



S.P. HINDUJA

BANQUE PRIVÉE

Supplemental Regulatory
Disclosure 2024

Supplementary Regulatory Disclosures

Introduction

The FINMA circular 2016/1 « Disclosure - banks » requires banks to provide certain qualitative and quantitative information which are complementary to the financial statements in order to better assess certain risk parameters and the fashion in which risks are managed.

KM1: Key regulatory metrics

	Consolidated		Bank	
	31.12.2024 (000' CHF) a	31.12.2023 (000' CHF) a	31.12.2024 (000' CHF) a	31.12.2023 (000' CHF) a
Available capital				
Common Equity Tier 1 (CET1)	11'273	16'667	48'825	56'551
Tier 1	29'273	34'667	48'825	56'551
Total capital	29'273	34'667	48'825	56'551
Risk-weighted assets				
Total risk-weighted assets (RWA)	130'422	140'124	168'596	170'822
Minimum capital requirement	10'434	11'210	13'488	13'666
Risk-based capital ratios as a percentage of RWA				
Common Equity Tier 1 ratio (%)	8.64%	11.89%	28.96%	33.11%
Tier 1 ratio (%)	22.44%	24.74%	28.96%	33.11%
Total capital ratio (%)	22.44%	24.74%	28.96%	33.11%
Additional CET1 buffer requirements as a percentage of RWA				
Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer requirement (%)	-	-	-	-
Total of bank CET1 specific buffer requirements (%)	2.50%	2.50%	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	5.83%	7.39%	22.27%	25.11%
CET1 buffer (CAO, Annex 8)	2.50%	2.50%	2.50%	2.50%
Countercyclical buffer (CAO, Art. 44 and 44a)	0.00%	0.00%	0.00%	0.00%
CET1 total requirement in accordance with Annex 8 of the CAO plus the countercyclical buffer	7.00%	7.00%	7.00%	7.00%
Tier 1 total requirement in accordance with Annex 8 of the CAO plus the countercyclical buffer (CAO, Art. 44 and 44a)	8.50%	8.50%	8.50%	8.50%
Total regulatory capital requirement in accordance with Annex 8 of the CAO plus the countercyclical buffer (CAO, Art. 44 and 44a)	10.50%	10.50%	10.50%	10.50%
Basel III leverage ratio				
Total Basel III leverage ratio exposure measure	230'977	229'932	234'426	233'061
Basel III leverage ratio (%)	13.63%	15.08%	21.77%	24.26%
Liquidity Coverage Ratio				
Total HQLA	19'352	37'166	18'311	36'176
Total net cash outflow	11'188	11'160	11'189	11'160
LCR ratio (%) of the 4th quarter	173.0%	333.0%	163.7%	324.2%
Total HQLA	18'076	23'703	18'076	23'702
Total net cash outflow	13'650	9'424	9'156	9'423
LCR ratio (%) of the 3rd quarter	132.4%	251.5%	197.4%	251.5%
Total HQLA	26'312	33'299	25'397	32'345
Total net cash outflow	11'764	14'665	11'764	17'080
LCR ratio (%) of the 2nd quarter	223.7%	227.1%	215.9%	189.4%
Total HQLA	42'947	35'853	42'947	35'853
Total net cash outflow	13'412	10'669	13'433	12'062
LCR ratio (%) of the 1st quarter	320.2%	336.0%	319.7%	297.2%
Net Stable Funding Ratio				
Available stable refinancing (in CHF)	157'925	143'413	179'736	194'902
Required stable refinancing (in CHF)	120'743	106'002	137'432	130'550
NSFR ratio (%)	131%	135.0%	131%	149.0%

OV1: Overview of risk-weighted assets

	Consolidated			Bank		
	31.12.2024	31.12.2023	Minimum Capital Requirement	31.12.2024	31.12.2023	Minimum Capital Requirement
	RWA	RWA		RWA	RWA	
Overview of risk weighted assets (OV1) (000' CHF)	a	a	c	a	a	c
Credit risk (excluding counterparty credit risk) (CCR)	68'775	77'813	5'502	81'525	83'775	6'522
Market risk	5'850	7'725	468	4'788	2'250	383
Operational risk	38'200	36'475	3'056	36'638	34'088	2'931
Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-	-	-	-
Total (1+20+24+25)	112'825	122'013	9'026	122'950	120'113	9'836

Approaches used to calculate capital requirements:

Credit risk	standard approach
Market risks	de minimis approach
Operational risks	basic indicator approach

LIQA: Liquidity risk management

We refer to the section "Risk management" of the notes to the financial statements.

CR1: Credit risk – credit quality of assets

	Bank			
	a	b	c	d
	Defaulted exposures	Non-defaulted exposures	Allowances /impairments	Net values (a + b - c)
Credit risk : Credit quality of assets (CR1) (000' CHF)				
Loans (excluding debt securities)	33'349	163'136	33'349	163'136
Debt securities	-	-	-	-
Off-balance sheet exposures	-	1'575	-	1'575
TOTAL Reporting Period	33'349	164'711	33'349	164'711

	Consolidated			
	a	b	c	d
	Defaulted exposures	Non-defaulted exposures	Allowances/impairments	Net values (a + b - c)
Credit risk : Credit quality of assets (CR1) (000' CHF)				
Loans (excluding debt securities)	32'499	131'772	32'499	131'772
Debt securities	-	-	-	-
Off-balance sheet exposures	-	1'575	-	1'575
TOTAL Reporting Period	32'499	133'348	32'499	133'348

CR3: Credit risk – overview of risk mitigation techniques

	Bank		
	a	b	e & g
	Exposures unsecured: carrying amount	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees or credit derivatives, of which: secured amount
Credit risk: Credit risk mitigation techniques - overview (CR3) (000'CHF)			
Loans (including debt securities)	66'181	127'293	3'011
Off-balance sheet	710	865	-
Total	66'891	128'158	3'011
Of which defaulted	33'349	-	-

	Consolidated		
	a	b	e & g
	Exposures unsecured: carrying amount	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees or credit derivatives, of which: secured amount
Credit risk: Credit risk mitigation techniques - overview (CR3) (000'CHF)			
Loans (including debt securities)	33'967	127'293	3'011
Off-balance sheet	710	865	-
Total	34'678	128'158	3'011
Of which defaulted	32'499	-	-

IRRBBA: Interest rate risks – Objectives and rules of the interest rate risk management for the banking book

The interest rate risk (“IRR”) is the potential loss of net interest income (“NII”) or of economic value of equity (“EVE”) arising from adverse changes on the interest rate market.

The Bank concentrates the IRR exposure and the IRR management of the Group. Consequently, the Group is exempt from IRR regulatory reporting duty and the values presented in the present supplementary disclosures section relate to the Bank only.

The Bank’s Board of Directors approves the Risk Policy which sets the main principles of the IRR management including the limits of maximum IRR exposure (risk appetite) that are expressed in maximum loss of NII (“income effect”) or EVE (“value effect”) for a parallel shift of the interest rate curve by 100 basis points. The Bank’s Executive Committee ensures that the Bank’s organization allows to comply with the risk limits at all time. The Executive Committee is assisted by a specialized committee to monitor the evolution of the IRR profile on a monthly basis, the structure of the assets and liabilities in terms of maturities, currencies and interest conditions that determines the IRR exposure. The Bank measures the IRR on a quarterly basis using the following six standard scenarios imposed by FINMA that are deemed sufficient to measure its IRR effectively considering the Bank’s IRR exposure and simplicity of its balance sheet structure.

FINMA standard scenarios

1- Parallel shift up
2- Parallel shift down
3- Steepener shock (short term rates down and long term rates up)
4- Flattener shock (short term rates up and long term rates down)
5- Rise in short term interest rates
6- Fall in short term interest rates

IRRBB A1: Interest rate risks - Quantitative information on the structure of positions and the repricing as at 31.12.2024

	Volume in KCHF			Average repricing maturities (in years)	
	Total	Of which CHF	Of which other significant currencies (>10%)	Total	Of which CHF
Determined repricing maturity					
Due from banks	-	-	-	0.00	0.00
Due from customers	19'180	2'434	16'746	0.25	0.06
Money-market mortgages	-	-	-	-	-
Fixed-rate mortgages	-	-	-	-	-
Financial investments	17'416	-	17'416	0.08	0.08
Other receivables	-	-	-	-	-
Receivables from interest derivatives	-	-	49'381	0.03	-
Liabilities to banks	-5'629	-	-5'629	0.14	-
Liabilities from client deposits	-21'624	-	-21'624	0.18	-
Bonds and mortgage-backed bonds	-	-	-	-	-
Liabilities from interest derivatives	-	-	-49'611	0.03	-
Underdetermined repricing maturity					
Due from banks	60'788	3'038	57'750	0.08	0.08
Due from customers	152'603	55'846	96'757	0.22	0.22
Variable mortgage claims	-	-	-	-	-
Other receivables	-	-	-	-	-
Liabilities at sight in personal and current accounts	-136'897	-17'594	-119'303	0.22	0.22
Other liabilities	-41'806	-11'402	-30'403	0.08	0.08
Liabilities from client deposits, call but not transferable (savings)	-	-	-	-	-
Total	44'032	32'321	11'481		

The bank does not use interest rate derivatives

IRRBB1: Interest rate risks - Quantitative information on the economic value of equity (EVE) and the net interest income (NII)

In CHF	Δ EVE (change in economic value of equity)		Δ NII (change in net interest income)	
Period	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Parallel up	37'425	581'456	433'966	297'845
Parallel down	-44'004	-605'060	426'944	269'614
Steeper-shock	-40'557	-217'248		
Flattener-shock	40'959	313'395		
Short rate up	41'133	463'400		
Short rate down	-40'302	-475'429		
Maximum	-40'302	-475'429	433'966	297'845

Period	31.12.2024	31.12.2023
Tier 1 capital	48'824'813	56'550'754

ORA: Operational risks – general indications

Operational risks are defined as the risk of losses or other damage due to inadequacy or failure of internal processes, staff or systems or due to external events. This definition includes risks related to client data confidentiality and legal risks, including fines by supervisory authorities and settlement of possible litigations. Due to its banking and wealth management activities, operational risks including IT, cyber risks, fraud, manual errors, compliance and legal risks are among the highest the Group is exposed to. Operational risks are addressed by a comprehensive risk management framework approved by the Bank's board of Directors including the Bank's operational risks appetite. Due to the nature of operational risks, such risk appetite can only be partially translated into quantitative risk limits such as maximum losses. For most of operational risks, qualitative objectives are set such as avoiding occurrence of data leakage, harm to the reputation or non-compliance issues. The tackling of operational risks is embedded at all levels of the organisation and Corporate Governance. The key risk mitigation measures in place are the following:

- firewalls and other usual protective technical measures surrounding the IT infrastructure which are verified periodically including via intrusion tests;
- careful management of logical access rights, application of the “need-to-access” principle;
- physical security measures for premises used by the Group;
- proper selection of service providers, set up of redundancies for selected key resources;
- business continuity planning and testing;
- comprehensive internal regulation defining working procedures, proper segregation of duties and three layers of controls including internal audit;
- wide application of the four-eyes principle in manual operations;
- proper contractual documentation ruling business relationships;
- monitoring of risk indicators such as operational losses;



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- effective and independent Compliance and Risk Control Functions satisfying the requirements of the FINMA circular 2017/01 Corporate governance;
- proper selection of the personnel, continuous training.

Risk indicators including operational losses and eventual inadequacies of internal controls are reported quarterly to the Executive Committee and to the Board of Directors. As a key element of the third line of defence internal audit plays an important role in tackling operational risks. For sake of independence toward executive boards, local internal auditors report directly to supervisory boards such as the Bank's Board of Directors. The internal auditor of the Bank is the Group auditor in charge of coordinating and supervising the internal audit effort over regulated entities of the Group. The banking auditor of the Bank annually reports to FINMA about the internal audit findings and recommendations raised by the Group internal auditor.