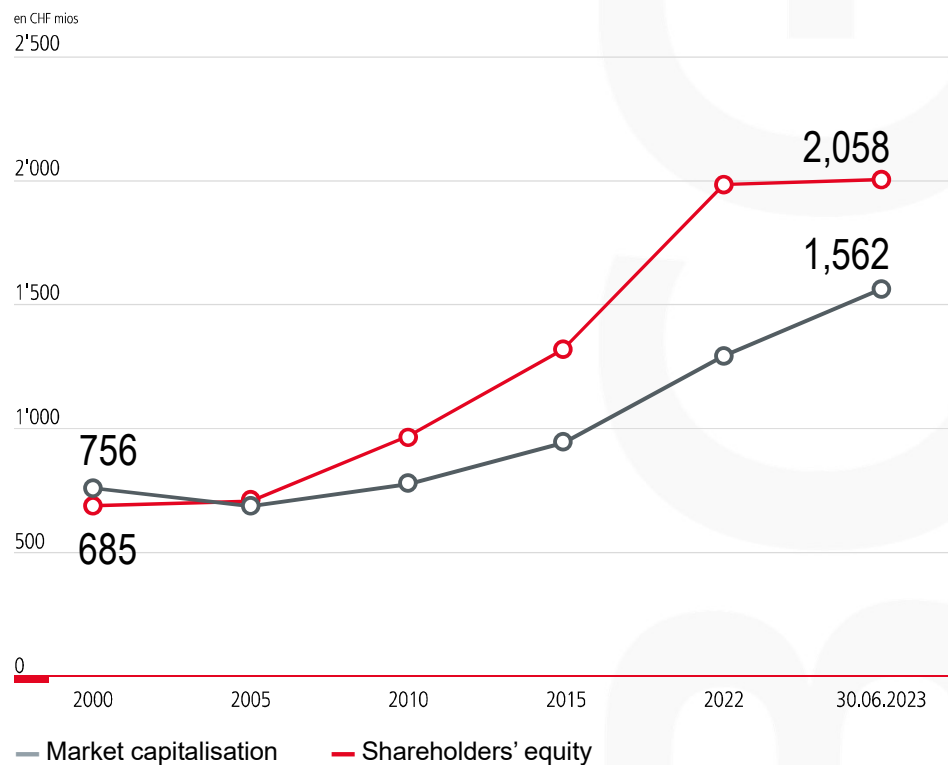


13. BCGE share performance: +20.9%

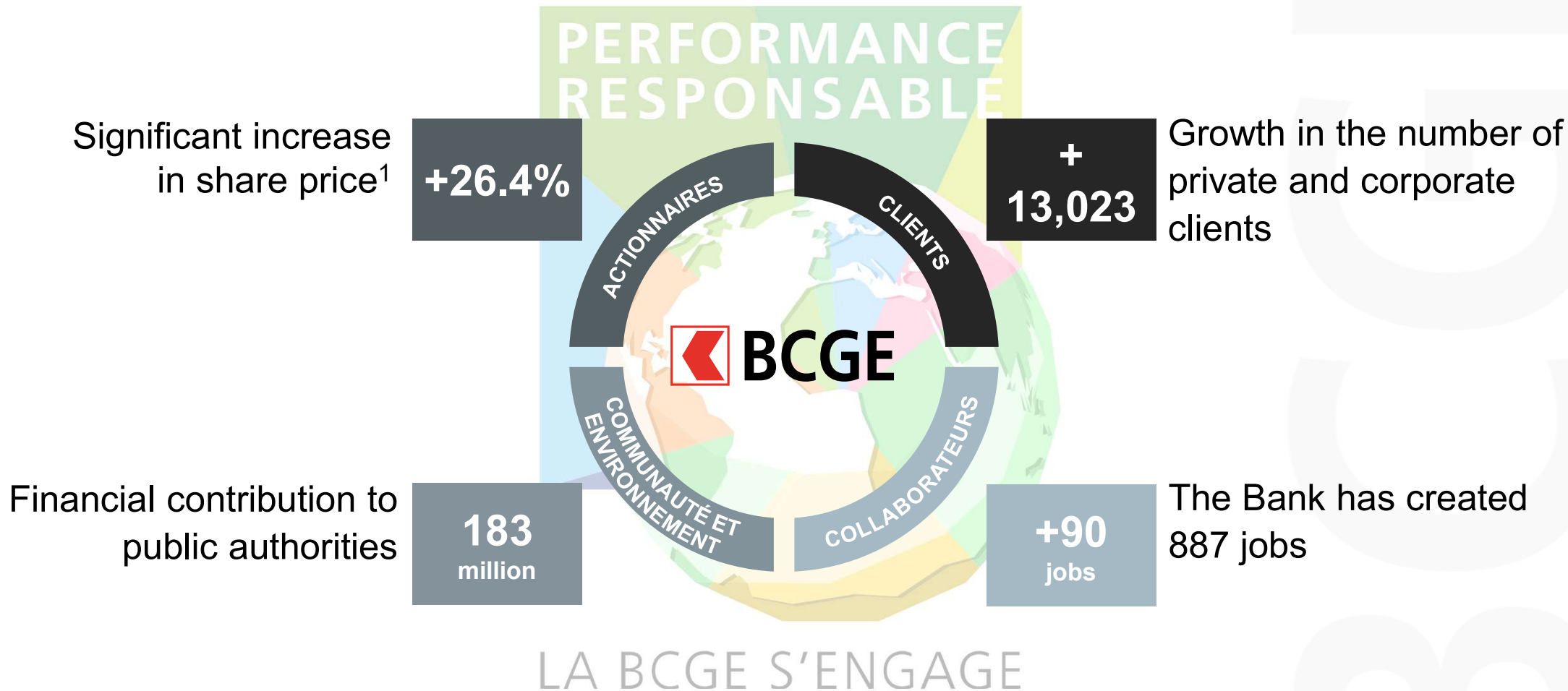
- The market value is 76% of the book value (CHF 285.8)
- At CHF 1.562 billion market capitalisation, the potential for appreciation remains significant (equity value: CHF 2.058 billion)



Evolution of equity capital and market capitalisation



14. BCGE created value for all its stakeholders over 3 years



¹Performance including dividend



PRIORITIES AND OUTLOOK

Challenges and achievements

2023 Challenges*

Core partner for the regional economy and SMEs

Key player in the financing of private and public housing in Geneva

Recognised experience in advisory services for Swiss and international private banking

Expert in asset management and investment funds

An important pillar of influence in Geneva's economy, in trade in Switzerland + around the world

Innovative leader in digital banking

Source of support for corporate and private clients looking to optimise their energy consumption

Achievements by mid-2023

CHF 18.8 billion in financing allocated to the economy

CHF 13.3 billion (+CHF 267 million)
Growth in mortgage loans

CHF 19.7 billion (+CHF 904 million)
Growth in total private assets managed

Synchrony investment funds reach
CHF 3.8 billion

The share of the Group's turnover in EUR and USD is **25%**

40% of new accounts in 2023 were opened online

Financing and advisory services to support building energy conversion

*Our 2023 challenges were presented at the press conference held on 01.03.2023

Strategic priorities for 2023

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

Risks (top 5)

- Economic risks
- Crime (economic, IT and physical)
- Geopolitical risk
- Costs of banking regulations
- Uncertainty over interest rates

Outlook for 2023

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

- The growth of high added-value business and the loyalty of its client base reaffirm BCGE's favourable strategic positioning.
- The Bank's financial strength makes it a safe and stable financial guardian.
- The Bank expects interest rates to increase moderately and the economic situation to improve, factors which are likely to weigh on its interest margin but boost its commission income.
- The increase in lending will remain moderate due to the regulations governing capital requirements and a policy of caution, particularly in real estate financing.
- The Bank continues to develop its less equity-intensive businesses (private and institutional asset management, corporate advisory services) and is expanding its corporate offer (equity financing and M&A).

Barring a deterioration in the economic situation and taking into account current business developments, the Bank expects overall earnings for the year to increase.

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