



Association of Swiss regional banks: Presentation

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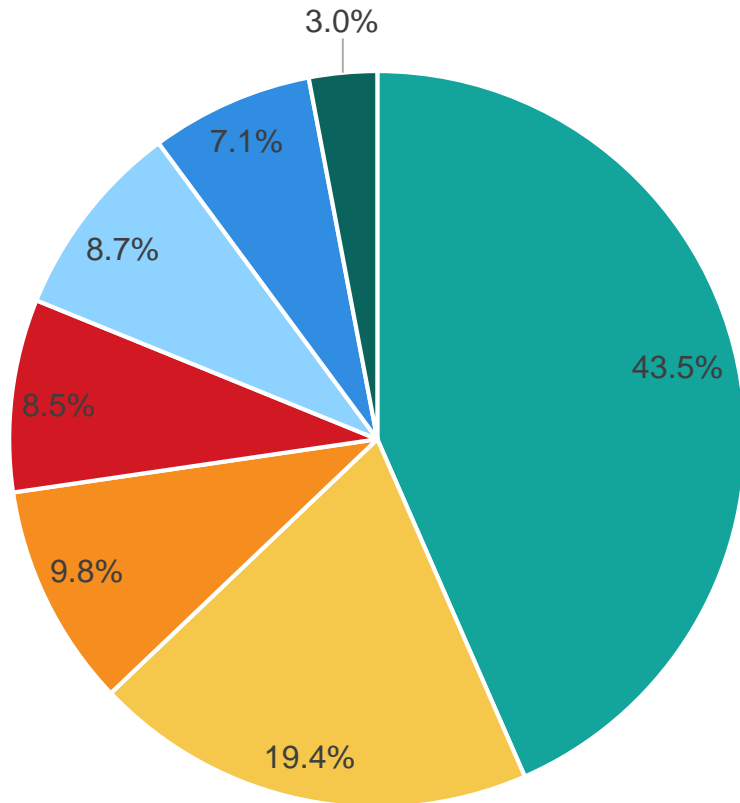
SWISS BANKS

Number of banks	2000	2010	2020
Cantonal banks	24	24	24
Big banks	3	2	4
Regional banks	103	69	59
Raiffeisen banks	1	1	1
Listed banks	57	47	39
Foreign controlled banks	127	122	71
Branches of foreign banks	23	32	24
Private bankers (number of banks)	17	13	5
Other Banks	7	10	17
Total	362	320	244

Quelle: <https://data.snb.ch> (Datenportal der SNB)

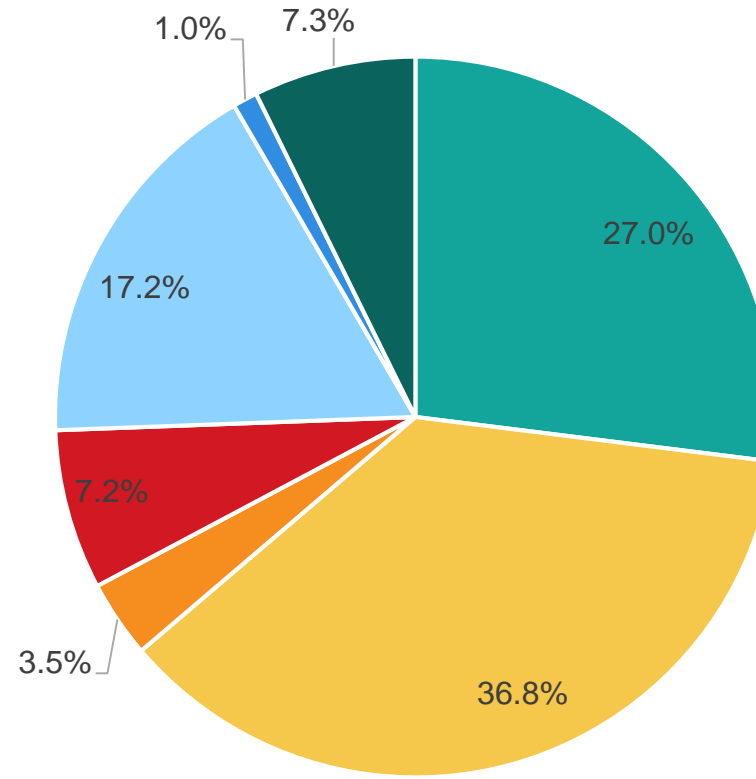
BALANCE SHEET AND MORTGAGES

Balance sheet



Total sum:
CHF 3'734 bn

Mortgages



Total sum:
CHF 1'142 bn

- Big banks
- Cantonal banks
- Foreign banks
- Others
- Raiffeisen banks
- Listed banks
- Regional banks

FINMA SUPERVISORY CATEGORIES

FINMA's risk-oriented supervision consists of five supervisory categories

Institutions are categorised on the basis of measurable criteria, namely total assets, assets under management, privileged deposits and required capital:

- Category 1: extremely large, important and complex market participants. Very high risk.
- Category 2: very important, complex market participants. High risk.
- Category 3: large and complex market participants. Significant risk.
- Category 4: medium-sized market participants. Medium risk.
- Category 5: small market participants. Low risk.

FINMA SUPERVISORY CATEGORIES

Aufsichtskategorisierung Banken und Wertpapierhändler				2020	2019	2018
Anzahl Institute						
Kategorie 1 ≥ 200 bn	Bilanzsumme	≥	250 Mrd. CHF	2	2	2
	Verwaltete Vermögen	≥	1000 Mrd. CHF			
	Privilegierte Anlagen	≥	30 Mrd. CHF			
	Erforderliche Eigenmittel	≥	20 Mrd. CHF			
Kategorie 2 ≥ 80 bn	Bilanzsumme	≥	100 Mrd. CHF	3	3	3
	Verwaltete Vermögen	≥	500 Mrd. CHF			
	Privilegierte Anlagen	≥	20 Mrd. CHF			
	Erforderliche Eigenmittel	≥	2 Mrd. CHF			
Kategorie 3 ≥ 12 bn	Bilanzsumme	≥	15 Mrd. CHF	27	26	26
	Verwaltete Vermögen	≥	20 Mrd. CHF			
	Privilegierte Anlagen	≥	0,5 Mrd. CHF			
	Erforderliche Eigenmittel	≥	0,25 Mrd. CHF			
Kategorie 4 ≥ 0.8 bn	Bilanzsumme	≥	1 Mrd. CHF	56	57	60
	Verwaltete Vermögen	≥	2 Mrd. CHF			
	Privilegierte Anlagen	≥	0,1 Mrd. CHF			
	Erforderliche Eigenmittel	≥	0,05 Mrd. CHF			
Kategorie 5 < 0.8 bn	Bilanzsumme	<	1 Mrd. CHF	174	179	178
	Verwaltete Vermögen	<	2 Mrd. CHF			
	Privilegierte Anlagen	<	0,1 Mrd. CHF			
	Erforderliche Eigenmittel	<	0,05 Mrd. CHF			
TOTAL				262	267	269

SMALL BANKS REGIME

Admittance criteria

The institution must be a Category 4 or 5 bank or account-holding securities firm

- Simplified leverage ratio of at least 8%
- Average liquidity coverage ratio (LCR 12 months) of at least 110%
- Refinancing rate of at least 100%

SMALL BANKS REGIME (CAO*)

Art. 47b Prerequisites

2 The simplified leverage ratio is the quotient of:

- a. Tier 1 capital; and
- b. the sum of all balance sheet assets, less goodwill and financial interests, plus all off-balance sheet items.

3 The average liquidity ratio is the quotient of:

- a. the average of the last twelve month-end holdings of high-quality liquid assets (HQLA) in accordance with Article 15 of the Liquidity Ordinance of 30 November 2012³⁹ (LiqO); and
- b. the average value for the last twelve months of the net cash outflow at month-end in accordance with Article 16 of the LiqO which can be expected over a 30-day horizon under the stress scenario for the liquidity coverage ratio (LCR).

4 The refinancing ratio is the quotient of:

- a. the sum of amounts due in respect of client deposits, medium-term notes, bonds with a residual maturity of more than one year, mortgage bond loans with a residual maturity of more than one year and net assets/equity; and
- b. claims against customers and mortgage claims.

*Capital Adequacy Ordinance (<https://www.fedlex.admin.ch/eli/cc/2012/629/en>)

SMALL BANKS REGIME

Reasons for rejection

In addition, FINMA can reject the application for simplifications in the following cases if supervisory measures or proceedings have been initiated against the institution in the following areas

- Rules of conduct under the Financial Services Act (FinSA)
- Market conduct rules under the Financial Market Infrastructure Act (FinMIA)
- Money laundering and terrorist financing under the Anti-Money Laundering Act (AMLA)
- Cross-border business

SMALL BANKS REGIME

Simplifications

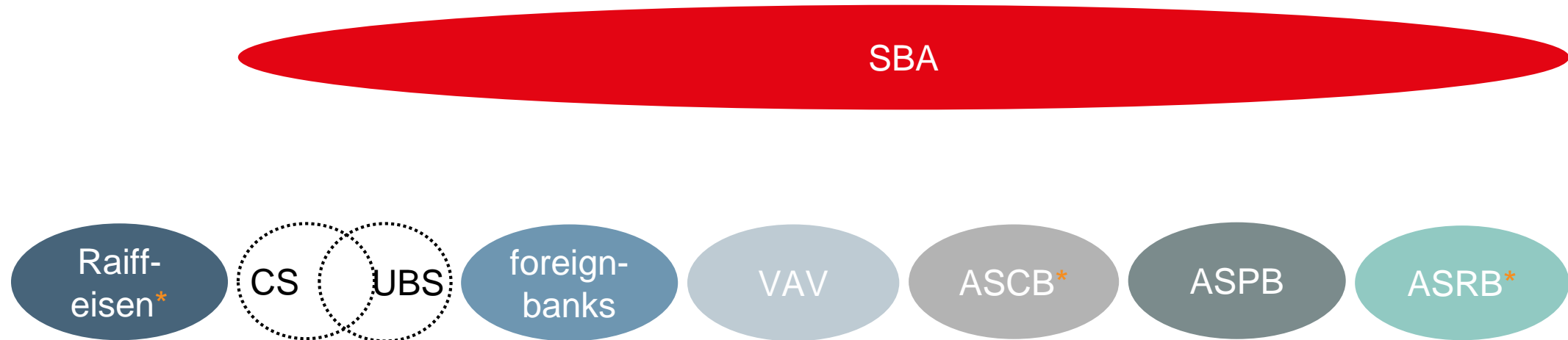
- Elimination of quality and quantity requirements in relation to the required capital including elimination of the calculation of risk weighted assets (RWA) and elimination of the capital buffer and sectoral countercyclical capital buffer (CCB)
- No requirement to calculate and comply with NSFR (liquidity)
- Qualitative simplifications in FINMA circulars
 - Elimination of specific requirements for handling electronic customer data
 - Reduced disclosure obligations
 - Reduced requirements in relation to the duties of risk control
 - Lower frequency of comprehensive risk assessment by internal audit
 - Elimination of specific outsourcing requirements

AUDIT RESHAPE

«Simplifications»

- Background: dual system
- "Narrower scope, sharper focus"
- Reduced cadence (on opt-in basis)

OVERVIEW OF SWISS BANKING ASSOCIATIONS



**Partner of Coordination of domestic banks (CDB), including Migros Bank*

Association of Swiss regional banks (ASRB):

- Created 14th May 2018 as association
- 59 Members: «Regional banks» und 6 other banks**

** Bank Linth LLB AG, Clientis AG, Entris Banking AG, ESPRIT Netzwerk AG, VZ Depotbank AG, WIR Bank Genossenschaft

METRICS OF ASRB-MEMBERS* (TOTAL)

Metrics	As of 31.12.2020
Banks	54
Branches	309
ATM	600
Employees (full-time equivalent**)	3'775
Apprentices	277
Balance sheet (CHF)	114 bn
Obligations from customer deposits (CHF)	80 bn
Mortgage receivables (CHF)	88 bn

*Without Clientis AG, Entris Banking AG, ESPRIT Netzwerk AG, VZ Depotbank AG, WIR Bank Genossenschaft **According to SNB definition, i.e. including apprentices 0.5

THE 59 MEMBER BANKS

acervis Bank AG	St. Gallen	Clientis Bank Oberuzwil AG	Oberuzwil
AEK BANK 1826 Genossenschaft	Thun	Clientis Bank Thur Genossenschaft	Ebnat-Kappel
Alpha RHEINTAL Bank AG	Heerbrugg	Clientis Bank Toggenburg AG	Kirchberg SG
Baloise Bank SoBa AG	Solothurn	Clientis EB Entlebucher Bank AG	Schöpfheim
Bank Avera Genossenschaft	Wetzikon	Clientis Sparkasse Oftringen Genossenschaft	Oftringen
Bank BSU Genossenschaft	Uster	CREDIT MUTUEL DE LA VALLEE SA	Le Sentier
Bank EEK AG	Bern	Entris Banking AG	Gümligen
Bank EKI Genossenschaft	Interlaken	Ersparniskasse Affoltern i.E. AG	Affoltern i.E.
Bank Gantrisch Genossenschaft	Schwarzenburg	Ersparniskasse Rüeggisberg Genossenschaft	Rüeggisberg
Bank in Zuzwil AG	Zuzwil	Ersparniskasse Schaffhausen AG	Schaffhausen
Bank Leerau Genossenschaft	Kirchleerau	ESPRIT Netzwerk AG	Solothurn
Bank Linth LLB AG	Uznach	GRB Glarner Regionalbank Genossenschaft	Schwanden
Bank Oberaargau AG	Huttwil	Hypothekbank Lenzburg AG	Lenzburg
Bank SLM AG	Münsingen	Leihkasse Stammheim AG	Oberstammheim
Bank Sparhafen Zürich AG	Zürich	Lienhardt & Partner Privatbank Zürich AG	Zürich
Bank Thalwil Genossenschaft	Thalwil	Regiobank Männedorf AG	Männedorf
BANK ZIMMERBERG AG	Horgen	Regiobank Solothurn AG	Solothurn
BBO Bank Brienz Oberhasli AG	Brienz	SB Saanen Bank AG	Saanen
Bernerland Bank AG	Sumiswald	Spar- und Leihkasse Bucheggberg AG	Lütterswil
Bezirks-Sparkasse Dielsdorf Genossenschaft	Dielsdorf	Spar- und Leihkasse Frutigen AG	Frutigen
Biene Bank im Rheintal Genossenschaft	Altstätten	Spar- und Leihkasse Thayngen AG	Thayngen
BS Bank Schaffhausen AG	Hallau	Spar- und Leihkasse Wynigen AG	Wynigen
DC Bank	Bern	Spar+Leihkasse Riggisberg AG	Riggisberg
Bürgerliche Ersparniskasse Bern, Genossenschaft	Bern	Sparcassa 1816 Genossenschaft	Wädenswil
Caisse d'Epargne Courtelary SA	Courtelary	Sparkasse Schwyz AG	Schwyz
Caisse d'Epargne de Nyon société coopérative	Nyon	Sparkasse Sense	Tafers
Clientis AG	Bern	Valiant Bank AG	Bern
Clientis Bank Aareland AG	Küttigen	VZ Depotbank AG	Zug
Clientis Bank im Thal AG	Balsthal	WIR Bank Genossenschaft	Basel
		Zürcher Landbank AG	Elgg

THE TEAM

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