



# Investor presentation for the **Swiss Equity Conference**



Investor Relations  
November 2024

**valiant**

# Our profile

Simplicity that inspires – digitalisation that simplifies

**We are simply a bank**  
with an attractive market

**Present in all growth regions**  
with 84 locations in 15 cantons

**Bank for private clients and SMEs**  
with innovative services

**Dividend that grows annually**  
with a strong capital ratio and profitability

**Clear sustainability strategy**  
with a down-to-earth culture



The whole of Switzerland



Lake Geneva to Lake Constance



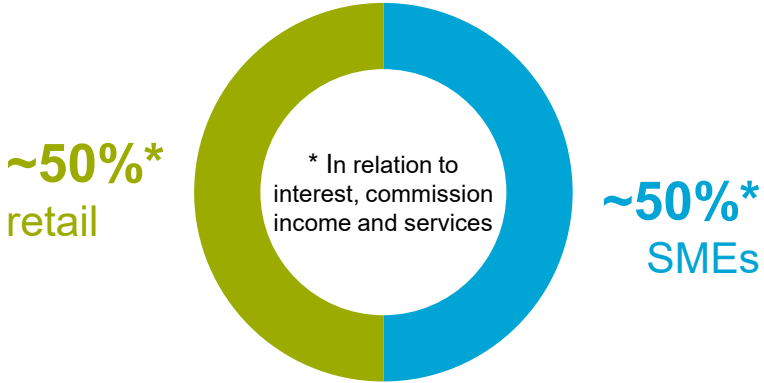
> 1,000 employees



100% free float



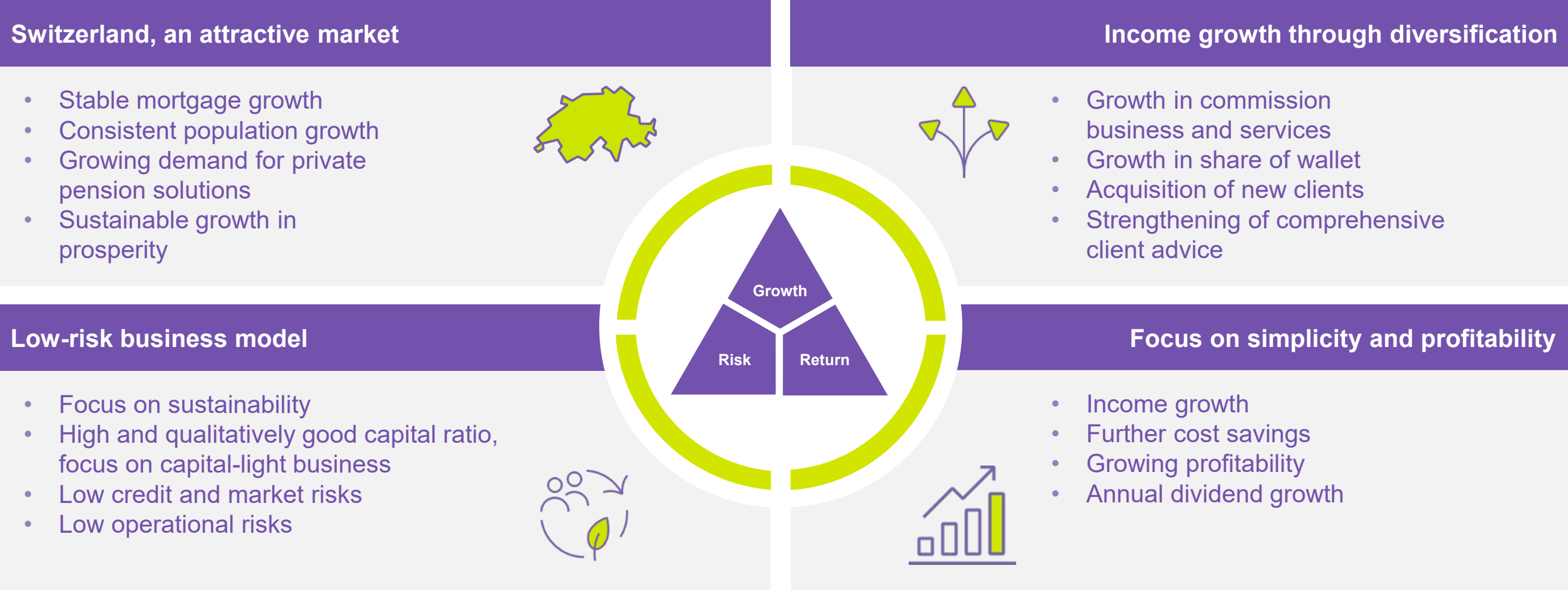
Local roots



# Overview

1. Reasons to invest	Slide 4
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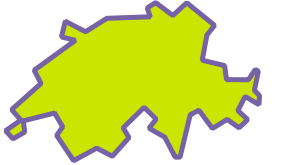
# Reasons to invest



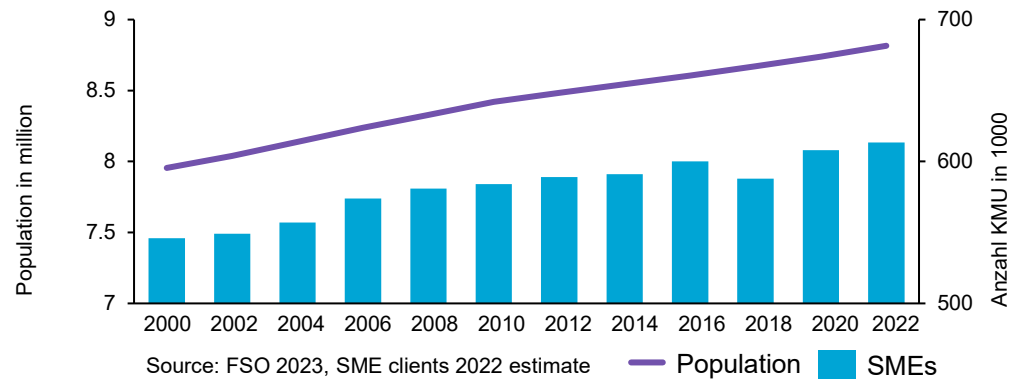
"We grow the value of Valiant through a careful balance between profit, growth and risk."

# Switzerland, an attractive market

## Market trends open up opportunities for Valiant

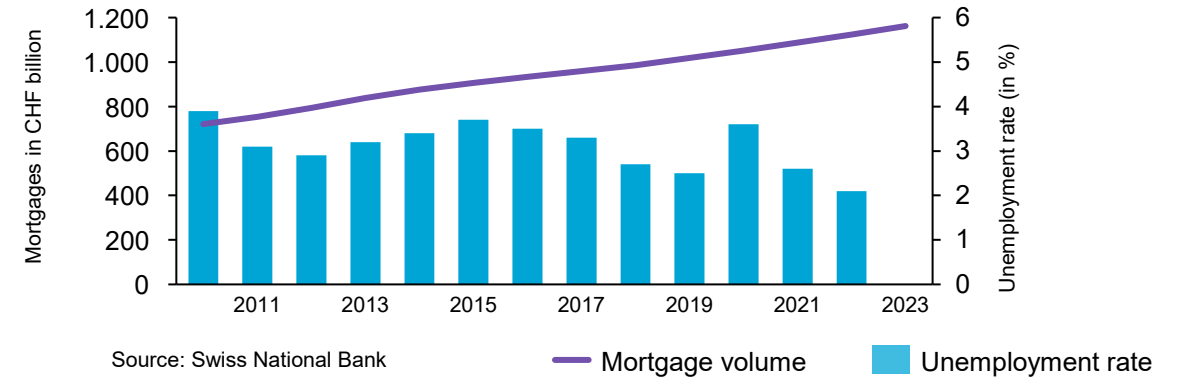


**Growing population and number of SMEs are generating a pool of .....**

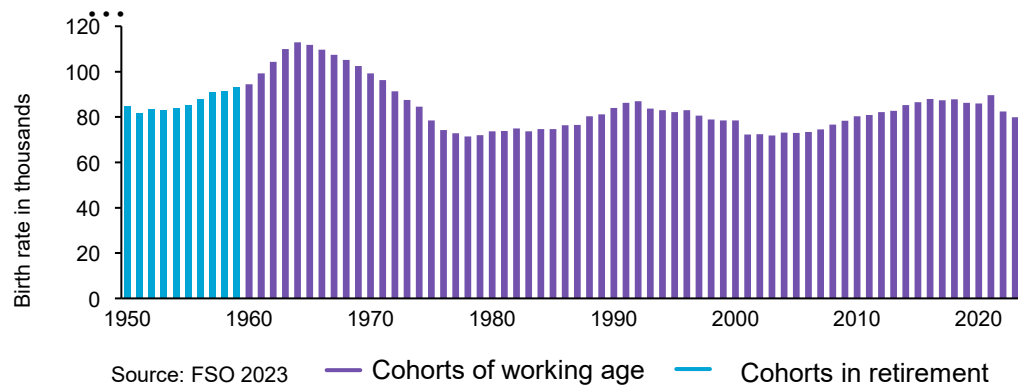


Lending business

**... new clients and mortgage growth, coupled with low unemployment**

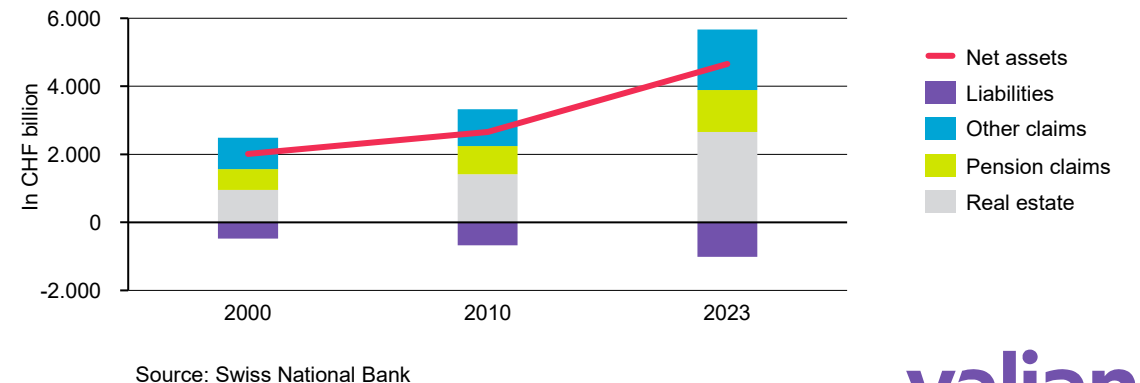


**Growing life expectancy, people born in years with high birth rates to retire soon ...**



Commission business and services

**... and growing prosperity are increasing demand for pension and investment advice**



# Strategy and goals 2020 – 2024

Proven implementation strength



**Enhance offering**



**Encourage and develop employees**



**Link personal and digital channels**



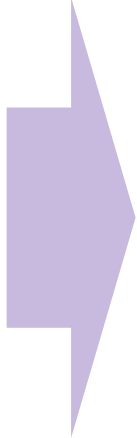
**Simplify processes**



**Grow organically and if possible inorganically**



**Implement program to increase profitability**



<b>Growth</b>	Loans	> 3% p.a.	✓
	Commission business and Services	≥ 3% p.a.	✓
	Growth in market presence	14 new branches	✓
<b>Capital strength</b>	CET1 capital ratio	15 – 17%	✓
	Dividend: CHF 5.00	Currently CHF 5.50	✓
<b>Profitability</b>	Cost reduction	CHF 15 million from 2024	✓
	RoE	6% (long-term ambition)	✓

In the **last strategy period** Valiant has shown a **strong track record**

# Valiant 2029 versus past strategy periods

We reap the rewards of our investments together



2016 to 2024:  
Investments of CHF 100 million ...



2025 to 2029:  
... enable focus on simplicity and profitability

**21 new branches** in the main economic regions and **185 additional client advisors** offer growth potential

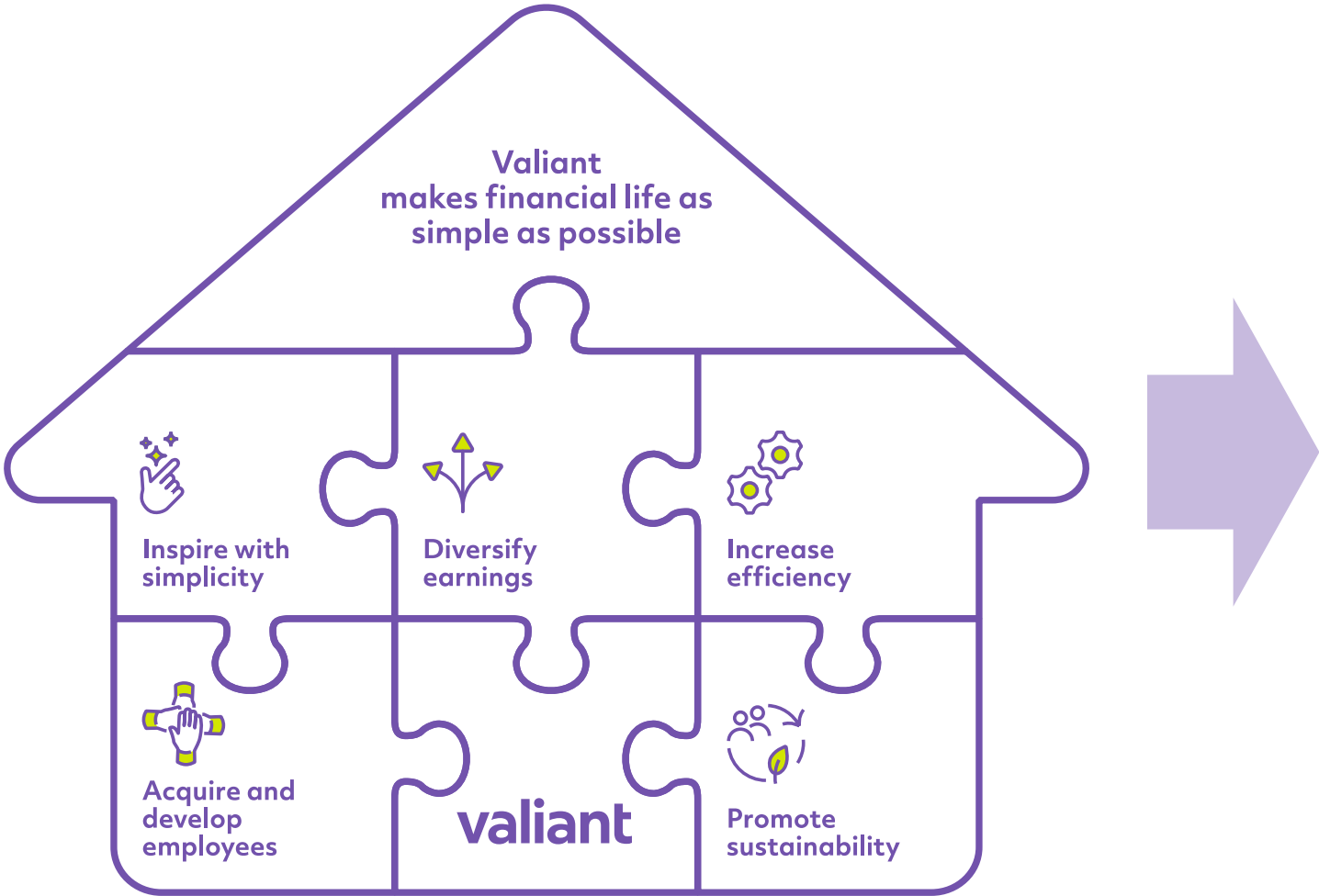
**Digitalisation** front-to-back and **further development** of the **offering** enable **improved scalability, accessibility** and **client orientation**

- Client experience focused on simplicity
- Grow client base
- Increase share of wallet among existing clients
- Diversify and strengthen asset accumulation and pension planning
- Expand SME business



# Valiant 2029

Expansion on a successful basis



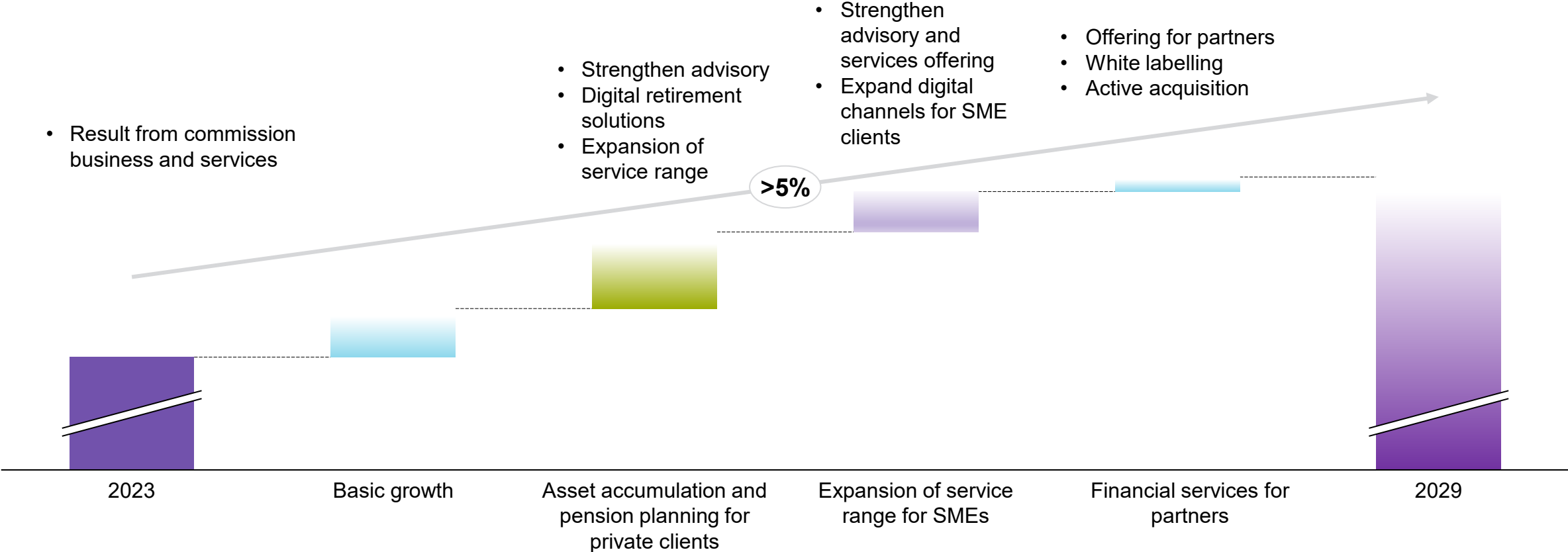
<b>Growth</b>	Loans	> 2% p.a.
	Commission business and Services	> 5% p.a.
<b>Capital strength</b>	CET1 capital ratio	15 – 17%
<b>Profitability</b>	Cost/Income-Ratio*	< 55%
	RoE**	> 7%
<b>Dividend</b>	Dividend	growing annually
	Payout ratio	> 50%

\* before depreciation  
 \*\* before changes in reserves for general banking risks



# Valiant 2029: income growth through diversification

Strengthen commission business and services



- **Realise own potential:** increase share of wallet for private and SME clients
- **Acquire new clients:** via targeted initiatives, focus on asset accumulation, SMEs and existing resources

# Valiant 2029: income growth through diversification

Transformation – strengthening employee development



Culture

Training

Diversification

Growth

Cooperation culture

Approach to new things

Living «We are simply a bank»

Staff training

Learning how to handle data even more efficiently

Comprehensive and efficient client advice

Expand asset and pension accumulation for private clients

Expand range of services for SMEs

Generate banking services for partners (B2B)

Client advisors with a comprehensive client view

# Valiant 2029: focus on simplicity and profitability

Reduction of C/I ratio\*

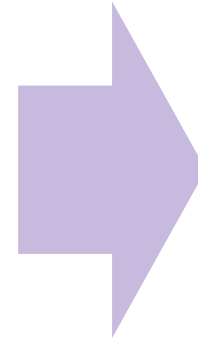


## Further cost savings

- Simplify processes
- Increase degree of automation
- Optimise processes

## Income growth

- > 5% p.a. growth in commission business and services
- > 2% growth in loans



**<55%**  
**Cost-Income ratio \***  
**Target 2029**

\* before depreciation

# Valiant 2029: focus on simplicity and profitability

Digitalisation to increase efficiency and client satisfaction



Innovative branch concept	Online account opening with video identification	Multibanking SMEs	Twint	Top-ranked Valiant app	Digital investing and pension provision	Multibanking private clients	AI-supported contact centre	Digitally supported advice

- **Mobile-first approach** to client retention and acquisition
- **Physical presence at low cost** thanks to innovative branch concept
- **More effective advice** thanks to more extensive data analysis
- **Growth in share of wallet** through digital up- and cross-selling at lower cost
- **Continual optimisation** with agile methods
- **Increased efficiency** thanks to expansion of self-service and use of standard components

Mortgage check (online property valuation)	myValiant self-service portal	Secure messenger and online appointment booking	Loan motorway	Investment express	Automated digital market processing	Web portal upgrade and simplification	Instant payment	New (SME) online banking

# Valiant 2029: promote sustainability

Promote sustainability – priorities within the 2025-2029 strategy



## Objective

Reduce CO<sub>2</sub> emissions



## Aim

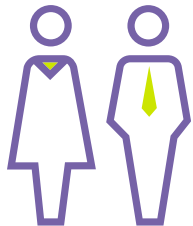
- Goals oriented towards the **Paris Agreement** and **Swiss climate goals**
- Our **CO<sub>2</sub> footprint is measured in full** (Scope 1, 2, 3), and corresponding measures are derived from that
- A **detailed plan** is being elaborated to **achieve science-based climate targets**
- Join recognised **climate alliance**

## Examples

- Increase **energy efficiency of own properties**
- Expand **offer for energy efficient renovations**
- **Integrate CO<sub>2</sub>-relevant criteria** in SME business

## Objective

Promote equal treatment of employees



## Aim

- **Equal treatment** as a basic principle of Valiant
- We are convinced that a balanced employee mix has a positive impact on the **working atmosphere** and the **results of our work**

## Examples

- Increase **proportion of women in management** from 27% currently to **33%**
- Continue to promote compatibility of **family and career**
- **Measure** and maintain **equal pay** every year

# Risk management

Business model with low risk profile

## Characteristics of our business model...

- Prudent lending policy
- Long-term client relationships with high client loyalty
  
- Interest rate risk in the banking book actively managed with effective hedges
  
- No investment banking exposure
- Retail banking is our main focus and area of expertise



## ... result in ...

<b>Low credit risk</b>	<ul style="list-style-type: none"><li>▪ High asset quality with low cost of risks</li><li>▪ Positive track record with low NPL*</li></ul>
<b>Low market risk</b>	<ul style="list-style-type: none"><li>▪ No significant currency and equity exposure</li><li>▪ Transparent, stable and CHF-based income, low interest-rate risks*</li></ul>
<b>Low operational risk</b>	<ul style="list-style-type: none"><li>▪ Low regulatory, legal and compliance risks</li><li>▪ Low cross-border risks</li></ul>

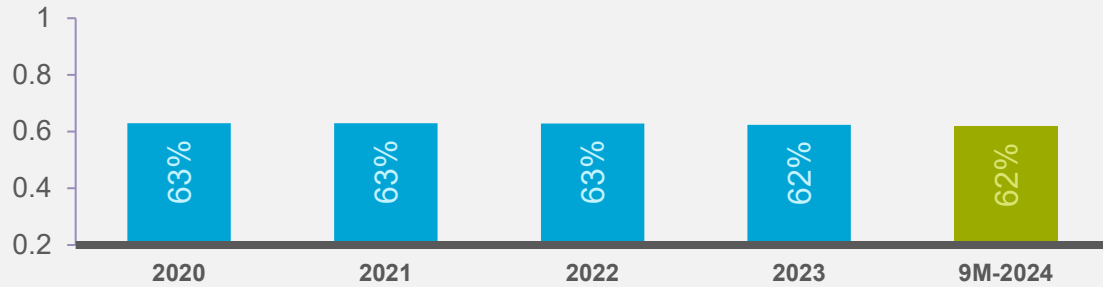
\* NPL=non-performing loans, see following slide

# Risk management

## High loan quality and low interest-rate risk

Low credit risk

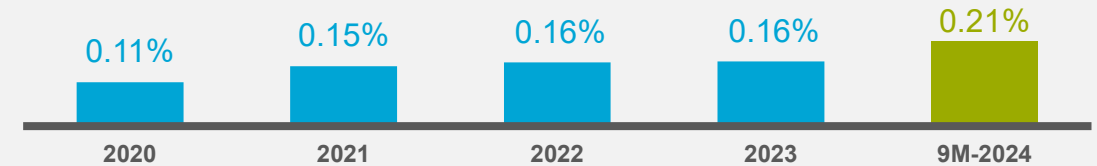
### Low and stable loan to value (LTV)



Low average LTV in mortgage portfolio based on historical prices (i.e. not adjusted for price increases)

### Non-performing loans (NPL)

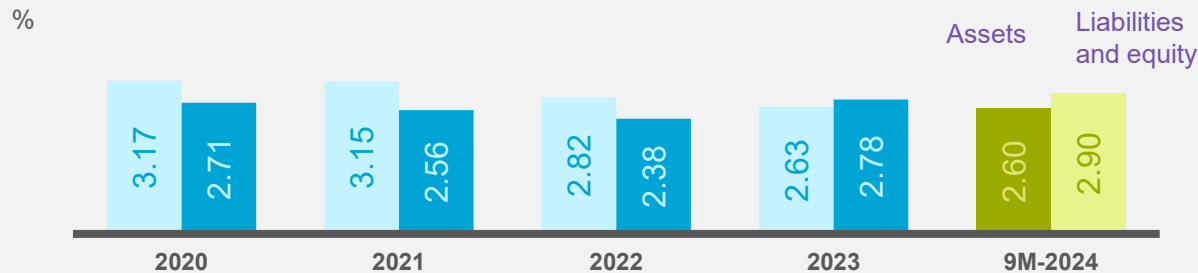
Non-performing loans as a percentage of total loans



A cautious lending policy results in low NPLs and low credit losses

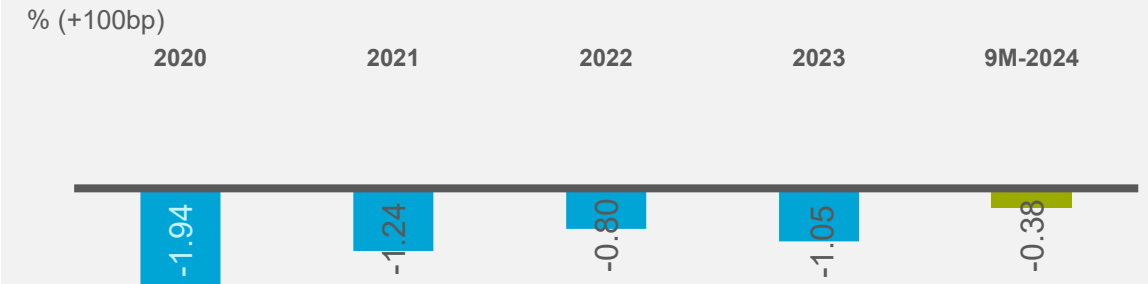
Low market risk

### Effective duration of the balance sheet (assets/liabilities)



Asset duration practically unchanged. Liability duration increased due to somewhat longer term for funding

### Present value sensitivity of equity capital\*



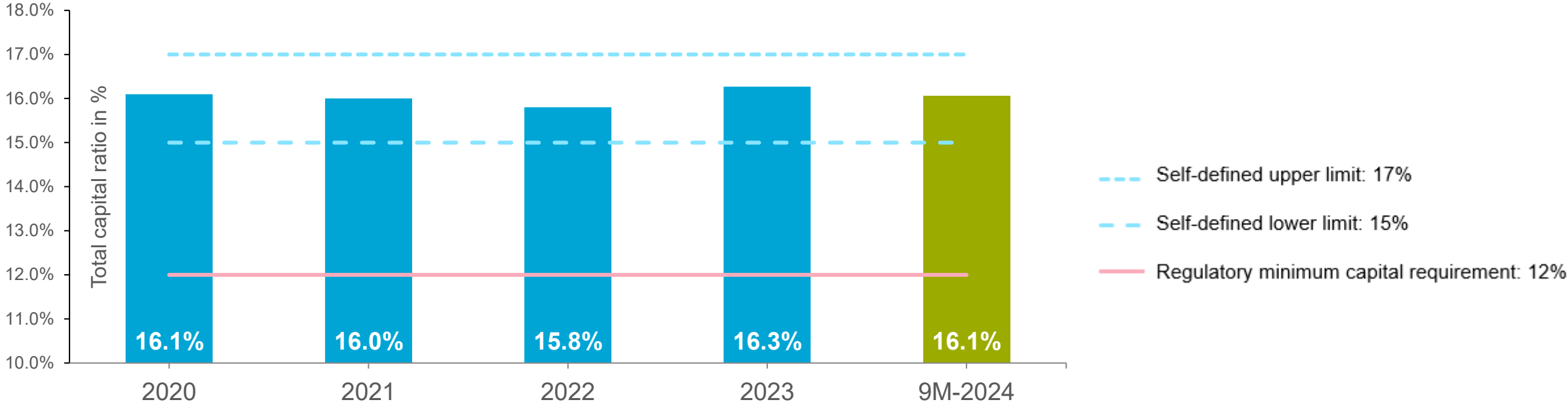
Valiant is exposed to a very small interest rate risk

\* After hedging



# Financials

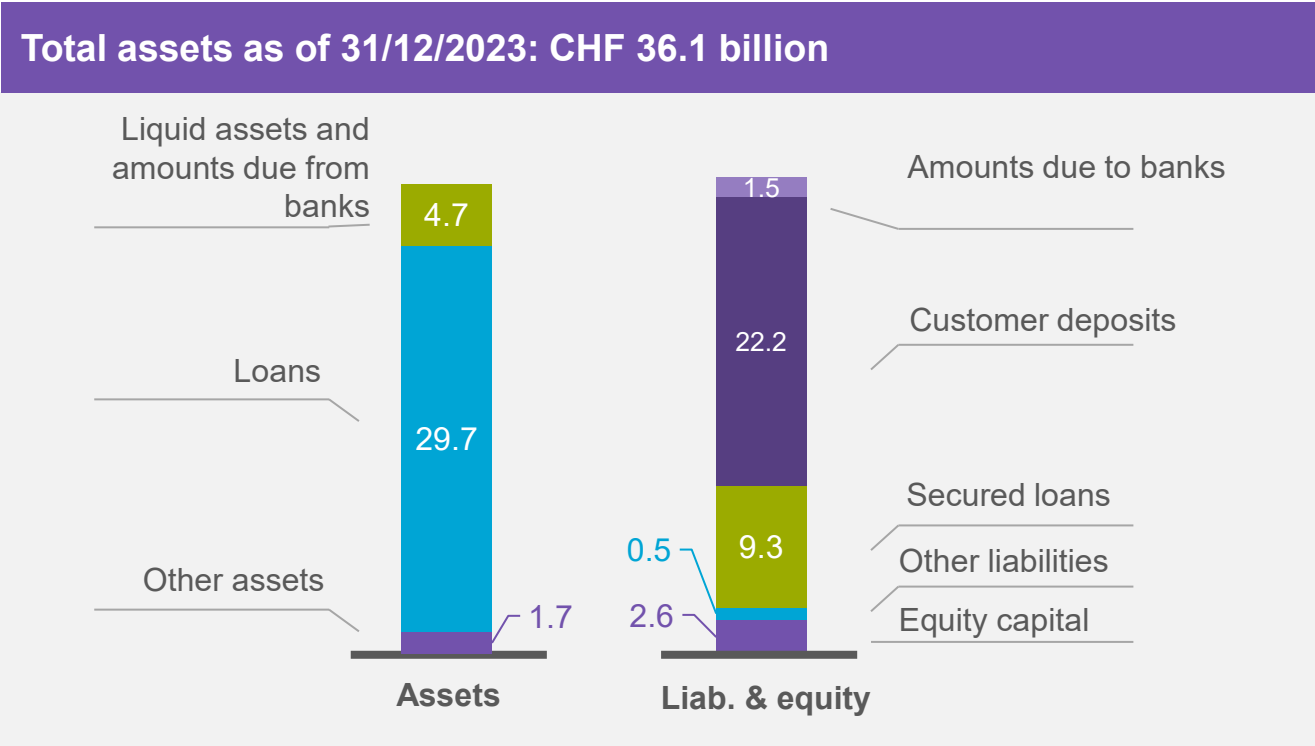
## Capital base solid despite expansion



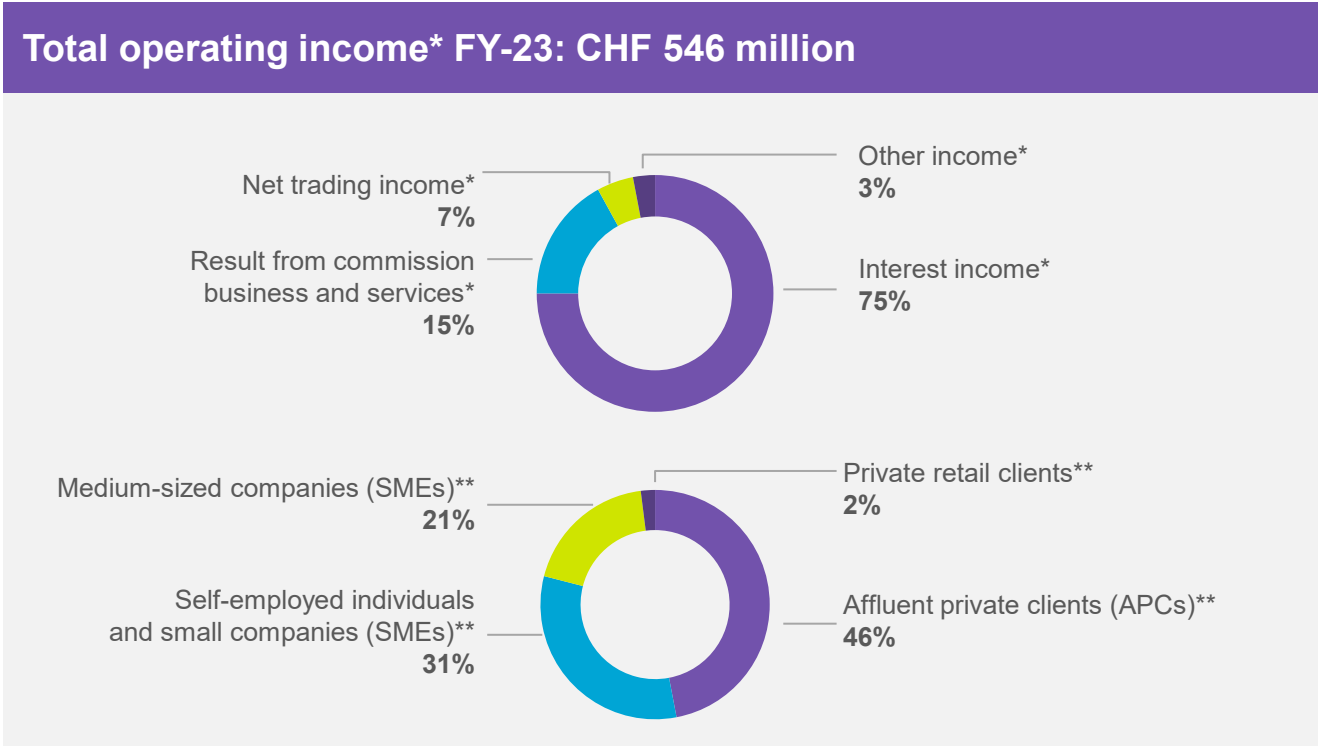
- Our internal floor of 15% is above the regulatory minimum capital requirement of 12%, or 13.5% including the countercyclical capital buffer. The total capital ratio of 16.1% is safely within the self-defined range (15-17%)
- The leverage ratio is 6.5%, well above the 3% regulatory minimum requirement

# Financials

## Easy-to-understand balance sheet and income statement



- ~82% of assets are loans
- No goodwill, few intangible assets



- ~90% of income is recurring
- ~98% of operating income\*\* from SMEs and APCs

\*\* Interest and commission income, without expenses = 733 million

# Financials

## Overview 9M-24

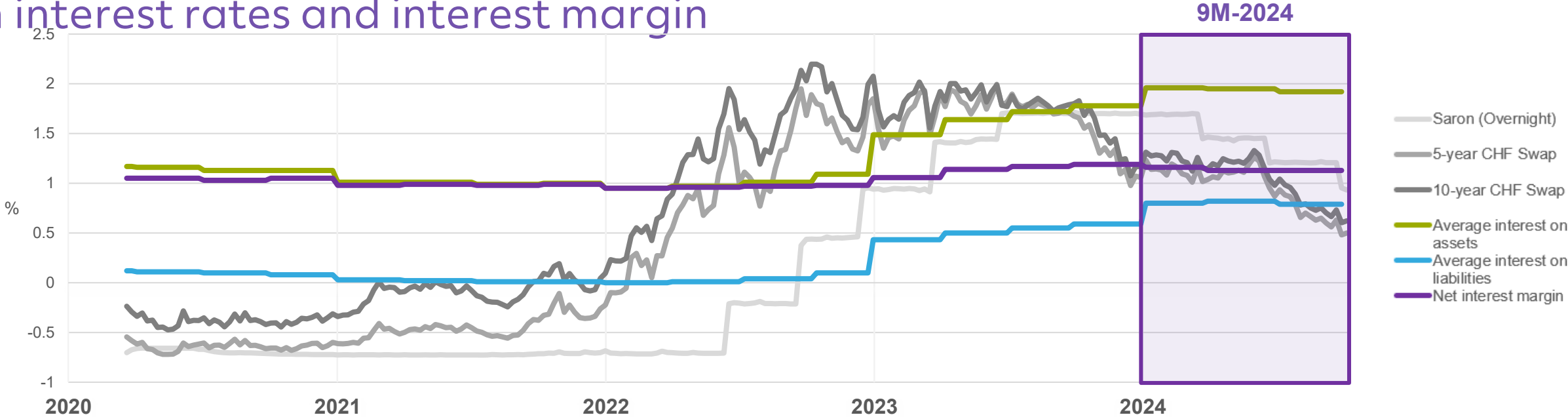
Key figures in the income statement	30/09/2024 in CHF millions	30/09/2023 in CHF millions	Change in CHF millions	Change as %
Consolidated profit	105.0	99.7	5.3	5.3
Operating result	177.7	169.3	8.4	5.0
Gross result from interest operations (before value adjustments)	307.4	318.1	-10.7	-3.4
Net interest margin in basis points (bp)	113bp	117bp	-4bp	n.a.
Commission business and services	68.0	61.6	6.4	10.4
Operating expenses	-223.8	-220.8	-3.0	1.4

Key figures in the balance sheet	30/09/2024 in CHF millions	31/12/2023 in CHF millions	Change in CHF millions	Change as %
Loans	30,188	29,677	511	1.7
Customer deposits	22,415	22,220	195	0.9

- **Reduction in gross result from interest operations (-3.4%)** due to changed interest rate environment
- **Result from commission business and services rose substantially (+10.4%)**
- **Significantly higher operating result (+5.0%)** again and increased **consolidated profit (+5.3%)**

# Financials

## Trend in interest rates and interest margin



<b>Avg. interest rate on assets</b>	<b>1.13%</b>	<b>1.00%</b>	<b>1.08%</b>	<b>1.78%</b>	<b>1.92%</b>
<b>Avg. interest rate on liabilities</b>	<b>0.08%</b>	<b>0.01%</b>	<b>0.10%</b>	<b>0.59%</b>	<b>0.79%</b>
<b>Net interest margin</b>	<b>1.05%</b>	<b>0.99%</b>	<b>0.98%</b>	<b>1.19%</b>	<b>1.13%</b>

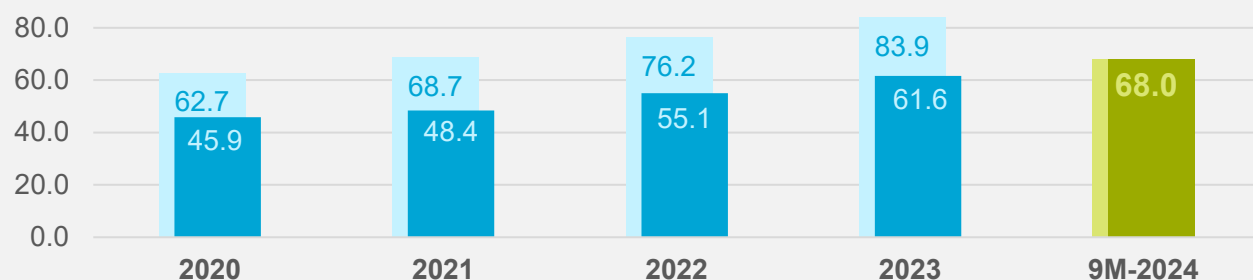
- The **interest rate on liabilities** rose more than on assets due to the higher interest rates on customer deposits.
- The **net interest margin narrowed slightly** in the first half of 2024 but remains at a **high level** (113 basis points).
- The SNB lowered its benchmark rate in March, June and September 2024 by 25 basis points each time. Accordingly, the benchmark rate has dropped from 1.75% to 1.00%. The markets expect one further interest rate cut of 25 basis points in 2024.

# Financials

## Commission business and services

### Result from commission business and services

In CHF millions

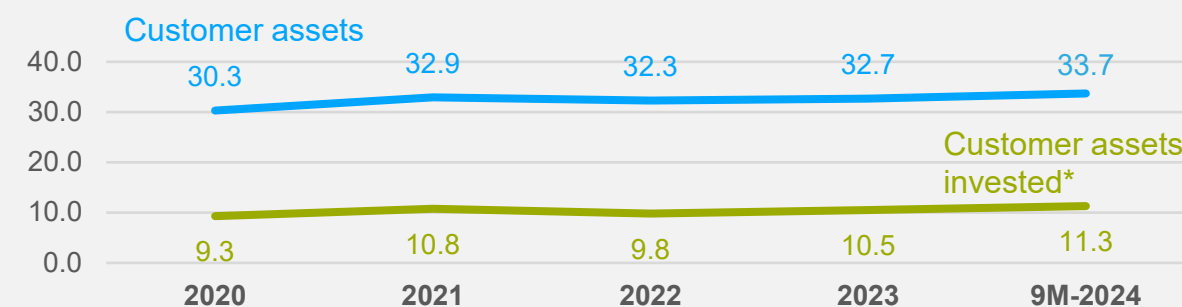


Light bars: full year  
Dark bars: period comparison

- **Result from commission business and services substantially up** on the previous year
- **Positive trend** seen in previous years **confirmed** again

### Customer assets and customer assets invested

In CHF billions



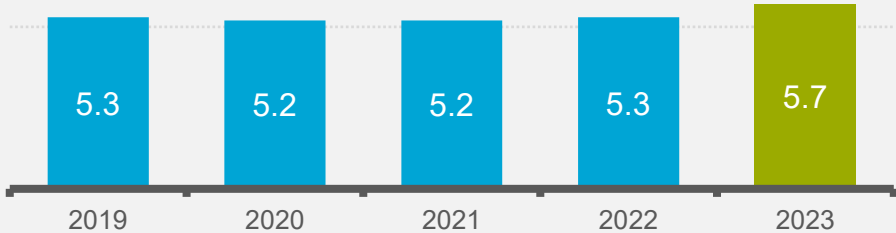
\*Customer assets invested (incl. own investment funds with third-party banks)

- **Customer assets invested** (incl. own investment funds with third-party banks) **have risen** by CHF 791 million or **7.5%** since the beginning of the year
- **Customer assets climbed** by CHF 986 million or **+3.0%**

# Our share

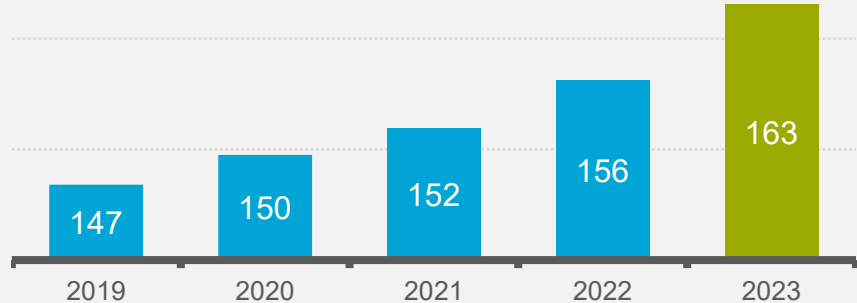
Dividend testifying to favourable business trend; growth in inherent value

## Return on equity (RoE) since the launch of Strategy 2024



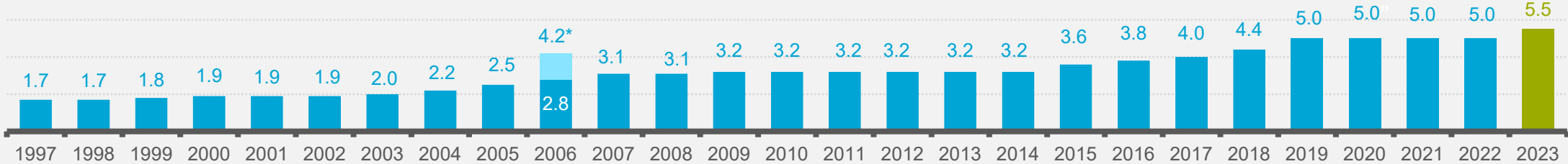
Further increase in RoE, our strategy is showing its effects

## Continuous rise in book and inherent value per share



Further sharp increase in book and inherent value per share

## Distributions to shareholders have increased since Valiant was founded in 1997

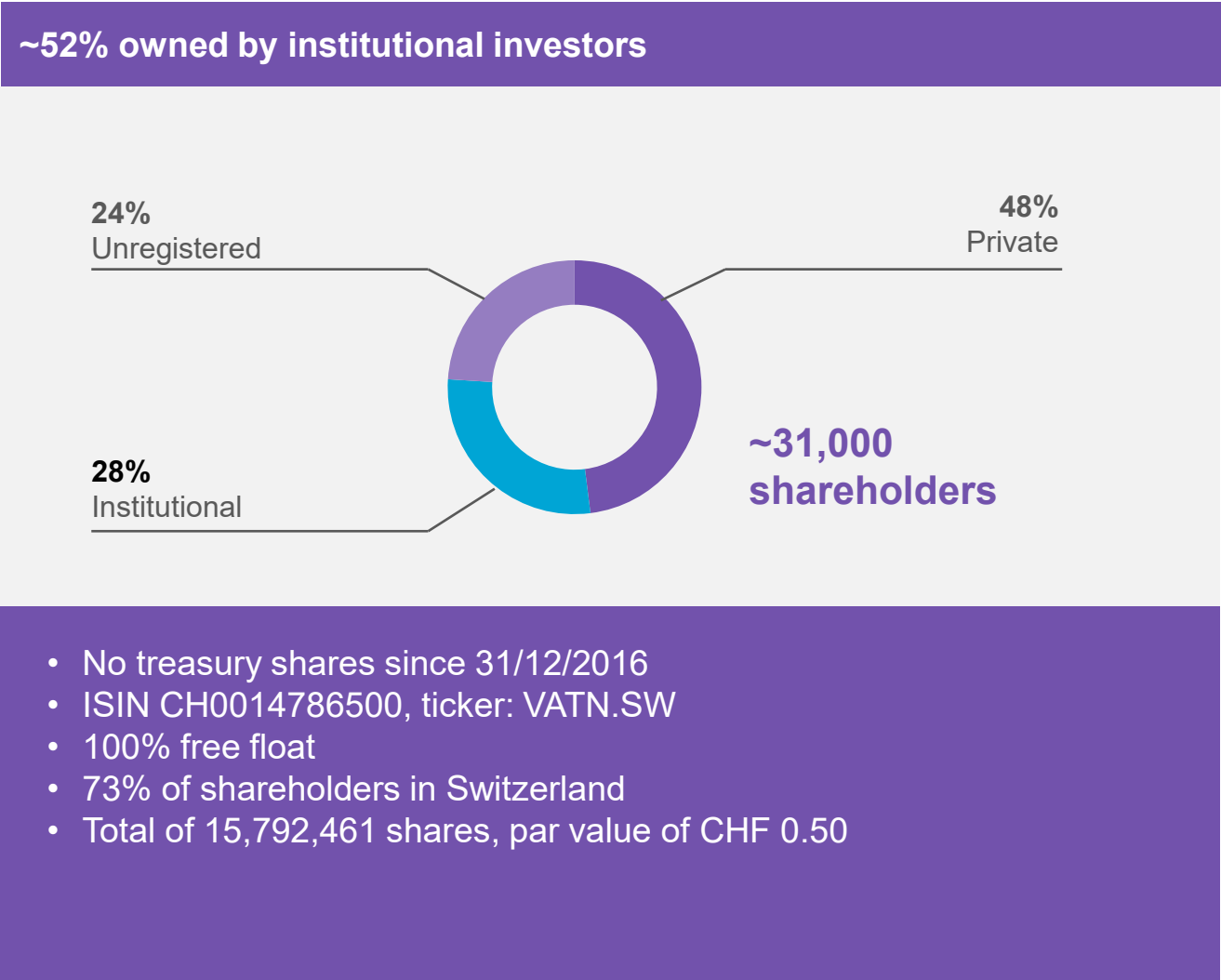


Dividend for 2023 increased by CHF 0.50 to CHF 5.50

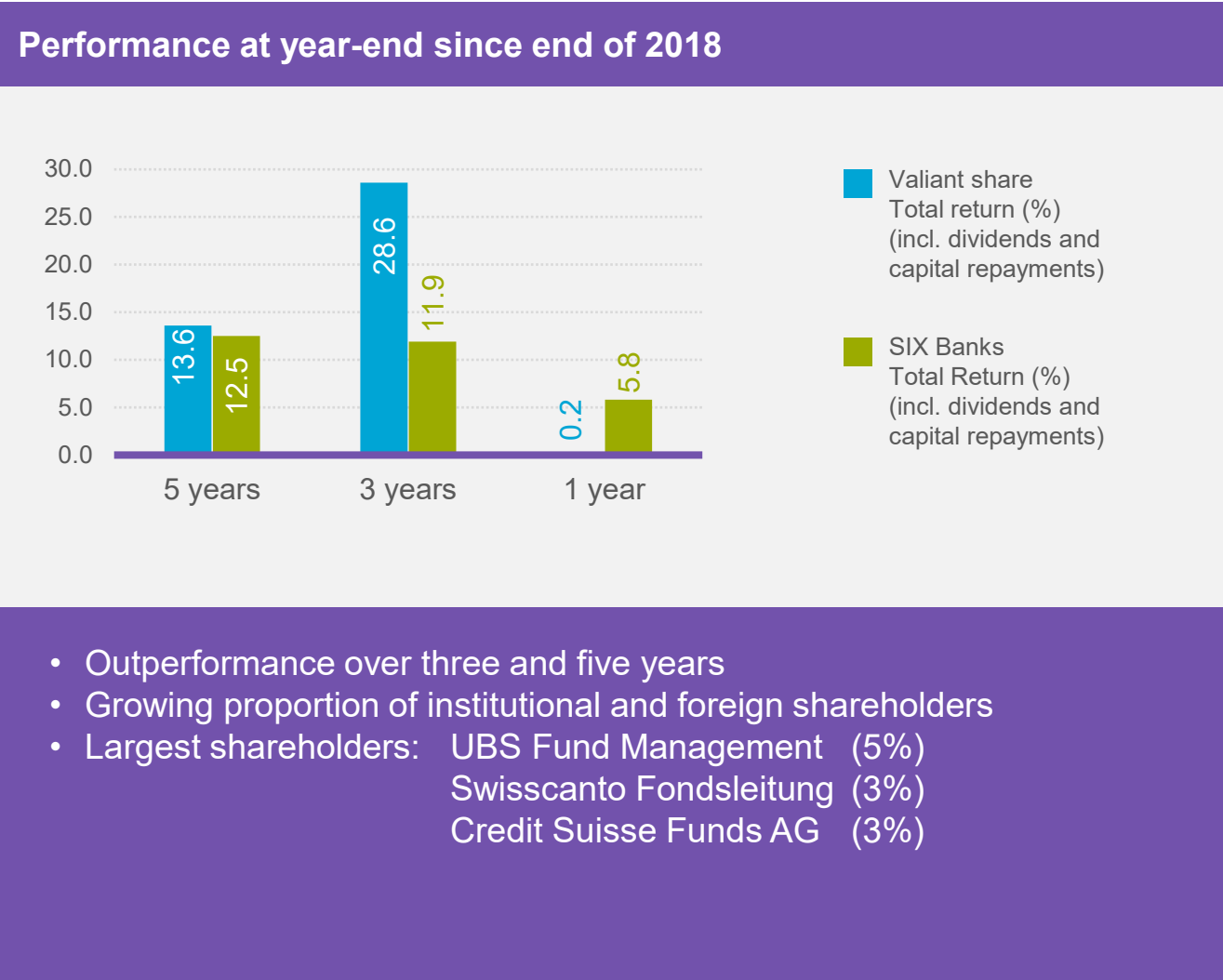
\* An extraordinary anniversary dividend of CHF 1.40 was paid out for financial year 2006.

# Our share

100% free float with an important foreign shareholder base



\* As at 31/12/2023



\* As at 31/12/2023



# Our goals

Creation of sustainable value for shareholders



## Growth

- > 2% growth in loans
- > 5% growth in commission business and services



## Profitability

- C/I ratio\* < 55%
- RoE\*\* > 7%

\* before depreciation

\*\* before changes in reserves for general banking risks



## Capital

- CET1 ratio 15-17%
- Annual dividend growth (payout ratio > 50%)



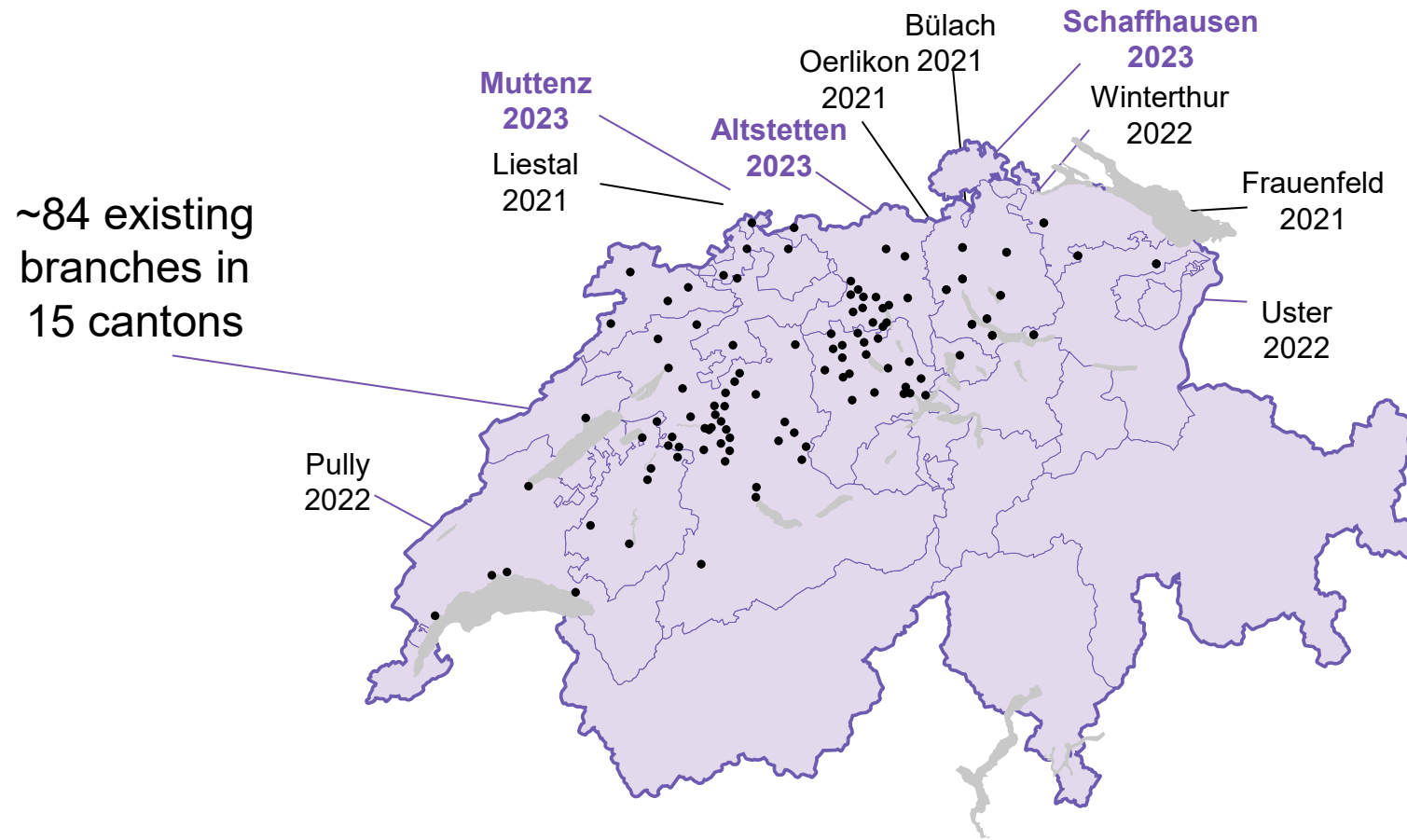
**for your attention.**

As we are always striving to improve,  
we would greatly appreciate your feedback.

Please contact IR if you have any comments.

# Appendix

## “New” branches support organic growth



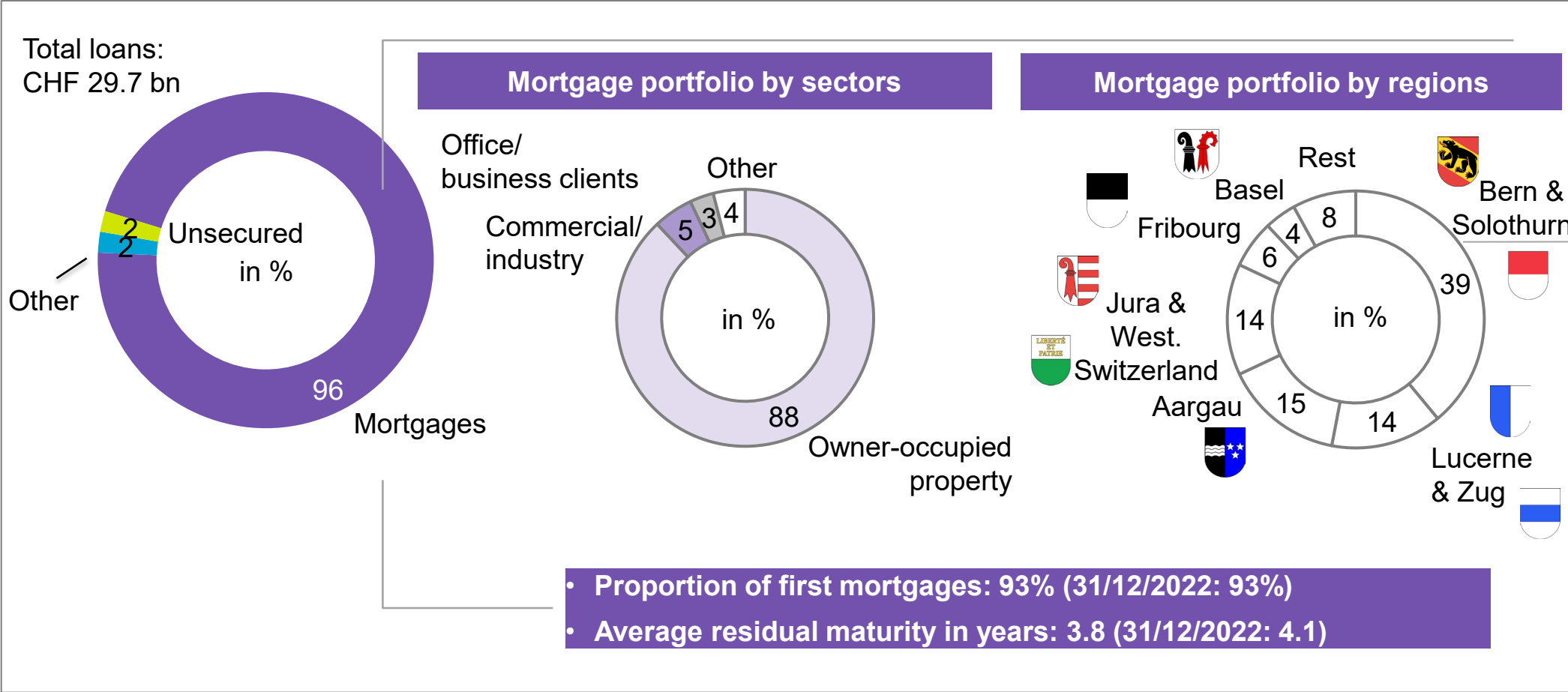
### Rationale behind expansion

- To close geographic gaps in order to serve retail and SME clients across Switzerland
- To drive market entry into new and economically strong regions, including the greater Zurich area
- To achieve economies of scale and better infrastructure utilisation through larger business volume
- An innovative, digital and first-class branch concept allows for cost-effectiveness

# Appendix

## High loan quality

**98% of loans collateralised, 96% of loans mortgages**



**Loan quality remained high despite expansion strategy**

**Stable risk indicators (see chart)**

As at 31/12/2023

# Appendix

## Diverse Board (BoD) with comprehensive expertise



Markus  
Gygax  
Chairman  
Member since  
2020



Professor Christoph B.  
Bühler  
Vice-Chairman  
Member since 2013



Barbara  
Artmann  
Member since  
2014



Dr Maya  
Bundt  
Member since  
2017



Roger  
Harlacher  
Member since  
2021



Dr Roland  
Herrmann  
Member since 2022



Marion  
Khüny  
Member since  
2022



Ronald  
Trächsel  
Member since  
2020

- **M. Gygax**, strong leadership, former CEO of Valiant, offers continuity and a long track record in Swiss banking.
- **C. Bühler**, distinguished academic. Expert in capital market law as well as in all matters related to corporate governance.
- **B. Artmann**, CEO and owner of a Swiss SME, experienced in consulting and financial industry.
- **M. Bundt**, strategic, digital and risk expertise, positions in leading global financial services company.
- **R. Harlacher**, former CEO of Zweifel Pomy-Chips, BoD of several SMEs, wide network within Swiss advertising industry.
- **R. Herrmann**, former CFO and CEO of NAB, has held other key positions within the financial industry.
- **M. Khüny**, Supervisory Board member of Erste Group, leading risk management positions, expertise in fintech.
- **R. Trächsel**, long-standing CFO of various listed mid and large caps, BoD experience in and outside Switzerland.

# Appendix

## An Executive Board with a proven track record



Ewald Burgener  
CEO  
Member since 2013



Martin Vogler  
Deputy CEO, P&B Clients  
Member since 2015



Serge Laville  
CFO  
Member since 2011



Christoph Wille  
Prod., Cust. Serv. & Channels  
Member since 2015



Dr Marc Praxmarer  
Corp. & Inst. Clients  
Member since 2016



Dr Michael Eisenrauch  
Operations and IT  
Member since 2022

- **E. Burgener**, long-standing ExB member and CFO, extensive operational and strategy implementation experience, well connected within the Swiss retail banking industry.
- **M. Vogler**, highly experienced and innovative sales and marketing manager within the Swiss banking industry. Also has a strong track record at leading Swiss insurance companies.
- **S. Laville**, long experience as (deputy) CFO of Valiant, proven track record as Chief Accountant and Controller, leading auditor in and outside Switzerland, extensive financial knowledge.
- **C. Wille**, digital transformation expert, VP of Swiss Fintech Innovations, member of the Board of Experts for Digitalisation at SwissBanking, has held various IT-related management positions.
- **M. Praxmarer**, extensive SME, investment and real-estate expertise, has held various management and ExB positions at Swiss and globally operating banks.
- **M. Eisenrauch**, long-standing expert in Swiss and international banking, business model innovation, IT, project and process management. Extensive experience in consulting and sales.



# Appendix

## Financial calendar and contact information

### Financial calendar

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- 5 February 2025  
FY 2024 results
  - 25 March 2025  
Annual report FY-24
  - 08 May 2025  
3M 2025 results
  - 14 May 2025  
AGM
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### Information for investors

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- In German:  
[valiant.ch/investoren](http://valiant.ch/investoren)
  - In English:  
[valiant.ch/investors](http://valiant.ch/investors)
  - In French:  
[valiant.ch/fr/investor-relations](http://valiant.ch/fr/investor-relations)
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### Contact

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Phone +41 31 310 77 44

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