

Smart Banking. Made for Switzerland.

Annual Report 2025

PostFinance at a glance

PostFinance is a diversified, innovation-driven financial service provider that offers its 2.4 million customers modern solutions for managing their finances. As a driver of innovation, PostFinance helps people and companies in Switzerland to tackle the challenges of the digital world.

With 113 billion francs in customer assets and 1.5 billion payment transactions, PostFinance is one of Switzerland's leading financial institutions. It is the ideal partner for everyone who wants to manage their own finances as easily as possible.

Profit
in millions of francs

282

Capital ratio
in %

28.0

Eligible equity capital
in billions of francs

7.0

Total assets
in billions of francs

104

Return on equity
in %

3.6

Cost-income ratio
in %

74.6



Every day, PostFinance processes an average of 4 million **customer transactions** worth a total of 5.9 billion francs.



Marianne Zentriegen
Head of Payment Journeys

A total of over 36,000 **crypto custody accounts** have been opened at PostFinance and more than 565,000 trades processed.



Dr. Alexander Thoma
Head of Digital Assets

PostFinance has a total of around 58,000 **active ETF and funds saving plans**. On average, our customers invest 527 francs in a saving plan.



Philipp Merkt
Chief Investment Officer



By the end of 2025, PostFinance customers had activated their cards in more than a million **mobile wallets**.



Silvia Giansiracusa-Jakob
Customer Journey Owner Shopping Journeys

3,874 employees from 49 nations work daily to serve PostFinance's 2.4 million **customers**.



Sabine Ackermann
Head of Human Resources

Almost 2 million of our 2.4 million customers use **e-finance** for their banking transactions.



Christian Imesch
Subject Matter Expert Online Banking



Overall satisfaction among our private customers stands at 83 out of 100 points, an improvement on the previous year's figure.



Borislawa Graszew
Head of Market Research

Since the start of our involvement in the **PostFinance Women's League** in 2022, the number of stadium visitors has increased sevenfold.

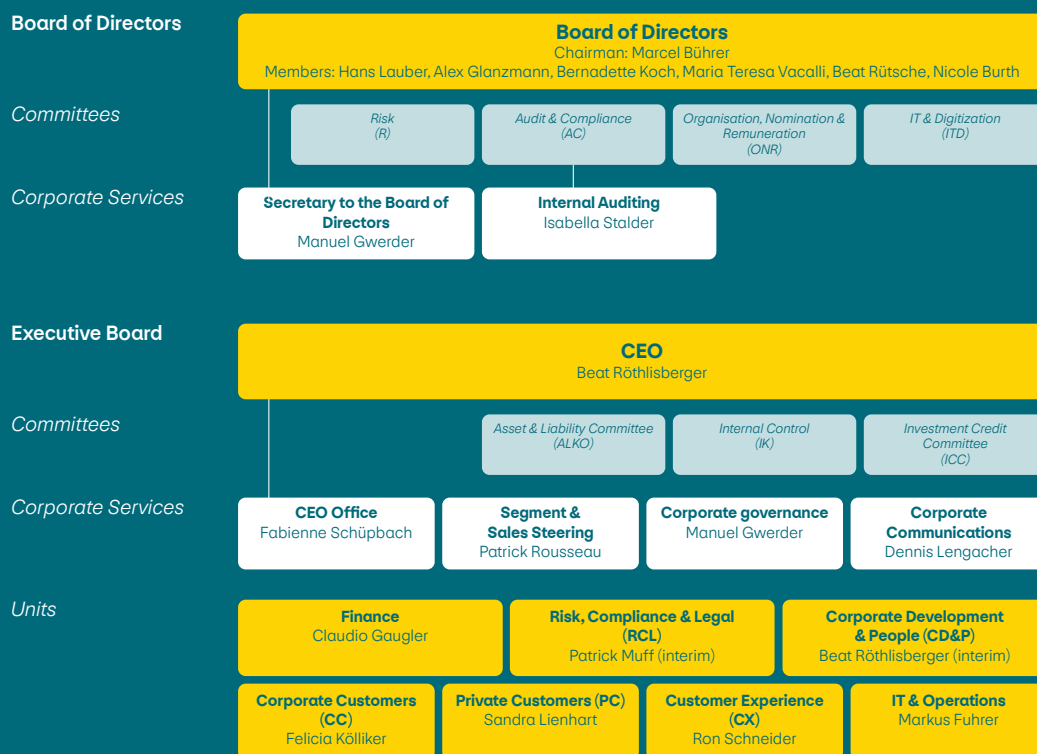


Fabian Kupferschmid
Sponsoring Manager



Our organization

since 1. December 2025



Our performance

PostFinance Ltd | Key figures as per the accounting rules for banks¹

		31.12.2024	31.12.2025
Result and balance sheet			
Profit	CHF million	120	282
Operating income	CHF million	1,200	1,253
Operating expenses	CHF million	1,009	935
Cost-income ratio ²	%	84.1	74.6
Total assets	CHF million	104,836	104,376
Eligible equity capital	CHF million	6,607	6,990
Return on equity ³	%	1.8	3.6
Capital adequacy / liquidity			
Capital ratio as per guidelines for systemically important banks	%	22.3	28.0
Leverage ratio	%	6.3	6.7
Market, customers and employees			
Customers ⁴	In thousands	2,403	2,390
Private customers	In thousands	2,156	2,152
Corporate customers	In thousands	247	238
Customer assets ⁵	CHF million		
Funds, securities and life insurance ⁶	monthly average	106,642	112,806
Customer deposits on accounts	monthly average	20,265	22,982
Customer deposits on accounts	monthly average	86,377	89,824
Payment transactions	In millions	1,433	1,482
Average headcount	Full-time equivalents	3,527	3,464

1. PostFinance issues annual financial statements in accordance with the accounting rules for banks (Articles 25–28 of the Banking Ordinance, the FINMA Accounting Ordinance and FINMA Circular 2020/1 "Accounting – banks").

2. Cost-income ratio = operating income / operating expenses.

3. Return on equity = operating result / average eligible equity capital.

4. The measurement logic of the key figure has been revised with regard to the definition of active customers and the prior year adjusted accordingly.

5. Customer assets consist of all assets deposited by customers, based on average monthly holdings.

6. Commission business in cooperation with financial partners.

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Marcel Bühler
Chairman of the Board of Directors

Beat Röhli
CEO

Foreword by Chairman and CEO

Dear Reader

At the end of the 2025 financial year, PostFinance achieved a profit of 282 million francs. This takes the result to 162 million francs higher than the previous year, despite a challenging market environment.

Increased net interest income and growing customer deposits

The Swiss National Bank (SNB) again lowered its policy rates, pursuing a more expansionary monetary policy in response to falling inflation rates. The scope for attractive customer interest rates therefore remained limited, forcing PostFinance to adjust its interest rates several times.

PostFinance greatly values the trust of its customers. Our close contact to our customers allowed us to increase the customer deposits entrusted to us in 2025. PostFinance is ben-

efiting from its long-term, balanced investment strategy, which focuses on achieving stable interest income. At the same time, in a period of zero interest rates, PostFinance is feeling the pressure on margins more than other domestic banks in Switzerland – the result of the prohibition on issuing loans and mortgages. Thanks to lower levels of default in our investment portfolio, PostFinance nevertheless increased its net interest income by 126 million francs in 2025.

Non-interest-related business: more customer benefits and operational optimization

In terms of service and commission income, we have also made significant progress. Demand for digital investment and retirement planning solutions has continued to rise. With the introduction of passive retirement funds in August 2025, we specifically expanded our range of services to provide our customers

with simple, cost-efficient solutions for long-term retirement planning. At the same time, with fractional trading in e-trading, we have also made it possible to trade fractions of shares and ETFs, a step that gives broad customer segments easier access to investments. These developments make it clear that we are consistently gearing ourselves to the needs of our customers.

We have focused our planning consistently on impact, and reduced our expenses in the process. At the same time, efficiency measures in the operational environment and the transfer of Postomat operations to PostalNetwork have produced considerable savings. These measures enable investment in innovation and improve the customer experience by further developing our products and services.

PostFinance sets standards

One milestone reached last year was the addition of the staking function to our crypto range. We are the first systemically important bank in Switzerland to enable our customers to earn regular income by storing the cryptocurrency Ethereum – securely, transparently and fully integrated into our digital channels. We also expect to be able to offer the staking function for other cryptocurrencies in summer 2026.

Strategic course set for sustainable growth

2025 was a year of strategic decisions. At the start of the new 2025–2028 strategy period, we defined our focus clearly, looking to target more closely than ever the needs of our customers. Since 1 December 2025, we have consistently adapted our organizational structure accordingly, with two specialized sales units for private and corporate customers, together with a customer experience unit, forming the basis for sustainably improved quality of advice and service. We believe that this structure allows us to better understand the financial needs of our customers and to further increase customer satisfaction. In the long term, PostFinance has set itself the goal of moderate growth. To achieve this growth, we must increase our income. In this effort, customer loyalty and non-interest-sensitive business are very important. Against this backdrop, it is particularly encouraging to see that in 2025, customer satisfaction increased among both private and corporate customers.

Focus on core strategy: sale of stake in Yuh

Another strategic step was the sale of our stake in the finance app Yuh to Swissquote. Four years after its launch, Swissquote is acquiring Yuh in full in order to drive its expansion strategy forward more efficiently. For



The 2025 result is above all an accomplishment of our employees, who in a year of profound change and challenging reorganization have shown exceptional commitment and perseverance.

PostFinance, this step means that we can focus more strongly on our own strategy. We are proud to have been part of Yuh's success story – the app has become Switzerland's most popular finance app in record time, underlining our role as an innovator.

Changes in the Executive Board

There have also been important changes in staffing. On 1 September 2025, Claudio Gaugler took up his position as Chief Financial Officer (CFO). He succeeded Kurt Fuchs, who left PostFinance of his own accord to take early retirement at the end of February. During the transition period from 1 March to 31 August 2025, Marc Bonfils, Head of Treasury and Deputy CFO, held the role of CFO on an interim basis. In addition, Kilian Imboden was appointed interim Chief Business Unit Officer Payment Solutions in January 2025 following the departure of Benjamin Staeheli from the company. He headed the unit on an interim basis until the launch of the new organizational structure.

The reorganization on 1 December 2025 saw further changes within the Executive Board: Felicia Kölliker (previously Chief Risk Officer) assumed the role of head of the Corporate Customers unit, while Sandra Lienhart (previously Chief Business Unit Officer Retail Banking) became head of the Private Customers unit and Ron Schneider (previously Chief Transformation Officer) became head of the Customer Experience unit. The role of Chief Risk Officer was not filled as the new organizational structure came into effect. Patrick Muff is therefore serving as head of the Risk, Compliance & Legal unit on an interim basis.

Shaping the future: modern solutions for our customers

The way forward is clear: we will continue to consistently implement our strategy and drive innovation. In February 2026, we are expanding our crypto range to include five additional cryptocurrencies. This will be followed in spring by the launch of our own PostFinance multi-asset ETF, and the expansion in summer 2026 of the staking function to include other cryptocurrencies. PostFinance Pay is also set to be fully rolled out by the end of 2026. These steps reflect our commitment to offering our customers modern, secure and attractive solutions.

Moving forward, Swiss Post and PostFinance will be pursuing a joint path even more consciously. This is a strong partnership that creates trust and stability among our customers and, through our shared network, opens up new opportunities for the future. Together, we are correctly positioned for Switzerland.

Equally crucial to our success was the tremendous commitment of our employees, who in a year full of change and challenging reorganization demonstrated exceptional strength. We would like to thank our staff sincerely for their patience and dedication. We would also like to thank our customers, who are behind us with their trust. Together, we can look to the future with confidence.



Marcel Bühler
Chairman of the
Board of Directors

Beat Röthlisberger
CEO



PostFinance is sharpening its customer focus and setting the course for the future.

Interview
 with Beat Röthlisberger, CEO

Beat, 2025 was a pivotal year for PostFinance. What were the most important changes?

2025 was a year of upheaval and restructuring. At the start of our 2025–2028 strategy period, we clearly defined our focus: we want to put the needs of our customers more firmly at the center of everything we do.

But this new focus also meant that PostFinance had to reposition itself. What happened there?

With the new “Pulse” strategy, we have consistently geared our organization towards the two main segments – private and corporate customers. Since the end of 2025, we have been working in two specialized sales units, supported by a dedicated customer experience unit. This ensures that our advice and service are tailored more closely than ever to the needs of our customers.

The restructuring was a big step – and not without consequences for our staff. We have reduced duplication, streamlined processes and established clear responsibilities. This unfortunately involved job cuts, in particular in central administrative functions. I understand that this period has been a difficult time for many employees. At the same time, I am grateful for the enormous professionalism and commitment shown by everyone in support of these changes. Without this commitment, their implementation would not have been possible.

Is this new focus on customers already having an impact?

Yes, these efforts are already clearly reflected in the current satisfaction scores. Overall satisfaction among our private customers stands at 83.1 points higher than the previous year’s figure of 81.1, and above our target. Corpo-

rate customers are more satisfied, rating us at 80.3 points, also better than the previous year's figure. The high levels of customer loyalty are particularly encouraging, standing at 91.5 points for private customers and 88.9 points for corporate customers. These trends confirm that our strategic focus is having an impact and that we are on the right track.

Another expression of this enhanced customer focus is the new approach to branches. What's behind this?

We want to strengthen personal contact, while at the same time simplifying processes. In our modernized branches – most recently in Thun – we are creating open, inviting areas and more space for advice and consultation. For our customers, this means greater efficiency, shorter waiting times and a more pleasant visitor experience. At the same time, it strengthens the relationship of trust: our branch staff have more capacity for more detailed discussion – a clear advantage in a digital world where personal contact delivers real added value.

Customer asset fees, however, are not so customer-friendly. Why is PostFinance bringing them back?

Since summer 2025, PostFinance has been selectively charging individual customer asset fees to some major customers with a view to managing its balance sheet systematically and complying with regulatory requirements at all times. This applies exclusively to corporate customers with very high levels of liquidity – private customers are not affected. We examine each situation with care and implement the measure only where it is necessary to meet regulatory requirements. The introduction of these fees has nothing to do with increasing revenues, it is about stability and regulation.

Why does PostFinance suddenly want to get into the lending business – is this also about being customer friendly?

Yes, and for a clear reason: we want to offer our corporate customers real added value. At the moment, we are obliged to refer SMEs using our payment transactions and accounts to other banks for financing. This is neither efficient nor customer-focused.

The demise of Credit Suisse created a gap in the market – in particular for medium-sized companies that need a reliable partner. PostFinance serves almost one in two Swiss SMEs and has both the expertise and the resources to close this gap. At present, however, our regulatory framework forces us to invest customer deposits in the capital market – around a quarter of them abroad. We would prefer to invest this money in the Swiss economy to promote value creation in this country. And it is important to note here that we are talking exclusively about company financing, not about mortgages for individuals.

What will it take to allow PostFinance to offer company financing?

That will take an adjustment of the regulatory framework. As things stand, the Postal Services Organization Act prohibits us from granting loans. If politicians were to clear the way, we could act quickly and contribute to the stability and competitiveness of Switzerland as a business location.

How hopeful are you, Beat, that politicians will see this added value and make the necessary legislative changes?

In a recently published study commissioned by SECO, a majority of the companies surveyed confirmed that the availability and conditions of loans have clearly deteriorated since the demise of Credit Suisse. With our products and services, we want to signal that as one of four systemically important Swiss banks, we are willing to take responsibility, and above all to make our contribution to Switzerland as a business location. We have the expertise and the will, but the decision is not one for PostFinance.



With the 2025–2028 strategy period, we clearly defined our focus: we are putting the needs of our customers consistently at the center of everything we do and structuring our organization accordingly.

Beat Röthlisberger



PostFinance's business model makes it more dependent on interest operations than other banks. How do you see interest rate trends and the SNB's monetary policy?

The prohibition on issuing loans and mortgages puts us at a decisive competitive disadvantage compared to other banks. Our business model is based on the interest differential business. The SNB's rate cuts to 0.00 percent and the sight deposits which since then no longer earn interest are having a structural impact on our result.

At present, we can still reinvest maturing investments from the negative interest rate period at better conditions, and that gives us some breathing room. Any prolonged zero interest rate environment is problematic for us. A return to negative interest rates would increase the pressure to pass them on to our customers in the form of customer asset fees. Without lending, PostFinance remains heavily dependent on secure returns on the money and capital markets – a disadvantage that is particularly clear at the moment.

Despite the difficult environment, PostFinance achieved a solid result. What does this mean for the coming years – is it a signal that despite the zero interest rate environment, PostFinance can be successful?

Yes, the result shows that even in challenging conditions, we are resilient. We have shown that if we focus consistently on diversification and efficiency, our business model works. Our increase in net interest income despite falling interest rates is the result of a long-term investment strategy and stable customer deposits. At the same time, we have made important progress in non-interest-related business – for example with digital investment and retirement planning solutions, and with new functions in e-trading.

For the coming years, this means that while we are on track, we must keep moving. The zero interest rate environment continues to be a structural challenge. That is why we are continuing to invest in innovation and in business areas that are less dependent on interest rates. And, as emphasized earlier, the debate about company financing is a key factor in terms of broadening our earnings base and strengthening the Swiss economy.

You talk about innovation – and yet last year PostFinance sold its participation in the Yuh financial platform to Swissquote, and in December even sold a large proportion of its Swissquote shares. Why take this step?

Yuh was a stroke of luck for us because it allowed us to launch an innovative solution for the digital generation at an early stage. The platform developed rapidly, and it is now one of the Switzerland's most popular finance apps. But for the next stage of growth – in particular expansion abroad – a partner who can follow that path consistently is needed. We decided to hand Yuh over to Swissquote because we want to focus on our own strategy: expanding our digital products and services for our 2.4 million customers in Switzerland. We are proud to have been part of Yuh's success story – and there have been many lessons learned that we are now incorporating into our own solutions.

The decision to sell the participation in Swissquote was taken by PostFinance as part of its strategic streamlining of the portfolio, with the aim of targeted focusing of the portfolio of participations. The excellent operational collaboration between PostFinance and Swissquote remains in place, and will continue unchanged. For example, Swissquote will continue to maintain the e-trading platform in PostFinance e-finance.

One example of the ongoing development of digital solutions is the crypto range. PostFinance was the first systemically important Swiss bank to introduce trading and custody of cryptocurrencies. Why take this step – and what happens next?

Our goal was to offer our customers secure and regulated access to the world of digital assets. The demand was clear, and we wanted to create a solution that combines trust and simplicity. Today, our customers can trade and store cryptocurrencies, and since this year are also offered staking.

PostFinance is also expected to expand its crypto range to include corporate customers in summer 2026. What exactly can these customers expect?

Corporate customers will in future have the same options as private customers: the ability to manage crypto portfolios with PostFinance, buy and sell cryptocurrencies, and participate in staking. This is an important step towards also offering companies secure and regulated access to the world of digital assets. And we're thinking ahead, to tailoring the solution at a later stage even more closely to the specific needs of corporate customers.

The Ice Hockey World Championship takes place in Zurich and Fribourg in May 2026, and PostFinance will be there as an official partner. What does this commitment mean to you?

Our yellow heart has been beating for ice hockey for almost 25 years now. Many Swiss ice hockey players have grown up with PostFinance – and some will be wearing the national team's jersey when they take to the ice in 2026. That makes us particularly proud. The 2026 World Championship here in our own country is a high point of our long-standing commitment and a big celebration for all sports enthusiasts.



Our goal is to offer our customers secure and regulated access to digital assets. With the expansion of our crypto range, we are continuing to consistently pursue this approach.

Beat Röthlisberger

Corporate governance

Swiss Post Ltd and PostFinance Ltd are guided by the SIX Exchange Regulation Ltd “Directive on Information Relating to Corporate Governance” and the recommendations of the “Swiss Code of Best Practice for Corporate Governance” drawn up by *economiesuisse*.

The PostFinance Ltd remuneration scheme meets the “Minimum standards for remuneration schemes of financial institutions” defined by the Swiss Financial Market Supervisory Authority (FINMA) (Circular 2010/1) and the Ordinance on Executive Pay issued by the Federal Council.

Open and transparent communication is the key to good corporate governance. This creates trust among customers, employees, Swiss Post as the shareholder and the public.

Basic principles

Corporate governance forms the regulatory framework for the responsible management and monitoring of a company. It concerns both its organizational structure and control system, and its corporate culture and values.

The PostFinance Ltd Code of Conduct sets out its convictions in detail. This forms the basis for its employees' actions.

Corporate structure and shareholders

Legal form and ownership

PostFinance Ltd is a private limited company under private law and a subsidiary of Swiss Post Ltd. It is subject to regulation by FINMA and has been granted a licence in accordance with the Banking Act. The Board of Directors is the highest supervisory body within PostFinance Ltd.

Capital structure

The company has 2 billion Swiss francs of share capital divided into 2 million registered shares, each worth 1,000 Swiss francs. The share capital is fully paid in and is wholly owned by Swiss Post Ltd.

Board of Directors

Composition

The Board of Directors has seven members, with a majority of seats representing Swiss Post Ltd. Three of its members (Marcel Bühler, Hans Lauber and Beat Rütsche) are independent as defined by FINMA Circular 2017/1 "Corporate governance – banks". Members are elected for two years.

Changes in the year under review

On 28 November 2025, Bernadette Koch announced her resignation from the Board of Directors at the end of March 2026. Bernadette Koch is one of four members of the Board of Directors mandated by Swiss Post. Information regarding her successor will be provided in due course.



Marcel Bühler

Chairman of the Board of Directors, member since 2021, Switzerland, 1960, lic. oec. University of St. Gallen

Committees:

- IT & Digitization (Chair)
- Organisation, Nomination & Remuneration
- Risk

Professional background:

- Companjon Services DAC (CTO, Member of the Executive Board)
- Swisscard AECS GmbH (CEO)
- Credit Suisse (Head of Shared Business Services (Banking Operations & Logistics), payment transactions)
- Bühler, Broger & Partner (Co-founder and advisor)
- Fides Informatik AG (Analyst and project leader)

Key posts:

- Swiss Bankers Association (Member of the Board of Directors)



Hans Lauber

Vice-Chairman of the Board of Directors, member since 2015, Switzerland, 1962, lic. rer. pol. (Economics, University of Basel), certified federal financial analyst and asset manager, AZEK

Committees:

- Risk (Chair)
- Audit & Compliance

Professional background:

- Bank Julius Bär (Head of Investment Solutions Group / Chief Investment Officer, Member of the Executive Board)
- ARECON AG (CEO, Chairman of the Board of Directors)
- Winterthur Insurance (Head of Asset Management, Chief Investment Officer, Member of Executive Management)
- Other positions at UBS AG, Coutts Bank and Credit Suisse

Key posts:

- WAGNER AG Informatik Dienstleistungen (Chairman of the Board of Directors, owner)
- HFL Invest AG (Member of the Board of Directors, owner)
- HFL IT Holding AG (Member of the Board of Directors, owner)
- AXA Insurance Ltd (Member of the Board of Directors, Chair of the Risk Committee and Member of the Audit Committee)
- AXA Leben AG (Member of the Board of Directors, Chair of the Risk Committee and Member of the Audit Committee)
- Swiss Finance & Property Group Ltd (Member of the Board of Directors)
- Swiss Finance & Property AG (Member of the Board of Directors, Member of the Board of Directors' Audit & Compliance and Risk Committee)



Alex Glanzmann

Member of the Board of Directors, member since 2016, Switzerland, 1970, lic. rer. pol. University of Bern, Executive MBA HSG in Business Engineering, University of St. Gallen

Committees:

- Organisation, Nomination & Remuneration
- Risk

Professional background:

- Swiss Post Ltd (Head of Finance, interim CEO from 1 April to 31 October 2025)
- PostLogistics (Head of Finance)
- BDO Visura (Vice-Director)

Key posts:

- Post CH Ltd (Chairman of the Board of Directors from 31 March to 17 December 2025, member of the Board of Directors again from 18 December 2025)
- Post Real Estate Ltd (temporary departure while interim CEO from 12 May to 7 December 2025, Chairman of the Board of Directors again from 8 December 2025)
- Post Real Estate Management and Services Ltd (temporary departure while interim CEO from 12 May to 7 December 2025, Chairman of the Board of Directors again from 8 December 2025)
- Swiss Post pension fund (Vice-Chairman of the Foundation Board)
- Post CH Network Ltd (Chairman of the Board of Directors from 31 March to 17 December 2025, member of the Board of Directors again from 18 December 2025)
- Post CH Digital Solutions Ltd (Chairman of the Board of Directors from 31 March to 17 December 2025, member of the Board of Directors again from 18 December 2025)



Bernadette Koch

Member of the Board of Directors, member since 2019, Switzerland, 1968, certified public accountant, business economist, Higher School of Economics and Administration

Committees:

- Audit & Compliance

Professional background:

- Ernst & Young Ltd (People Partner, Member of the Management Committee of Assurance Switzerland, Partner/Head of the Public Sector market area; Auditor)

Key posts:

- Swiss Post Ltd (Vice-Chair of the Board of Directors, Chair of the Audit, Risk & Compliance Committee)
- Geberit AG (Member of the Board of Directors)
- Mobimo Holding AG, (Member of the Board of Directors)



Maria Teresa Vacalli

Member of the Board of Directors, member since 2023, Switzerland, 1971, Master's degree in operational and industrial engineering, ETH Zurich, INSEAD Fontainebleau (Executive Program; International Director) IMD Lausanne (Executive Program)

Committees:

- Organisation, Nomination & Remuneration (Chair)
- IT & Digitization

Professional background:

- Bank Cler (CEO)
- Basler Kantonalbank Group (Chief Digital Officer)
- NZZ Mediengruppe, Moneyhouse AG (CEO)
- Sunrise Communications AG (Executive Director, Wholesale)
- Cablecom GmbH (Director)
- GCI Management (Manager)
- Ernst & Young, Center of eBusiness Innovation (Manager)
- Seavantage AG (Partner and Owner)
- PricewaterhouseCoopers (Manager)

Key posts:

- Swiss Post Ltd (Member of the Board of Directors)
- Burckhardt Compression Holding AG, (Member of the Board of Directors)
- Kardex Holding Ltd (Member of the Board of Directors)



Beat Rüttsche

Member of the Board of Directors, member since 2024, Switzerland, 1968, Degree in business economics, Certified auditor

Committees:

- Audit & Compliance (Chair)

Professional background:

- PricewaterhouseCoopers (Financial Services Audit Partner)
- St. Galler Kantonalbank (Project Manager)
- Schweizerische Volksbank (Customer Advisor and Loan Officer)

Key posts:

- Member of Parliament, City of St. Gallen
- SWA Swiss Auditors AG (Quality Assurance)



Nicole Burth

Member of the Board of Directors, member since 2024, Switzerland, 1972, MA in Economics, University of Zurich; Chartholder CFA Institute; Leadership Programme in IMD, INSEAD and IESE Business School

Committees:

- IT & Digitization

Professional background:

- Swiss Post (Head of Digital Services)
- The Adecco Group (Head of Austria, Luxembourg, Belgium, Switzerland; CEO The Adecco Group Switzerland)
- Lombard Odier Darier Hentsch (Head of Technology & Business Service Equity Research)
- Deutsche Bank (Switzerland) Ltd (Equity Research Analyst)
- UBS Switzerland & UK (Junior Equity Research Analyst)

Key posts:

- Post CH Digital Services Ltd (Member of the Board of Directors, Chief Executive Officer)
- ePost Service Ltd (Chair of the Board of Directors)
- Ascom Holding AG (Member of the Board of Directors and Chair of the Compensation & Nomination Committee)
- Open Systems (Member of the Board of Directors)
- digital Switzerland (Member of the Board of Directors)

Internal organization

Board of Directors' role and working method

Under the management of its Chairman, the Board of Directors determines PostFinance Ltd's strategy and exercises supreme supervisory control over the Executive Board and all those subordinated to it. It defines company and business policy, long-term corporate goals, and the means required to achieve those goals. It also ensures that the company meets the obligations assigned to it by Swiss Post Ltd to provide a universal service with payment transaction services. The Board of Directors discusses its performance and that of its members (self-assessment) on an annual basis and carries out regular advanced training. Resolutions are passed with the majority of the votes present. The Chair also votes; in the event of a tied vote, the Chair has the casting vote.

Meetings and attendance rates

2025	Number	Attendance rate %
Board of Directors' Meetings	14	98
Board of Directors' Committee Meetings		
Organisation, Nomination & Remuneration	9	96.3
Audit & Compliance	9	96.3
Risk	8	91.7
IT & Digitization	8	100

The Board of Directors appoints a standing committee for each of the following areas of responsibility:

- Organisation, Nomination & Remuneration
- Audit & Compliance
- Risk
- IT & Digitization

Board of Directors' Organisation, Nomination & Remuneration Committee

The Organization, Nomination & Remuneration Committee focuses in particular on strategic orientation and the establishment of management principles and corporate culture, the organizational structure and succession planning at the highest level, principles relating to remuneration and retirement policy, performance appraisal and other HR policy issues, as well as specific sustainability issues. Its members are:

- Maria Teresa Vacalli (Chair)
- Marcel Bühler
- Alex Glanzmann

Board of Directors' Audit & Compliance Committee

The main role of the Audit & Compliance Committee is to determine accounting and financial reporting principles and to carry out the tasks relating to the control of non-financial risks, as well as compliance. It is responsible for liaising with the external auditors and for supervising Internal Auditing. It makes proposals to the Board of Directors regarding the appointment and dismissal of the Head of Internal Auditing. Its members are:

- Beat Rütscbe (Chair)
- Bernadette Koch
- Hans Lauber

The majority of committee members are independent of Swiss Post Ltd.

Board of Directors' Risk Committee

The Risk Committee is responsible mainly for the tasks relating to risk management, control of financial risks and risk policy. Its members are:

- Hans Lauber (Chairman)
- Marcel Bühler
- Alex Glanzmann

The majority of committee members are independent of Swiss Post Ltd.

Board of Directors' IT & Digitization Committee

The IT & Digitization Committee is dedicated to the operating framework and strategy for information technology and the developments and challenges of digitization. It also provides support and assistance with the innovation process, the management of participations and the assessment of strategic thrusts. Its members are:

- Marcel Bühler (Chair)
- Nicole Burth
- Maria Teresa Vacalli

Executive Board

Headed by the CEO, the Executive Board is responsible for the operational management of PostFinance Ltd. Until 30 November 2025, the Executive Board consisted of seven members. With the reorganization, an additional Executive Board role was introduced on 1 December 2025.

Changes in the year under review

Claudio Gaugler took up his position as Chief Financial Officer (CFO) on 1 September 2025. He succeeded Kurt Fuchs, who stepped down early on 28 February 2025. During the transition phase from 1 March to 31 August 2025, Marc Bonfils (Head of Treasury and Deputy CFO) assumed the role of CFO on an interim basis.

Following the departure of Benjamin Staeheli in January 2025, Kilian Imboden assumed the role of Chief Business Unit Officer Payment Solutions on an interim basis. He led the unit in the transitional period until the start of the new organizational structure.

The reorganization on 1 December 2025 resulted in the following changes within the Executive Board: Felicia Kölliker (previously Chief Risk Officer) assumed the role of head of the Corporate Customers unit, Sandra Lienhart (previously Chief Business Unit Officer Retail Banking) assumed the role of head of the Private Customers unit and Ron Schneider (previously Chief Transformation Officer) assumed the role of head of the Customer Experience unit. In December, Beat Röthlisberger assumed the role of head of the Corporate Development & People unit (previously Strategy & Transformation) in December on an interim basis, serving as a transition until Christian Mähr assumes the position on 1 January 2026.

Until Heidi Steiger assumes the role on 15 March 2026, Patrick Muff will head the Risk, Compliance & Legal unit on an interim basis.



Beat Röthlisberger

Chief Executive Officer, member since 2024, Switzerland, 1971, business economist

Professional background:

- Basellandschaftliche Kantonalbank (Deputy CEO and Head of the Corporate Banking Advisory business unit)
- UBS AG
- Swiss Bank Corporation

Key posts:

- No key posts



Felicia Kölliker

Head of Corporate Customers and Deputy CEO since 1 December 2025, until 30 November 2025 Chief Risk Officer, member since 2017, Switzerland, 1977, M.A. HSG in Legal Studies, University of St. Gallen; Executive MBA, International Institute for Management Development (IMD), Lausanne; DAS in Compliance Management, Lucerne University of Applied Sciences and Arts/Institute of Financial Services IFZ Zug

Professional background:

- PostFinance Ltd (Chief Risk Officer, 1 July 2017 to 30 November 2025)
- PostFinance Ltd (Head of Compliance, Head of Regulation unit, Project Manager)
- Malik Management Center St. Gallen
- Huber+Suhner AG

Key posts:

- esisuisse (Member of the Board and Chair of the Nomination & Compensation Committee)
- Österreichische Post AG (Member of the Supervisory Board)



Sandra Lienhart

Head of Private Customers since 1 December 2025, until 30 November 2025 Chief Business Unit Officer Retail Banking, member since 2020, Switzerland, 1966, Executive MBA ZFH, University of Applied Sciences in Business Administration Zurich (HWZ) / University of Darden, USA

Professional background:

- PostFinance Ltd (Chief Business Unit Officer Retail Banking, 1 January 2020 to 30 November 2025)
- Bank Cler (CEO and Deputy Chair of Group Management)
- Bank Coop (Interim CEO)
- Bank Coop (Head of Sales Division, Member and Deputy Chair of the Executive Board, Member of Basler Kantonalbank Group Management)
- Credit Suisse (Head of Zurich North market area, Oerlikon, Director)

Key posts:

- TWINT Ltd (Member of the Board of Directors)
- TWINT Acquiring Ltd (Member of the Board of Directors)
- Life insurance steering committee at AXA (Chair of the committee)
- Mortgages partner meeting at Valiant (Chair of the meeting)
- Mortgages board meeting at Münchener Hypothekenbank eG (Chair of the meeting)
- Funds steering committee at UBS (Member of the committee)
- Switzerland AG (Member of the Advisory Board)
- Credit Exchange Ltd (Member of the Board of Directors)



Ron Schneider

Chief Experience Officer since 1 December 2025, until 30 November 2025 Chief Transformation Officer, member since 2024, Switzerland, 1976, Business Economist UAS (FHBB), Executive Program (Swiss Finance Institute), MAS Corporate Finance CFO (FHBB), Executive MBA (HSG)

Professional background:

- PostFinance Ltd (Chief Transformation Officer, 1 February 2024 to 30 November 2025, interim head since 30 November 2022)
- PostFinance Ltd (Head of Human Resources, Head of Retail Sales, Head of Sales for Business Customers, Regional Head of Sales for Business Customers)
- UBS AG (various positions)

Key posts:

- No key posts



Markus Fuhrer

Chief Operation Officer and, from 1 March to 30 November 2025, Deputy CEO, member since 2014, Switzerland, 1968, Federal Certificate in Business Information Technology WISS, SKU Advanced Management, Diploma in Business Management, AMP-HSG University of St. Gallen

Professional background:

- PostFinance Ltd (Deputy Head of Information Technology, Head of Core Banking Transformation, Head of Information Technology)
- Entris Banking Ltd

Key posts:

- Finform Ltd (Chairman of the Board of Directors)
- Handels- und Industrieverein des Kantons Bern (Member of the Cantonal Board)
- Yuh Ltd (Member of the Board of Directors)
- Investas AG (Member of the Board of Directors)



Claudio Gaugler

(since 1 September 2025)

Chief Financial Officer, member since 2025, Switzerland, 1984, M.A. Banking and Finance, University of St. Gallen, CFA Charterholder

Professional background:

- CFO at Credit Suisse Asset Management, Managing Director
- Deputy CFO at Credit Suisse AG; CFO at Credit Suisse Services AG, Managing Director
- Finance COO at Credit Suisse, Director
- Group CFO Chief of Staff at Credit Suisse, Director
- Corporate Development Group at Credit Suisse, Director

Key posts:

- No key posts



Patrick Muff

(since 1 December 2025)

Interim Chief Risk Officer, member since 2025, Switzerland, 1971, lic. iur., lawyer, LL.M., MLP-HSG

Professional background:

- PostFinance Ltd (Head of Legal, Project Manager; since 2010)
- Swiss Post (Legal Counsel, Legal & Staff Service)
- Administrative Court of the Canton of Lucerne (court clerk)

Key posts:

- No key posts

Members of the Executive Board appointed on an interim basis during the year under review



Marc Bonfils
 (1 March to 31 August 2025)

Interim Chief Financial Officer, member since 2025, Switzerland, 1964

Professional background:

- Swiss Bank Corporation (Head of Stock Exchange Trading)
- Schweizerische Volksbank

Key posts:

- SIX Interbank Clearing (Member of the Board of Directors)
- Swiss Post pension fund (Member of the Foundation Board, Chairman of the Investment Committee)



Kilian Imboden
 (8 January to 30 November 2025)

Chief Business Unit Officer Payment Solutions, member since 2025, Switzerland, 1984, Master of Science in Business Administration, Master of Advanced Studies Corporate Finance CFO

Professional background:

- PostFinance Ltd
- Abegglen Management Consultants AG (now Implement Consulting Group)
- ReaderScan Imboden + Co

Key posts:

- No key posts

Members of the Executive Board departing the company during the year under review



Kurt Fuchs
 (until 28 February 2025)

Chief Executive Officer (a.i. from 1 March to 30 June 2024), Chief Financial Officer and Deputy CEO, member since 2011, Switzerland, 1962, qualified banking expert, Swiss Finance Institute Advanced Executive Program

Professional background:

- UBS AG (Head of Regional Accounting & Controlling Switzerland, Head of Financial Accounting Switzerland)
- Swiss Bank Corporation

Key posts:

- Bern Arena Stadion AG (Member of the Board of Directors)



Benjamin Staeheli
 (until 8 January 2025)

Chief Business Unit Officer for Payment Solutions, member since 2022, Switzerland, 1968, doctorate in Cross-cultural Management (University of St. Gallen), lic. oec. Business Administration (University of St. Gallen)

Professional background:

- Avaloq Group (Head of Global Banking Operations)
- B-Source SA (now Avaloq Sourcing Ltd; Head of Banking and Member of the Executive Board)
- Credit Suisse Group AG (various management roles)

Key posts:

- No key posts

Information and supervisory tools

Reporting

The Board of Directors receives regular reports from the Executive Board and from the following units: Internal Auditing, Finance, Risk Control, Compliance, Governance, Security and Corporate Development. Fourteen meetings were held in 2025.

The Executive Board deals with matters arising from the business units. It also receives regular reports from the following units: Internal Auditing, Finance, Risk Control, Compliance, Governance, Security and Corporate Development. 21 meetings were held in 2025.

Internal control system

PostFinance Ltd has an integrated internal control system. This refers to all the control structures and processes in place throughout PostFinance Ltd that form the basis for attaining corporate goals and operating the company in line with the regulations in force. In formal terms, its implementation at PostFinance complies with the eight-level COSO II framework and the three lines of defence concept. PostFinance is also guided by ISO standard 31000 and takes FINMA's regulatory requirements into account.

An effective internal control system requires control measures that have been integrated into work processes, processes for risk management in all relevant categories, and in particular processes to ensure compliance with applicable standards and appropriate reporting.

Internal Auditing

Internal Auditing, led by Isabella Stalder since 2019, is PostFinance Ltd's independent inspection body. It is the Board of Directors' management tool for control purposes. Internal Auditing works independently of PostFinance Ltd's daily business processes and is an autonomous unit from an organizational standpoint. Functionally, it reports to the Board of Directors, with the Chair of the Board of Directors' Audit & Compliance Committee responsible for HR and technical management in order to guarantee maximum independence. The Board of Directors appoints the Head of Internal Auditing based on a proposal from the Board of Directors' Audit & Compliance Committee. The Head of Internal Auditing then appoints the remaining members of staff. The Head of Internal Auditing also appoints a deputy.

Remuneration

Basic principles

PostFinance Ltd's remuneration system meets the "Minimum standards for remuneration systems at financial institutions" defined by FINMA (Circular 2010/1) and the Ordinance on Executive Pay issued by the Federal Council.

Remuneration policies

Board of Directors

Since the introduction of the new remuneration regulations on 1 January 2022, the members of the Board of Directors have received flat-rate remuneration. In addition to the basic compensation, flat-rate remuneration is paid for chairing and sitting on each committee. This covers all time commitments involved in performing the mandate. Expenses are also covered with annual flat-rate remuneration. Remuneration of the Board of Directors is determined by the General Meeting.

Executive Board

Corporate risk, scope of responsibility, the Group's operating framework and the Confederation's Ordinance on Executive Pay are taken into account by the Board of Directors when setting the remuneration due to members of the Executive Board.

Remuneration structure

Remuneration for members of the Executive Board is comprised of a fixed annual base salary and a performance-related variable salary component. This may be a maximum of 16.6 percent of the gross annual base salary and is paid annually. It is determined on the basis of benchmarks for Swiss Post Ltd (50 percent) and PostFinance Ltd (50 percent). The personal performance of members of the Executive Board is not taken directly into account. At Swiss Post Ltd level, the variable component is calculated on the basis of growth in operating revenue (weighting: 25 percent), Group EBIT and Group value added (weighting: 12.5 percent each). At PostFinance Ltd level, the return on equity (RoE) ARB management-relevant (weighting: 33.3 percent) and the result from non-interest-sensitive business (weighting: 16.7 percent) are used to calculate the variable component. In the determination of overall target achievement, additional qualitative supplementary values (so-called modulators) are taken into account, with consideration given to the following aspects: employees, customers, society and the public, and ecological sustainability. Depending on the assessment of the qualitative supplementary values by the Board of Directors, target achievement at Group and PostFinance levels can be marked up or marked down for each modulator. Both mark-ups and mark-downs can amount to a maximum of 7.5 percent for each modulator. However, overall target achievement may not exceed 100 percent.

Members of the Executive Board receive a first-class GA Travelcard or a company car if necessary (private use is invoiced), a mobile phone and a monthly expense account. Individual bonuses may be paid to reward special personal contributions.

Neither the members of the Executive Board nor persons closely linked to them received any additional fees, remuneration, guarantees, advances, credits, loans or benefits in kind during the 2025 financial year. The base salary and performance component are insured for members of the Executive Board: occupational pension provision is handled by the Swiss Post pension fund in accordance with the basic plan and supplementary plan 1 for salary components up to twelve times the maximum Swiss Old Age and Survivors' Insurance (OASI) retirement pension (362,880 francs in 2025). Any income in excess of this amount is covered by an external comprehensive insurance solution. Contributions to occupational pension provision are divided in line with the regulatory provisions applicable to the Swiss Post pension fund. Employment contracts are based on the Swiss Code of Obligations. Severance payments can be paid in justified cases up to a maximum of half the gross annual salary.

The Board of Directors determines the remuneration for the Executive Board.

The notice period for members of the Executive Board is six months.

Equal pay

Under the Gender Equality Act, companies with over 100 staff members are obliged to perform an equal pay analysis and to have this audited by an independent body. The salaries at PostFinance Ltd were analysed on the reporting date of 30 April 2025 using the “Logib, standard analysis tool of the Swiss Confederation” analysis method. This took account of the 3,914 employees in an employment relationship at that time. At 2.3 percent to the detriment of women, the result of the equal pay analysis is within the statistical tolerance threshold of ± 5 percent. Mazars Ltd, based in Zurich, verified whether PostFinance Ltd’s equal pay analysis had been carried out according to the correct procedures and confirmed that the analysis met the legal requirements and complied with equal pay in all respects.

Remuneration in 2025

Employees

PostFinance Ltd paid a total of around 422.5 million francs in salaries to its staff in 2025. This sum consists of fixed salaries of 409.2 million francs and variable components of 13.4 million francs, which were predominantly for 2024 and paid in 2025. Remuneration of up to 14.8 million francs for 2025 will not be paid until the subsequent year.

PostFinance employed 3,923 staff on average in 2025. This corresponds to 3,509.7 full-time equivalents.

Board of Directors

The members of the Board of Directors (including the Chairman) received remuneration of 754,000 francs (fees and fringe benefits). The fringe benefits amounted to 43,320 francs.

The Chairman of the Board’s fee totalled 210,000 francs, and fringe benefits amounted to 14,520 francs. The members of the Board of Directors who also hold an Executive Management position at Swiss Post receive pro rata direct remuneration of 40,000 francs annually. Remuneration above and beyond this goes to Swiss Post Group.

The upper fee limit of 869,320 francs in total (including employee benefits and social insurance), which was determined by the General Meeting, was respected.

Executive Board

The members of the Executive Board (including the CEO) received base salaries of 2,584,369 francs. The fringe benefits amounted to 95,792 francs. The variable remuneration payable to members of the Executive Board, which is based on attainment of targets in 2024 and 2025, amounts to 396,621 francs.

The CEO’s base salary amounted to 689,000 francs. The variable remuneration amounted to 105,796 francs.

The upper limit of 4,812,000 francs for the total remuneration amount for the Executive Board (including employee benefits and social insurance), which was determined by the General Meeting, was respected.

PostFinance Ltd Remuneration		
CHF	2024	2025
Chairman of the Board of Directors		
Fees	200,000	210,000
Fringe benefits		
Expenses and representation allowances	8,000	8,000
First-class GA travelcard	6,520	6,520
Total remuneration	214,520	224,520
Other members of the Board of Directors (6)¹		
Fees		
Base remuneration	387,500	390,000
Remuneration from committees	162,000	154,000
Fringe benefits		
Expenses and representation allowances	28,000	28,800
Additional fringe benefits	0	0
Total remuneration	577,500	572,800
Entire Board of Directors (7)¹		
Fees	749,500	754,000
Fringe benefits	42,520	43,320
Total remuneration	792,020	797,320
Chief Executive Officer²		
Fixed base salary	459,334	689,000
Variable remuneration		
Variable salary component (paid out the following year)	68,960	105,796
Fringe benefits		
Expenses and representation allowances	10,000	15,000
Additional fringe benefits ³	3,080	8,444
Total remuneration	541,374	818,240
Other members of the Executive Board (4.75)		
Fixed base salary	2,325,461	1,895,369
Variable remuneration		
Variable salary component (paid out the following year)	349,122	290,825
Additional payments ⁴	53,870	0
Fringe benefits		
Expenses and representation allowances	52,800	41,625
Additional fringe benefits ³	38,269	30,723
Total remuneration	2,819,522	2,258,542
All members of the Executive Board (5.75)		
Fixed base salary and variable remuneration	3,256,747	2,980,990
Fringe benefits	104,149	95,792
Total remuneration	3,360,896	3,076,782

1 Remuneration for members of the Board of Directors who also hold an Executive Management position at Swiss Post receive pro-rata direct remuneration amounting to 40,000 francs per year. The remuneration in addition to this sum (fees and expenses) is paid to Swiss Post Ltd.

2 In 2024, the CEO function was filled for eight months by a CEO appointed by the PF Board of Directors (January/February and July–December).

3 Other fringe benefits include: first-class GA Travelcard or company car; mobile phone, training contributions.

4 Difference to the CFO for temporary function as interim CEO for four months in 2024. On a pro-rata basis, this includes: fixed base salary, variable remuneration, and expense and representation allowances.

Management contracts

PostFinance Ltd has not concluded any management contracts with companies or individuals outside Swiss Post Group.

Auditor

The General Meeting is responsible for appointing the auditors for corporate law matters, and the Board of Directors is responsible for appointing the auditors for banking and stock exchange law matters. Each term of office is one year. Ernst & Young Ltd have been selected as the auditors (accounting and regulatory audit) in accordance with the Swiss Code of Obligations as well as the Banking Act and Stock Exchange Act. The audits are conducted by two separate teams. The mandate for the auditors in accordance with the Banking Act and Stock Exchange Act was awarded to Ernst & Young Ltd for the first time in 2019, and the current statutory head auditor, Philipp de Boer, was engaged for the first time on 1 January 2019. In accordance with the provisions of the Swiss Code of Obligations, the head auditor may exercise this mandate for a maximum of seven years. With due regard to the statutory limit on the mandate, Eveline Hunziker will succeed Philipp de Boer as head auditor for the 2026 financial year. In the year under review, the expense for PostFinance Ltd for auditing and consultancy fees from Ernst & Young Ltd stood at a total of 1,915,662 francs, of which 643,471 francs were due for the accounting audit and 1,272,191 francs for the regulatory audit. The auditors may provide the overall management body with information in the form of reports during their accounting and regulatory audits, as well as with extraordinary reports in the course of their activities. They may also attend meetings held by the Board of Directors or its Committees.

Information policy

PostFinance maintains regular contact with its parent at various levels, in particular with regard to the universal service for payment transaction services.

Reporting concepts are in place for FINMA and the Federal Office of Communications (OFCOM) and for the Swiss National Bank (SNB). The authorities are informed about events within their area of responsibility promptly and on a regular basis.

PostFinance operates the confidential “PostCourage” reporting office for information concerning improper practices and breaches of internal and external directives. It offers employees and other stakeholders – such as customers or suppliers – the ability to report suspicious cases in all units confidentially, and anonymously if preferred. All reports received are recorded in a structured manner, followed up promptly and thoroughly investigated.

PostFinance examines current topics related to money and investments in a range of informative publications for its private customers, such as the Money blog and Investment blog. Topics for corporate customers are addressed in the business blog. The Pioneer blog covers HR and innovation topics and issues related to corporate responsibility and is aimed at interested parties, job seekers and IT professionals. PostFinance is also present on social networks and makes an active contribution to shaping dialogue on Facebook, X, BlueSky, Instagram, TikTok, LinkedIn and YouTube.

Management report

In 2025, PostFinance generated a profit of 282 million francs, up 162 million francs year-on-year. This result was driven by a 112 million franc rise in the operating result as well as extraordinary income.

The interest differential business remains the most important source of income. PostFinance focuses on secure and profitable investments for its financial investments on the money and capital markets. The Swiss National Bank's (SNB) interest rate cuts to 0 percent highlight just how challenging the interest rate environment is. As a result of the low interest rates, PostFinance has had to gradually reduce customer interest rates. The result from interest operations rose by 126 million francs year-on-year thanks to PostFinance's balanced investment strategy.

Non-interest customer assets in investment products continued to grow, which enabled PostFinance to record an improved result. Additional income from the PostFinance Debit Card partially offset the decline in income from over-the-counter payment transactions.

PostFinance has consistently focused its projects on impact, reducing costs. Efficiency measures in the operational environment and the transfer of Postomat operations to PostalNetwork produced further savings in operating expenses.

The sale of holdings in participations also contributed to the higher profit.

Business activities

Markets

The financial sector is undergoing rapid and profound change. It is shaped by technological innovation, new competitors and changing customer requirements, posing challenges for PostFinance. PostFinance positioned itself solidly in the last strategy period and is now focusing more consistently than ever on the needs of its customers.

As a leading Swiss financial institution, PostFinance is driving the digital transformation in payment transactions and retail banking. PostFinance's specialized business units work closely together to create a comprehensive range of financial services. With these services, they make a contribution to the financial health of private customers. As a payment bank, PostFinance is a reliable partner in day-to-day business for companies in Switzerland.

Customers

PostFinance focuses on the needs of its customers throughout Switzerland. It offers products and services for all customer segments on the topics of investing, retirement planning and financing. 2.4 million private and corporate customers use its services regularly – in e-finance, with the PostFinance App, at the checkout or in consultations at branches.

Customer satisfaction among private and corporate customers is key to PostFinance's success. To fulfil this responsibility, PostFinance gears its strategy consistently towards customer loyalty. PostFinance is there where customers need it – at home, at work or on holidays. Its goal is to ensure that customers feel safe and in good hands at all times. PostFinance tailors its range of services to meet a range of needs, and is responsible and transparent in the design of its products, services and sales practices, which customers can opt for at fair prices in line with their individual requirements. At the same time, PostFinance ensures that all customers have access to comprehensive financial services at all times – regardless of where they live or their digital capabilities.

As one of Switzerland's leading financial institutions, PostFinance is committed to responsible and sustainable business activities. It has a special responsibility towards its customers. This stems from its business activities and the statutory universal service obligation in payment transactions in accordance with the Postal Services Act.

The business model

Payment, saving, investing, retirement planning, financing and insurance: PostFinance offers its customers a comprehensive range of services and, by investing in innovative technologies, is actively helping to shape the digital transformation. It relies on modern, user-friendly services and future-oriented tools and technologies that are specially developed or adapted for the Swiss market. The specialized business units work closely together internally to create a wide range of financial services. With the services they develop, PostFinance helps to make the lives of people in Switzerland easier and more financially secure. Priority is always given to customer needs and satisfaction.

Payment transactions

As number one in Swiss payment transactions, PostFinance ensures smooth cash flow and provision of the universal service required under postal legislation.

PostFinance is continually developing its range of payment transaction services. For example, PostFinance has combined its debit card with Mastercard. This means private customers can now make payments at numerous points of sale in Switzerland and abroad. For corporate customers, this combination increases acceptance of the PostFinance Card – both in-store and online.

Banking packages and accounts

The range of different accounts covers customers' everyday financial needs. Accounts and other services are bundled together in banking packages. With these packages, PostFinance provides individual solutions for adults, young people and students. E-finance and the PostFinance App allow customers to carry out their banking transactions securely and conveniently online.

Investing

From funds and e-asset management to tailored investment advice, PostFinance helps its customers to build up assets over the long term and achieve their financial goals. To reach these goals, PostFinance provides various products tailored to its customers' individual needs and risk appetite.

Financing

PostFinance offers transparent conditions and personal advice on brokered credit products, such as mortgages and consumer loans.

Retirement planning and insurance

Retirement savings account 3a, life insurance or vested benefits account: PostFinance provides specially designed solutions to meet its customers' wide-ranging retirement planning needs. These products are also available in conjunction with funds.

PostFinance brokers insurance solutions from partners. Whether family, car, motorcycle, travel or legal protection insurance is needed, customers can get cover for themselves and their family by taking out policies online or by purchasing life insurance.

External factors

Legal framework

PostFinance is a private limited company under private law wholly owned by Swiss Post Ltd. PostFinance was granted a licence as a bank and securities firm in 2013 and is regulated by the Swiss Financial Market Supervisory Authority (FINMA). Postal legislation and the strategic goals of the Federal Council and Swiss Post are relevant to PostFinance's business activities. In particular, postal legislation specifies that PostFinance must provide a universal service for payment transactions throughout Switzerland. Under postal legislation, PostFinance is not allowed to issue loans and mortgages. PostFinance has been one of Switzerland's four systemically important banks since 2015. This highlights the importance of PostFinance for the Swiss financial system. As a systemically important bank, PostFinance must meet additional regulatory requirements. This includes strengthening its own resilience to crises. In particular, it entails higher capital and liquidity requirements.

Economy

The economic environment in 2025 was marked by uncertainty. Despite trade policy and geopolitical risks, the economies of many countries proved more resilient than expected. Gross domestic product (GDP) in Switzerland rose by 1.4 percent in 2025. Inflation fell from 0.6 percent in January to 0.1 percent in December 2025.

The SNB eased its monetary policy in 2024, gradually lowering the policy rate from 1.75 to 0.5 percent. The underlying inflationary pressure continued to soften in 2025. The SNB responded with further monetary easing in 2025, cutting the policy rate to 0 percent in two further steps in March and June. The SNB continues to monitor the situation and will adjust monetary policy as necessary in an effort to ensure price stability.

Yields on long-term Swiss government bonds rose significantly in the first quarter of 2025. In early April, the announcement of tariff hikes on imports into the USA led to a great deal of uncertainty on the financial markets. Yields fell as a result. Overall, yields increased slightly compared to 2024.

Regulation

Following the crisis at Credit Suisse in 2023, the Federal Council and politicians introduced various measures to strengthen a secure and robust financial sector. In April 2024, the Federal Council published its “too big to fail” report on banking stability. At the end of the same year, the Parliamentary Investigation Commission (PinC) published its report. In June 2025, the Federal Council presented its parameters for legislative and ordinance amendments, which it is now gradually implementing.

For PostFinance as a systemically important bank, important aspects include, for example, corporate governance, possible adjustments to equity requirements, measures to secure liquidity and an expansion of the instruments available to FINMA.

The demands of politicians with regard to Swiss Post’s acquisition policy could have a significant impact on PostFinance’s business model. In autumn 2025, as part of a parliamentary initiative, the Economic Affairs Committee of the National Council submitted proposals for amendments to the purpose article and the prohibition of cross-subsidies for consultation. The Economic Affairs Committee will decide on how to proceed with these legislative amendments in 2026.

Other regulatory developments relevant to PostFinance include the Federal Council’s parameters concerning the development of the universal postal service and planned legislative changes relating to fintechs and stablecoins. In addition, PostFinance has concerns about the introduction of a transparency register for legal entities, adjustments in the area of tax compliance and individual parliamentary procedural requests directly related to PostFinance.

Strategy

PostFinance focuses on the needs of its customers.

Due to its statutory universal service obligation in payment transactions and its business activities, PostFinance bears a special responsibility towards its customers. Customer satisfaction among its private and corporate customers is key to its success. To fulfil this responsibility, PostFinance gears its strategy consistently towards customer loyalty: it is there where customers need it – at home, at work or on holidays. The goal is to ensure that PostFinance customers feel safe and in good hands at all times. PostFinance's range of services is geared towards the diverse needs of its customers. It is responsible and transparent in the design of its products, services and sales practices. At the same time, it ensures that all customers have access to comprehensive financial services at all times – regardless of where they live or their digital capabilities.

PostFinance's advice to customers is increasingly tailored to their stage of life and both digital and in-person support is available. PostFinance is strengthening its account services and non-interest-related business in the area of investments. With simple and user-friendly services, it is setting new standards in retirement, pension and financial planning. As a payment bank, PostFinance is a reliable partner in day-to-day business for companies in Switzerland. With a customer-centric sales and service model, it provides targeted support to companies in meeting their business challenges. The core business of payment solutions is being strengthened, and the portfolio expanded to include innovative, industry-specific solutions. As part of this effort, PostFinance makes use of data, artificial intelligence and partnerships to create added value – for customers, employees and Switzerland.

In January 2025, PostFinance embarked on the new 2025–2028 strategy period. Its strategic focus places an even greater emphasis on the satisfaction and financial needs of its customers. Through various strategic projects, PostFinance aims to consolidate its market position and achieve moderate growth in the long term. In the year under review, the particular focus was on expanding non-interest-related business to diversify its income and on improving customer satisfaction. In 2025, satisfaction levels among both private and corporate customers at PostFinance increased further.

On 1 December 2025, PostFinance aligned its structural organization with the strategy. It is continuing to invest in needs-based and customer-led advice and services, and has established two new units for sales: one for private customers and one for corporate customers, along with the new Customer Experience unit. There is also the new Segment & Sales Steering staff unit, which pools competencies in strategic sales management and is responsible for the overall management of customer business. The Risk, Compliance & Legal, IT & Operations and Finance units remained largely unchanged and continue to ensure the security and stability of PostFinance, and, in turn, that of its customers.

Because the restructuring of the organization involves contract changes and terminations, PostFinance initiated a statutory consultation process for employees on 5 June 2025. The process was completed in July 2025 with fewer contract terminations than planned. The reasons for this include proposals from the consultation process taken into consideration and natural staff turnover. During the period of change, PostFinance provided support to the employees affected with various services.

Sustainability

Sustainability is one of five strategic thrusts of the corporate strategy.

PostFinance has embedded sustainability as one of five strategic thrusts in its strategy and assumes responsibility:

- As an organization towards its employees and the environment
- As an investor for its own investments, which help to finance emissions
- For its customer impact, by recognizing its customers' needs in terms of sustainability issues and offering products accordingly
- As a partner by promoting a responsible Swiss financial center

PostFinance's sustainability strategy focuses on five key topics and on other sustainability aspects. For each of these topics, it has defined goals:

- PostFinance aims to make its own operations carbon neutral by 2030 and to achieve net zero from 2040. To achieve this, it is reducing direct emissions, and in particular indirect emissions, i.e. financed emissions.
- PostFinance is committed to preserving biodiversity and is building up resources and expertise accordingly. In doing so, it aims to contribute to promoting biodiversity and managing risks appropriately.
- PostFinance promotes diversity, equity and inclusion with a view to creating a working environment in which all employees feel accepted and respected.
- PostFinance promotes financial literacy in society and implements initiatives to this end. The goal is to give people a better understanding of financial products and services.
- PostFinance strives for transparent and responsible information policies and product design. It ensures that all products and services comply with legal requirements.
- PostFinance is continually developing its range of products and services with a sustainability focus. In its supply chain, it is increasingly including suppliers who demonstrate a strong awareness of sustainability management.

Sustainability reporting

In its Sustainability Report, PostFinance provides information on material non-financial matters in accordance with Art. 964 of the Swiss Code of Obligations (CO) and on climate matters in accordance with the Ordinance on Climate Disclosures (KlimaVO) and the FINMA Ordinance on the Disclosure Obligations of Banks and Securities Firms (DisO-FINMA). Sustainability reporting is based on the 11 material topics identified by PostFinance as part of its double materiality analysis. The PostFinance transition plan is an integral part of the Sustainability Report. In it, PostFinance describes how it intends to achieve its climate targets in line with the climate targets set by the Federal Council for companies affiliated with the Confederation. With this disclosure, PostFinance is fulfilling its legal obligation pursuant to Art. 3 of the Ordinance on Climate Disclosures.

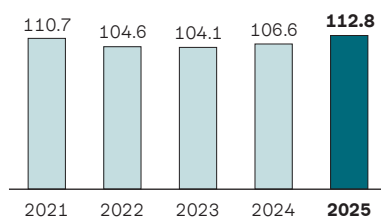
These disclosures are all included in the 2025 Sustainability Report. The report is published at the same time as the Annual Report at → postfinance.ch/reporting.

Business performance

2.4 million customers entrust PostFinance with customer assets of 112.8 billion francs.

Customer assets¹

CHF billion



¹ Customer assets include all assets contributed by customers. The figures are based on the December monthly average.

At the end of 2025, customer deposits stood at 112.8 billion francs, representing growth of 6.2 billion francs in 2025. Customer deposits in accounts grew by 3.4 billion francs and non-interest-sensitive customer assets increased by 2.7 billion francs.

Increase in customer deposits

Customer deposits by private and corporate customers in the various account services rose by 3.4 billion francs to 89.8 billion francs compared to December 2024. Thanks to high-quality advice, improved customer service processes and a broad product range, PostFinance further strengthened customer confidence and attracted additional customer deposits. In addition, corporate customers have been holding more liquidity since the SNB's policy rate cut to 0 percent in June 2025.

More non-interest customer assets

Non-interest customer assets such as fund self-service, retirement funds, e-asset management and e-trading grew by 2.7 billion francs to 23.0 billion francs in 2025 as a result of price gains and net inflows. This represents growth of 13 percent.

The topic of investment remains strategically relevant to PostFinance. Digital investment solutions such as e-asset management, fund consulting basic, investment consulting plus and fund self-service were widely taken up. Investments with a focus on sustainability are very popular with customers. The share of new customer assets stood at 0.4 billion francs, which represents an increase of 20 percent year-on-year.

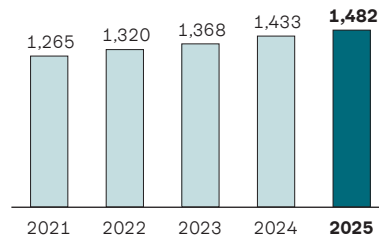
In 2024, PostFinance successfully launched an independent market service for the trading and custody of cryptocurrencies. The service was expanded in 2025 to include the staking function. Staking enables customers to earn passive income by depositing cryptocurrency. The customer base for crypto assets increased by 51 percent to 0.2 billion francs in 2025.

In e-trading, PostFinance has made it possible to trade fractions of shares and ETFs with fractional trading. In doing so, PostFinance is making it easier for other customer segments to access investments.

As number one in Swiss payment transactions, PostFinance ensures a seamless flow of liquidity.

Payment transactions

in millions



PostFinance processed 1,482 million payment transactions in 2025. This represents an increase of 3.5 percent year-on-year. In total, customers processed transactions with a volume of 2,186 billion francs. These figures illustrate PostFinance's key role as a payment provider in the Swiss financial services market.

More revenue with the PostFinance Debit Card

The use of mobile payment solutions is growing steadily in Switzerland. PostFinance is continuously driving this development forward. The number of transactions using the PostFinance Debit Card for private and corporate customers rose by 43 percent. PostFinance is working constantly to make the PostFinance Card more attractive by providing additional services for retailers and cardholders. The card can be used at even more points of sale, both in-store and online, in Switzerland and abroad. Customers can also withdraw cash abroad at ATMs displaying the Mastercard logo.

Fewer counter inpayments and fewer cash withdrawals

Customer behaviour has shifted consistently towards online banking since the pandemic and the introduction of the QR-bill. In 2025, this led to a further decline of 10 percent in the number of over-the-counter inpayments at Swiss Post branches. The share of inpayments made via Swiss Post access points in relation to the overall transaction volume at PostFinance stands at 1 percent.

Cash withdrawals at Swiss Post branches, Postomats and partners fell by a further 8 percent in 2025. This is the result of the use of alternative payment options. Card payments and mobile payment solutions in particular are becoming increasingly popular.

Investments

In 2025, PostFinance made targeted investments in the modernization and expansion of its platform hardware and data storage to ensure that its IT landscape remains efficient. In addition, the electrical and cooling systems at the data centers have been modernized, supporting sustainability.

At the end of 2025, PostFinance's real estate portfolio comprised a total of 21 properties with a market value of 1.3 billion francs. PostFinance invested 14 million francs in developing and preserving the value of its own buildings in the year under review. The focus was on measures to improve sustainability.

PostFinance Ltd | Key figures as per the accounting rules for banks¹

		31.12.2024	31.12.2025
Result			
Profit	CHF million	120	282
Gross result from interest operations	CHF million	497	591
Result from commission business and services	CHF million	404	343
Operating income	CHF million	1,200	1,253
Operating expenses	CHF million	1,009	935
Cost-income ratio ²	%	84.1	74.6
Return on equity ³	%	1.8	3.6
Balance sheet			
Total assets	CHF million	104,836	104,376
Financial investments	CHF million	54,479	55,651
Liquid assets	CHF million	32,947	32,536
Amounts due in respect of customer deposits	CHF million	88,326	91,346
Capital adequacy / liquidity			
Capital ratio as per guidelines for systemically important banks	%	22.3	28.0
Leverage ratio	%	6.3	6.7
Net stable funding ratio	%	187	191
Liquidity coverage ratio	%	218	242
Liquidity Requirements for Systemically Important Banks	%	377	469
Market, customers and employees			
Customers ⁴	In thousands	2,403	2,390
Private customers	In thousands	2,156	2,152
Corporate customers	In thousands	247	238
Customer assets ⁵	CHF million	106,642	112,806
Funds, securities and life insurance ⁶	CHF million	20,265	22,982
Customer deposits on accounts	CHF million	86,377	89,824
Development of customer assets ⁵	CHF million	2,571	6,164
E-finance users	In thousands	1,965	1,990
Payment transactions	In millions, cumulated	1,433	1,482
Average headcount	Full-time equivalents	3,527	3,464

1 PostFinance issues annual financial statements in accordance with the accounting rules for banks (Articles 25–28 of the Banking Ordinance, the FINMA Accounting Ordinance and FINMA Circular 2020/1 "Accounting – banks").

2 Cost-income ratio = operating income / operating expenses.

3 Return on equity = operating result as per ARB / average eligible equity capital.

4 The measurement logic of the key figure has been revised with regard to the definition of active customers and the previous year adjusted accordingly.

5 Customer assets consist of all assets deposited by customers, based on average December monthly holdings. The growth in customer assets is measured based on the change from December of the previous year to December of the reporting year based on the monthly average.

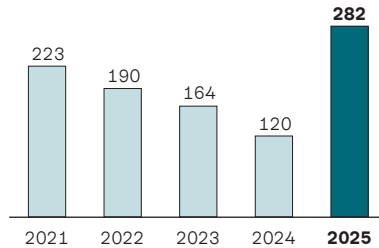
6 Commission business in cooperation with financial partners.

PostFinance increased its operating result and generated extraordinary income.

Result

Profit

CHF million



PostFinance generated profit as per the accounting rules for banks of 282 million francs, up 162 million francs year-on-year. This improved result was due to higher operating income, lower operating expenses and extraordinary income.

In a challenging market environment, PostFinance benefited from its long-term and balanced investment strategy. This was reflected in higher net interest income.

PostFinance generated higher non-interest income from growing customer assets and additional income from the PostFinance Debit Card. This was offset by the growing burden of the decline in over-the-counter payment transactions. The deficit in this part of the universal service is increasingly weighing on the result.

Overall, operating expenses were down year-on-year. Personnel expenses rose due to a higher average headcount, higher employee benefit expenses and a provision for restructuring. General and administrative expenses declined as a result of a focus on projects with strategic benefits and efficiency improvements in operations.

PostFinance generated extraordinary income of 285 million francs, partly through the sale of its participation in Yuh and the disposal of a share of its participation in Swissquote. This represents an increase of 246 million francs year-on-year.

To strengthen its risk capacity, PostFinance allocated 140 million francs to its reserves for general banking risks.

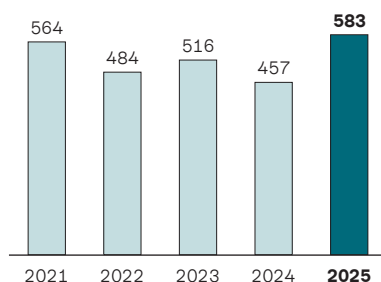
The interest differential business remains the most important source of income for PostFinance.

Operating income

Operating income stood at 1,253 million francs, up 53 million francs year-on-year.

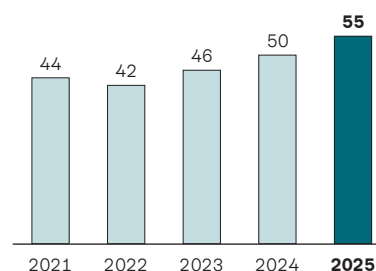
Net result from interest operations

CHF million



Interest margin

Basis points



Higher net result from interest operations

For PostFinance, the interest differential business remains the most important source of income. In 2025, it generated net interest income of 583 million francs, up 126 million francs year-on-year. After years of erosion, the interest margin improved to 55 basis points in 2025.

Inflationary pressure continued to ease in 2025. The Swiss National Bank (SNB) continued its monetary easing, lowering its policy rate from 0.5 to 0 percent over the course of the year. This limits the scope for attractive customer interest rates. It meant PostFinance was forced to lower customer interest rates.

In the current difficult market environment, PostFinance is benefiting from its long-term, balanced investment strategy, which focuses on achieving a stable result from interest operations. Interest income on financial investments rose year-on-year. At present, maturities from the negative interest phase are being reinvested at even higher yields. At the same time, income from interest on sight deposits at the SNB and on the interbank money market fell significantly. PostFinance is feeling the pressure on margins more severely than other Swiss banks, as it is not allowed to issue loans and mortgages.

Lower losses in the investment portfolio supported higher net interest income.

One-off positive changeover effect

PostFinance hedges foreign currency risks with hedge accounting using cross-currency interest rate swaps (CCIRS). Since 1 January 2025, these transactions are recorded on a monthly basis rather than at the end of the term of the CCIRS. This refinement of accounting logic produced a one-off positive changeover effect of 37 million francs.

Result from commission business and services as well as from trading activities

PostFinance recorded a lower result in its non-interest-related business. The result from commission business and services was down 61 million francs year-on-year. The result from trading activities was 14 million francs lower.

Customer assets in investment products such as fund self-service, retirement funds and e-asset management rose to 23 billion francs. This led to higher income. PostFinance also recorded more trading activities in e-trading, further improving its result.

Income from payment transactions continued to rise due to greater use of the PostFinance Debit Card and transaction pricing on electronic payments from major customers.

The number of inpayments at the counter fell by 10 percent in 2025. The deficit in this part of the universal service continues to weigh heavily on the result.

The transfer of Postomat operations to PostalNetwork also eliminated income from fees for withdrawals with third-party cards, and commission expenses increased. However, operating expenses declined.

Foreign currency earnings rose due to greater use of the PostFinance Debit Card abroad and international payment transactions. Trading portfolio assets were impacted by foreign currency effects on hedging transactions.

Operating expenses

Operating expenses amounted to 935 million francs, 74 million francs below the previous year's figure of 1,009 million francs.

Personnel expenses

Personnel expenses stood at 527 million francs, rising by 18 million francs due to a higher average headcount, additional employee benefit expenses and a provision for restructuring. On 1 December 2025, PostFinance aligned its structural organization with the new strategy. At the end of 2025, the headcount stood at 3,464 full-time equivalents, 63 fewer full-time equivalents than in December 2024.

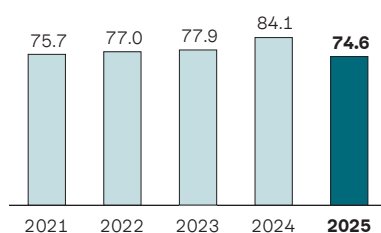
General and administrative expenses

General and administrative expenses stood at 408 million francs, down 92 million francs year-on-year. Strategically, PostFinance continues to invest in the simplification and digitization of processes for the benefit of customers. In implementing the new strategy, resources are deliberately deployed to have an impact. With the transfer of Postomat operations to PostalNetwork, PostFinance further reduced general and administrative expenses.

Higher operating income and lower operating expenses improved the cost-income ratio.

Cost-income ratio

Percent



PostFinance reduced the cost-income ratio to 74.6 percent. This represents an improvement of 9.5 percentage points over the previous year.

Operating result

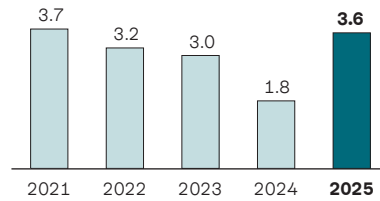
The operating result stood at 222 million francs, up 112 million francs year-on-year. This increase is attributable to higher operating income and lower operating expenses.

An increase in value adjustments on participations and higher depreciation and amortization on a property led to higher expenses compared to the previous year.

PostFinance has increased its operating result and improved its return on equity.

Return on equity¹

Percent



¹ The return on equity is measured by the ratio of the operating result to average Common Equity Tier 1 capital.

The return on equity stood at 3.6 percent, 1.8 percentage points higher than the previous year. Average eligible equity capital rose from 6,141 million francs to 6,217 million francs. This is due to the reinvestment of a share of profits from the previous year and the transfer to reserves for general banking risks.

Earnings before tax

Earnings before tax stood at 367 million francs, up 218 million francs year-on-year.

Extraordinary income

PostFinance generated extraordinary income of 285 million francs, partly through the sale of its participation in Yuh and the disposal of a share of its participation in Swissquote. This represents an increase of 246 million francs year-on-year.

Sale of 50 percent participation in Yuh to Swissquote

In July 2025, PostFinance sold its participation in the joint venture Yuh to enable the fintech company to sharpen its focus on implementation of its expansion strategy. The sale of Yuh allows PostFinance to focus more closely on its strategy and continue to develop its own digital banking solution.

Swissquote shares sold

On 1 December 2025, PostFinance sold 3.5 percent of its total 5 percent participation in Swissquote Group Holding SA. In future, PostFinance intends to focus more clearly on its own core topics and growth areas, and is streamlining its portfolio of participations. Operational collaboration with Swissquote remains in place: Swissquote continues to operate the e-trading platform in e-finance.

Build-up of reserves for general banking risks

To strengthen its risk capacity, PostFinance allocated 140 million francs to its reserves for general banking risks.

Profit

Profit totalled 282 million francs. This represents an increase of 162 million francs year-on-year.

Reconciliation of PostFinance segment operating profit as per the International Financial Reporting Standards (IFRS) with PostFinance Ltd profit as per accounting rules for banks

PostFinance issues annual financial statements in the statutory form in accordance with the accounting rules for banks (articles 25–28 of the Banking Ordinance, the FINMA Accounting Ordinance and FINMA Circular 2020/1 “Accounting – banks”). PostFinance Ltd’s further disclosures regarding the capital adequacy statements are also based on data in accordance with the accounting rules for banks.

The accounting and valuation policies in accordance with the accounting rules for banks differ from the requirements in accordance with International Financial Reporting Standards (IFRS). The table below reconciles the PostFinance segment result in accordance with IFRS with profit as per the accounting rules for banks.

Reconciliation of income statement from Group segment reporting with PostFinance net annual result in accordance with the accounting rules for banks

Swiss Post identifies PostFinance as a segment in its Group reporting. This segment shows the Group perspective and contains transfers of individual income and expense items from PostFinance to other Group units as well as the consolidated perspective. The table below reconciles the PostFinance segment result with the PostFinance Ltd net annual result in accordance with Group IFRS guidelines and PostFinance Ltd’s profit in accordance with the accounting rules for banks.

Result from public service mandate in counter payment transactions

Swiss Post and its subsidiaries must finance the universal postal service from their own resources. This is why PostFinance’s results also include income and expenses from over-the-counter transactions carried out at PostalNetwork branches. The ongoing digitization of payment transactions is leading to a sharp decline in transaction volumes at branches and increasingly weighing on PostFinance’s result. This is also disclosed in the “Reconciliation of profit” table. In 2025, the number of inpayments at the counter fell by 10 percent year-on-year. Customers are increasingly using cashless payment options, and bills are being paid digitally.

Swiss Post and its subsidiaries finance the universal postal service from their own resources.

PostFinance Ltd Reconciliation of profit		
CHF million	2024 ²	2025
PostFinance segment operating profit (EBIT), before fees, net cost compensation and EBIT-relevant result from public service mandate in counter payment transactions¹	274	348
EBIT-relevant result from public service mandate in counter payment transactions ¹	-58	-58
PostFinance segment operating profit (EBIT) as per IFRS before fees and net cost compensation	216	290
Management / licence fees / net cost compensation	-42	-52
PostFinance segment operating profit (EBIT) as per IFRS after fees and net cost compensation	174	238
Net income from associates and joint ventures	4	2
Net financial income	-49	26
PostFinance segment earnings before tax (EBT) as per IFRS	129	266
Income tax	-23	-36
PostFinance segment profit as per IFRS	106	230
Consolidation effects from associates and joint ventures	-3	-11
PostFinance Ltd profit as per IFRS before reconciliation	103	219
Valuation differences for financial investments ³	-8	49
Reversal of impairment / impairment on financial investments and receivables, incl. taxes	0	0
Realized gains from (earlier than scheduled) repayments	1	-2
Valuation differences between IAS 19 and Swiss GAAP ARR 16	-5	3
Valuation differences, IFRS 16 Leases	0	0
Depreciation of revalued real estate	-3	-3
Individual value adjustment due to lower market value (fixed assets)	-	-12
Valuation differences for participations	-1	-4
Realized gains from participations	37	220
Reserves for general banking risks	-	-140
Adjustment of current and deferred tax effects as per IFRS	-4	-48
PostFinance Ltd profit as per the accounting rules for banks	120	282

1 Additional disclosure: funding gap from paper-based payment transactions and use of cash in the universal service.

2 The figures have been adjusted (accounting changes). See footnote 3; Adjustment to recognition of hedging costs.

3 Effect from the adjustment to the recognition of hedging costs as per "Accounting – banks". In the IFRS financial statements, the previous year's figures were adjusted (see footnote 2). In the financial statements in accordance with "Accounting – banks", the effect of the change of the existing CCIRS as at 31 December 2024 (37 million francs) is taken into account in the 2025 financial year. For more information, see the income statement in the statutory annual financial statements.

Customers are satisfied with PostFinance's services.

Non-financial results of a material nature

Customer satisfaction – private customers

On the whole, private customers are very satisfied with PostFinance. Overall satisfaction stands at 83 out of 100 points (previous year: 81 points). They are very satisfied with e-finance online banking, rating it at 88 points, significantly higher than in the previous year. This is due to a better score for simplicity and reliability. At 83 points, the PostFinance Card, PostFinance App and PostFinance Pay payment methods also received significantly higher scores. The most frequently cited reasons for dissatisfaction are high costs and fees. Nevertheless, private customers rate value for money, expenses and fees significantly better in 2025 than in the previous year.

Customer satisfaction – corporate customers

Corporate customers in the retail segment give PostFinance 78 out of 100 points (previous year: 77 points), indicating that they are also satisfied with the services overall. They give e-finance 84 points, software-based automated payment transactions 85 points and the QR-bill 89 points. The most frequently cited reasons for dissatisfaction are service aspects. In 2025, PostFinance responded to these criticisms with process optimization measures, marketing measures such as an appreciation initiative, customer loyalty programmes and an image campaign. PostFinance is also driving the development of its products and services forward in an effort to increase customer satisfaction.

Employee survey

Employees across the company rate PostFinance as good to very good in all areas. In the area of direct management in particular, employees gave exceptionally positive scores, especially with regard to appreciation and support. 97 percent of participating employees would recommend PostFinance as an employer.

More than 90 percent of employees took part in the employee survey. This underlines the perceived benefits of the survey and shows that it has become more established as a tool in the past year. The survey is actively discussed within teams, and the results serve as a basis for concrete measures.

Risk assessment

Due to the lending prohibition and associated investment activity on the money and capital markets, the success of PostFinance's interest differential business for new investments depends heavily on the particular interest rates in each of the markets. Despite this limitation, PostFinance is pursuing a cautious investment policy. This is reflected in a portfolio with very good credit quality and high liquidity. The term structure of the investment portfolio is coordinated with the structure for customer deposits. This produces a balanced interest rate risk position.

For PostFinance, the primary risks stem mainly from unexpected defaults in the investment portfolio. For this reason, it regularly measures and assesses credit quality and risk diversification within the portfolio. Interest rate risks arising from maturity transformation can lead to fluctuating interest income. PostFinance monitors and assesses these risks on an ongoing basis using multi-period dynamic income analyses.

PostFinance's held-to-maturity portfolio is not affected by increased market volatility. The market risks taken are therefore of little importance. The liquidity situation remains stable at a very high level. Additional challenges as a result of new regulatory developments are possible. Due to the legally restricted flexibility of its business model, PostFinance is particularly exposed to such challenges.

Strategy implementation

Development of products and services

2 million customers have access to e-finance.

PostFinance is pressing ahead with its transformation to become the number one digital bank in Switzerland. 2 million customers have access to e-finance. More than one million customers actively use the PostFinance App. PostFinance is the ideal partner for everyone who wants to manage their own finances as easily as possible.

Mobile payments increasingly popular

Mobile payment solutions are becoming increasingly popular in Switzerland. PostFinance is continuously driving this development forward. At the end of 2025, PostFinance reached two milestones: in addition to credit cards, customers can now also use the PostFinance Card combined with Debit Mastercard for Samsung Pay. This means that all PostFinance cards can now be used in the Apple Pay, Google Pay and Samsung Pay mobile wallets. In October, major online retailer SBB switched to the new PostFinance Pay payment solution. PostFinance Pay replaces the "PostFinance Card" and "PostFinance e-finance" payment methods. Customers can process their transactions easily and conveniently via the PostFinance App. Physical cards or readers are no longer required. With these developments, PostFinance has expanded its range of services for customers who value secure payment by smartphone.

Developments in investing

In February 2024, PostFinance made cryptocurrency trading and custody accessible to its customers. In January 2025, the crypto range was expanded with the rollout of the staking function. Staking allows customers to earn passive income by depositing cryptocurrency. For the time being, the function is available for the Ether cryptocurrency in e-finance and in the PostFinance App. PostFinance is the first systemically important bank in Switzerland to offer this function. In August, PostFinance introduced the fractional trading function. This allows customers to trade fractions of shares, ETFs and themed certificates via e-trading.

In 2025, PostFinance managed more than 2 billion francs in customer assets in e-asset management. The Swiss business magazine "Bilanz" named e-asset management the best asset manager in the "Sharpe ratio" category. PostFinance beat 35 other asset managers to win the award.

New service: Passive retirement funds

In August, PostFinance expanded its existing range of retirement funds by adding four passively managed funds with equity components of 25, 50, 75 and 100 percent. The new funds are available to customers in e-finance and in the PostFinance App. With this expansion, PostFinance is strengthening its strategic focus as an investment bank and placing the needs of its customers more firmly at the heart of its activities.

The PF Pension – ESG 25 Fund retirement fund received the LSEG Lipper Fund Award for best fund performance for the second time in a row. It beat 47 competitors.

PostFinance
 considers future
 themes and trends
 systematically.

Identifying future themes

With its Innovation and Venturing (VNTR) department, PostFinance ensures that relevant future themes and trends are identified early, and that potential opportunities are examined. VNTR tests innovations directly in the market at an early stage and pursues them as long as PostFinance has not yet introduced or used the solutions itself.

The conference for Open-i, Switzerland's leading innovation platform and community, took place in November. Open-i promotes dialogue between the business and scientific communities and shows how the latest research findings can be integrated into business services. VNTR represented PostFinance at the event and held talks with major corporations in other sectors.

PostFinance tests solutions to operational challenges together with startups through venture clienting.

PostFinance has expanded its network in the Nordic countries, which are seen as pioneers in digitization and the cashless society.

VNTR investigated "nature capital", an innovative asset class that can have an impact on sustainability and sustainable behaviour. In collaboration with ETH Zurich and its Sustainability in Business Lab (sus.lab), PostFinance published a study that identifies a potential solution for promoting CO₂ reduction in Switzerland. Talks were also held with numerous Swiss brand name companies about implementing the solution.

PostFinance is identifying new needs for payment solutions in ecosystems, in 2025 for example for "cardossier", a digital platform for vehicle management, where it tested the first prototypes.

In 2025, PostFinance linked VNTR's validated innovation process with agility approaches in IT and adopted the process operationally throughout the organization. This gave rise to a common language of innovation geared to the future.

According to the Swiss business magazine Bilanz, PostFinance was one of Switzerland's 100 most innovative companies in 2025. This is the result of its consistent innovation framework and its active role in pioneering developments such as TWINT, Yuh and a crypto range.

Corporate venture capital and participations

Access to new business models and technologies remains key for PostFinance. Since 2016, PostFinance has secured this access through participations in growth companies, for example. At the end of 2025, the portfolio comprised 14 participations in startups and seven participations in established companies.

PostFinance uses its systematic engagement with startups in Switzerland and abroad as a source for assessing the market readiness of products for new customer needs. In the year under review, for example, there was strong momentum behind the use of blockchain technology in international payment transactions. Through its portfolio of participations and work with startups, PostFinance was able to test hypotheses without tying up internal resources. The knowledge acquired enables well-founded prioritization of innovation projects and allows the investment of internal resources in mature projects that have been validated on the market.

Engaging with startups working in cybersecurity provides insights into emerging risks for banks and financial institutions. One of the projects undertaken by PostFinance in the year under review was a proof of concept for the recognition of artificially generated voices – an issue that will affect the Customer Center in particular in the medium term. Advances in quantum technology will also require adjustments and investments in banking infrastructure. Specialized units at PostFinance monitor innovative solutions from startups and established companies, contributing to the long-term security of the financial institution.

PostFinance is committed to greater equity in sport.

Key events in 2025

PostFinance Women's League – greater equity in sport

For 25 years, PostFinance has been involved in Swiss ice hockey and, as the main and naming rights partner of the PostFinance Women's League since the 2022/2023 season, has been committed to giving women's ice hockey a greater presence and contributing to its professionalization.

As in previous years, interest in the PostFinance Women's League also grew significantly in 2025: in the 2024/2025 season, the number of stadium visitors doubled, and it has increased sevenfold since the start of the commitment. At the same time, media coverage has increased significantly and awareness of the league has tripled since the start of the commitment.

On 1 November 2025, PostFinance showcased an unusual way to advocate for equity at the PostFinance Arena in Bern. For the match between the SC Bern and ZSC Lions men's teams, the PostFinance logo on the SCB players' jerseys was replaced by the name of Lara Christen, captain of the SCB women's team. Accompanying measures in the stadium and a MySports studio broadcast boosted the impact of the initiative and put women's ice hockey firmly in the spotlight.

Financial literacy as a life skill

In February 2025, the Sotomo research institute conducted a study on behalf of PostFinance entitled "Children, money and the path to independence". For the representative study, 1,429 parents with at least one child between the ages of five and 18 were asked about their approach to pocket money. The results show that financial education in Switzerland starts early. Two out of three children receive regular pocket money by the time they start school at the latest. At the same time, 92 percent of parents talk to their five to eight-year-old children about money – not only about how to use it, but also about fundamental values. Because financial literacy starts early, PostFinance's commitment to MoneyFit has been strengthening the financial literacy of children and young people in schools, training companies and families for many years. This is part of PostFinance's contribution to financial education in Switzerland.

Outlook

Policy rate cuts have a direct impact on interest income.

The economic and regulatory environment remains challenging for PostFinance. There is still a great deal of uncertainty regarding international economic and trade policy and its macroeconomic consequences. In particular, the impact of economic policy in the US is unpredictable. Additional trade barriers or trade disputes pose risks to the international economy. Geopolitical risks remain, particularly in connection with the armed conflicts in Ukraine and the Middle East. In addition, it cannot be ruled out that inflation in individual countries will remain higher than expected.

In its baseline scenario, the Swiss National Bank (SNB) assumes that, for now, this challenging situation will persist. The global economy is likely to see only moderate growth over the coming quarters. A slowdown in international economic development would have an impact on Swiss foreign trade and the domestic economy. If inflation proves to be stubborn, monetary easing in the major currency areas could take longer than expected. This would exacerbate the existing risks associated with global debt, the balance sheet risks of financial institutions and the risks on the real estate and financial markets. If several of these risks materialize, further upward pressure on the Swiss franc is to be expected.

Higher long-term interest rates since the turnaround to positive policy rates in autumn 2022 gradually led to higher income from financial investments. The interest margin improved after years of erosion. At the same time, inflationary pressure declined further in 2025. The SNB continued its monetary easing and lowered its policy rate to 0 percent. At the beginning of 2024, it was still at 1.75 percent. The SNB's decision came in response to the renewed decline in inflationary pressure. It will continue to monitor developments closely and adjust monetary policy as necessary in an effort to ensure price stability. Further interest rate moves cannot be ruled out.

Inflation in Switzerland fell to 0 percent in November 2025. Based on its December 2025 assessment, the SNB's inflation expectations with regard to price stability remained unchanged. For PostFinance, this means a trend towards falling interest income and lower expectations for future income. The policy rate cuts have a direct impact on interest income. As at 31 December 2025, PostFinance held a large amount of liquid assets at the SNB. These sight deposits have not earned interest since 20 June 2025, resulting in the loss of this income.

The SNB uses the interest on sight deposits to manage the interest rate level on the money market. If it falls, this will also have an impact on the capital market. At the end of December, the yield on 10-year Swiss Confederation bonds stood at 0.3 percent, while bonds with maturities of up to three years had negative yields. PostFinance continuously invests new assets in a long-term portfolio in line with the annual maturities and continues to hold a high proportion of its assets in long-term fixed-interest financial investments in Switzerland and abroad. This means expectations for future income are lower, further reducing the scope for interest on customer deposits.

Additional regulatory requirements expected

PostFinance expects a significant tightening of regulatory requirements. The revision of the too big to fail regulation will set an important course for the banking sector in the coming years. The consultation expected in mid-2026 on the amendments at legislative level is of particular importance. PostFinance would like to see due consideration given to criteria such as business model, risk profile and company size, and to see existing legal requirements remain in place.

A decision by the Federal Council on the revision of postal legislation is expected in mid-2026. This should finally mark the beginning of the real debate on the universal service of the future. In the meantime, PostFinance's competitive disadvantage due to the prohibition on issuing loans and mortgages remains in place.

PostFinance focuses on the needs of its customers.

Focussing on customer requirements

PostFinance consistently gears its activities towards the needs of its customers. The economic and regulatory environment remains challenging. The interest differential business is a key source of revenue. In the current interest rate environment, the competitive disadvantage of not being allowed to issue loans and mortgages puts additional pressure on margins. PostFinance therefore needs to increase its activity in non-interest-related business – for example in investments, trading, card business or with its expertise in payment transactions – and remain close to market requirements.

Alignment of organization to the needs and satisfaction of customers

PostFinance wants to further strengthen its position on the market and improve its economic viability. The challenges of a volatile market situation, investor uncertainty and a difficult interest rate environment are putting PostFinance under pressure. Since 1 December 2025, PostFinance has therefore focused its organization more closely than ever on the needs of its customers and customer satisfaction. Private customers and corporate customers are now two separate customer segments. Another new unit is explicitly dedicated to designing optimum customer experiences.

Additions to crypto range

PostFinance will continue to expand its range of digital assets and drive development of the crypto ecosystem forward. It is expanding its existing crypto range in 2026 to include six additional currencies. This will give customers access to a total of 22 cryptocurrencies. From mid-2026, PostFinance will also make this service available to customers of cooperation partners. It plans to fundamentally overhaul the staking function, make it more flexible and integrate other cryptocurrencies. At the same time, PostFinance intends to expand the range to corporate customers: in future, companies will be able to manage crypto portfolios directly with PostFinance, buy and sell as well as stake cryptocurrencies. PostFinance will continuously expand the range to meet the needs of corporate customers.

New investment opportunities

In spring 2026, PostFinance is expanding its e-asset management range to include the new “Future” and “Sustainable” focus areas. The “Future” focus is aimed at customers who also want to invest their assets in cryptocurrencies and in megatrend topics such as digitization, demographic change and health. The “Sustainable” focus offers customers an investment solution that aims to have a measurable impact on the environment and is compatible with Switzerland’s net-zero climate target for 2050.

PostFinance plans to launch its own ETF in the first half of 2026. This will expand its range of investments with an additional, broadly diversified solution for independent investors.

Official partner of the International Ice Hockey Federation (IIHF) World Championship

When the world’s best ice hockey nations compete for the world title at the IIHF World Championship in May 2026, PostFinance will be there as official partner. In this capacity, PostFinance will take the opportunity to highlight its long-standing ties to Swiss ice hockey and strengthen the PostFinance brand in a positively charged and inspirational environment.

Statutory annual financial statements

PostFinance issues annual financial statements in accordance with the accounting rules for banks (Articles 25–28 of the Banking Ordinance, the FINMA Accounting Ordinance and FINMA Circular 2020/1 “Accounting – banks”).

For 2025, the statutory financial statements indicate profit after tax of 282 million francs.

Total assets amount to 104 billion francs.

Balance sheet

PostFinance Ltd | Balance sheet as per Accounting – banks

CHF million	Notes	31.12.2024	31.12.2025
Assets			
Liquid assets		32,947	32,536
Amounts due from banks		2,738	1,895
Amounts due from securities financing transactions	5	–	–
Amounts due from customers	6	12,276	11,964
Mortgage loans		–	–
Trading portfolio assets		–	–
Positive replacement values of derivative financial instruments	7	769	795
Other financial instruments at fair value		–	–
Financial investments	8	54,479	55,651
Accrued income and prepaid expenses		445	474
Participations	9, 10	143	92
Tangible fixed assets	11	961	901
Intangible assets	12	5	4
Other assets	13	73	64
Total assets		104,836	104,376
Total subordinated claims		11	13
of which subject to mandatory conversion and / or debt waiver		0	2
Liabilities			
Amounts due to banks		809	922
Liabilities from securities financing transactions	5	8,490	4,980
Amounts due in respect of customer deposits		88,326	91,346
Trading portfolio liabilities		–	–
Negative replacement values of derivative financial instruments	7	207	61
Liabilities from other financial instruments at fair value		–	–
Cash bonds		140	54
Bond issues and central mortgage institution loans		–	–
Accrued expenses and deferred income		131	121
Other liabilities	13	430	213
Provisions	16	33	71
Reserves for general banking risks	16	–	140
Bank's capital	17	2,000	2,000
Statutory capital reserve		4,140	4,140
of which tax-exempt capital contribution reserve		4,140	4,140
Statutory retained earnings reserve		–	–
Voluntary retained earnings reserves		–	46
Profit carried forward		10	–
Profit		120	282
Total liabilities		104,836	104,376
Total subordinated liabilities		442	668
of which subject to mandatory conversion and / or debt waiver		442	668

PostFinance Ltd | Off-balance sheet transactions as per the accounting rules for banks

CHF million	Notes	31.12.2024	31.12.2025
Contingent liabilities	6, 25	50	132
Irrevocable commitments		869	787
Obligations to pay up shares and make further contributions		–	–
Credit commitments		–	–

Income statement

PostFinance Ltd | Income statement as per the accounting rules for banks

CHF million	Notes	2024	2025
Interest and discount income		523	210
Interest and dividend income from trading portfolios		–	–
Interest and dividend income from financial investments		361	440
Interest expense		–387	–59
Gross result from interest operations		497	591
Changes in value adjustments for default risks and losses from interest operations		–40	–8
Net result from interest operations		457	583
Commission income from securities trading and investment activities		99	110
Commission income from lending activities		22	18
Commission income from other services		606	590
Commission expense		–323	–375
Result from commission business and services		404	343
Result from trading activities and the fair value option	27	230	216
Result from the disposal of financial investments		2	4
Income from participations		5	7
Result from real estate		61	60
Other ordinary income		42	40
Other ordinary expenses		–1	0
Other result from ordinary activities		109	111
Operating income		1,200	1,253
Personnel expenses	28	–509	–527
General and administrative expenses	29	–500	–408
Operating expenses		–1,009	–935
Value adjustments on participations and depreciation and amortization of tangible fixed assets and intangible assets		–68	–77
Changes to provisions and other value adjustments, and losses		–13	–19
Operating result		110	222
Extraordinary income	30	39	285
Extraordinary expenses	30	0	0
Changes in reserves for general banking risks	31	–	–140
Earnings before taxes		149	367
Taxes	32	–29	–85
Profit		120	282

Appropriation of profit/loss

PostFinance Ltd | Distributable profit

CHF million	31.12.2024	31.12.2025
Profit for the year	120	282
Profit carried forward	10	–
Total distributable profit	130	282

At its meeting on 20 February 2026, the PostFinance Ltd Board of Directors proposed the following appropriation of profit for submission to the General Meeting on 10 April 2026:

PostFinance Ltd | Appropriation of profit/loss

CHF million	31.12.2024	31.12.2025
Dividend distributions	84	282
Allocation to voluntary retained earnings reserves	46	–
Total distributable profit	130	282

Cash flow statement

PostFinance Ltd Cash flow statement as per the accounting rules for banks	Cash inflow 2024	Cash outflow 2024	Cash inflow 2025	Cash outflow 2025
CHF million				
Cash flow from operating activities (internal financing)				
Profit for the year	120	–	282	–
Change in reserves for general banking risks			140	–
Value adjustments on participations, depreciation and amortization of tangible fixed assets and intangible assets	65	–	73	–
Provisions and other value adjustments	–	2	38	–
Change in value adjustments for default risks and losses	36	–	4	–
Accrued income and prepaid expenses	–	50	–	28
Accrued expenses and deferred income	–	1	–	10
Other items	–	–	–	–
Previous year's dividend	–	114	–	84
Subtotal	54		415	
Cash flow from shareholder's equity transactions				
Share capital	–	–	–	–
Recognized in reserves	–	–	–	–
Subtotal				
Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets				
Participations	12	13	51	1
Real estate	–	17	–	14
Other tangible fixed assets	–	16	11	9
Intangible assets	–	–	–	–
Subtotal		34	38	
Cash flow from banking operations				
Medium and long-term business (>1 year):				
Amounts due to banks	–	–	–	–
Amounts due in respect of customer deposits	–	17	224	–
Cash bonds	17	–	–	86
Other liabilities	–	36	–	216
Amounts due from banks	269	–	729	–
Amounts due from customers	–	184	242	–
Mortgage loans	0	–	–	–
Financial investments	2,251	–	–	1,174
Other accounts receivable	–	17	9	–
Short-term business:				
Amounts due to banks	–	711	114	–
Liabilities from securities financing transactions	4,390	–	–	3,510
Amounts due in respect of customer deposits	–	1,262	2,794	–
Negative replacement values of derivative financial instruments	198	–	–	146
Amounts due from banks	–	118	113	–
Amounts due from securities financing transactions	–	–	–	–
Amounts due from customers	–	253	68	–
Positive replacement values of derivative financial instruments	561	–	–	27
Financial investments	748	–	–	–
Subtotal	5,836			866
Liquidity				
Liquid assets	–	5,856	413	–
Subtotal		5,856	413	
Total	5,890	5,890	866	866

Statement of changes in equity

Statement of changes in equity as per the accounting rules for banks

CHF million	Bank's capital	Capital reserve	Statutory retained earnings reserve	Reserves for general banking risks	Voluntary retained earnings reserves and profit carried forward	Result of the period	Total
Equity as at 1.1.2025	2,000	4,140	–	–	130	–	6,270
Dividends	–	–	–	–	–84	–	–84
Allocations to (transfers from) reserves for general banking risks	–	–	–	140	–	–	140
Profit	–	–	–	–	–	282	282
Equity as at 31.12.2025	2,000	4,140	–	140	46	282	6,608

Notes

1 | Business name and the legal form and domicile of the bank

Business name: PostFinance Ltd (company number CHE-114.583.749)
 Legal form: Private limited company (Ltd)
 Domicile: Bern (Switzerland)

2 | Accounting and valuation policies

General principles

PostFinance's bookkeeping, accounting and valuation policies are based on the Swiss Code of Obligations, the Banking Act and the related ordinances, statutory provisions and the guidelines issued by the Swiss Financial Market Supervisory Authority (FINMA). The true and fair view statutory single-entity financial statements give an accurate picture of the assets, liabilities, financial position and results of operations of the company. They are in accordance with the accounting rules for banks (Articles 25–28 of the Banking Ordinance, the FINMA Accounting Ordinance and FINMA Circular 2020/1 "Accounting – banks").

In the notes, individual report figures are rounded for publication. Small rounding differences may therefore occur.

Foreign currency translation

Balance sheet items in foreign currency are converted at the foreign exchange rates valid at the end of the year. Any resulting exchange gains and losses are recognized in the income statement. Income and expenses are converted at the applicable daily rates.

Closing rates	31.12.2024	31.12.2025
EUR	0.9407	0.9310
USD	0.9040	0.7933
GBP	1.1343	1.0673
JPY	0.0058	0.0051

Offsetting

As a rule, no offsetting takes place, except in the following cases: receivables and liabilities are offset if they originate from transactions of the same type with the same counterparty, have the same or earlier term to maturity as the receivable, are in the same currency and do not lead to any counterparty risk.

Trade date/settlement date accounting

Securities transactions in financial investments are recognized on the trade date. Participations are recognized at the settlement date. Concluded foreign exchange and money market transactions are recognized in the balance sheet on the settlement date (value date). Foreign exchange transactions are recognized at their replacement value in the balance sheet in "Positive replacement values of derivative financial instruments" or "Negative replacement values of derivative financial instruments" until their settlement date.

General valuation policies

The detailed positions within items in the balance sheet are valued separately (item-by-item valuation).

Liquid assets, amounts due from banks and amounts due from securities financing transactions

These items are included in the balance sheet at their nominal value or acquisition cost less value adjustments for impaired loans / receivables and expected losses. Cash outflows from reverse repurchase transactions are presented as amounts due from securities financing transactions. Financial investments obtained as collateral are generally not recognized in the balance sheet. Interest income from reverse repurchase transactions is accounted for using the accrual-based accounting principle. Securities lending and borrowing transactions are recorded at the value of the cash deposits that have been received or made. Securities borrowed or received as collateral are only recognized in the balance sheet if PostFinance gains control over the contractual rights. Securities lent and provided as collateral are derecognized if PostFinance loses the contractual rights. The fair values of the securities borrowed and lent are monitored daily in order to adjust the collateral where required. Securities cover for reverse repurchase and securities lending transactions is recognized on a daily basis at current fair values. Fees received or paid in relation to securities lending and repurchase transactions are stated in the result from commission business and services.

Amounts due from customers

These items are included in the balance sheet at their nominal value or acquisition cost less value adjustments for impaired loans / receivables and expected losses. Receivables are classed as impaired at the latest when the payments of capital and/or interest are more than 90 days outstanding. Interest outstanding for more than 90 days is regarded as overdue. Overdue or impaired interest is no longer credited to the income statement but instead allocated to value adjustments. Receivables are reported without interest when their collection is so doubtful that the accrual of such interest can no longer be deemed appropriate.

Uncollectible receivables or receivables for which a debt waiver has been granted are derecognized from the value adjustment. Value adjustments that are no longer economically necessary are released to income. All value adjustments are deducted directly from the corresponding item in the balance sheet.

Trading portfolio assets

Securities held for trading acquired primarily with the aim of achieving short-term gains through fluctuations in market prices are measured at fair value. Realized and unrealized gains and losses are recorded under "Result from trading activities and the fair value option". Interest and dividend income from securities held for trading is recognized under net interest income. Where, as an exception, no fair value is ascertainable, valuation follows the principle of the lower of cost or market value.

Positive and negative replacement values of derivative financial instruments

Derivative financial instruments which are not accounted for under the hedge accounting rules or which do not meet the conditions are treated as instruments held for trading. They are recognized at fair value and subsequently measured at fair value. Hedge accounting is applied to hedging transactions if these are effective in offsetting fluctuations in the fair value or cash flow attributable to the hedged items. Effectiveness is reviewed on a monthly basis. Fair value hedges hedge the fair value of an asset or a liability. Changes in the value of both the hedging instrument and the underlying instrument are recognized in the income statement. Cash flow hedges hedge anticipated future transactions. The effective portion is allocated to the compensation account, while the ineffective portion is recognized in profit or loss. The foreign currency basis spreads of cross-currency swaps, which are designated as hedging instruments, are excluded from the designation and booked as hedging costs. The amounts are accounted for in other assets or other liabilities and reclassified to the income statement over the term of the underlying transaction. Positive and negative replacement values are recognized at fair value under "Positive replacement values of derivative financial instruments" and "Negative replacement values of derivative financial instruments".

Financial investments

Financial investments with a fixed maturity that are held to maturity are measured using the amortized cost method less value adjustments for expected losses. The effective interest method spreads premiums and discounts over the term to maturity using the present value method. Fair values are determined using stock market prices or valuation models. In the case of listed financial instruments, the fair value corresponds to the market price provided that such prices have been set on a price-efficient and liquid market. If financial investments intended to be held to maturity are sold or repaid prior to maturity, the gains or losses realized that correspond to the interest component are accrued over the remaining term.

Equity securities and cryptocurrencies are valued according to the principle of the lower of cost or market value. Debt securities not intended to be held to maturity are also valued according to the principle of the lower of cost or market value. Amortized cost is used to determine the lower of cost or market value. Recoveries of receivables written off in prior periods are credited to this item in the balance sheet.

Establishing amounts for value adjustments

PostFinance uses the expected loss method in accordance with IFRS 9 (ECL model) to establish amounts for value adjustments. Depending on the change in credit risk since acquisition, debt securities, amounts due from securities financing transactions, amounts due from customers and amounts due from banks are assigned to one of three levels for the calculation. The amount of the value adjustment depends on the level: in level 1, it corresponds to the expected loss over the next year; in levels 2 and 3, it corresponds to the expected loss over the instrument's entire remaining term to maturity. The expected loss over the next year is based on the exposure of the position included in the default risk, the probability of default of the instrument for the relevant year due to economic trends, and an expected loss given default. For the remaining term to maturity, the expected loss is calculated based on the probability of default due to economic trends over the entire remaining term, current and future exposure and the expected loss given default.

At the time of acquisition, a financial instrument with intrinsic value is allocated to level 1. A transition to level 2 takes place if there has been a significant increase in credit risk since initial recognition. This is the case if the current rating of a position is below a defined threshold that depends on the original rating. Due to the exponential nature of the probability of default, the better the original rating, the greater the relative change must be. Ratings are obtained from recognized rating agencies; if these are not available, ratings from non-recognized agencies such as qualified banks are used. A payment delay of more than 30 days is also a criterion for a move to level 2. In addition, the Pricing Policy Committee assesses whether there is a significant rise in credit risk for positions under special consideration. This applies to positions with a non investment-grade rating, positions with a spread above a defined threshold, lower tier 2 positions or positions without an external rating. If an event of default is present on the balance sheet date, the position is allocated to level 3. An event of default is present if PostFinance assumes that there is a strong probability that the debtor will be unable to meet their payment obligations in full and as agreed, if a D rating (default) applies or if the liability is more than 90 days overdue from the counterparty. Positions allocated to levels 2 or 3 in accordance with the ECL model can be transferred back to level 1 or 2 as soon as the criteria are met.

The value adjustment of a financial instrument is measured using the following parameters: default probability, credit loss ratio and credit exposure at the time of default. As PostFinance has not recorded any bond defaults in the past and invests primarily in highly rated bonds, there are no internal default time series available. For this reason, the default probabilities are derived from external migration matrices and periodically adjusted based on the expected economic trends. The model parameters for the credit loss rate for different types of product are determined based on various external sources using expert opinion. The Pricing Policy Committee monitors the correct valuation of the positions in the investment portfolio and, if necessary, can propose an appropriate value adjustment to the Head of Finance. Individual value adjustments are authorized by the Head of Finance. Credit exposure at the time of default generally corresponds to amortized cost or forecasted amortized cost plus outstanding interest.

Value adjustments are calculated for amounts due from private and business accounts and associated limits on a collective basis. The portfolios are generated on the basis of the characteristics applied in product management. Receivables are allocated to level 1 of the ECL model on initial recognition. They are allocated to levels 2 or 3 when the overdue period defined for the relevant level has been reached. The default rate for calculating the expected loss is determined using historical data on the switch to level 2 or level 3. On the balance sheet date, the previously calculated default probability is verified and, if necessary, adjusted on the basis of current and forward-looking information. The value adjustment for amounts due from banks is measured based on the default risk of outstanding loans or their credit rating.

Participations

All equity securities in companies intended to be held as long-term investments are reported as participations. Participations are included in the balance sheet at acquisition cost less necessary value adjustments in accordance with the individual valuation principle. Intrinsic value is reviewed at least once a year, based on stock market prices or valuation models such as the discounted cash flow method or the venture capital approach.

Tangible fixed assets

Tangible fixed assets are recognized in the balance sheet at acquisition cost less cumulative depreciation. Depreciation is calculated on a straight-line basis over their useful life: 3 to 4 years for IT infrastructure, 3 to 10 years for software, 10 to 80 years for real estate. Assets associated with the purchase, installation and development of software are capitalized if they are of measurable economic benefit. If there are signs of overvaluation, the book value is compared with the recoverable amount. If the book value exceeds the recoverable amount, the impairment is recognized in profit or loss. Gains from disposals are recognized as extraordinary income, while losses are recognized as extraordinary expenses.

Intangible assets

Acquired intangible assets are recognized in the balance sheet at acquisition cost less cumulative depreciation. Depreciation is calculated on a straight-line basis over their estimated useful life of 10 years. Additional depreciation is recognized in the event of impairment.

Accrued income and prepaid expenses, and accrued expenses and deferred income

Interest on assets and liabilities, commission and other income and expenses are accounted for using the accrual-based accounting principle.

Amounts due to banks, liabilities from securities financing transactions and amounts due in respect of customer deposits

Private and business accounts are recognized at their nominal value. Financial investments transferred as collateral in repurchase transactions remain under financial investments. Interest expenses are accounted for using the accrual-based accounting principle. Securities cover for repurchase and securities borrowing transactions is reviewed on daily basis. Amounts borrowed from banks and holders of qualified participations and cash bonds are recorded on the balance sheet at nominal value.

Provisions

Provisions are made according to objective criteria for all risks detectable on the balance sheet date that represent probable liabilities as a result of a past event, the amounts and/or timing of which are uncertain but can be reliably estimated. Provisions that are no longer economically necessary are released to income. Provisions for expected losses are made for off-balance-sheet transactions in the same way as value adjustments.

Pension benefit obligations

Pension benefit obligations are based on Swiss GAAP ARR 16/26. Employees are insured with the Swiss Post pension fund foundation under a Duoprimat (combined defined benefit and defined contribution) scheme in accordance with the Federal Act on the Occupational Old Age, Survivors' and Invalidity Pension Provision (OPA). Staff are thereby insured against the financial consequences of old age, death and disability. Retirement benefits are based on the defined contribution plan, while risk benefits are based on the defined benefit plan. Expenses are recognized in personnel expenses. Pension benefit obligations represent the actuarial present value of benefits for the employee's eligible insurance period and take account of statistical probabilities such as death and disability.

The employer contribution reserve is part of the Swiss Post pension fund. A future economic benefit is calculated and capitalized based on the most recent audited financial statements from the Swiss Post pension fund foundation.

Reserves for general banking risks

Reserves for general banking risks are reserves that are created as a precaution to cover the bank's latent business risks. The decision to create or release these reserves is at the discretion and approval of the PostFinance Board of Directors. Reserves for general banking risks are recognized as equity capital within the meaning of Article 21 of the Capital Adequacy Ordinance. They are created or released exclusively via the position "Changes in reserves for general banking risks". Reserves for general banking risks are not taxed. Provisions for deferred taxes are recognized.

Taxes

Income tax is calculated on the basis of the annual results. Tax liabilities are calculated at the current tax rate. Accruals and deferrals are recognized in the balance sheet under accrued income and prepaid expenses or accrued expenses and deferred income.

The tax consequences of time differences between the values of assets and liabilities shown in the balance sheet and their tax bases are recognized as deferred taxes under provisions. Deferred taxes are determined separately in each business period.

Contingent liabilities, irrevocable commitments, obligations to pay up shares and make further contributions

These items are recorded at their nominal value as off-balance-sheet transactions.

Changes in the accounting and valuation principles versus the previous year

In the 2025 financial year, an adjustment was made to the recognition of hedging costs. The foreign currency basis spreads of cross-currency interest rate swaps (CCIRS) are excluded from the designation and are booked as hedging costs in the result from trading activities. The monthly interest rate differences from the CCIRS are recognized minus the basis spread. This means that effectively the franc interest income or expense is overly low or high corresponding to the basis spread component. To ensure that the expense is not recognized twice in the income statement, hedging costs were credited back to the result from trading activities at the end of each CCIRS term up until 31 December 2024. A new classification has been applied for the recognition since 1 January 2025. The reverse recognition is now applied to interest income and spread over the term of the CCIRS. The financial effect of the changeover in interest income on the existing CCIRS as at 31 December 2024 amounts to income of 37 million francs in the 2025 financial year.

Business policy on the use of derivative financial instruments and hedge accounting

PostFinance uses derivative financial instruments exclusively to hedge interest and currency risks.

The bond market in Swiss francs is not sufficient to cover PostFinance's investment requirements. It therefore also invests in foreign currency bonds. As a general rule, two methods are used to hedge foreign currency risks. A proportion of the foreign currency bonds refinanced in Swiss francs are hedged by means of cross-currency interest rate swaps (CCIRS) using hedge accounting. The advantage of this hedging approach is that the amounts of all future cash flows (coupons, nominal value repayment) in Swiss francs are already known on the date of conclusion of the transaction. However, it rules out the diversification benefits associated with the varying amounts and performance of term spreads of different foreign currency yield curves. To take advantage of this diversification potential and access bond markets on which CCIRS are only available with high illiquidity discounts, the currency risks of certain foreign currency bonds are hedged by means of a currency overlay of rolling short-term foreign exchange forward contracts (FX forwards) without the use of hedge accounting.

The foreign currency risks of the other financial instruments are also hedged on a rolling basis using FX forwards.

Interest rate swaps are used to control duration on the assets side. Long (short) duration bonds are transformed into short (long) duration bonds by means of interest rate swaps. As a rule, interest rate swaps are used to control the maturity transformation strategy in the overall balance sheet.

Economic relationship between hedged items and hedging transactions

PostFinance records the relationship between the hedging instrument and the hedged item on the date on which a financial instrument is classed as a hedging relationship. The information recorded includes the risk management objectives and strategy of the hedging transaction, and the methods used to measure the effectiveness of the hedging relationship. The economic relationship between the hedged item and the hedging transaction is periodically measured on a prospective basis in the course of effectiveness tests by measuring factors such as inverse performance and its correlation.

Effectiveness measurement

Hedging is deemed to be highly effective if the following criteria are essentially met:

- Hedging is considered to be highly effective upon its initial recognition (on a prospective basis via the critical terms match method).
- There is a close economic relationship between the hedged item and the hedging transaction.
- There is an inverse relationship between the value changes of the hedged item and those of the hedging transaction with regard to the hedged risk.

Ineffectiveness

If this results in an ineffective portion, this is recognized in the income statement for the period in question under "Result from trading activities and the fair value option". This is carried out regularly through quantitative analysis based on the dollar-offset method. The absolute changes in value of the hedged item and hedging instrument are then compared for the period.

Events after the balance sheet date

On the date of issue of the annual financial statements, no material events had occurred as at 31 December 2025 which would have to be disclosed in the financial statements or in the notes.

3 | Risk management

Business model and risk profile

PostFinance provides services in the fields of payment transactions, receipt of customer deposits, account management and related services. In addition, PostFinance handles customer securities trading, carries out investments in its own name and manages other financial services on behalf of third parties. PostFinance's business model entails specific risks. If these occur, they can result in losses or deviations from the expected operating result.

Based on its business model, PostFinance divides risks into three different categories:

- Financial risk refers to the risk of unexpected losses from the investment and deposit business. PostFinance differentiates between interest rate, market, credit and liquidity risks.
- Strategic risks refer to the risk that PostFinance will not achieve its long-term corporate goals due to unexpected developments.
- Operational risks refer to the risk of unexpected costs or events arising from inadequate or failing internal processes and systems or from human misconduct. External influences can also cause operational risks. The risks associated with financial reporting also fall under operational risks.

Governance and reporting

In formal terms, PostFinance's risk business control and monitoring process and internal control mechanisms comply with the COSO II framework and "three lines model". The COSO II framework integrates risk management with risk control and monitoring, creating a uniform basis for risk assessment and management. PostFinance also complies with the international standard ISO 31000, which sets out principles and guidelines for effective risk management.

The Board of Directors defines the risk policy and principles of risk management and is responsible for its regulation, establishment and monitoring. It ensures that a suitable risk and control environment exists within PostFinance. By defining risk appetite, the Board of Directors determines the total amount of risk that PostFinance is prepared to take. Risk appetite encompasses strategic, financial and operational risks and must be in line with the company's risk capacity. This results from the regulatory and legal requirements to be met, adherence to which ensures that PostFinance can continue as a going concern. Risk appetite also takes account of the owner's directives and guidelines.

The Board of Directors and its committees (Risk; Audit & Compliance; IT & Digitization; and Organisation, Nomination & Remuneration) apply the defined risk principles. The Risk and Audit & Compliance Committees are particularly important in this respect: they perform an explicit monitoring function at Board of Directors level. The Audit & Compliance Committee focuses in particular on non-financial risks, while the Risk Committee concentrates on financial risks.

The PostFinance Executive Board is responsible for implementing the Board of Directors' directives on risk management and monitoring within the 1st and 2nd lines. It ensures compliance with risk capacity and risk appetite. It also implements the directives on the establishment, maintenance and regular review of control activities and the control units responsible for these. The Executive Board actively manages financial, strategic and operational risks within the framework defined by the Board of Directors. It ensures that an appropriate organizational, human resources, technical and methodological infrastructure is in place for risk management throughout the institution. The Chief Risk Officer (CRO) is a member of the Executive Board and ensures that the subordinated, independent control entities fulfil their tasks in accordance with the mandate.

The 1st line business units bear the main responsibility for the risks in their own units. They fulfil their control function by identifying, measuring, managing, monitoring and reporting on risks. In doing so, they comply with the 1st and 2nd line directives and ensure that their risks and controls are complete and up to date in the risk and control inventory. Within the 1st line, there are units that are accountable for results and support units with no direct accountability for results that assist other units or the Executive Board. The Risk Management unit supports decision-makers with the management and monitoring of financial risks in the overall balance sheet. It identifies, models and measures the financial risks entered into, proposes risk and income-oriented control measures, monitors their effectiveness and provides regular reports. The Compliance Services unit ensures compliance with legal provisions and guidelines in business operations and at the customer interface in accordance with the 2nd line directives. The Security unit ensures management of security risks at operational level.

The 2nd line units independently monitor 1st line risk management. They ensure that all risks are appropriately identified, measured, managed, monitored and reported. They also issue directives on compliance with internal and external regulations and define methods and procedures for effective risk management.

At PostFinance, the Compliance and Risk Control units are the independent control entities responsible for the 2nd line function. Their organizational independence from the 1st line units is ensured by the fact that they are assigned to the CRO's business unit.

Risk Control independently monitors all risks at PostFinance that are not covered by the Compliance or Governance units. This includes, in particular, financial, operational, security-related and strategic risks. In these fields, Risk Control continually reviews the risk situation, evaluating central risk management processes, methods for risk measurement and assessment and the risk monitoring systems in the 1st line. The unit checks that these are being implemented and applied correctly. Risk Control defines appropriate directives and processes for identifying, measuring, assessing and controlling the risks taken.

The unit also provides a system that inventories all risks, risk management strategies, controls and events. As a 2nd line unit, Risk Control ensures that the 1st line units maintain a complete and up-to-date inventory. It validates the completeness and accuracy of this on an ongoing basis.

The Compliance unit independently monitors compliance at PostFinance with legal, regulatory and internal regulations. Its main focus is on money laundering, tax compliance and the provision of financial services. The Governance unit independently monitors employees' compliance with the higher-level governance directives and codes of conduct.

The 2nd line units monitor the established risk profile at PostFinance independently and with suitable instruments. They provide a central overview of its development and report this jointly to the Executive Board and Board of Directors at least once a quarter. In addition, matters of major importance are reported to the Board of Directors on an ad hoc and timely basis. The Risk Control unit is responsible for coordinating all reporting activities for the 2nd line functions.

At PostFinance, Internal Auditing is the 3rd line unit that independently monitors the 1st line and 2nd line. It reports directly to the PostFinance Board of Directors.

Risk measurement methods

Risk category	Potential loss or negative impact	Method of risk description and/or control
Financial risks		
– Credit risks	Losses due to deterioration in creditworthiness and counterparty default	Compliance with the minimum regulatory requirements for risk-weighted capital Concentration, rating structure and country portfolio limits as well as nominal limits at counterparty level; management of economic concentration risks in the credit portfolio
– Interest rate risks	Loss in present value of equity following market interest changes Fluctuating net interest income over time	Relative sensitivity limits for equity Implementation of multi-period dynamic revenue analyses
– Liquidity risks	Insolvency	Compliance with the minimum regulatory requirements for the liquidity coverage ratio (LCR), the Liquidity Requirements for Systemically Important Banks (LSIB) and the net stable funding ratio (NSFR) Holding of cash reserves to cover liquidity requirements in stress situations
– Market risks	Losses in fair value to be charged to the income statement as per the accounting rules for banks	Compliance with the minimum regulatory requirements for risk-weighted capital Value at risk limits for fair value effects on the income statement
Strategic risks		
	Losses, reduced revenues or additional internal expenses resulting from failure to achieve company goals at the level of the fundamental or long-term orientation of the institution	Quantification of gross risk by evaluating the extent of loss and probability of occurrence of a dire but nevertheless realistic scenario. On this basis, establishment of a risk management strategy and risk-mitigating measures, and assessment of the residual risk in both quantitative and qualitative terms. Monitoring of the development of strategic top risks. Level-appropriate addressing of risks through the definition of approval limits and thresholds for risk management measures for individual risks.
Operational risks		
	Losses, reduced revenues or additional internal expenses resulting from inadequate or failed internal processes, people or systems, or as a result of external events	Quantification of gross risk by evaluating the extent of loss and probability of occurrence of a dire but nevertheless realistic scenario. On this basis, establishment of a risk management strategy and risk-mitigating measures, and assessment of the residual risk in both quantitative and qualitative terms. Monitoring by defining reporting limits for operational top risks. Level-appropriate addressing of risks through the definition of approval limits and thresholds for risk management measures for individual risks.

PostFinance measures and monitors financial risks both at individual portfolio level and with regard to the overall balance sheet. These risks are limited by means of a multi-dimensional limit system. Risk Management uses a variety of methods with differing degrees of complexity to measure risks. These include scenario analyses (for example, to determine earnings effects in the event of interest rate risks or to fully utilize credit risk limits), sensitivity analyses to calculate present value effects in the event of interest rate changes, and stochastic models to determine value-at-risk and expected shortfall key figures, which are used to measure fair value risks or to quantify economic concentration risks in the credit portfolio. The aim of risk measurement is to enable the relevant supervisory bodies to control risks robustly.

PostFinance assesses all risks using a credible worst case (CWC) scenario. This is a realistic but serious damage scenario for the risk in question. The CWC covers both probability of occurrence and extent of loss, which is determined quantitatively and/or qualitatively. The assessment is carried out for both gross risk and residual risk – i.e. after implementation of the relevant risk management strategy.

Individual risks are assessed on the basis of defined thresholds, which determine whether risk recording and corresponding control measures are required. Approval limits ensure that risks and the associated risk management strategies are reviewed and approved at the appropriate level.

Based on the risk inventory, the Executive Board and Board of Directors define higher-level top risks that are particularly relevant to PostFinance and require a high level of management attention. These operational top risks are measured by aggregating the respective individual risk clusters. Top risks and other aggregated risk positions are compared against a warning level. If this is exceeded, a notification is sent to the Board of Directors.

Stress testing

To identify potentially harmful developments at an early stage, PostFinance's Risk Management unit regularly carries out inverse stress tests. This test identifies scenarios in which a defined measure of risk reaches particularly unfavourable values. The results of these analyses are discussed by both the Executive Board and the Board of Directors on a regular basis.

As well as being used for control purposes, the Risk Control unit also uses stress testing for monitoring purposes. The aim is to identify significant risks – including new ones – at an early stage, identify risk concentrations and verify the appropriateness of the risk appetite under stress conditions.

Financial risk management at PostFinance

Credit risks

PostFinance was granted a banking licence on 26 June 2013. Due to postal legislation requirements, PostFinance is not permitted to issue direct loans or mortgages even after receiving the licence. Interest-bearing customer deposits therefore do not go towards granting loans or mortgages, but are invested on the money and capital markets. PostFinance pursues a conservative investment strategy. The main criteria for its investment decisions are liquidity and creditworthiness. To limit cluster risks in a targeted manner, financial investments are broadly diversified – by sector, country and counterparty.

Credit risk arises when there is a risk that a counterparty will no longer be able to fulfil their contractual obligations and will therefore cause PostFinance to incur financial losses. In addition, a sharp decline in a counterparty's creditworthiness can lead to an increased need for value adjustments. The risk increases as counterparties become more concentrated within an individual sector or region. Economic developments affecting whole sectors and regions can threaten the creditworthiness or solvency of a group of otherwise unrelated counterparties.

To limit the overall credit risks taken, the PostFinance Board of Directors sets a maximum figure each year with regard to regulatory minimum capital that covers credit risks and is not to be exceeded. The Board of Directors also defines directives on the investment rating structure, limits permitted country risks and delegates the power to approve large counterparty limits to the Board of Directors' Risk Committee. Investments are only permitted if the debtor has an external rating and its creditworthiness corresponds to investment grade.

In addition to the portfolio limits defined by the Board of Directors, the Executive Board also restricts the credit risks associated with investment activity by setting counterparty limits and other control requirements.

Requirements for counterparty limits are based on publicly accessible ratings by recognized rating agencies or qualified banks, and on internal limit systems. PostFinance also takes account of environmental, social and governance (ESG) criteria. Climate-related financial risks are analysed and disclosed separately as part of these criteria. External ratings are examined critically by the internal limit systems, based on quantitative and risk-oriented qualitative analyses of balance sheet key figures and early warning indicators. Limits are derived from this, taking account of the existing portfolio. The Risk Management unit is responsible for developing and applying internal limit systems. The Executive Board accepts and approves these systems at least once a year. Changes in a counterparty's creditworthiness or in relevant key figures or ESG criteria result in immediate adjustments to the directives. Compliance with prescribed limits is monitored on an ongoing basis and verified by the Treasury unit before each transaction is concluded.

PostFinance sets portfolio and counterparty limits, taking account of the economic concentration risks in the credit portfolio. To measure these risks, PostFinance uses a credit portfolio model that takes account of correlation effects between individual credit positions and quantifies the risks in the portfolio. Based on the modelled risk indicators (in particular, the expected shortfall and risk contributions of individual sub-portfolios), limits can be designed in such a way that they increase portfolio efficiency and/or limit concentration risks in a targeted manner.

The Risk Management unit provides the Executive Board with monthly updates on the utilization of the defined limits. If limits are exceeded due to adjustments to counterparty limits, the unit draws up concrete proposals for controlling them.

Limit systems are a key component of credit risk management. The Risk Control unit therefore reviews these systems on a regular basis.

Credit risks arising from customer transactions are of secondary importance. They are mainly caused by account overdraft limits relating to payment transaction services and by credit card services. The risks taken are established and monitored by means of product-specific processes. The Executive Board sets out the general directives for credit checks and defines authorizations for approving individual limits.

Collateral concentration risks arise during repo transactions (financial investments in exchange for collateral) and securities lending transactions (securities lending in exchange for collateral). The collateral received serves to protect against counterparty default risks, as it can be realized in the event of default. Concentrations of securities delivered are measured, monitored and reported to the Executive Board on a monthly basis. As part of this process, concentrations are assessed for potential wrong-way risks and control proposals are drawn up to deal with identified risks. Cash collaterals are issued and accepted in connection with derivative transactions and to hedge operational risks in cooperative transactions. The amount of cash collateral and the exchange are determined and monitored in product-specific processes. All derivative transactions are governed by ISDA agreements (including a Credit Support Annex), which regulate variation margins in a standardized manner.

The mortgage lending solutions offered in cooperation with Münchener Hypothekenbank eG (MHB) since 2008, with Valiant Bank AG since 2010 and with Credit Exchange Ltd since 2023 do not give rise to any credit risks. These risks are borne entirely by each partner bank.

Interest rate risk and balance sheet structure risk

The term "interest rate risk" describes the potential impact of changes in market interest rates on the present value of assets and liabilities in the balance sheet and on the result from interest operations in the income statement. These effects are mainly due to maturity mismatches between assets and liabilities. Interest-earning operations are a key earnings driver for PostFinance. As changes in interest rates have a direct impact on net interest income, PostFinance considers the risks associated with such changes a priority. The majority of customer deposits are non-maturing and do not earn a fixed rate of interest. The interest rate of these deposits is therefore estimated using a replication model. The aim is to map the most closely matching maturities of similar customer products while minimizing interest margin volatility. Part of the short-term investments is used to cover volume fluctuations.

The maturities of money and capital market investments are determined on the basis of the target present value sensitivity of equity. This gives rise to the maturity transformation strategy. The resulting imbalance between the asset and liability interest rates corresponds to the maturity transformation, which is controlled from both a present value and an income perspective. The present value sensitivity shows the net effect of a change in the yield curve on PostFinance's equity. Future expected cash flows are discounted using a risk-adjusted present value formula. The analysis takes account of both a parallel shift in the overall yield curve and isolated interest rate shocks in certain maturity time ranges (known as key rates).

Absolute change in the present value of equity¹

CHF million	31.12.2024	31.12.2025
Parallel down shock	–	–488
Short up shock	–265	–

¹ In order to determine the present value sensitivity of equity, the six standard shocks in accordance with FINMA Circular 2019/2 "Interest rate risks – banks" are applied. The scenario resulting in the greatest negative change in the present value of equity is shown per reference date.

Unlike assessments based on present value, income perspective analyses examine the impact of multiple period interest scenarios on PostFinance's future interest income. To this end, the Risk Management unit carries out dynamic income simulations over the course of the year. These are based on a broad set of deterministic scenarios that reflect possible developments in market interest rates.

For each replica, the resulting changes in customer interest rates and customer volumes and, where applicable, different maturity transformation strategies are taken into account. The results of the simulations serve as the basis for control proposals, which are discussed with the Executive Board on a regular basis.

Liquidity risks

Liquidity risk management aims to ensure ongoing creditworthiness at all times, both in normal stress periods and in bank-specific and/or market-wide stress periods in which secured and unsecured financing options are severely impaired. Risk tolerance is determined by the Board of Directors. Responsibility for managing liquidity risks lies with the Risk Management organizational unit, which reports to the CFO. Risk Management ensures compliance with regulatory provisions relating to liquidity and monitors adherence to limits. It reports regularly to the Executive Board.

Refinancing is provided exclusively via customer deposits, the concentrations of which are monitored daily through a liquidity early warning system.

PostFinance manages liquidity risk across various time horizons: intraday, one-day, one-month, three-month and one-year horizons. To ensure liquidity on an intraday and single-day horizon, PostFinance holds defined liquidity buffers. These are used in particular to cover unexpected cash outflows under stress conditions. The minimum size of these liquidity buffers is guided by the liquidity that must be made available within a value date based on adverse inflow and outflow scenarios or on high liquidity outflows on a one-day horizon using the LCR scenario.

The regulatory key figures Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) ensure liquidity over a month or year. In addition, reporting on the special liquidity requirements for systemically important banks (LSIB) also covers the three-month horizon. To ensure liquidity in the medium term, liquidity stress scenarios lasting at least three months are defined. A comprehensive contingency plan is in place to mitigate any acute liquidity shortages.

Market risks

PostFinance does not maintain a trading book and uses the standardized approach in accordance with Article 86 of the Capital Adequacy Ordinance (CAO) to determine the capital required for market risks under current regulations. To limit the market risks taken, the PostFinance Board of Directors sets an annual maximum figure for regulatory minimum capital that may not be exceeded.

In PostFinance's business model, market risks are reflected in increased volatility in the income statement in the short term. PostFinance is exposed to market risks for two reasons:

- Open foreign currency items and changes in value arising from foreign currency derivatives affect the volatility of the income statement (foreign currency risks).
- Changes in the value of instruments that are recognized according to the principle of the lower of cost or market value or managed in accordance with hedge accounting (including equity positions, fund investments in the banking book, hedged items and the related hedging instruments) have an effect on the volatility of the income statement

Market risks are modelled according to value at risk and limited in the income statement by the Board of Directors. To measure market risks, the risk factors that have an impact on the present value of the relevant item are assigned to each item. The change in present value is modelled according to the change in the allocated risk factors. A functional correlation between the item value and the associated risk factors must also be defined. The stochasticity of all relevant risk factors over the next 250 days is determined on the basis of probability distribution assumptions. Corresponding market data time series are used to calibrate the probability distributions. The distribution of changes to the income statement over a one-year period can be determined with the help of the functional correlation established between risk factors and portfolio items. Value at risk is then determined on the basis of the 95 percent quantile. The Risk Management department measures market risks on a weekly basis. It informs the Executive Board of the extent to which limits are used and submits risk control proposals where necessary.

Operational and strategic risks

In line with the Basel Committee on Banking Supervision, PostFinance defines operational risks as the risk of unexpected costs or unwelcome events – such as events with a negative impact on reputation or compliance breaches. These risks may arise as a result of the inadequacy or failure of internal processes, people or systems, or as a result of external events. Strategic risk refers to the risk of failing to achieve company goals at the level of the fundamental or long-term orientation of the institution due to unexpected developments. In the "Risk policy regulations", the Board of Directors sets out the principles for managing operational and strategic risks and determines PostFinance's risk appetite.

As part of the risk appetite, the Board of Directors determines how risks are managed and which risks it is prepared to take. Risk capacity is derived from the going concern equity available. Within the risk capacity, the risk tolerance is defined. This includes the allocation of weighted risk capital to risk categories by the Board of Directors, as well as other qualitative and quantitative requirements. The Board of Directors determines the risk tolerance for operational risks by allocating minimum equity, establishing risk indicators for all risk categories and setting approval limits for individual risks. If these approval limits are exceeded, the management of the associated risks must be submitted to the Board of Directors for approval. The Board of Directors also adopts qualitative requirements on risk appetite. In particular, operational risks with the potential to lead to serious infringements of laws or regulations in plausible, adverse scenarios are not tolerated.

When developing the business strategy, the Board of Directors takes account of strategic risks and receives regular assessments of the extent of these risks. Equity capital planning shows whether the selected strategy can be implemented in compliance with regulatory capital and liquidity requirements.

The risk management process ensures that the risks taken match the risk appetite and that the risk capacity and, in particular, the legal and regulatory requirements are complied with. For extraordinary periods of stress, the stabilization and emergency plan provides instruments to enable either business continuity or an orderly wind-down while maintaining systemically important functions.

4 | Capital adequacy disclosure in accordance with the FINMA Ordinance on the Disclosure Obligations of Banks and Securities Firms (DisO-FINMA)¹

According to the decree issued by the Swiss National Bank (SNB) on 29 June 2015, PostFinance was classified as a systemically important financial group. For this reason, PostFinance must comply with the requirements set out in Articles 124 to 136 of the Ordinance on the Capital Adequacy and Risk Diversification of Banks and Securities Firms (CAO).

As at 31 December 2025, PostFinance is publishing two disclosures outlining its equity situation. The information in the "Capital adequacy disclosure" meets the requirements of Annex 2 to DisO-FINMA. PostFinance is also publishing the "Disclosure on grounds of systemic importance", a parallel calculation in accordance with Annex 3 to the aforementioned Ordinance. The different requirements result in deviations, particularly with regard to eligible capital and capital ratios. Both documents are published at → postfinance.ch/reporting.

¹ The documents mentioned in section 4 on capital adequacy disclosure pursuant to DisO-FINMA are not the subject of the audit by Ernst & Young Ltd.

Information on the balance sheet

5 | Securities financing transactions

Breakdown of securities financing transactions (assets and liabilities)

CHF million	31.12.2024	31.12.2025
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions	–	–
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions	8,490	4,980
Book value of 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	9,381	5,423
with unrestricted right to resell or pledge	9,381	5,423
Fair value of 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	977	512
of which, repledged securities	–	–
of which, resold securities	–	–

6 | Collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables

Presentation of collateral for loans/receivables

31.12.2025 CHF million	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Loans (before netting with value adjustments)				
Amounts due from customers	–	1,471	10,546	12,017
Total loans (before netting with value adjustments)				
31.12.2025	–	1,471	10,546	12,017
31.12.2024	–	1,475	10,850	12,325
Total loans (after netting with value adjustments)				
31.12.2025	–	1,471	10,493	11,964
31.12.2024	–	1,475	10,801	12,276

Presentation of collateral for off-balance-sheet transactions

31.12.2025 CHF million	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Off-balance sheet				
Contingent liabilities	–	130	2	132
Irrevocable commitments	–	55	732	787
Total off-balance sheet				
31.12.2025	–	185	734	919
31.12.2024	–	153	766	919

Guarantees, sureties for COVID-19 loans and cash collateral are disclosed as receivables with other collateral.

PostFinance records payment obligations for depositor protection under irrevocable commitments.

Impaired loans/receivables¹

CHF million	31.12.2024 ²	31.12.2025
Gross debt amount	67	67
Estimated liquidation value of collateral	–	–
Net debt amount	67	67
Individual value adjustments	44	47

1 Includes the value adjustments from amounts due from customers.

2 Debt securities held to maturity and amounts due from banks were also included in the 2024 Annual Report.

7 | Derivative financial instruments and hedge accounting

Derivatives that PostFinance enters into on behalf of customers are shown as trading instruments in the overview below.

Presentation of derivative financial instruments (assets and liabilities)		Trading instruments			Hedging instruments		
		Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
31.12.2025	CHF million						
Interest rate instruments							
	Forward contracts including FRAs	–	–	–	0	–	14
	Swaps	–	–	–	27	22	1,967
Foreign exchange/precious metals							
	Forward contracts	1	1	596	21	34	8,331
	Cross-currency interest rate swaps	–	–	–	746	4	7,707
	Total before netting agreements as at 31.12.2025	1	1	596	794	60	18,019
	of which, determined using a valuation model	1	1		794	60	
	31.12.2024	6	1	615	763	206	18,674
	of which, determined using a valuation model	6	1		763	206	
	Total after netting agreements as at 31.12.2025	1	1	596	794	60	18,019
	31.12.2024	6	1	615	763	206	18,674

Breakdown by counterparty

31.12.2025 CHF million	Central clearing houses	Banks and securities firms	Other customers
Positive replacement values (after netting agreements)	–	795	0

Cash flow hedges

PostFinance uses cash flow hedge accounting to hedge the volatility of cash flows from interest-bearing instruments whose occurrence can be forecast with a high degree of probability. This method is used in particular to hedge fixed-interest instruments in foreign currencies using cross-currency interest rate swaps (CCIRS).

Contract volumes of cash flow hedges CHF million					Term to maturity
	0–3 months	3 months–1 year	1–5 years	Over 5 years	Total
31.12.2024					
Interest rate and currency risk					–
Cross-currency interest rate swaps	294	1,174	3,939	1,909	7,316
Other					–
Completed non-settled transactions	32	–	–	–	32
31.12.2025					
Interest rate and currency risk					–
Cross-currency interest rate swaps	239	710	4,509	2,249	7,707
Other					–
Completed non-settled transactions	14	–	–	–	14

The following amounts were recorded from designated hedging instruments in the balance sheet and income statement:

Changes in hedging instruments CHF million	Positive fair values	Negative fair values	Change in fair value which was used for disclosure of ineffectiveness in the reporting period	Change in fair value of hedging instrument in the reporting period, recorded in other assets/liabilities	Ineffectiveness recorded in the income statement	Net amount reclassified from other assets/liabilities to the income statement ¹
31.12.2024						
Interest rate and currency risk						
Cross-currency interest rate swaps	695	3	–46	–46	–	196
Other						
Completed non-settled transactions	0	–	0	0	–	–
31.12.2025						
Interest rate and currency risk						
Cross-currency interest rate swaps	746	4	215	215	–	–318
Other						
Completed non-settled transactions	0	–	0	0	–	–

¹ The ineffective share from the change in the fair value of the derivative is recognized in the result from trading activities and the fair value option. Reclassifications from other assets and liabilities are carried out in the result from trading activities and the fair value option (fair value change).

The following effects arose from designated hedged items (item in the balance sheet: financial investments) during the reporting period:

Effects of hedged items in cash flow hedging	Change in fair value which was used for disclosure of ineffectiveness in the reporting period	Hedging reserves in other assets/liabilities
CHF million		
31.12.2024		
Interest rate and currency risk		
Debt securities intended to be held to maturity	46	345
31.12.2025		
Interest rate and currency risk		
Debt securities intended to be held to maturity	-215	206

The hedging reserves in other assets and liabilities have changed as follows in the reporting periods:

Hedging reserves in other assets/liabilities	2024	2025
CHF million		
	Hedging reserves – unrealized gains/losses from cash flow hedge	Hedging reserves – unrealized gains/losses from cash flow hedge
Balance at 1.1	134	279
Unrealized gains/losses from cash flow hedges and hedging costs		
Change in fair value of hedging instrument	-46	52
Change in hedging costs ¹	-23	-57
Realized gains/losses from cash flow hedges and hedging costs reclassified to the income statement		
Change in fair value of hedging instrument	196	-154
Change in hedging costs	18	19
Balance at 31.12	279	139

1 Includes adjustment to basis spread of 37 million francs.

The expected cash flows are likely to have an effect on the income statement in the following periods:

Cash flows (not discounted)	Term to maturity			
CHF million	0–3 months	3 months–1 year	1–5 years	Over 5 years
31.12.2024				
Cash inflows	31	54	276	59
Cash outflows	-60	-124	-527	-111
31.12.2025				
Cash inflows	36	60	294	50
Cash outflows	-69	-149	-670	-130

Fair value hedges

PostFinance uses fair value hedge accounting to hedge changes in the value of interest-sensitive assets. This method is used in particular to hedge fixed-interest instruments using interest rate swaps.

Contract volumes for fair value hedges CHF million	Term to maturity				
	0–3 months	3 months–1 year	1–5 years	Over 5 years	Total
31.12.2024					
Interest rate risk					
Interest rate swaps	–	–	550	2,800	3,350
31.12.2025					
Interest rate risk					
Interest rate swaps	–	–	450	1,517	1,967

The following amounts were recorded from designated hedging instruments in the balance sheet and income statement:

Change in fair value hedge CHF million	Positive fair values	Negative fair values	Change in fair value which was used for disclosure of ineffectiveness in the reporting period	Ineffectiveness recorded in income statement ¹
Interest rate risk				
Interest rate swaps	56	62	–209	–
31.12.2025				
Interest rate risk				
Interest rate swaps	27	22	14	–

1 The ineffective share from the change in the fair value of the derivative is recognized in the result from trading activities and the fair value option.

The following amounts arose from designated hedged items (item in the balance sheet: financial investments, amounts due from banks and amounts due from customers) during the reporting period:

Effects of hedged items from fair value hedging CHF million	Book value of hedged item	Accumulated expenses or income from fair value hedge adjustments that were recorded in the book value of the hedged item	Change in fair value which was used for disclosure of ineffectiveness in the reporting period	Accumulated amount of fair value hedge adjustments remaining in the balance sheet for hedged items that have ceased to be adjusted for hedging gains and losses
Interest rate risk				
Debt securities intended to be held to maturity	3,165	1	198	2
Amounts due from customers and banks	203	3	11	–
31.12.2025				
Interest rate risk				
Debt securities intended to be held to maturity	1,758	–11	–12	7
Amounts due from customers and banks	202	2	–2	–

8 | Financial investments

Breakdown of financial investments	Book value		Fair value	
	31.12.2024	31.12.2025	31.12.2024	31.12.2025
CHF million				
Debt securities	54,403	55,598	54,244	55,702
of which, intended to be held to maturity	54,403	55,598	54,244	55,702
Equity securities ¹	76	52	80	54
Cryptocurrencies	0	1	1	1
Total	54,479	55,651	54,325	55,757
of which, securities eligible for repo transactions in accordance with liquidity requirements	26,932	27,248	26,845	27,322

1. There are no qualified participations.

Breakdown of counterparties by rating¹

31.12.2025 CHF million	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	Below B-	Unrated
Debt securities: book values	35,562	12,709	6,809	41	22	455

1. The following ratings agencies, all of which are recognized by FINMA, were consulted for the ratings: fedafin AG, Fitch Ratings, Moody's Investors Service, Standard & Poor's Ratings Services.

9 | Participations

Presentation of participations

CHF million	Acquisition cost	Accumulated value adjustments	Book value 31.12.2024	2025						
				Reclassifications	Additions	Disposals	Value adjustments	Depreciation reversals	Book value 31.12.2025	Market value 31.12.2025
Participations										
with market value	33	-	33	-	-	-21	-	-	12	129
without market value	167	-57	110	-	1	-31	-5	5	80	
Total participations	200	-57	143	-	1	-52	-5	5	92	129

In July 2025, PostFinance sold its participation in the joint venture Yuh SA to Swissquote Group Holding SA. In December 2025, PostFinance also sold 3.5 percent of its total 5 percent participation in Swissquote Group Holding SA.

10 | Significant participations

CHF or EUR, percent	Business activities	Currency	Company capital	Share of capital and of votes ¹	
				31.12.2024	31.12.2025
Finform Ltd, Bern, Switzerland	Fintech and regtech	CHF	100,000	50.00%	50.00%
Yuh Ltd, Gland, Switzerland ¹	Fintech in the neobanking area	CHF	1,000,000	50.00%	–
TWINT Ltd, Zurich, Switzerland	Mobile payment	CHF	12,750,000	26.66%	26.66%
TWINT Acquiring Ltd, Zurich, Switzerland ²	Acquiring for payment transactions	CHF	100,000	26.66%	26.66%
TONI Digital Insurance Solutions AG, Schlieren, Switzerland	Insurance service provider	CHF	2,756,614	24.55%	24.38%
Tilbago AG, Lucerne, Switzerland	Smart online payment collection solution (robo payment collection)	CHF	186,043	24.43%	27.73%
Credit Exchange Ltd, Zurich, Switzerland	B2B mortgage platform	CHF	168,828	21.36%	21.36%

1 Sale of 50 percent participation to Yuh SA in the third quarter of 2025.

2 TWINT Acquiring Ltd is held indirectly via TWINT Ltd. All other participations are directly owned by PostFinance Ltd.

Additional information on the true and fair view statutory single-entity financial statements in accordance with Article 62 of the FINMA Accounting Ordinance: The effect of a theoretical application of the equity method with regard to these participations would be to reduce total assets by 24 million francs (previous year: 37 million francs). At the same time, annual profit would increase by 2 million francs (previous year: reduction of 2 million francs).

11 | Tangible fixed assets

Presentation of tangible fixed assets

CHF million	Acquisition cost	Accumulated depreciation	Book value 31.12.2024						2025
				Reclassifications	Additions	Disposals	Depreciation	Reversals	Book value 31.12.2025
Bank buildings	235	–92	143	–	3	–	–8	–	138
Other real estate	1,078	–327	751	–	11	0	–38	–	724
Proprietary or separately acquired software	231	–193	38	–	–	–	–20	–	18
Other tangible fixed assets	83	–54	29	–	9	–11	–6	–	21
Total tangible fixed assets	1,627	–666	961	–	23	–11	–72	–	901

Future lease obligations under operating leases

CHF million	2026	2027	2028	2029	2030	2031	Total
Future lease payments	5	5	4	4	2	0	20
of which cancellable within a year	0	0	0	0	0	0	0

12 | Intangible assets

Presentation of intangible assets

CHF million	Cost value	Accumulated amortization	Book value 31.12.2024				2025
				Additions	Disposals	Amortization	Book value 31.12.2025
Other intangible assets	8	–3	5	–	–	–1	4
Total intangible assets	8	–3	5	–	–	–1	4

13 | Other assets and other liabilities

Breakdown of other assets and other liabilities	31.12.2024	31.12.2025	31.12.2024	31.12.2025
	Other assets	Other assets	Other liabilities	Other liabilities
CHF million				
Compensation account	4	2	284	151
Employer contribution reserves	35	36	–	–
Indirect taxes	32	25	38	8
Other assets and liabilities	2	2	108	54
Total other assets and other liabilities	73	64	430	213

14 | Pledged or assigned assets and assets under reservation of ownership

Total amount of assets pledged or assigned to secure own commitments and of assets under reservation of ownership ¹	31.12.2024	31.12.2025
CHF million		
Liquid assets:		
Book value of assets pledged and assigned as collateral	382	366
Effective commitments	–	–
Financial investments:		
Book value of assets pledged and assigned as collateral	83	143
Effective commitments	–	–

1 Excluding securities lending and securities borrowing, and repurchase and reverse repurchase transactions.

15 | Liabilities relating to own pension schemes

Pension benefit obligations

There is no independent pension scheme for PostFinance staff. Their pension benefits are handled exclusively by the Swiss Post pension fund. The employer may be required to pay restructuring contributions in the event of underfunding of the Swiss Post pension fund.

Additional amounts due for extended disability benefit plans in the form of transitional invalidity insurance (supplementary disability pensions for men up to the age of 65 and women up to the age of 65, albeit with transitional arrangement in accordance with OASI) are taken into account in the annual financial statements.

Liabilities relating to own pension schemes as per Swiss GAAP ARR 16

All the compulsory ordinary employer contributions associated with the pension plan are accounted for as personnel expenses using the accrual-based accounting principle. An annual assessment is carried out in accordance with Swiss GAAP ARR 16 to determine whether, for PostFinance, the pension schemes generate an economic benefit or an economic obligation. The assessment is based on information from contracts, the annual financial statements of the pension schemes and other calculations presenting their financial situation and current overfunding or underfunding – in accordance with Swiss GAAP ARR 26 accounting principles. PostFinance does not however intend to use the economic benefit that may result from overfunding to reduce employer contributions. Consequently, a future economic benefit is not capitalized. An economic obligation is, however, recognized under

liabilities. With 37,516 active insured persons and 28,703 pensioners (as at 31 October 2025), the Swiss Post pension fund had total assets of 17,982 million francs as at 31 December 2025 (previous year: 16,975 million francs). The level of cover calculated according to the accounting principles applicable to the Swiss Post pension fund stands at approximately 117.0 percent (previous year: 111.5 percent). As the Swiss Post pension fund value fluctuation reserves have not yet reached the set regulatory level, there is no overfunding available. The Swiss Post pension fund has employer contribution reserves of 350 million francs without a waiver of use (previous year: 350 million francs without a waiver of use). Of these, 36 million francs (previous year: 35 million francs) have been allocated to PostFinance. A technical interest rate of 1.75 percent (previous year: 1.75 percent) and the technical basis of OPA 2020 / generation table (previous year: OPA 2020 / period table) were used to calculate pension cover. It should be noted that all data regarding the Swiss Post pension fund is based on the information available at the time of drawing up the ARR 16 financial statements. Consequently, it may differ from the actual information contained in the annual financial statements for the Swiss Post pension fund. A detailed assessment did not reveal any financial impact on the bank; according to the financial statements for the Swiss Post pension fund drawn up according to Swiss GAAP ARR 26, there were no spare funds or underfunding as at 31 December 2025. There are no employer-sponsored pension schemes.

The economic benefit or economic obligations and pension expenses can be summarized as follows:

Presentation of the economic benefit/obligation and the pension expenses	Overfunding/underfunding		Economic interest of PostFinance Ltd		Change in economic interest (economic benefit/obligation) versus previous year		Contributions paid		Pension expenses in personnel expenses	
	31.12.2025	31.12.2024	31.12.2025	2025	2025	31.12.2024	31.12.2025			
	CHF million									
Swiss Post pension fund	250	0	0	0	46	44	46			
Disability pensions	-1	-1	-1	0	0	0	0			
Total ARR 16	249	-1	-1	0	46	44	46			

The employer contribution reserves of the Swiss Post pension fund are allocated based on the percentage of PostFinance's retirement capital of the entire retirement capital. This gives the following picture:

Employer contribution reserves (ECR)	Nominal value		Waiver of use		Net amount		Influence of ECR on personnel expenses	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	
	CHF million							
Swiss Post pension fund	36		-	35	36	-2	-1	
Total ARR 16	36		-	35	36	-2	-1	

16 | Value adjustments and provisions, and reserves for general banking risks

Presentation of value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

CHF million	As at 31.12.2024	Use in conformity with designated purpose ¹	Reclassifications	Currency differences	Past due interest, recoveries	New creations charged to income	Releases to income	Balance at 31.12.2025
Provisions for deferred taxes	–	–	–	–	–	26	–	26
Provisions for pension benefit obligations	1	–	–	–	–	–	0	1
Provisions for restructuring	–	–4	–	–	–	8	–	4
Other provisions	32	–2	–	–	–	11	–1	40
Total provisions	33	–6	–	–	–	45	–1	71
Reserves for general banking risks	–	–	–	–	–	140	–	140
Value adjustments for default and country risks²	116	–	–	–	1	4	0	121
of which, value adjustments for default risks in respect of impaired loans/receivables	96	–	–	–	1	4	–	101
of which, value adjustments for expected losses	20	–	–	–	–	0	0	20

1 There were no changes in purpose.

2 Includes the value adjustments from amounts due from banks, amounts due from customers and debt securities held to maturity.

Together with other Swiss financial institutions, PostFinance is currently involved in an investigation by the Federal Competition Commission, which began in 2018 and relates to the TWINT mobile payment solution. The investigation is not yet complete. PostFinance has not recognized any provisions.

The levels of expected loss within amounts due from banks, amounts due from customers, debt securities intended to be held to maturity and contingent liabilities are broken down as follows.

Analysis of expected losses and impaired loans/receivables	31.12.2024				31.12.2025			
	12-month expected credit losses (level 1)	Expected credit losses over remaining term to maturity (level 2)	Expected credit losses over remaining term to maturity (level 3)	Total	12-month expected credit losses (level 1)	Expected credit losses over remaining term to maturity (level 2)	Expected credit losses over remaining term to maturity (level 3)	Total
CHF million								
Amounts due from banks	2,738	–	–	2,738	1,895	–	–	1,895
Value adjustments	0	–	–	0	0	–	–	0
Book value	2,738	–	–	2,738	1,895	–	–	1,895
Amounts due from customers	12,255	4	66	12,325	11,948	3	65	12,016
Value adjustments	–4	–1	–44	–49	–4	–1	–47	–52
Book value	12,251	3	22	12,276	11,944	2	18	11,964
Debt securities held to maturity								
AAA to AA–	34,436	–	–	34,436	35,564	–	–	35,564
A+ to A–	12,749	20	–	12,769	12,686	27	–	12,713
BBB+ to BBB–	6,674	–	–	6,674	6,818	–	–	6,818
BB+ to B–	37	–	–	37	41	–	–	41
Below B–	–	–	22	22	0	–	22	22
Unrated	485	–	46	531	462	–	46	508
Total	54,381	20	68	54,469	55,571	27	68	55,666
Value adjustments	–14	0	–52	–66	–15	0	–53	–68
Book value	54,367	20	16	54,403	55,556	27	15	55,598
Contingent liabilities	50	–	–	50	132	–	–	132
Provisions for expected losses	–	–	–	–	–	–	–	–
Total	50	–	–	50	132	–	–	132

The economic outlook may have an impact on the credit quality of bonds and receivables. Economic forecasts for Switzerland were generally revised downwards in 2025. However, they remain subject to considerable uncertainty, in particular due to the volatile economic policies of the United States. Expected losses on receivables and financial investments are therefore difficult to assess. The shifts within levels 1 and 2 were insignificant. Due to the increase in a value adjustment on an individual item in level 3, the required value adjustments increased by a total of 4 million francs to 121 million francs in the 2025 financial year.

17 | Bank's capital

PostFinance Ltd is owned entirely by Swiss Post Ltd.

Presentation of the bank's capital	31.12.2024			31.12.2025		
	Total par value	No. of shares	Capital eligible for dividend	Total par value	No. of shares	Capital eligible for dividend
CHF million, number in million						
Bank's capital						
Share capital	2,000	2	2,000	2,000	2	2,000
of which, paid up	2,000	2	2,000	2,000	2	2,000
Total bank's capital	2,000	2	2,000	2,000	2	2,000

18 | Amounts due from / to related parties

Disclosure of amounts due from/to related parties	Amounts due from		Amounts due to	
	31.12.2024	31.12.2025	31.12.2024	31.12.2025
CHF million				
Holdings of qualified participations	701	674	865	1,215
Linked companies	17	28	60	54
Transactions with members of governing bodies	0	0	22	21

Associated companies and subsidiaries managed directly or indirectly by these associated companies are regarded as linked companies.

With the exception of members of the Executive Board, transactions (such as securities transactions, payment transactions and remuneration on deposits) with related parties were carried out under conditions that also apply to third parties.

Industry-standard preferential conditions apply to the Executive Board, as is the case for all PostFinance employees.

PostFinance offers loans and mortgages in cooperation with partners. These items do not appear on PostFinance's balance sheet and are therefore not regarded as transactions with members of governing bodies in the strict sense. They are not shown in the Annual Report.

19 | Holders of significant participations

Disclosure of holders of significant participations	31.12.2024		31.12.2025	
	Nominal	% of equity	Nominal	% of equity
CHF million				
With voting rights: Swiss Post Ltd	2,000	100	2,000	100

20 | Maturity structure of financial instruments

Presentation of the maturity structure of financial instruments (assets/financial instruments)

31.12.2025 CHF million	Due							Total	
	At sight	Cancellable	Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	No maturity		
Liquid assets	32,170	366	–	–	–	–	–	32,536	
Amounts due from banks	36	–	210	380	779	490	–	1,895	
Amounts due from customers	375	–	732	1,284	5,536	4,037	–	11,964	
Mortgage loans	–	–	–	–	–	–	–	–	
Positive replacement values of derivative financial instruments	–	–	47	127	500	121	–	795	
Financial investments	53	–	1,243	4,979	27,319	22,057	–	55,651	
Total	31.12.2025	32,634	366	2,232	6,770	34,134	26,705	–	102,841
	31.12.2024	33,152	382	3,963	7,098	33,572	25,042	–	103,209

Presentation of the maturity structure of financial instruments (debt capital/financial instruments)

31.12.2025 CHF million	Due							Total	
	At sight	Cancellable	Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	No maturity		
Amounts due to banks	922	–	–	–	–	–	–	922	
Liabilities from securities financing transactions	–	–	4,980	–	–	–	–	4,980	
Amounts due in respect of customer deposits	66,181	25,018	136	11	–	–	–	91,346	
Negative replacement values of derivative financial instruments	–	–	26	9	2	24	–	61	
Cash bonds	–	–	10	16	21	7	–	54	
Total	31.12.2025	67,103	25,018	5,152	36	23	31	–	97,363
	31.12.2024	62,871	25,417	9,446	129	41	68	–	97,972

21 | Assets and liabilities by domestic and foreign origin

Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle	31.12.2024		31.12.2025	
	Domestic	Foreign	Domestic	Foreign
CHF million				
Assets				
Liquid assets	32,947	–	32,536	
Amounts due from banks	2,647	91	1,868	27
Amounts due from customers	12,275	1	11,962	2
Positive replacement values of derivative financial instruments	130	639	136	659
Financial investments	29,792	24,687	32,200	23,451
Accrued income and prepaid expenses	250	195	246	228
Participations	133	10	84	8
Tangible fixed assets	961	–	901	–
Intangible assets	5	–	4	–
Other assets	73	–	64	–
Total assets	79,213	25,623	80,001	24,375
Liabilities				
Amounts due to banks	173	636	216	706
Liabilities from securities financing transactions	6,590	1,900	4,470	510
Amounts due in respect of customer deposits	84,705	3,621	87,528	3,818
Negative replacement values of derivative financial instruments	88	119	19	42
Cash bonds	135	5	54	0
Accrued expenses and deferred income	130	1	121	0
Other liabilities	424	6	210	3
Provisions	33	–	71	–
Reserves for general banking risks	–	–	140	–
Bank's capital	2,000	–	2,000	–
Statutory capital reserve	4,140	–	4,140	–
Voluntary retained earnings reserves	–	–	46	–
Profit/loss carried forward	10	–	–	–
Profit/loss	120	–	282	–
Total liabilities	98,548	6,288	99,297	5,079

22 | Assets by country / group of countries

Breakdown of total assets by country or group of countries (domicile principle)	31.12.2024		31.12.2025	
	Absolute	Share as %	Absolute	Share as %
CHF million, percent				
Assets				
Switzerland	79,213	75.56	80,001	76.65
Europe	12,132	11.57	12,066	11.56
North America	8,997	8.58	9,173	8.79
Other countries	4,494	4.29	3,136	3.00
Total assets	104,836	100.00	104,376	100.00

23 | Assets by credit rating of country groups

Breakdown of total assets by credit rating of country groups (risk domicile view)	Foreign exposure 31.12.2024		Foreign exposure 31.12.2025	
	Absolute	Share as %	Absolute	Share as %
CHF million, percent				
Rating (Moody's)				
Aaa	14,612	59.64	7,226	31.24
Aa	7,310	29.84	13,819	59.73
A	1,596	6.52	1,392	6.02
Baa	538	2.19	247	1.07
Ba	0	0.00	0	0.00
B	69	0.28	69	0.30
Caa	150	0.61	100	0.43
No rating	225	0.92	281	1.21
Total	24,500	100.00	23,134	100.00

24 | Assets and liabilities by currency

**Presentation of assets and liabilities broken down
by the most significant currencies for the bank**31.12.2025
CHF million

	CHF	EUR	USD	GBP	JPY	Other	Total
Assets							
Liquid assets	32,434	102	–	–	–	–	32,536
Amounts due from banks	1,872	12	7	1	1	2	1,895
Amounts due from customers	11,963	1	0	0	0	0	11,964
Positive replacement values of derivative financial instruments	795	–	–	–	–	–	795
Financial investments	38,329	11,072	5,334	163	–	753	55,651
Accrued income and prepaid expenses	263	149	53	3	–	6	474
Participations	84	4	4	–	–	0	92
Tangible fixed assets	901	–	–	–	–	–	901
Intangible assets	4	–	–	–	–	–	4
Other assets	64	0	0	–	–	–	64
Total assets shown in balance sheet	86,709	11,340	5,398	167	1	761	104,376
Delivery entitlements from spot exchange, forward forex and forex options transactions	16,032	214	260	37	10	81	16,634
Total assets	102,741	11,554	5,658	204	11	842	121,010
Liabilities							
Amounts due to banks	912	10	0	0	0	0	922
Liabilities from securities financing transactions	4,980	–	–	–	–	–	4,980
Amounts due in respect of customer deposits	88,790	1,911	545	36	11	53	91,346
Negative replacement values of derivative financial instruments	61	–	–	–	–	–	61
Cash bonds	40	14	–	–	–	–	54
Accrued expenses and deferred income	120	0	1	0	–	0	121
Other liabilities	207	4	2	0	–	–	213
Provisions	71	–	–	–	–	–	71
Reserves for general banking risks	140	–	–	–	–	–	140
Bank's capital	2,000	–	–	–	–	–	2,000
Statutory capital reserve	4,140	–	–	–	–	–	4,140
Profit/loss	282	–	–	–	–	–	282
Total liabilities shown in the balance sheet	101,789	1,939	548	36	11	53	104,376
Delivery obligations from spot exchange, forward forex and forex options transactions	586	9,472	5,059	165	0	781	16,063
Total liabilities	102,375	11,411	5,607	201	11	834	120,439
Net position per currency 31.12.2025	366	143	51	3	0	8	571
Net position per currency 31.12.2024	131	105	49	3	0	9	297

Information on off-balance sheet transactions

25 | Contingent assets and liabilities

Breakdown of contingent liabilities and contingent assets		
CHF million	31.12.2024	31.12.2025
Guarantees to secure credits and similar	48	130
Other contingent liabilities	2	2
Total contingent liabilities	50	132

PostFinance is jointly and severally liable for all amounts due in connection with value-added tax (VAT) for the companies belonging to the Swiss Post VAT group.

As far as systemic importance is concerned, a letter of comfort from Swiss Post Ltd amounting to 1 billion francs (previous year: 1 billion francs) in favour of PostFinance existed as at 31 December 2025.

26 | Managed assets

Breakdown of managed assets		
CHF million	31.12.2024	31.12.2025
Type of managed assets:		
Assets under discretionary asset management agreements	1,824	2,538
Other managed assets	37,285	38,120
Total managed assets¹	39,109	40,658
of which, double counting	–	–

1 "Managed assets" refers only to assets deposited for investment purposes. Assets in connection with retirement planning products which are managed by third parties and assets deposited for transaction purposes are not included. PostFinance Ltd does not offer collective investment schemes managed by the bank. Accordingly, assets for which the customer decides independently how they should be invested are reported under "Other managed assets".

Presentation of the development of managed assets		
CHF million	31.12.2024	31.12.2025
Total managed assets (including double counting) at beginning	37,720	39,109
+/- net new money inflow or net new money outflow ¹	–212	–274
+/- price gains/losses, interest, dividends and currency gains/losses	1,601	1,823
+/- other effects		
Total managed assets (including double counting) at end	39,109	40,658

1 Net new money inflow or net new money outflow is calculated based on the overall change in managed assets, less price, interest and currency gains/losses, dividend distributions and other effects.

Cryptobased assets		
CHF million	31.12.2024	31.12.2025
Cryptobased assets deemed custody assets	117	179

Information on the income statement

27 | Result from trading activities and the fair value option

Breakdown by business area		
CHF million	2024	2025
Payment transactions and financial investments	231	268
Hedge accounting	-16	-25
Proprietary trading	15	-27
Total result from trading activities	230	216

Breakdown by risk and based on the use of the fair value option		
CHF million	2024	2025
Result from trading activities from:		
Interest rate instruments	403	-849
Equity securities	1	0
Foreign currencies	-174	1,065
Total result from trading activities¹	230	216

1 PostFinance does not apply the fair value option.

The positive trend in foreign currencies (customer transactions and FX hedging transactions) more than offsets the negative FX valuation result on interest rate instruments (bonds). The year-on-year shifts between interest rate instruments and foreign currencies are due to the price changes of the FX instruments (hedged item with opposite effect to the hedging transaction). This was mainly due to the performance of the US dollar.

28 | Personnel expenses

Breakdown of personnel expenses		
CHF million	2024	2025
Salaries (meeting attendance fees and fixed compensation to members of the bank's governing bodies, salaries and benefits)	412	428
Social insurance benefits	79	82
Other personnel expenses	18	17
Total personnel expenses	509	527

29 | General and administrative expenses

Breakdown of general and administrative expenses		
CHF million	2024	2025
Office space expenses	29	25
Expenses for information and communications technology	218	175
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	17	13
Fees of audit firm (Art. 961a no. 2 CO)	2	2
of which, for financial and regulatory audits	2	2
of which, for other services	–	0
Other operating expenses	234	193
Total general and administrative expenses	500	408

30 | Extraordinary expenses and income

Extraordinary expenses		
CHF million	2024	2025
Losses from disposal of participations	0	0
Total extraordinary expenses	0	0

Extraordinary income		
CHF million	2024	2025
Reversals of impairment	2	5
Gains from disposal of participations	37	280
Other extraordinary income	–	0
Total extraordinary income	39	285

31 | Reserves for general banking risks

Reserves for general banking risks		
CHF million	2024	2025
Creation of reserves for general banking risks	–	140
Total change in reserves for general banking risks	0	140

32 | Taxes

Current and deferred taxes		
CHF million	2024	2025
Expenses for current capital and income taxes	29	59
Creation/release of deferred taxes	–	26
Total taxes	29	85

Tax expenses for corporate income tax and taxes on capital amounted to 59 million francs (previous year: 29 million francs). A tax rate of 19.0 percent (previous year: 19.5 percent) was used for calculating corporate income tax.

The reserves for general banking risks of 140 million francs recognized in the year under review resulted in a deferred tax provision of 26 million francs (deferred tax rate: 18.75 percent).

Auditor's report

Only the German version of the financial statements have been audited and the related audit report is included in the German version of the Annual Report of PostFinance Ltd on page 88. The translations into English, French and Italian of the financial statements were not subject to audit and are therefore marked as "unaudited".

Reporting

Download

The PostFinance Ltd Annual Report is available online in electronic form at
→ postfinance.ch/annualreport.

Document structure

Swiss Post Ltd's external Group reporting documents for 2025 consist of:

- Annual Report 2025
- Glossary of sustainability indicators 2025

PostFinance Ltd's reporting documents for 2025 consist of:

- Annual Report 2025
- Sustainability Report 2025
- Capital adequacy disclosure on grounds of systemic importance as at 31 December 2025
- Capital adequacy disclosure as at 31 December 2025

Languages

PostFinance Ltd's Annual Report is available in English, German, French and Italian. The German version is authoritative. The disclosure on grounds of systemic importance and the capital adequacy disclosure are available in German only.

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