This document constitutes two registration documents pursuant to Article 20 paragraph 1 in connection with Article 10 paragraph 1 of Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**") in conjunction with Article 7 and Annex 6 of the Commission Delegated Regulation (EU) 2019/980 (the "**Delegated Regulation**"), (i) Registration Document I in the English language, and (ii) Registration Document II in the German language.

Dieses Dokument enthält zwei Registrierungsformulare gemäß Artikel 20 Absatz 1 in Verbindung Artikel 10 Absatz 1 der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates (die "**Prospektverordnung**") in Verbindung mit Artikel 7 und Annex 6 der Delegierten Verordnung (EU) 2019/980 der Kommission (die "**Delegierte Verordnung**"), (i) das Registrierungsformular I in englischer Sprache und (ii) das Registrierungsformular II in der deutschen Sprache.

Julius Bär

Bank Julius Baer & Co. Ltd., Zurich (Banque Julius Baer & Cie SA, Bank Julius Bär & Co. AG, Banca Julius Baer & Co. SA), a corporation with limited liability under the laws of Switzerland ("**BJB**"), acting through its head office or a designated branch (the "**Issuer**")

Registration Document I

dated 27 May 2026

(the "**Registration Document**")

This Registration Document expires on 27 May 2027. The obligation to supplement this Registration Document in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Registration Document is no longer valid.

Julius Bär

Bank Julius Bär & Co. AG, Zürich (Banque Julius Baer & Cie SA, Bank Julius Baer & Co. Ltd., Banca Julius Baer & Co. SA), eine nach Schweizer Recht organisierte Aktiengesellschaft (die "**BJB**"), handelnd durch ihren Hauptsitz oder eine dazu bestimmte Zweigniederlassung (die "**Emittentin**")

Registrierungsformular II

vom 27. Mai 2026

(das "**Registrierungsformular**")

Dieses Registrierungsformular ist ab dem 27. Mai 2027 nicht mehr gültig. Die Pflicht zur Erstellung eines Nachtrags im Falle wichtiger neuer Umstände, wesentlicher Unrichtigkeiten oder wesentlicher Ungenauigkeiten besteht nach Ablauf der Gültigkeit dieses Registrierungsformulars nicht mehr fort.

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I. RISK FACTORS

Risks relating to the Issuer

In this section the issuer risks specific to BJB are set out. These risks are presented in risk categories (sections 1 to 3) depending on their nature whereby in each risk category the most material risks are set out first; all the remaining risk factors within each category are not set out in order of their materiality. The assessment of materiality of each risk has been made by the Issuer as of the date of this Registration Document based on the probability of their occurrence and the expected magnitude of their negative impact on the Issuer.

The assessment of materiality is disclosed by specifying whether the realization of the respective risk results in adverse effects on any or all of BJB's business, results of operations, capitalization, profitability, financial condition and/or prospects.

In this context the expressions "material" denotes a higher expected magnitude of materiality of the respective risk. If any of such denoted risks materialise, BJB may not be able to fulfil its obligations under the securities issued by it. Furthermore, the market value of securities issued by BJB can fall significantly or even be zero. Accordingly, investors in securities which are issued by BJB may lose their entire investment or parts of their investment **(risk of total loss)**.

The risks described below may also occur cumulatively and thus be mutually reinforcing. In particular in the event that several of the risks listed below occur cumulatively and are mutually reinforcing, the ability of BJB to meet its payment or delivery obligations under such securities to investors may be adversely affected.

1. Risks related to the financial situation of BJB

In this risk category, the specific risks related to the financial situation of BJB are described. The most material risks in this category are the "Credit risk", the

I. RISIKOFAKTOREN

Emittentenrisiken

Im vorliegenden Abschnitt sind die auf die BJB anwendbaren Emittentenrisiken beschrieben. Die Risiken werden entsprechend ihrer Beschaffenheit in verschiedenen Risikokategorien (Abschnitte 1 bis 3) dargestellt, wobei in jeder Risikokategorie die wesentlichsten Risiken an erster Stelle genannt werden; die übrigen Risikofaktoren innerhalb jeder Kategorie sind nicht in der Reihenfolge ihrer Wesentlichkeit aufgeführt. Die Beurteilung der Wesentlichkeit jedes Risikos wurde von der Emittentin zum Datum dieses Registrierungsformulars auf der Grundlage der Wahrscheinlichkeit ihres Eintretens und des zu erwartenden Umfangs ihrer negativen Auswirkungen auf die Emittentin durchgeführt.

Die Beurteilung der Wesentlichkeit wird offengelegt, indem für das betreffende Risiko dargestellt wird, ob die Realisierung dieses Risikos nachteilige Auswirkungen auf einige oder alle Geschäftsbetriebe, die Ertragslage, die Kapitalisierung, die Profitabilität, die Finanzlage und/oder die Aussichten der BJB hat.

In diesem Zusammenhang bedeutet der Ausdruck "wesentlich" einen größeren zu erwartenden Umfang der Wesentlichkeit des entsprechenden Risikos. Falls sich eines der so bezeichneten Risiken verwirklicht, könnte die BJB gegebenenfalls nicht mehr in der Lage sein, ihre Verpflichtungen unter den von ihr begebenen Wertpapiere zu erfüllen. Überdies kann der Wert der von der BJB begebenen Wertpapiere erheblich sinken oder sogar null betragen. Mithin können Anleger, die in die von der BJB begebenen Wertpapiere investiert haben, ihr Investment ganz oder teilweise verlieren (**Risiko eines Totalverlusts**).

Die nachfolgend dargestellten Risiken können auch kumulativ eintreten und sich dadurch gegenseitig verstärken. Insbesondere im Fall, dass mehrere der unten aufgeführten Risiken kumulativ eintreten und sich gegenseitig verstärken, kann dies die Fähigkeit der BJB beinträchtigen, ihre Zahlungs- oder Lieferverpflichtungen unter den Wertpapieren gegenüber den Anlegern zu erfüllen.

1. Risiken betreffend die Finanzlage der BJB

In diesem Abschnitt sind die Risiken betreffend die Finanzlage der BJB umschrieben. Die wesentlichsten Risiken in dieser Kategorie sind das "Kreditrisiko", das

"Treasury risk" and the "Risk of a rating downgrade".

1.1 Credit risk

BJB is exposed to the credit risk of its counterparties. Credit risk is the risk of financial losses due to a client or a counterparty of BJB being either unable, or only partially able, to meet an obligation owed to BJB.

Generally, the largest portion of BJB's credit activities consist of secured lending as well as mortgages for its clients, which are secured by pledges of marketable equity and debt securities and real estate located in Switzerland and in selected international locations with a local banking presence, respectively, to mitigate BJB's credit risk. BJB's risk management procedures focus on the value of the collateral securing BJB's credit risk. However, BJB may become under-collateralised, for example, as a result of sudden declines in market values of the collateral. In such case, BJB may incur losses up to the amount by which the obligation owed to BJB exceeds the value of the collateral securing such obligation. Further, credit risks result from BJB´s treasury, trading and banking activities.

Therefore, the realization of any such credit risk may result in financial losses and, hence, have a material adverse effect on BJB's results of operations and financial condition.

1.2 Treasury risk

Treasury risk is inherent in the basic banking activities of BJB such as accepting deposits and providing loans and credits. Treasury risk is defined as the risk associated with BJB's ability to convert an asset into cash to ensure it can meet its obligations in adverse scenarios. The transformation of short-term deposits into long-term assets exposes banks to treasury risk. The treasury risk of BJB consists of the financing risk and the liquidity risk.

Liquidity risk is the risk of BJB being unable to meet its payment obligations when they fall due. Financing risk is the risk of BJB being unable to finance its existing or planned activities on an ongoing basis at acceptable prices. Liquidity is critical to BJB's ability to fulfil its

"Finanzrisiko" und das "Risiko einer Herabstufung des Ratings".

1.1 Kreditrisiko

Die BJB ist dem Kreditrisiko ihrer Gegenparteien ausgesetzt. Das Kreditrisiko ist das Risiko von finanziellen Verlusten, die dadurch entstehen, dass ein Kunde oder eine Gegenpartei, nicht oder nur teilweise in der Lage ist, eine Verpflichtung gegenüber der BJB zu erfüllen.

Grundsätzlich besteht der grösste Teil des Kreditgeschäfts der BJB aus Lombard- sowie Hypothekarkrediten, die durch Verpfändung verkaufsfähiger Wertpapiere bzw. Liegenschaften in der Schweiz und an wenigen ausgewählten internationalen Standorten, wo eine lokale Bank-Präsenz vorhanden ist, gesichert sind, um das Kreditrisiko der BJB zu beschränken. Deshalb liegt der Fokus des Risikomanagement-Verfahrens der BJB primär auf dem Wert der Sicherheiten. Es kann jedoch vorkommen, dass die BJB unterbesichert ist, z.B. infolge eines plötzlichen Sinkens der Marktwerte der Sicherheit. In einem solchen Fall könnte die BJB Verluste bis zur Höhe des Betrages erleiden, um den die an BJB geschuldete Leistung den Wert der Sicherheit für die Verpflichtung übersteigt. Weitere Kreditrisiken ergeben sich aus den Treasury-, Banking- und Handelsaktivitäten der BJB.

Folglich kann die Realisierung eines solchen Kreditrisikos zu finanziellen Verlusten führen und somit die Ertragslage und die Finanzlage von BJB wesentlich beeinträchtigen.

1.2 Finanzrisiko

Das Finanzrisiko ist den grundlegenden Bankaktivitäten von BJB inhärent, wie der Annahme von Einlagen und der Bereitstellung von Darlehen und Krediten. Das Finanzrisiko ist definiert als das Risiko, welches mit der Fähigkeit von BJB zusammenhängt, Aktiven in nachteiligen Szenarien in Geld umzuwandeln, um ihren Verpflichtungen nachzukommen. Banken sind aufgrund der Umwandlung von kurzfristigen Einlagen in langfristige Aktiven dem Finanzrisiko ausgesetzt. Das Finanzrisiko von BJB besteht aus dem Finanzierungsrisiko und dem Liquiditätsrisiko.

Das Liquiditätsrisiko ist das Risiko, dass BJB nicht in der Lage ist, seinen Zahlungsverpflichtungen bei Fälligkeit nachzukommen. Das Finanzierungsrisiko ist das Risiko, dass BJB nicht in der Lage ist, ihre bestehenden oder geplanten Aktivitäten laufend zu angemessenen Preisen

obligations to its clients and fund and operate its businesses, in particular in relation to accepting deposits, providing loans and credits. As of 31 December 2025 BJB's activities were largely financed by client sight deposits. BJB may be unable to obtain alternative financing on the interbank market in the event of a liquidity impairment. BJB's liquidity could be impaired at any given time by various developments in the banking market, e.g.

- market-wide illiquidity or disruption;
- unforeseen cash or capital requirements;
- unanticipated outflows of cash or collateral;
- unexpected loss of consumer deposits caused by changes in consumer behaviour; and
- an outflow of consumer deposits caused by a loss of client confidence in BJB or financial institutions in general (bank run).

A diminution of BJB's liquidity may be caused by events over which it has little or no control. Failure by BJB to effectively manage its liquidity could constrain its ability to fulfil its obligations and fund or invest in its businesses in particular in relation to accepting deposits, providing loans and credits.

A realization of the treasury risk could therefore materially adversely affect BJB's results of operations and financial condition.

1.3 Risk of a rating downgrade

BJB is rated by credit rating agencies. As at the date of this Registration Document I Moody's Investors Service ("**Moody's**") assigned BJB a "Long-Term Senior Unsecured and Issuer Rating" of "A3"*.

* Obligations rated A are considered upper-medium grade and are subject to low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

BJB closely monitors and manages, to the extent possible, factors that could influence its credit ratings (e.g. expected future profitability, risk management

zu finanzieren. Liquidität ist zentral für die Fähigkeit der BJB um ihren Verpflichtungen gegenüber ihren Kunden nachzukommen und um ihr operatives Geschäft zu finanzieren und zu betreiben, insbesondere in Bezug auf die Annahme von Einlagen, die Gewährung von Darlehen und Krediten. Zum 31. Dezember 2025 wurden die Aktivitäten von BJB weitgehend durch Kundeneinlagen finanziert. Im Fall einer Liquiditätsstörung könnte BJB nicht in der Lage sein, sich am Interbankenmarkt alternativ zu finanzieren. Die Liquidität der BJB könnte jederzeit durch die folgenden Faktoren beeinträchtigt werden:

- Marktweite Illiquidität oder Unterbrechungen;
- Unvorhergesehene Liquiditäts- oder Kapitalvorschriften;
- Unerwarteter Abfluss liquider Mittel oder Sicherheiten;
- Unerwarteter Abzug von Einlagen aufgrund eines veränderten Konsumentenverhaltens; und
- Ein durch Verlust von Kundenvertrauen in BJB oder in Finanzinstitute im Allgemeinen hervorgerufener Abfluss von Einlagen (*Bank Run*).

Eine Beeinträchtigung der Liquiditätslage der BJB kann durch Ereignisse bewirkt werden, über welche BJB kaum oder gar keine Kontrolle hat. Ein Versagen der BJB ihre Liquidität effektiv zu verwalten, könnte die Fähigkeit, ihren Verpflichtungen nachzukommen und um ihr operatives Geschäft zu finanzieren und zu betreiben, negativ beeinflussen, insbesondere in Bezug auf die Annahme von Einlagen, die Gewährung von Darlehen und Krediten.

Eine Realisierung des Finanzrisikos könnte demnach die Ertragslage und die Finanzlage der BJB wesentlich beeinträchtigen.

1.3 Risiko einer Herabstufung des Ratings

Die BJB ist Gegenstand von Bonitätsratings von Rating-Agenturen. Zum Datum dieses Registrierungsformulars II hat Moody's Investors Services ("**Moody's**") BJB´s langfristige, nicht nachrangige, ungesicherte Schuldtitel und die BJB als Emittentin mit einem Rating von "A3"* bewertet."

* Moody's: A*: A-geratete Verbindlichkeiten werden der "oberen Mittelklasse" zugerechnet und bergen ein geringes Kreditrisiko. Moody's verwendet in den Ratingkategorien "Aa" bis "Caa" zusätzlich numerische Unterteilungen. Der Zusatz "1" bedeutet, dass eine entsprechend bewertete Verbindlichkeit in das obere Drittel der jeweiligen Ratingkategorie einzuordnen ist, während "2" und "3" das mittlere bzw. untere Drittel anzeigen.

Die BJB überwacht und verwaltet, soweit möglich, die Faktoren, die einen Einfluss auf ihr Bonitätsrating haben könnten (z.B. erwartete zukünftige Profitabilität,

practices, legal expenses, regulatory developments, and economic and geopolitical trends). Despite such measures, Moody's downgraded several ratings of BJB on 28 February 2020. In particular, BJB's long-term issuer ratings were downgraded from A2 to A3. Although Moody's upgraded the aforementioned rating from A3 to A2 on 13 July 2021, it was downgraded again from A2 to A3 on 20 December 2023. BJB continues to be subject to the risk of further credit rating downgrades in the future. A downgrading of BJB's credit ratings could e.g. occur at times of broader market instability when BJB's options for responding to events may be more limited and general investor confidence is low.

A downgrading of BJB's credit ratings and the corresponding loss of confidence in BJB as creditor could in particular reduce its access to capital markets, materially increase the refinancing costs and decrease the number of investors and counterparties that are willing or permitted to do business with BJB.

Therefore, the downgrading of BJB's credit rating could have a material adverse effect on BJB's profitability and results of operations.

2. Risks related to the business activities of BJB

In this risk category, the specific risks related to the business activities of BJB are described. The most material risks in this category are the "Operational risk", the "Market risk" and the "Reputational risk".

2.1 Operational risk

BJB is exposed to operational risks. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, external events, or fraud. It includes the risk of unexpected losses from isolated events, caused for example by faulty information systems, unsuitable organisational structures or deficient control mechanisms.

BJB's operational risk consists, in particular of information security risk, fraud risk, technology risk and its reliance on third parties for certain key services. The

Riskmanagementpraxis, Rechtskosten, regulatorische Entwicklungen, und ökonomische und geopolitische Trends). Trotz solcher Maßnahmen hat Moody's am 28. Februar 2020 mehrere Ratings von BJB herabgestuft. Insbesondere wurden die langfristigen Emittentenratings von BJB von A2 auf A3 herabgestuft. Obwohl Moody's am 13. Juli 2021 das zuvor genannte Rating wieder von A3 auf A2 angehoben hat, wurde es am 20. Dezember 2023 erneut von A2 auf A3 herabgestuft. BJB unterliegt weiterhin dem Risiko weiterer Bonitätsherabstufungen in der Zukunft. Eine Herabstufung des Bonitätsratings könnte z.B. zu Zeiten einer allgemeinen Marktinstabilität erfolgen, in denen die Möglichkeiten der BJB, auf entsprechende Entwicklungen zu reagieren, eingeschränkt sein könnten und das generelle Vertrauen von Investoren gering sein könnte.

Eine Herabstufung des Bonitätsratings und damit einhergehend ein Vertrauensverlust in die BJB als Gläubiger könnte eine Einschränkung des Zugangs zu den Kapitalmärkten bedeuten, die Refinanzierungskosten wesentlich erhöhen und die Anzahl der Investoren und Gegenparteien verringern, die gewillt bzw. befugt sind, mit der BJB Geschäfte zu tätigen.

Die Herabstufung des Bonitätsratings könnte sich somit wesentlich nachteilig auf die Profitabilität und die Ertragslage der BJB auswirken.

2. Risiken betreffend der Geschäftsaktivitäten der BJB

In dieser Risikokategorie sind die spezifischen Risiken des Geschäftsbetriebs der BJB umschrieben. Die wesentlichsten Risiken sind das "Operationelle Risiko", das "Marktrisiko" und das "Reputationsrisiko".

2.1 Operationelles Risiko

Die BJB ist operationellen Risiken ausgesetzt. Operationelles Risiko ist das Risiko von Verlusten, die auf unangemessene oder fehlerhafte interne Prozesse, Menschen, Systeme, externe Ereignisse oder Betrug zurückzuführen sind. Es umfasst das Risiko von unerwarteten Verlusten aus isolierten Ereignissen, die zum Beispiel durch fehlerhafte Informationssysteme, ungeeignete Organisationsstrukturen oder mangelhafte Kontrollmechanismen verursacht werden.

BJB's operationelles Risiko besteht insbesondere aus dem Risiko in Bezug auf Informationssicherheit dem Betrugsrisiko, dem Technologierisiko und der

information security risk in particular includes the cyber risk. The cyber risk is the risk of a financial loss caused by cyber-attacks (attacks from the internet or similar networks on the integrity, availability, and the confidentiality of the technological infrastructure regarding critical and/or sensitive data or IT-systems).

The information security risk is deemed one of the most substantial risks for BJB. For banks in particular, the loss of confidentiality, availability or integrity would deprive the institution from being able to serve its clients. In particular, for a private bank such as BJB, trust of its clients is most important to be able to maintain its franchise.

A further risk type considered being of importance is fraud risk. Fraud attempts, committed by external third parties range from e.g. payment fraud, social engineering to asset misappropriation and alike.

Fraud risk also includes misconduct or improper practice by BJB's employees. Such fraud, misconduct and improper practice could involve, for example, fraudulent transactions entered into for a client's account, the intentional or inadvertent release of confidential customer information or failure to follow internal procedures. As BJB's core business is wealth management and investment advice BJB is particularly sensitive for such misconduct by its employees.

Information technology (IT) risks are in the financial industry and are particularly important for BJB. The data and the data processing is at the heart of the bank's ability to serve its clients.

Abhängigkeit von Dritten für die Erbringung wesentlicher Dienstleistungen. Das Informationssicherheitsrisiko umfasst insbesondere auch das Cyber-Risiko. Unter Cyber-Risiko ist das Risiko eines finanziellen Verlustes aufgrund von Cyber-Attacken (Angriffe aus dem Internet und vergleichbaren Netzen auf die Integrität, die Verfügbarkeit und die Vertraulichkeit der Technologieinfrastruktur in Bezug auf kritische und/oder sensitive Daten und IT-Systeme) zu verstehen.

Das Risiko der Informationssicherheit ist eines der substantiellsten Risiken der BJB. Besonders für Banken würde der Verlust der Vertraulichkeit, Verfügbarkeit oder Integrität sie daran hindern, ihre Kunden zu betreuen. Ganz besonders ist für eine Privatbank, wie BJB, das Vertrauen seiner Kunden wichtig, um ihren Marktwert aufrecht erhalten zu können.

Das Betrugsrisiko ist auch ein weiterer wichtiger Risikotyp. Betrugsversuche, die von externen Dritten begangen werden, reichen von z.B. Zahlungsbetrug, Social Engineering bis hin zur Veruntreuung von Vermögenswerten und Ähnlichem.

Das Betrugsrisiko umfasst auch Fehlverhalten oder unsachgemäße Praktiken von Mitarbeitern der BJB. Solche Betrügereien, Fehlverhalten und unangemessene Praktiken können beispielsweise betrügerische Transaktionen für das Konto eines Kunden, die absichtliche oder versehentliche Freigabe vertraulicher Kundeninformationen oder die Nichtbeachtung interner Verfahren umfassen. Da BJB´s wichtigstes Geschäftsfeld die Vermögensverwaltung und die Anlageberatung ist, ist BJB besonders anfällig auf ein solches Fehlverhalten seiner Mitarbeiter.

Informationstechnologierisiken (IT) sind in der Finanzbranche und für BJB von besonderer Bedeutung. Die Daten und die Datenverarbeitung stehen im Mittelpunkt der Fähigkeit der Bank, ihre Kunden zu betreuen.

BJB is also exposed to the risk that arises from potential errors in the confirmation or settlement of transactions or from transactions not being accurately recorded, evaluated, or accounted. BJB relies on internal processes and systems and BJB's businesses are highly dependent on its ability to process, correctly and on a rapid basis, a large number of transactions across several and diverse markets in several currencies. In an industry where business processes are becoming increasingly complex, BJB relies heavily on its financial, accounting, and other data processing systems. If any of these systems, were not to operate properly or were disabled including due to a systems malfunction, cyber breach, or other systems failure, BJB could suffer financial loss, liability to clients, loss of client confidence, regulatory intervention and/or reputational damage.

BJB ist auch dem Risiko ausgesetzt, das aus möglichen Fehlern bei der Bestätigung bzw. Durchführung von Transaktionen bzw. der nicht ordnungsgemässen Erfassung, Bewertung oder Bilanzierung von Transaktionen entsteht. Die Geschäfte der BJB hängen im hohen Masse von ihrer Fähigkeit ab, eine grosse Anzahl von Transaktionen in unterschiedlichen Märkten in verschiedenen Währungen schnell und fehlerfrei zu verarbeiten. In einer Industrie, in der die Geschäftsprozesse zunehmend komplex werden, verlässt sich die BJB in erheblichem Masse auf finanzielle buchungs- und andere Datenverarbeitungssysteme. Falls ein solches System, künftig nicht ordnungsgemäss funktionieren oder ausfallen würde, könnte die BJB dadurch finanzielle Verluste, Haftung gegenüber Kunden, Verlust von Kundenvertrauen regulatorische Eingriffe und/oder Reputationsschäden erleiden.

In providing banking services to its clients, BJB relies on third-parties for certain key services, in particular clearing systems for USD transactions, other currencies and securities, sub-custodians and correspondence banks.

Bei der Erbringung von Bankdienstleistungen für ihre Kunden, ist BJB für bestimmte wesentliche Dienstleistungen auf Dritte angewiesen, insbesondere auf Clearingsysteme für USD-Transaktionen, andere Währungen und Wertpapiere, Verwahrungsstellen und Korrespondenzbanken.

Any failure of these third parties to provide services to BJB could expose BJB to operational risks. Equally so, a voluntary sudden withdrawal from providing services to BJB due to a loss of confidence and/or trust may infringe BJB's operational activities.

Ein Ausfall eines Dritten bei der Erbringung dieser Dienstleistungen an BJB, könnte BJB operationellen Risiken aussetzen. Ebenso kann ein freiwilliger Verzicht auf die Erbringung dieser Dienstleistungen aufgrund eines Vertrauensverlustes in BJB die operative Tätigkeit von BJB beeinträchtigen.

Therefore, the realisation of operational risks could have a material adverse effect on BJB's profitability and results of operations.

Daher könnte die Realisierung operationeller Risiken wesentliche negative Auswirkungen auf die Profitabilität und die Ertragslage der BJB haben.

2.2 Market risk

2.2 Marktrisiko

Market risk refers to the potential losses through changes in the valuation of BJB's financial assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors.

Das Marktrisiko bezieht sich auf die potenziellen Verluste durch Änderungen in der Bewertung der finanziellen Vermögenswerte der BJB und Verbindlichkeiten aufgrund von Änderungen der Marktpreise, Volatilitäten, Korrelationen und anderer bewertungsrelevanter Faktoren.

BJB separates its market risk into the trading market risk and the non-trading market risk.

BJB unterteilt ihr Marktrisiko in das Marktrisiko aus Handelsaktivitäten und das Marktrisiko ohne Handelsaktivitäten.

Trading market risk

The continued development of the structured products offering of BJB across all asset classes is addressing the diverse needs of the global customer base of BJB. Trading market risk results in the context of structuring such structured products by BJB as well of providing access to global equity, bonds, foreign exchange, fx and precious metal markets. They are pursued with the intention of benefiting from actual or expected differences between the opening and closing price of proprietary positions, with the intention of benefiting from arbitrage profits, or with the intention of hedging risks from positions meeting aforementioned criteria. In the course of these activities, BJB is subject to market price changes.

In addition to the expected (intrinsic) volatility of market prices, the valuation of assets can be negatively affected by adverse changes in any of the following:

- investor, consumer and business sentiment;
- market-wide illiquidity or disruption supply of liquidity;
- events that reduce confidence in the financial markets;
- inflation or deflation;
- any increases in the interest rates on the financial markets, in particular if unexpected and erratic, e.g. as a result of market disruption or an unexpected rise in a base interest rate;
- high unemployment or, conversely, a tightening labour market;
- the availability and cost of capital and credit;
- monetary and fiscal policies and actions taken by the Swiss National Bank and other central banks or governmental authorities;
- trade policies implemented by governmental authorities (such as tariffs);
- economic effects of a rise in commodities prices (such as crude oil)
- the economic effects of natural disasters, severe weather conditions, health emergencies or pandemics, cyberattacks, outbreaks of hostilities, terrorism or other geopolitical instabilities (such as the Ukraine / Russia conflict and the current situation in the middle east); and

Marktrisiko aus Handelsaktivitäten

BJB´s kontinuierliche Weiterentwicklung des Angebots an strukturierten Produkten über alle Anlageklassen hinweg wird den unterschiedlichen Bedürfnissen des globalen Kundenstamms von BJB gerecht. Marktrisiken aus Handelsaktivitäten entstehen bei BJB im Zusammenhang mit der Strukturierung solcher strukturierten Produkte sowie durch den Zugang zu den globalen Aktien-, Anleihe-, Devisen- und Edelmetallmärkten. Sie werden mit der Absicht betrieben, von tatsächlichen oder erwarteten Differenzen zwischen dem Eröffnungs- und dem Schlusskurs von Eigenhandelspositionen zu profitieren, mit der Absicht, von Arbitragegewinnen zu profitieren, oder mit der Absicht, Risiken aus Positionen abzusichern, die die oben genannten Kriterien erfüllen. Dementsprechend ist BJB Marktpreisänderungen unterworfen.

Zusätzlich zur erwarteten (intrinsischen) Volatilität von Marktpreisen, kann die Bewertung von Vermögenswerten durch nachteilige Entwicklungen folgender Faktoren negativ beeinträchtigt werden:

- Investoren-, Konsumenten- und Geschäftsklima;
- Marktweite Illiquidität oder Störung in der Liquiditätsbereitstellung;
- Ereignisse, die das Vertrauen in die Finanzmärkte beeinträchtigen;
- Inflation oder Deflation;
- Zinserhöhungen auf den Finanzmärkten, insbesondere wenn sie unerwartet und unberechenbar sind, z.B. als Folge von Marktstörungen oder unerwarteter Erhöhungen eines Leitzinses;
- Hohe Arbeitslosenquote oder umgekehrt eine angespannte Arbeitsmarktlage;
- Verfügbarkeit von Kapital und Finanzierungskosten;
- Geld- und Steuerpolitik der Schweizerischen Nationalbank oder anderer Zentralbanken und Behörden;
- Handelspolitische Massnahmen von Behörden (insbesondere Zölle)
- Ökonomische Auswirkungen von steigenden Rohstoff-Preisen (insbesondere Rohöl)
- Ökonomische Auswirkungen von Naturkatastrophen, bedrohliche Wetterbedingungen, gesundheitliche Notfälle oder Pandemien, Cyber-Attacken, Ausbruch von Konflikten, Terrorismus oder sonstigen geopolitischen Instabilitäten (so wie der Ukraine / Russland Konflikt sowie die gegenwärtige Lage im Mittleren Osten); und

- the health of the U.S., European, Asian and Swiss as well as the global economy.

Changes in market prices can also be triggered by the fact that suddenly there is no longer a market for a financial instrument and therefore no market price can be determined.

If the trading market risk realizes, this could result in a material loss of BJB in relation to its trading activities and could therefore have a material adverse effect on BJB's results of operations.

Non-trading market risk

The non-trading market risk of BJB results from the management of financial assets and liabilities held in BJB's banking books with exposures mainly to interest rate risk, currency risk, credit spread risk, and equity risk.

The total assets under management of BJB (including double counting for assets with a discretionary mandate assets and other under management) amounted to 437,549 million CHF as at 31 December 2025 Accordingly, BJB's results of operation depend, to a significant extent, on factors such as the returns realized by its clients on their investments as well as its ability to attract new money inflows. Weak investment performance in the financial markets, will negatively affect the value of the assets BJB manages for its clients and may lead to a decline in BJB's revenues and profitability. In addition, clients experiencing lower than expected returns on investments offered or recommended by BJB relative to investment solutions offered by its competitors, could lead to an asset outflow.

- Zustand der U.S., Europäischen, Asiatischen und Schweizer Wirtschaft sowie der Weltwirtschaft.

Veränderungen von Marktpreisen können auch dadurch ausgelöst werden, dass für ein Finanzinstrument plötzlich kein Markt mehr besteht und entsprechend kein Marktpreis mehr ermittelt werden kann.

Wenn sich das Marktrisiko des Handels realisiert, könnte dies zu einem wesentlichen Verlust von BJB in Bezug auf seine Handelsaktivitäten führen und könnte sich daher wesentlich nachteilig auf BJB´s Ertragslage auswirken.

Marktrisiko, das nicht mit Handelsaktivitäten verbunden ist

Das Marktrisiko von BJB, das nicht mit Handelsaktivitäten verbunden ist, ergibt sich aus der Verwaltung von finanziellen Vermögenswerten und Verbindlichkeiten, die in den Bankbüchern von BJB gehalten werden und hauptsächlich dem Zinsrisiko, dem Währungsrisiko, dem Risiko der Kreditspreads und dem Aktienrisiko ausgesetzt sind.

Das von BJB verwaltete Gesamtvermögen (einschließlich Doppelzählungen für Vermögen mit Verwaltungsmandat und andere verwaltete Vermögen) belief sich am 31. Dezember 2025 auf 437.549 Millionen CHF. Dementsprechend hängt die Ertrags- und Finanzlage der BJB zu einem wesentlichen Teil von Faktoren ab, wie die Rendite, welche ihre Kunden auf ihren Anlagen erzielt haben und der Fähigkeit neue Kundengelder anzuziehen. Schwache Anlageergebnisse auf den Finanzmärkten den Wert der Vermögen negativ beeinflussen, welche die BJB für ihre Kunden verwaltet und könnten zu einer Beeinträchtigung des Ertrages und der Profitabilität der BJB führen. Zusätzlich könnte der Umstand, dass Kunden auf von der BJB empfohlenen Anlagen im Vergleich zu Anlageprodukten der Konkurrenz, eine schwächere Rendite als erwartet erzielen, zu Vermögensabflüssen führen.

Furthermore, BJB is exposed to fluctuations in foreign exchange rates against CHF, which is BJB's reporting currency for consolidated financial statements and regulatory capital reporting. The mismatch of the currency split between income (dominated by USD, through the domination of client's USD assets) and expenses (dominated by CHF, being a Swiss centred bank) may lead to reductions of profitability and the ability to reach the aspired profitability.

Darüber hinaus ist BJB Wechselkursschwankungen gegenüber dem CHF ausgesetzt. CHF ist für BJB im Rahmen der konsolidierten Finanzberichterstattung und der aufsichtsrechtlichen Kapitalfinanzberichterstattung massgeblich. Die Inkongruenz des Währungssplit zwischen Erträgen (hauptsächlich in USD, aufgrund der hohen Anzahl Vermögenswerte von Kunden, die auf USD lauten) und Aufwendungen (hauptsächlich CHF, da es sich um eine in der Schweiz ansässige Bank handelt) kann zu einer Verringerung der Rentabilität und der Fähigkeit, die angestrebte Rentabilität zu erreichen, führen.

As BJB is specialised in wealth management, the realization of the non-trading market risk could have a material adverse effect on BJB's results of operations.

Da BJB sich auf die Vermögensverwaltung spezialisiert hat, kann die Realisierung des Marktrisikos ohne Handelsaktivitäten zu Verlusten führen, und könnte eine wesentlich nachteilige Auswirkung auf die Ertragslage von BJB haben.

2.3 Reputational risk

2.3 Reputationsrisiko

BJB is exposed to reputational risk. Reputational risk describes the risk that the reputation BJB has with its stakeholders (including regulators, shareholders, clients, employees, and the general public) deteriorates and the trust in its franchise and brand value is negatively influenced.

Die BJB ist dem Reputationsrisiko ausgesetzt. Das Reputationsrisiko beschreibt das Risiko, dass sich das Ansehen von BJB bei seinen Stakeholdern (einschließlich Aufsichtsbehörden, Aktionären, Kunden, Mitarbeitern und der allgemeinen Öffentlichkeit) verschlechtert und das Vertrauen in sein Franchise und seinen Markenwert negativ beeinflusst wird.

BJB's reputation may deteriorate due to cases in which stakeholders' perception of BJB differs negatively from BJB´s actual conduct performance and business practice. Negative publicity about BJB's business practices can involve any aspect of its operations, but usually relates to topics around business ethics and integrity, or the quality of products and services which could result from:

BJB's Reputation kann sich dadurch verschlechtern, dass die Wahrnehmung von BJB durch die Interessengruppen negativ von der tatsächlichen Leistungsfähigkeit und der Geschäftspraxis abweicht. Eine negative Publizität zu den Geschäftspraktiken der BJB kann jeden Aspekt ihrer Tätigkeit betreffen, bezieht sich aber in der Regel auf Themen der Geschäftsethik und Integrität oder die Qualität von Produkten und Dienstleistungen, die zurückzuführen sein könnten auf:

- misconduct of BJB's employees, existing or newly acquired clients, agents or third-party distributors;
- allegations that BJB does not fully comply with regulatory requirements or anti-money laundering rules;
- failure in BJB's IT system, loss or theft of clients' data or confidential information, failure in BJB's risk management or internal control procedures; and
- investments or financial products BJB recommends not performing as expected.

- Fehlverhalten von Mitarbeitern der BJB, Fehlverhalten bestehender oder neuer Kunden, Bevollmächtigten oder eines Vertriebspartners;
- Behauptungen, dass die BJB die aufsichtsrechtlichen Anforderungen oder die Regeln gegen Geldwäsche nicht umfassend beachte;
- Mängel des EDV-Systems der BJB, dem Verlust bzw. der Entwendung von Kundendaten oder vertraulichen Informationen, einem Versagen beim Risiko-Management der BJB oder interner Kontrollmassnahmen; und
- von BJB empfohlene Anlagen bzw. Finanzprodukte, die nicht die erwartete Rendite bringen.

Any reputational damage to BJB could:

- cause existing clients to cease doing business with and to withdraw their assets and deposits from BJB (bank run);
- impair BJB's ability to attract new clients, or to expand its relationships with existing clients;
- prompt BJB to cease doing business with certain clients; and
- diminish BJB's ability to hire or retain employees.

Ein Reputationsschaden der BJB könnte:

- bestehende Kunden dazu veranlassen, keine weiteren Geschäfte mit der BJB zu tätigen oder ihr Vermögen und Einlagen bei der BJB abzuziehen (*Bank Run*);
- die Fähigkeit der BJB beeinträchtigen, neue Kunden anzuziehen bzw. Beziehungen mit bestehenden Kunden auszuweiten;
- die BJB dazu veranlassen, mit bestimmten Kunden keine Geschäfte mehr zu tätigen; und
- die Fähigkeit von BJB beeinträchtigen, neue Arbeitnehmer einzustellen bzw. bestehende Arbeitnehmer zu halten.

The capability to retain existing clients or attract new clients of a bank specialised in wealth management, such as BJB, depends substantially on the confidence of its clients. Therefore, BJB considers its reputation as the most important asset and the hardest one to re-establish in case of an unwanted deterioration.

Die Fähigkeit bestehende Kunden zu halten bzw. neue Kunden anzuziehen hängt für eine auf die Vermögensverwaltung spezialisierte Bank, wie die BJB, massgeblich vom Vertrauen ihrer Kunden ab. Daher betrachtet BJB ihren Ruf als das wichtigste Gut und als das am schwersten wieder herzustellende im Falle einer unerwünschten Verschlechterung.

The realisation of reputational risk could therefore have a material adverse effect on BJB's business, results of operations and its prospects.

Die Verwirklichung des Reputationsrisikos könnte daher den Geschäftsbetrieb, die Ertragslage und die Aussichten der BJB wesentlich beeinträchtigen.

2.4 People management risk

2.4 Risiko im Zusammenhang mit dem Personalmanagement

People management risk refers to processes and activities of human resources that are not adequately designed, set up or performed and therefore leading to an insufficient management of the lifecycle of an employee. Also comprised is the risk of line management not adequately carrying out its people management responsibility and therefore leading to an insufficient performance of supervision and leadership obligations.

Risiken im Zusammenhang mit Personalmanagement bezieht sich auf Prozesse und Aktivitäten der Personalabteilung, die nicht angemessen konzipiert, eingerichtet oder durchgeführt werden und daher zu einem unzureichenden Management des Lebenszyklus eines Mitarbeiters führen. Dazu gehört auch das Risiko, dass das Linienmanagement seiner Verantwortung für das Personalmanagement nicht angemessen nachkommt und deshalb die Aufsichts- und Führungspflichten nicht ausreichend erfüllt.

BJB's business model relies heavily on experienced client relationship managers attracting and retaining clients. As a result, BJB's ability to recruit and retain experienced relationship managers, and, in turn, the relationship managers' ability to attract and retain clients, is central to BJB's ability to maintain and increase its assets under management and revenues.

Das Geschäftsmodell der BJB beruht stark auf der Fähigkeit erfahrener Kundenbetreuer, Kunden zu gewinnen und zu behalten. Daher ist die Fähigkeit von BJB, erfahrene Kundenberater für sich zu gewinnen und zu halten, sowie die Fähigkeit der Kundenberater, Kunden zu gewinnen und zu halten, zentral für die Fähigkeit von BJB, um das verwaltete Vermögen und die Einnahmen aufrechtzuerhalten und auszubauen.

Individual relationship managers often maintain strong personal relationships with BJB's clients that are based on the clients' trust in the relationship manager. Accordingly, any loss of client relationship managers could cause a loss of clients. Furthermore, the market

Einzelne Kundenberater pflegen oft enge persönliche Beziehungen zu den Kunden der BJB, die auf dem persönlichen Vertrauen des Kunden in Kundenberater beruhen. Demzufolge könnte der Verlust von Kundenberater den Verlust von Kunden nach sich

for experienced relationship managers and other professionals is competitive, particularly in Asia where growth in private banking has been high and recruitment is often based on hiring relationship managers and other professionals from competitors. In this regard, Asia and other countries contributed 942.6 million CHF to the total operating income of BJB of 3,069 million CHF in the financial year 2025. The employment agreements BJB has with its employees, including key client relationship managers, generally do not contain non-compete clauses, and therefore, key employees are legally not prevented from leaving BJB to engage in competing business activities.

Therefore, BJB's ability to offer competitive employment terms, including compensation at all times is key to the retention of client relationship managers.

Any failure to recruit or retain suitably experienced relationship managers and other professionals could adversely affect BJB's competitive position and limit BJB's ability to grow its assets under management and negatively impact its profitability.

2.5 Strategic risk

BJB defines strategic risk as the risk of employing a strategy that fails to secure the adequate returns available from the capital employed in the long run.

BJB pursues a growth strategy and is exposed to strategic risk in the pursuit of its growth strategy. It may arise from strategic decisions such as joint ventures, mergers and acquisitions, the pricing strategy and strategic recruiting or the lack of making timely decisions. Such strategic decisions relate to:

- the products and services that BJB offers;
- the geographies in which it operates;
- the types of clients that it serves; and
- the methods and distribution channels by which it offers products and services.

ziehen und damit zur Minderung des bei BJB verwalteten Vermögens führen. Des Weiteren ist der Markt für erfahrene Kundenberater und anderer Experten sehr kompetitiv, insbesondere in Asien, wo das Privatbankgeschäft stark gewachsen ist, und die Rekrutierung auf der Abwerbung von Kundenberater und anderem Fachpersonal von Wettbewerbern beruht. In dieser Hinsicht trugen Asien und andere Länder 942,6 Millionen CHF zum Gesamtbetriebsergebnis von BJB von 3.069 Millionen CHF im Finanzjahr 2025 bei. Die Arbeitsverträge der BJB mit ihren Mitarbeitern einschliesslich wichtiger Kundenberater enthalten grundsätzlich keine Konkurrenzverbote beim Ausscheiden aus der BJB. Mitarbeiter der BJB unterliegen daher keinen rechtlichen Hindernissen, wenn sie die BJB verlassen, um einer konkurrierenden Tätigkeit nachzugehen.

Daher ist die Fähigkeit von BJB, jederzeit wettbewerbsfähige Bedingungen, einschließlich der Vergütung, anzubieten, wesentlich, um wichtige Kundenberater zu halten.

Sollte es BJB nicht gelingen, entsprechend erfahrene Kundenberater und andere Fachkräfte zu rekrutieren oder zu halten, könnte dies die Wettbewerbsposition der BJB beeinträchtigen und die Fähigkeit von BJB, die verwalteten Kundenvermögen zu steigern, sowie die Rentabilität negativ beeinflussen.

2.5 Strategisches Risiko

BJB definiert strategisches Risiko als das Risiko der Anwendung einer Strategie, die nicht in der Lage ist, die angemessenen Erträge aus dem eingesetzten Kapital langfristig zu sichern.

BJB verfolgt eine Wachstumsstrategie und ist bei der Verfolgung seiner Wachstumsstrategie einem strategischen Risiko ausgesetzt. Es kann sich aus strategischen Entscheidungen wie Joint Ventures, Fusionen und Übernahmen, der Preisstrategie und der strategischen Rekrutierung oder aus dem Fehlen rechtzeitiger Entscheidungen ergeben. Solche strategischen Entscheidungen beziehen sich insbesondere auf:

- die Produkte und Dienstleistungen, welche die BJB anbietet;
- die Jurisdiktionen, in denen die BJB operativ tätig ist;
- die Art von Kunden, welche die BJB bedient; und
- die Methoden und Distributionswege, basierend auf welchen die BJB ihre Produkte und Dienstleistungen anbietet.

In June 2025 the Julius Baer Group presented an updated strategy. In the 2026-2028 strategy cycle Julius Baer Group sets the following five strategic priorities: reigniting profitable growth in the core wealth management business, driving operational efficiency and cost discipline, strengthening disciplined risk and compliance management, leveraging technology to enable the business, and shifting to a performance and ownership culture. To achieve this, the Julius Baer Group will further enhance the digitalization of its business. During the 2026-2028 strategy cycle Julius Baer Group intends to make additional substantial investments in technology. The pursuit of the new strategic programme will be underpinned by an engagement-led sustainability strategy.

Im Juni 2025 hat die Julius Bär Gruppe eine aktualisierte Strategie veröffentlicht. Im Rahmen des 2026-2028 Strategie-Zyklus hat die Julius Bär Gruppe die folgenden fünf strategischen Prioritäten festgelegt: Wiederbelebung des profitablen Wachstums im Kerngeschäft der Vermögensverwaltung, Förderung der operativen Effizienz und Kostendisziplin, Stärkung eines disziplinierten Risiko- und Compliance-Managements, Nutzung von Technologie zur Unterstützung des Geschäfts sowie der Übergang zu einer leistungs- und eigenverantwortlichen Kultur. Um dies zu erreichen, wird die Julius Bär Gruppe die Digitalisierung ihres Geschäftes weiter vorantreiben. Im Rahmen des 2026-2028 Strategie-Zyklus plant die Julius Bär Gruppe weitere substantielle Investitionen in die Technologie. Die Verfolgung des neuen Strategieprogramms wird durch eine auf Engagement aufbauende Nachhaltigkeitsstrategie untermauert.

Part of the growth strategy of BJB may also be the acquisition of other domestic or foreign banks, asset managers or any other operating companies (or business divisions thereof) in the financial industry. Such acquisitions of companies, business and respective divisions are subject to risks in relation to the value of the acquired company or business segment, the integration of the acquired companies or business segments and synergy potentials related to the respective acquisition may not or not completely be realised.

Bestandteil der Wachstumsstrategie der BJB kann auch die Akquisition von anderen in- oder ausländischen Banken, Vermögensverwaltern oder sonstigen im Finanzbereich tätigen Unternehmen (oder deren Geschäftsbereiche) sein. Solche Akquisitionen von Unternehmen, Geschäften und den jeweiligen Geschäftsbereichen unterliegen Risiken in Bezug auf den Wert des erworbenen Unternehmens oder Geschäftsbereichs, die Integration des erworbenen Unternehmens oder Geschäftsbereichs und Synergie-Potenziale im Zusammenhang mit der jeweiligen Übernahme können nicht oder nicht vollständig realisiert werden.

The realisation of strategic risks can have an adverse effect on the results of operations of BJB.

Die Realisierung strategischer Risiken kann sich nachteilig auf die Ertragslage der BJB auswirken.

2.6 Business risk

2.6 Geschäftsrisiko

BJB defines business risk as the risk arising from a bank’s long-term business strategy of pure wealth management. It entails the risk of BJB not being able to keep up with changing competition dynamics and/or an unfavourable fiscal, political or regulatory environment. The financial services industry has been subject to substantially increased regulation as a result of the global financial crisis in 2007/08 and this trend is expected to continue in the future. Because BJB operates in a highly regulated industry and its operations are regulated and supervised by regulatory authorities in each jurisdiction in which it conducts business, BJB's business revenues and profitability depends on the regulatory environment in each market in which it operates. Therefore, governmental policies, which are beyond BJB's control, could, require BJB to change its

BJB definiert das Geschäftsrisiko als das Risiko, das sich aus der langfristigen Geschäftsstrategie der reinen Vermögensverwaltung einer Bank ergibt. Sie trägt das Risiko, dass eine Bank nicht in der Lage ist, mit der sich ändernden Wettbewerbsdynamik und/oder einem ungünstigen steuerlichen, politischen oder regulatorischen Umfeld Schritt zu halten. Die Finanzdienstleistungsbranche war infolge der globalen Finanzkrise 2007/08 Gegenstand einer erheblich verstärkten Regulierung, und es ist zu erwartet, dass sich dieser Trend in Zukunft fortsetzen wird. Da BJB in einer stark regulierten Branche tätig ist und ihre Geschäftstätigkeit von den Aufsichtsbehörden in jeder Jurisdiktion, in der sie Geschäfte tätigt, reguliert und beaufsichtigt wird, hängen die Einnahmen und die Rentabilität von BJB von den regulatorischen

strategy, prevent the continuation of current lines of operations, increase cost of compliance, restrict the type or volume of transactions which may be entered into and/or limit rates and fees that BJB may charge. Furthermore, as a result of the cross-border nature of the BJB's business, it is particularly sensitive to barriers restricting cross-border market access, including, efforts in the EU to harmonize the regime for third-country firms to access the European market and similar efforts in a number of other jurisdictions.

Rahmenbedingungen in jedem Markt in dem sie tätig ist ab. Daher könnten staatliche Maßnahmen, die außerhalb des Einflussbereichs von BJB liegen, BJB zu einer Änderung ihrer Strategie zwingen, die Fortführung derzeitiger Geschäftsbereiche verhindern, die Kosten für die Einhaltung der Vorschriften erhöhen, die Art oder das Volumen der Transaktionen, die abgeschlossen werden dürfen, einschränken und/oder die Gebühren, die BJB erheben darf, begrenzen. Darüber hinaus ist die BJB aufgrund des grenzüberschreitenden Charakters ihrer Geschäftstätigkeit besonders empfindlich gegenüber Massnahmen, die den grenzüberschreitenden Marktzugang einschränken, einschließlich der Bestrebungen in der EU, die Regelungen für den Zugang von Unternehmen aus Drittstaaten zum europäischen Markt zu harmonisieren, und ähnlicher Bestrebungen in einer Reihe anderer Rechtsordnungen.

BJB is exposed to additional business risks among other through cost pressure due to the size and complexity of its business, loss of relationship managers and other revenue generating staff, serious market downturn, top margin pressure due to increased pricing transparency and competition.

BJB ist weiteren Geschäftsrisiken ausgesetzt, u.a. durch Kostendruck aufgrund der Größe und Komplexität des Geschäfts, Verlust von Kundenbetreuern und anderen Ertrag generierenden Mitarbeitern, schwerwiegenden Marktabschwung, Druck auf die Gewinnmargen durch erhöhte Preistransparenz und Wettbewerb.

BJB expects that this risk will continue to be intense, or even accelerate. As a private banking group operating internationally in the wealth management industry with a global client base, BJB is exposed to business risk as a result of changing conditions in the global financial markets.

BJB rechnet damit, dass dieses Risiko sich weiter intensivieren oder sogar beschleunigen wird. Als international tätige Private-Banking-Gruppe mit einem weltweiten Kundenstamm in der Vermögensverwaltung ist die BJB einem Geschäftsrisiko ausgesetzt, das sich aus den veränderten Bedingungen an den globalen Finanzmärkten ergibt.

The financial services industry in which BJB is active is highly competitive. BJB is currently present in around 60 locations worldwide and engages exclusively in private banking activities primarily in Switzerland, Europe, Asia, the Middle East and Latin America. BJB’s wealth management business is characterised by increasing competition and accelerating consolidation in private banking in Switzerland. In addition, there has been a growth in competition between international financial centres such as London, Singapore and Switzerland.

Die Finanzdienstleistungsbranche, in der BJB tätig ist, ist sehr wettbewerbsintensiv. BJB ist derzeit an rund 60 Standorten weltweit präsent und betreibt ausschließlich Private-Banking-Aktivitäten vor allem in der Schweiz, in Europa, Asien, im Nahen Osten und in Lateinamerika. BJB's Vermögensverwaltungsgeschäft ist in der Schweiz durch zunehmenden Wettbewerb und eine beschleunigte Konsolidierung im Private Banking gekennzeichnet. Darüber hinaus hat der Wettbewerb zwischen internationalen Finanzzentren wie London, Singapur und der Schweiz zugenommen.

New competitors in the financial services industry continue to emerge. For example, technological advances have allowed financial institutions and other companies to provide technology-based financial solutions, including electronic securities trading, payments processing and online automated algorithmic-based investment advice. New technologies have required and could require BJB to spend more to modify or adapt its products to attract and retain clients or to match products and services offered by its competitors, including technology companies and adversely affect BJB's business operations.

Ongoing or increased competition may put pressure on the pricing for BJB's products and services or may cause BJB to lose market share. This competition may be in respect of quality and variety of products and services offered, transaction execution, innovation, reputation and price. Increased competition also may require BJB to make additional capital investments in its businesses, or to extend more of its capital on behalf of its clients in order to remain competitive.

Increased competition in the financial services industry and the failure of BJB to adequately react to the changed competition environment could therefore adversely affect BJB's profitability.

Es tauchen vermehrt neue Wettbewerber in der Finanzdienstleistungsindustrie auf. Die technologische Entwicklung erlaubt es bspw. Finanzinstituten und anderen Unternehmen Technologie-basierte Lösungen anzubieten, insbesondere Online-Handel mit Effekten, Zahlungsabwicklung und Online automatisierte und auf Algorithmen beruhende Anlageberatung. Neue Technologien erfordern aktuell und künftig von der BJB die Tätigung von Investitionen zur Anpassung ihrer Produkte, um neue Kunden anzuziehen und bestehende Kunden zu halten oder um ihre Produkte den Dienstleistungen ihrer Wettbewerber, insbesondere Technologiefirmen, anzupassen. Ein Versäumnis seitens der BJB auf die technologischen Entwicklungen zu reagieren, könnte zu einer Beeinträchtigung der Geschäftstätigkeit führen.

Ein anhaltender oder erhöhter Wettbewerb könnte zu einem Preisdruck hinsichtlich der von der BJB angebotenen Dienstleistungen und Produkte und zu einem Verlust von Marktanteilen führen. Der Wettbewerb kann sich auf die Qualität und Auswahl der angebotenen Produkte und Dienstleistungen, die Transaktionsabwicklung, Innovation, Reputation und den Preis beziehen. Ein erhöhter Wettbewerb könnte auch zusätzliche Investitionen durch die BJB in ihr Geschäft erfordern oder zu einer Notwendigkeit führen, ihren Kunden mehr Kapital zur Verfügung zu stellen, um zu gewährleisten, dass die BJB wettbewerbsfähig bleibt.

Ein erhöhter Wettbewerb in der Finanzdienstleistungsindustrie und ein Versäumnis der BJB adäquat auf das neue Wettbewerbsumfeld zu reagieren könnte daher die Profitabilität der BJB negativ beeinträchtigen.

2.7 Risks related to the Julius Baer Group

BJB is controlled by its sole shareholder, Julius Baer Group Ltd and depends on Julius Baer Group Ltd. and/or other Julius Baer Group companies, inter alia, for certain services and intellectual property. Further, BJB has been provided by Julius Baer Group Ltd. with regulatory and other debt capital, which Julius Baer Group Ltd. has raised on the capital market by issuing various bonds.

Should Julius Baer Group Ltd. cease to provide such services or funding, BJB may be unable to obtain alternative funding on the capital market or may be unable to acquire such discontinued services from third parties on short notice.

The realisation of the risks relating to BJB's dependency on the Julius Baer Group may therefore have a material adverse effect on BJB's results of operations, capitalisation and financial condition.

2.7 Risiken in Bezug auf die Julius Bär Gruppe

BJB wird von ihrem Alleinaktionär, der Julius Bär Gruppe AG, kontrolliert und ist von der Julius Bär Gruppe AG und/oder anderen Gesellschaften der Julius Bär Gruppe abhängig, unter anderem für bestimmte Dienstleistungen und geistiges Eigentum. Weiter wurde BJB von der Julius Bär Gruppe AG mit regulatorischem und anderem Fremdkapital ausgestattet, das die Julius Bär Gruppe AG am Kapitalmarkt mittels Ausgabe verschiedener Anleihen aufgenommen hat.

Sollte die Julius Bär Gruppe AG diese Dienstleistungen oder Finanzierungen nicht mehr erbringen, könnte BJB nicht in der Lage sein, sich am Kapitalmarkt alternativ zu finanzieren oder könnte nicht in der Lage sein, die eingestellten Dienstleistungen kurzfristig von Dritten zu erwerben.

Die Realisierung der Risiken in Bezug auf die Abhängigkeit der BJB von der Julius Bär Gruppe könnte die Ertragslage, die Kapitalisierung und die Finanzlage der BJB wesentlich beeinträchtigen.

2.8 Risks related to client concentration

As an institution engaged primarily in the wealth management business, BJB is exposed to client concentration risk. A significant portion of its customers are high net worth and ultra-high net worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks which cannot be influenced by BJB. Also, the geographical mix of BJB's client base may not be sufficiently diversified. In addition, a limited number of ultra-high net worth individuals may continue to be significant to BJB in terms of assets under management. Due to the client concentration inherent to BJB's business model a substantial part of its client base may be affected by the same macroeconomic developments or the realization of identical regulatory risks.

BJB's failure to diversify its client base from a geographical, social and economic perspective may increase the client concentration risk.

BJB's inability to retain these clients, in case of macroeconomic and regulatory developments affecting a substantial part of its client base, may lead to a decrease in its assets under management. The realization of the client concentration risk may therefore adversely affect BJB's results of operations and financial condition.

3. Legal and regulatory risks

In this risk category, specific legal and regulatory risks are described. The most material risks in this category are "Compliance risk" “Risk related to financial crime”, “Business conduct risk” and "Market conduct risk".

3.1 Compliance risk

Compliance risk is the risk of financial loss or damage resulting from a breach of applicable laws and regulations or the non-adherence to internal or external rules and regulations or market practice.

2.8 Risiken in Bezug auf die Kundenkonzentration

Als Institut, das hauptsächlich in der Vermögensverwaltung tätig ist, ist BJB einem Kundenkonzentrationsrisiko ausgesetzt. Ein erheblicher Teil ihrer Kunden sind vermögende und sehr vermögende Privatpersonen. Diese Personen und ihre Haushalte weisen bis zu einem gewissen Grad ähnliche sozioökonomische Merkmale auf und sind ebenfalls vergleichbaren makroökonomischen und regulatorischen Risiken ausgesetzt, die nicht von der BJB beeinflusst werden können. Auch die geografische Zusammensetzung des Kundenstamms von BJB ist möglicherweise nicht ausreichend diversifiziert. Darüber hinaus kann eine begrenzte Anzahl von sehr vermögenden Privatkunden für BJB im Hinblick auf das verwaltete Vermögen weiterhin von Bedeutung sein. Aufgrund der dem Geschäftsmodell der BJB inhärenten Kundenkonzentration kann es sein, dass ein wesentlicher Anteil des Kundenstamms der BJB von den gleichen makroökonomischen Entwicklungen oder der Realisierung von identischen regulatorischen Risiken betroffen ist.

Soweit es der BJB nicht gelingt, ihren Kundenstamm in geografischer, sozialer und wirtschaftlicher Hinsicht zu diversifizieren könnte sich das Kundenkonzentrationsrisiko erhöhen.

Sollte BJB im Falle von makroökonomischen und regulatorischen Entwicklungen, die einen wesentlichen Teil ihres Kundenstammes betreffen, nicht in der Lage sein, diese Kunden zu halten, könnte dies zu einer Verringerung des verwalteten Vermögens führen. Eine Realisierung des Kundenkonzentrationsrisikos, könnte daher die Ertrags- und Finanzlage der BJB negativ beeinflussen.

3. Rechtliche und regulatorische Risiken

In dieser Risikokategorie sind die spezifischen rechtlichen und regulatorischen Risiken der BJB beschrieben. Die wesentlichsten Risiken in dieser Kategorie sind "Compliance Risiko", "Risiko im Zusammenhang mit Finanzkriminalität", "Risiko des Geschäftsbetriebs" und "Marktverhaltensrisiko".

3.1 Compliance Risiko

Das Compliance-Risiko ist das Risiko finanzieller Verluste oder Schäden, die sich aus einem Verstoß gegen geltende Gesetze und Vorschriften oder aus der Nichteinhaltung interner oder externer Regeln und Vorschriften oder der Marktpraxis ergeben.

BJB is subject to compliance risks in particular by providing services to clients and counterparties, by receiving services from third parties and by operating in a regulated industry.

BJB is a financial services firm and has operations in various jurisdictions, in particular in Switzerland, Europe, the Middle East, Asia and Latin America. Consequently, it must comply with the laws and regulations that apply to its business in all of the jurisdictions in which it does business and its operations are subject to supervision by regulatory authorities in multiple jurisdictions. Potential non-compliance with legal and regulatory requirements may result in civil, criminal or regulatory consequences for BJB. The loss or damage in such circumstances may take the form of fines and/or disgorgement imposed by regulatory and/or criminal authorities or other sanctions such as restrictions on business activities, the imposition of mandatory remedial measures (including monitoring) or even the loss or suspension of supervisory licenses.

The realisation of this risk may result in a decline in assets under management and increased costs and hence, materially adversely affect BJB's results of operations and profitability.

3.2 Risk related to financial crime

As a globally acting wealth manager, BJB has an appetite to engage in controlled business with higher risk clients (including politically exposed persons (PEPs)) and clients from sensitive industries and commercial clients. Therefore, BJB is exposed to the risk not complying with Anti-Money Laundering (AML), Counter Financing of Terrorism (CFT), and applicable anti-corruption / bribery laws and regulations as well as sanctions and embargos (e.g. SECO, OFAC, UN, EU and other local applicable sanctions).

Any non-compliance with the applicable laws and regulations may lead to significant reputational and/or financial damage for BJB including fines and penalties, costs related to remediation and external enforcement actions as well as imposed business restrictions.

Insbesondere ist BJB Compliance Risiken ausgesetzt, die bei der Erbringung von Dienstleistungen für Kunden und Gegenparteien, durch den Erhalt von Dienstleistungen von Dritten und durch die Tätigkeit in einer regulierten Branche entstehen.

Die BJB ist ein Finanzdienstleistungsunternehmen, welches in verschiedenen Jurisdiktionen, insbesondere der Schweiz, Mittleren Osten, Europa, Asien und Lateinamerika, operativ tätig ist. Die BJB muss infolgedessen die Gesetze und regulatorischen Anforderungen in sämtlichen Jurisdiktionen einhalten, in denen sie eine operative Tätigkeit ausübt und die jeweiligen Geschäftseinheiten unterliegen der Aufsicht von Behörden in verschiedenen Jurisdiktionen. Eine mögliche Missachtung dieser aufsichtsrechtlichen Anforderungen könnte zu zivilrechtlichen, strafrechtlichen oder behördlichen Konsequenzen für BJB führen. Der Verlust oder Schaden kann unter solchen Umständen in Form von Geldstrafen und/oder Geldbußen durch Regulierungs- und/oder Strafbehörden oder anderen Sanktionen wie Beschränkungen der Geschäftstätigkeit, der Verhängung von obligatorischen Abhilfemaßnahmen (einschließlich Überwachung) oder sogar dem Verlust oder die Aussetzung von Aufsichtslizenzen erfolgen.

Das Risiko könnte zu einer Reduktion der verwalteten Vermögen und höheren Kosten führen und demnach die Ertragslage und Profitabilität der BJB wesentlich beeinträchtigen.

3.2 Risiko im Zusammenhang mit Finanzkriminalität

Als ein global agierender Vermögensverwalter geht die BJB kontrollierte Geschäfte mit Kunden mit höherem Risiko (einschließlich politisch exponierter Personen (PEPs)) und Kunden aus sensiblen Branchen und gewerblichen Kunden ein. Daher ist BJB dem Risiko ausgesetzt, die Anti-Geldwäsche (AML), die Bekämpfung der Finanzierung des Terrorismus (CFT) und die geltenden Gesetze und Vorschriften für Korruption/Bestechung sowie Sanktionen und Embargos (z.B. SECO, OFAC, UN, EU und andere lokal geltende Sanktionen) nicht einzuhalten.

Eine Nichteinhaltung der anwendbaren Gesetze und der regulatorischen Anforderungen, kann für BJB zu erheblichen Reputationsschäden und/oder finanziellen Schäden führen, einschließlich Bußgelder und Strafen, Kosten im Zusammenhang mit Abhilfemaßnahmen und externen Durchsetzungsmaßnahmen sowie auferlegten Geschäftsbeschränkungen.

Possible sanctions include:

- the revocation of licences to operate certain businesses,
- the suspension or expulsion from a particular jurisdiction or market of any of BJB's business organizations or their key personnel,
- the imposition or restrictions on certain business activities, or
- the imposition of fines and other administrative sanctions on BJB and its employees.

These measures described above could result in a significant decline in assets under management and increase of costs for complying with laws and regulations and could materially adversely affect BJB's financial condition and results of operations.

3.3 Business conduct risk

BJB defines business conduct risk as the risk that cross-border activities are in breach of the applicable local regulations, laws and policy requirements or similar requirements in the relevant country, as defined in internal policies, guidelines, and procedures (e.g. country manuals). The business conduct risk also entails the risk of failures to adhere to the applicable regulations relating to the development and structuring, documentation distribution and client suitability of new products and services.

The business conduct risk includes potential conflicts of interest, resulting namely from the improper receipt of inducements and retrocessions.

Further, as BJB's cross-border activities may result in breach of applicable local regulations, laws and policy requirements on cross-border business or similar requirements in the relevant country, as defined in internal policies, guidelines, and procedures (e.g. country manuals).

Breaches of foreign law (non- compliant cross-border conduct) have resulted in high fines for BJB in the past. Client reimbursement risk in case client contracts are considered null and void (rescinding of contract) due to violation of foreign law.

Further, severe breaches of foreign law (and consequently serious breaches of Swiss supervisory law) can in severe cases lead to a revocation of the banking license by the Financial Market Supervisory

Mögliche Sanktionen umfassen:

- den Entzug der Bewilligung zur Ausübung bestimmter Geschäftstätigkeiten;
- den vorläufigen Ausschluss bzw. den Verweis der BJB bzw. wichtigen Mitarbeitern aus einem bestimmten Land oder einem Markt;
- die Anordnung von Einschränkungen hinsichtlich der Ausübung bestimmter Geschäftstätigkeiten; und
- die Verfügung von Bussgeldern oder anderer administrativer Sanktionen gegen die BJB oder deren Mitarbeiter.

Diese oben beschriebenen Maßnahmen könnten zu einer substantiellen Reduktion der verwalteten Vermögen und zu erhöhten Kosten für die Einhaltung der Gesetze führen und könnten somit die Finanz- und Ertragslage der BJB wesentlich beeinträchtigen.

3.3 Risiko des Geschäftsbetriebs

BJB definiert das Risiko des Geschäftsbetriebs als das Risiko, dass grenzüberschreitende Aktivitäten gegen geltende lokale Vorschriften, Gesetze und politische Anforderungen oder ähnliche Anforderungen im jeweiligen Land verstoßen, wie sie in internen Grundsätzen, Richtlinien und Verfahren (z.B. Länderhandbüchern) definiert sind. Das Risiko des Geschäftsbetriebs beinhaltet auch das Risiko der Nichteinhaltung der anwendbaren Vorschriften in Bezug auf die Entwicklung und Strukturierung, die Verteilung der Dokumentation und die Kundeneignung neuer Produkte und Dienstleistungen.

Das Risiko aus Geschäftsverhalten umfasst potenzielle Interessenkonflikte, die durch den unsachgemäßen Erhalt von Zuwendungen und Retrozessionen entstehen.

Darüber hinaus könnten die grenzüberschreitenden Aktivitäten von BJB zu Verstößen gegen geltende örtliche Vorschriften, Gesetze und politische Anforderungen an grenzüberschreitende Geschäfte oder ähnliche Anforderungen im jeweiligen Land führen, wie sie in internen Richtlinien und Verfahren (z.B. Länderhandbüchern) definiert sind.

Verstöße gegen ausländisches Recht (nicht konformes grenzüberschreitendes Verhalten) haben in der Vergangenheit zu hohen Geldstrafen für BJB geführt. Rückerstattungsrisiko für den Fall, dass Kundenverträge aufgrund von Verstößen gegen ausländisches Recht als nichtig betrachtet werden (Vertragsauflösung).

Zudem können schwere Verletzungen ausländischen Rechts (und damit auch schwere Verletzungen des schweizerischen Aufsichtsrechts) im schlimmsten Fall zu einem Entzug der Banklizenz durch die

Authority FINMA (FINMA). In case of revocation of the banking license, clients can no longer be served and the bank would be liquidated, including the closure of client accounts. Breaches can also result in an enforcement action of the regulator with public reprimand. Enforcement proceedings made public by regulators may result in major negative press coverage and lead to negative reactions from stakeholders (see reputation risk).

Eidgenössische Finanzmarktaufsicht FINMA (FINMA) führen. Im Falle eines Entzugs der Banklizenz können Kunden nicht mehr länger betreut und die Bank würde liquidiert werden, einschließlich der Schließung von Kundenkonten. Verstöße können auch zu einer Vollzugshandlung der Aufsichtsbehörde mit öffentlicher Rüge führen. Wurden die Vollstreckungsmaßnahmen durch die Aufsichtsbehörde öffentlich gemacht, kann das zu einer erheblichen negativen Berichterstattung in der Presse führen und negative Reaktionen bei den Interessengruppen hervorrufen (siehe auch Reputationsrisiko).

This could lead to a decrease of assets under management and could materially adversely affect BJB's financial condition and result of operations.

Dies könnte zu einem Rückgang des verwalteten Vermögens führen und somit wesentliche Auswirkungen auf die Finanz- und Ertragslage der BJB haben.

3.4 Market conduct risk

3.4 Marktverhaltensrisiko

BJB defines market conduct risk as risk of the BJB's involvement in several types of conduct (such as insider trading, market manipulation) that may constitute market abuse with the ultimate impacts on the integrity and proper functioning of markets, of non-adherence to various financial market rules and regulations, such as financial market infrastructure regulation, exchange rules, internal product specific restrictions and market specific regulations. Due to the wide range of regulations and topics covered by this category, the risks for BJB are equally manifold and can reach from administrative penalties and high imposed fines to a loss of exchange admission or banking license.

Das Marktverhaltensrisiko wird von BJB definiert als das Risiko der Beteiligung der BJB an verschiedenen Verhaltensweisen (z.B. Insiderhandel, Marktmanipulation), die Marktmissbrauch mit den letztendlichen Auswirkungen auf die Integrität und das ordnungsgemäße Funktionieren der Märkte darstellen können, sowie das Risiko der Nichteinhaltung verschiedener Finanzmarktregeln und -vorschriften, wie z.B. Regulierung der Finanzmarktinfrastruktur, Börsenregeln, interne produktspezifische Beschränkungen und marktspezifische Vorschriften. Aufgrund des breiten Spektrums an Vorschriften und Themen, die unter diese Kategorie fallen, sind die Risiken für BJB ebenso vielfältig und können von Verwaltungsstrafen und hohen verhängten Bußen bis hin zum Verlust der Börsenzulassung oder Banklizenz reichen.

Non-adherence to various financial market rules and regulations, such as financial market infrastructure regulation, exchange rules, internal product specific restrictions and market specific regulations, may result in fines and/or disgorgement imposed by regulatory and/or criminal authorities or even the loss of license.

Die Nichteinhaltung verschiedener Finanzmarktregeln und -vorschriften, wie z.B. der Regulierung der Finanzmarktinfrastruktur, der Börsenregeln, interner produktspezifischer Beschränkungen und marktspezifischer Vorschriften, kann in Form von Geldstrafen und/oder Geldbußen durch Regulierungs- und/oder Strafbehörden oder sogar im Verlust der Lizenz erfolgen.

This could result in a material loss for BJB and could have a material adverse effect on BJB's financial condition and result of operations.

Dies könnte zu einem materiellen Verlust für BJB führen und somit wesentliche Auswirkungen auf die Finanz- und Ertragslage der BJB haben.

3.5 Litigation risk

3.5 Prozessrisiko

BJB defines litigation risk as risk of undue financial losses, regulatory/criminal sanctions and reputational exposure resulting out of inadequate management, risk

BJB definiert das Prozessrisiko als das Risiko unangemessener finanzieller Verluste, regulatorischer/strafrechtlicher Sanktionen und der

assessment, supervision and reporting of litigation, investigation cases and client complaints.

BJB is involved in various legal, regulatory and administrative proceedings concerning matters arising within the course of normal business operations. Such proceedings include for example litigation in relation to certain investment schemes, tax schemes and further litigation related to the banking activities of BJB.

These may be costly to defend and could result in large monetary losses, including punitive damage awards. In particular, BJB is involved in a number of litigation proceedings in which claims from third parties have been made against BJB. As a participant in the financial services industry, it is likely that BJB will continue to experience a high level of litigation and regulatory investigations related to its businesses and operations. In addition, legal, regulatory and administrative proceedings against other Julius Baer Group companies may have a negative effect on BJB, even if BJB is not directly involved, including through reputational damage of the Julius Baer brand or large monetary losses of other Julius Baer Group companies, which in turn could reduce capital available for BJB.

For the reasons set out above, legal, regulatory and administrative proceedings against BJB, may require BJB to restructure its operations and activities or to cease offering certain products or services.

All of these potential outcomes could impact the financial condition and profitability of BJB.

Gefährdung des guten Rufs, die sich aus unangemessenem Management, Risikobewertung, Überwachung und Berichterstattung von Rechtsstreitigkeiten, Untersuchungsfällen und Kundenbeschwerden ergeben

BJB ist an verschiedenen Rechts-, Regulierungs- und Verwaltungsverfahren beteiligt, die Angelegenheiten betreffen, die sich im Rahmen des normalen Geschäftsbetriebs ergeben. Solche Verfahren umfassen zum Beispiel Rechtsstreitigkeiten in Bezug auf bestimmte Investitionsprogramme, Steuerprogramme und weitere Rechtsstreitigkeiten im Zusammenhang mit den Bankaktivitäten von BJB.

Im Rahmen dieser Verfahren kann die Vertretung kostenintensiv sein und die Verfahren können zu erheblichen finanziellen Einbussen einschliesslich Strafschadensersatz führen. Die BJB ist Gegenstand verschiedener Verfahren, in denen Dritte gegen die BJB Ansprüche geltend machen. Als Finanzmarktteilnehmer und Finanzdienstleister ist es wahrscheinlich, dass die BJB im Zusammenhang mit ihrem Geschäftsbetrieb weiterhin mit einer Vielzahl von Gerichtsverfahren und aufsichtsrechtlichen Untersuchungen konfrontiert sein wird. Darüber hinaus können gerichtliche, regulatorische und administrative Verfahren gegen andere Gesellschaften der Julius Bär Gruppe negative Auswirkungen auf BJB haben, auch wenn BJB nicht direkt involviert ist, unter anderem durch Reputationsschäden der Marke Julius Bär oder große monetäre Verluste anderer Gesellschaften der Julius Bär Gruppe, die wiederum das für BJB verfügbare Kapital reduzieren könnten.

Aus den oben genannten Gründen können gerichtliche, regulatorische und administrative Verfahren dazu führen, dass die BJB gewisse Geschäftsaktivitäten restrukturieren muss oder bestimmte Dienstleistungen und Produkte nicht mehr anbieten kann.

Der Ausgang der gerichtlichen und aufsichtsrechtlichen Verfahren könnte Einfluss auf die finanzielle Lage und Profitabilität der BJB haben.

II. BANK JULIUS BAER & CO. LTD., ZURICH

1. General Information about BJB

As depicted in below chart, BJB, together with the group companies Bank Julius Bär Deutschland AG, Frankfurt a.M., Bank Julius Baer (Monaco) S.A.M., Bank Julius Baer Europe S.A., Luxembourg and others, is a fully owned subsidiary of Julius Baer Group Ltd. (Julius Baer Group Ltd. together with its subsidiaries the "**Julius Baer Group**"). Julius Baer Group was formed in 2009 out of a split-up of business segments of Julius Baer Holding Ltd. The Julius Baer Group mainly comprises banks and finance companies.

As of the date of this Registration Document BJB itself holds 100 % of shares in Bank Julius Baer Nominees (Singapore) Pte. Ltd., Singapore.

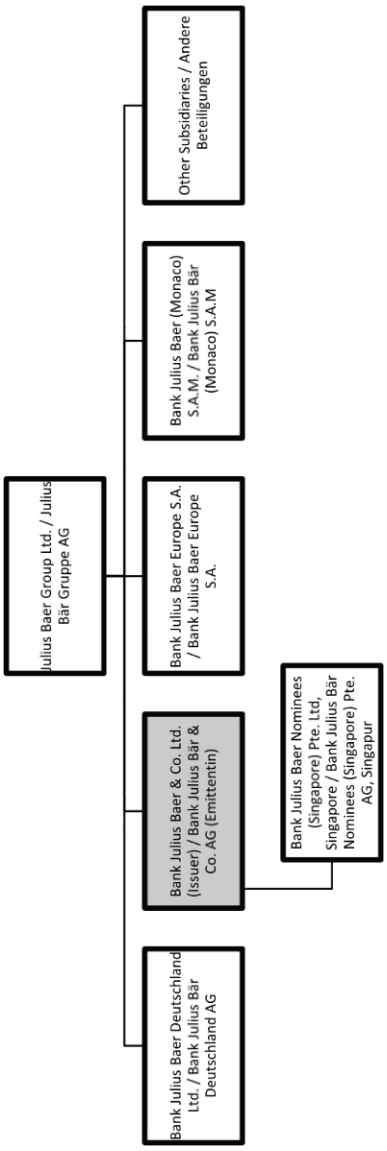
II. BANK JULIUS BÄR & CO. AG, ZÜRICH

1. Allgemeine Informationen über BJB

Wie im untenstehenden Diagramm dargestellt, ist BJB, zusammen mit den Gruppengesellschaften Bank Julius Bär Deutschland AG, Frankfurt a.M., Bank Julius Baer (Monaco) S.A.M., Bank Julius Baer Europe S.A., Luxemburg und anderen, eine hundertprozentige Tochtergesellschaft der Julius Bär Gruppe AG (Julius Bär Gruppe AG zusammen mit allen Tochtergesellschaften die "**Julius Bär Gruppe**"). Die Julius Bär Gruppe ist 2009 aus der Aufteilung der Geschäftsbereiche der ehemaligen Julius Bär Holding AG hervorgegangen. Die Julius Bär Gruppe besteht hauptsächlich aus Banken und Finanzgesellschaften.

BJB hält zum Datum dieses Registrierungsformulars 100% der Anteile an Bank Julius Baer Nominees (Singapore) Pte. Ltd., Singapur.

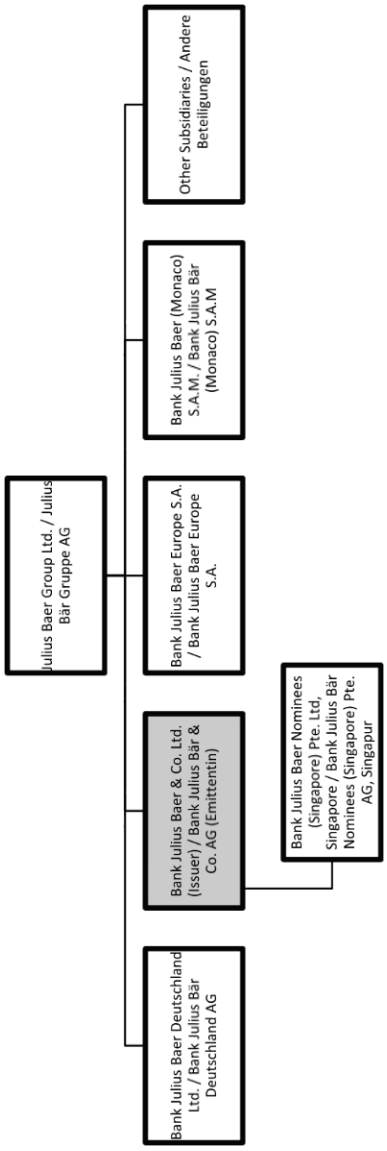
II. BANK JULIUS BAER & CO. LTD., ZURICH



BJB is dependent on its sole shareholder, Julius Baer Group Ltd, and thus on its business strategy for the entire Julius Baer Group.

BJB is registered with the names Bank Julius Bär & Co. AG, Banque Julius Baer & Cie SA, Bank Julius Baer & Co. Ltd. and Banca Julius Baer & Co. SA in the Commercial Register of the Canton of Zurich under the number CH-020.3.902.727-1 since 31 December 1974 and in the UID-Register under CHE-105.940.833. Those names refer to one and the same entity. BJB has no commercial names. The Legal Entity Identifier of BJB (LEI) is:

II. BANK JULIUS BÄR & CO. AG, ZÜRICH



BJB ist abhängig von seinem einzigen Aktionär, der Julius Bär Gruppe AG, und damit auch von deren Geschäftsstrategie für die gesamte Julius Bär Gruppe.

BJB ist mit der Firma Bank Julius Bär & Co. AG, Banque Julius Baer & Cie SA, Bank Julius Baer & Co. Ltd. und Banca Julius Baer & Co. SA im Handelsregister des Kantons Zürich unter der Nummer CH-020.3.902.727-1 seit 31. Dezember 1974 und im UID-Register unter der Nummer CHE-105.940.833 eingetragen. Die genannten Namen beziehen sich auf ein und dieselbe juristische Person. BJB hat keinen kommerziellen Namen. Der Legal Entity Identifier (LEI) der BJB ist:

II. BANK JULIUS BAER & CO. LTD., ZURICH

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BJB is a stock corporation with limited liability under the laws of Switzerland and was founded in Switzerland on 31 December 1974. It is acting through its head office or a designated branch. BJB took over the banking operations of its predecessor, the private bank Julius Baer & Co., which began its operations in the 1890s.

BJB´s registered office is at Bahnhofstrasse 36, 8001 Zurich, Switzerland (telephone number: +41 (0) 58 888 1111). The website of BJB is https://www.juliusbaer.com (whereby the information on this website does not form part of this Registration Document and has not been scrutinised or approved by the competent authority, unless information from this website is incorporated by reference into this Registration Document as set out in "6. Information Incorporated by Reference" below). As of 31 December 2025 BJB has branch offices in Basle, Berne, Crans-Montana, Geneva, Guernsey, Hong Kong, Lausanne, Lucerne, Lugano, Singapore, Sion, St. Gallen, St. Moritz, Verbier and Zurich. It also has representations in Bogotá, Istanbul, Johannesburg, Mexico City, Santiago de Chile, Shanghai and Tel Aviv.

BJB's branch in Guernsey has its registered office No. 1, The Plaza, Elizabeth Avenue, Admiral Park, P.O. Box 87, St. Peter Port, GBG-Guernsey GY1 4 BS (telephone number: +44 (0) 1 481 726 618). It is licensed in Guernsey under the Banking Supervision (Bailiwick of Guernsey) Law 1994 and The Protection of Investors (Bailiwick of Guernsey) Law 1987.

2. Auditors of BJB

For the financial years ended 31 December 2024 and 31 December 2025, the independent auditors of BJB were KPMG AG, Badenerstrasse 172, 8004 Zurich, Switzerland, acting in terms of the provisions of company and banking law as well as BJB's articles of association. KPMG AG have audited the consolidated financial statements of BJB for the financial years ended 31 December 2024 and 31 December 2025 and the financial statements of BJB for the financial year ended 31 December 2025. KPMG AG is a member of the Swiss Institute of Certified Accountants and Tax Consultants with registered office in Zurich.

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

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BJB ist eine Aktiengesellschaft nach Schweizer Recht und wurde am 31. Dezember 1974 in der Schweiz gegründet. Sie handelt durch ihre Hauptniederlassung oder eine dazu bestimmte Zweigniederlassung. BJB übernahm das Bankgeschäft der vormaligen Privatbank Julius Bär & Co., deren Anfänge in die 90er Jahre des 19. Jahrhunderts zurückreichen.

Der Sitz der BJB ist an der Bahnhofstrasse 36, 8001 Zürich, Schweiz (Telefonnummer: +41 (0) 58 888 1111). Die Website der BJB ist: https://www.juliusbaer.com (wobei die Angaben auf dieser Website nicht Teil des Registrierungsformulars sind und nicht von der zuständigen Behörde geprüft oder gebilligt wurden, mit Ausnahme der Angaben, die mittels Verweis in dieses Registrierungsformular aufgenommen wurden, wie im Abschnitt "6. Mittels Verweis Aufgenommene Angaben" dargestellt). Per 31. Dezember 2025 hat die BJB Niederlassungen in Basel, Bern, Crans-Montana, Genf, Guernsey, Hongkong, Lausanne, Lugano, Luzern, Singapur, Sion, St. Gallen, St. Moritz, Verbier, und Zürich. Sie hat Vertretungen in Bogotá, Istanbul, Johannesburg, Mexico City, Santiago de Chile, Shanghai und Tel Aviv.

Die Zweigniederlassung der BJB in Guernsey hat ihren Sitz in No. 1, The Plaza, Elizabeth Avenue, Admiral Park, P.O. Box 87, St. Peter Port, GBG-Guernsey GY1 4 BS (Telefonnummer: +44 (0) 1 481 726 618). Sie ist lizenziert in Guernsey unter dem Banking Supervision (Bailiwick of Guernsey) Law 1994 und The Protection of Investors (Bailiwick of Guernsey) Law 1987.

2. Abschlussprüfer der BJB

Für die am 31. Dezember 2024 und am 31. Dezember 2025 beendeten Geschäftsjahre war KPMG AG Badenerstrasse 172, 8004 Zürich, Schweiz der unabhängige Abschlussprüfer der BJB gemäss Gesellschafts- und Bankrecht sowie den Statuten der BJB. KPMG AG hat die konsolidierten Finanzberichte der BJB für die am 31. Dezember 2024 und am 31. Dezember 2025 beendeten Geschäftsjahre und die Finanzberichte der BJB für das am 31. Dezember 2025 beendete Geschäftsjahr geprüft. KPMG AG ist Mitglied der Treuhandkammer mit Sitz in Zürich.

3. Business overview of BJB

Principal Activities

BJB operates a bank and may, in accordance with Article 2 of its articles of incorporation dated 11 July 2023, execute all transaction which are directly or indirectly related to the purpose of BJB as well as all transactions which may further the purpose of BJB; such transactions may be executed for BJB 's own account or for third parties. BJB may purchase real estate, pledge it as security and sell it. BJB may be active domestically and abroad. BJB may establish branches and agencies domestically and abroad.

BJB's core business is wealth management and investment advice for private clients, family offices and external asset managers from around the world. In cooperation with other companies of the Julius Baer Group, comprehensive services are offered i.a. in the areas of wealth and tax planning, foreign exchange, equity, precious metals and fund trading, custody and execution services and other, complementary business fields. BJB is also active in the Lombard credit business for portfolio management and trading clients and provides straight residential mortgages to its private clients, predominantly in Switzerland, but also in high-end market areas of other European countries. Within the Julius Baer Group, BJB operates as the central underwriter for traditional and innovative derivative investment products. BJB also engages in securities lending and borrowing.

At the date of this Registration Document, the BJB´s activities are largely financed by client sight deposits. In addition, the BJB is financed by Julius Baer Group Ltd. with debt capital, which Julius Baer Group has raised on the capital market by issuing various bonds. Given its active participation in the interbank market, BJB is quickly able to access additional sources of refinancing at any time.

Principal Markets

The most important markets for BJB are the home market in Switzerland, Asia and Europe. In 2025, BJB achieved (according to the audited BJB Consolidated Financial Information 2025 which has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") (See *"II.8. Historical Financial Information of BJB*" on page

3. Geschäftsüberblick der BJB

Haupttätigkeiten

BJB betreibt eine Bank und kann, entsprechend Artikel 2 ihrer Statuten vom 11. Juli 2023, alle mit diesem Zweck direkt oder indirekt im Zusammenhang stehenden Geschäfte sowie alle Geschäfte, die diesen Zweck zu fördern geeignet sind, für eigene oder fremde Rechnung tätigen. Die Gesellschaft kann Grundstücke erwerben, belasten und veräussern. Der Geschäftsbereich erstreckt sich auf das In- und Ausland. BJB darf Niederlassungen und Agenturen im In- und Ausland eröffnen.

Das wichtigste Geschäftsgebiet der BJB ist die Vermögensverwaltung und Anlageberatung für Privatkunden, Familienunternehmen und unabhängige Vermögensverwalter aus aller Welt. In Zusammenarbeit mit anderen Gesellschaften der Julius Bär Gruppe werden umfassende Dienstleistungen u.a. in den Bereichen Wealth & Tax Planning, Devisen- und Wertschriftenhandel, Edelmetall- und Fondshandel, Depot- und Abwicklungsleistungen sowie in weiteren ergänzenden Geschäftsfeldern angeboten. Für ihre Portfolio-Management- und Handelskunden ist die BJB ausserdem im Lombard-Kreditgeschäft tätig. Sie bietet ihren Privatkunden, vor allem in der Schweiz, aber auch in High-end-Märkten in anderen europäischen Ländern, Hypotheken für Wohnimmobilien an. Innerhalb der Julius Bär Gruppe übernimmt BJB die zentrale Funktion als Emissionshaus für traditionelle und innovative derivative Anlageprodukte wahr. Zudem ist die BJB aktiv im Wertpapierleihgeschäft (*Securities Lending and Borrowing*).

Die Finanzierung der Aktivitäten der BJB wird zum Zeitpunkt dieses Registrierungsformulars maßgeblich durch die Kundenguthaben auf Sicht bereitgestellt. Zusätzlich wird die BJB durch die Julius Bär Gruppe AG mittels Fremdkapital finanziert, welches die Julius Bär Gruppe AG mittels der Emission von verschiedenen Anleihen am Kapitalmarkt aufgenommen hat. Durch die aktive Partizipation im Interbankenmarkt ist BJB jederzeit und kurzfristig in der Lage, weitere Refinanzierungsquellen bereitzustellen.

Wichtigste Märkte

Die wichtigsten Märkte für BJB sind der Heimatmarkt Schweiz sowie Asien und Europa. 2025 erreichte BJB gemäß den geprüften BJB Konsolidierten Finanzinformationen 2025, die gemäß den internationalen Rechnungslegungsstandards IFRS ("**IFRS**") erstellt wurden, (siehe "*II.8. Historische Finanzinformationen der*

33 below) an operating income of CHF 3,069 million, thereof CHF 2,149 million in Switzerland, CHF 157 million in Europe (excluding Switzerland), CHF 943 million in Asia and other countries and CHF -180 million consolidation items (on BJB's branches and representative offices See "*II. 1. General Information about BJB*" above).

Competitive Position

The following information on the BJB´s competitive position is based on BJB's own assessment of the situation:

The BJB is well established in the market as an international offeror with a tailor-made and versatile range of products and is currently present in some 60 locations worldwide. BJB engages exclusively in wealth management activities primarily in Switzerland, Europe, Asia, the Middle East and South America.

BJB's asset management business is characterised by increasing competition and accelerating consolidation in private banking in Switzerland. The consolidation is not least being forced along by the rising costs of information technology and increasing regulation, which are growing ever more burdensome for smaller institutions. In addition, there has been a growth in competition between international financial centers such as London, Singapore and Switzerland. In view of these circumstances, BJB is striving to further strengthen its position in the wealth management business Switzerland and to selectively develop these activities abroad.

4. Trend Information

There has been no material adverse change in the prospects of BJB since the date of its last published audited financial statements (31 December 2025).

In the first four months of 2026, BJB's business has demonstrated strong performance, driven by increased assets under management, strong client activity, and sustained cost discipline despite volatile markets in unpredictable times. BJB's assets under management reached a record CHF 528 billion, reflecting a 1% increase since year-end 2025. This growth was driven by positive market performance and net new money inflows of CHF 3 billion, which together offset the negative impact of a further appreciation of the Swiss franc.

BJB" nachstehend auf Seite 33) ein Betriebsertrag in Höhe von CHF 3.069 Millionen, davon CHF 2.149 Millionen in der Schweiz, CHF 157 Millionen in Europa (ohne Schweiz), CHF 943 Millionen in Asien und anderen Ländern sowie CHF -180 Million Konsolidierungsposten (zu BJB's Niederlassungen und Repräsentanzen siehe "*II. 1. Allgemeine Informationen über BJB*" oben).

Wettbewerbsposition

Die nachfolgende Information über die Wettbewerbsposition der BJB basiert auf der eigenen Einschätzung der BJB:

Die BJB ist als internationaler Anbieter einer maßgeschneiderten und vielfältigen Produktpalette gut im Markt etabliert und ist derzeit an rund 60 Standorten weltweit präsent. Die BJB konzentriert sich ausschließlich auf Aktivitäten im Bereich Vermögensverwaltung, und zwar vorwiegend in der Schweiz, in Europa, in Asien, im Mittleren Osten und in Lateinamerika.

BJBs Vermögensverwaltungsgeschäft ist durch zunehmenden Wettbewerb und fortschreitende Konsolidierung des Private Banking-Sektors in der Schweiz geprägt. Die Konsolidierung wird nicht zuletzt beschleunigt durch steigende Kosten für Informationstechnologien und zunehmende Regulierung, welche auf kleineren Institutionen noch stärker lasten. Zusätzlich nimmt der Wettbewerb zwischen internationalen Finanzzentren wie London, Singapur und der Schweiz zu. Vor dem Hintergrund dieser Umstände bemüht sich BJB, ihre Position in der Vermögensverwaltung in der Schweiz weiter zu stärken und diese Tätigkeiten im Ausland gezielt zu entwickeln.

4. Trendinformationen

Seit dem Datum des letzten veröffentlichten geprüften Abschlusses (31. Dezember 2025) hat es keine wesentliche Verschlechterung der Aussichten der BJB gegeben.

In den ersten vier Monaten des Jahres 2026 hat das Geschäft der BJB eine starke Performance verzeichnet, die auf eine Erhöhung der verwalteten Vermögen, eine ausserordentlich starke Kundenaktivität und anhaltende Kostendisziplin zurückzuführen ist, trotz volatiler Märkte und unsicherer Zeiten. Die verwalteten Vermögen von BJB erreichten einen Rekordwert von CHF 528 Mrd., was einem Anstieg um 1% gegenüber dem Jahresende 2025 entspricht. Dieses Wachstum war einer positiven Marktperformance und Netto-Neugeldzuflüssen von CHF 3 Mrd. zu verdanken. Zusammen machten diese beiden Faktoren den Negativeffekt der weiteren

BJB continues to focus on embedding cost discipline across all levels of the organization. The implementation of the CHF 130 million gross run-rate efficiency improvements targeted by end-2028 remains on track.

Aufwertung des Schweizer Frankens wett.

BJB konzentriert sich weiter darauf, Kostendisziplin auf allen Unternehmensebenen zu verankern. Die Umsetzung der bis Ende 2028 angestrebten Bruttokosteneinsparungen von CHF 130 Mio. auf Run-Rate-Basis verläuft planmässig.

5. Management of BJB

BJB has a Board of Directors and an Executive Board. The Executive Board is appointed by the Board of Directors. The Executive Board and Board of Directors are, as required by Swiss banking law, kept strictly separate from each other. The Board of Directors is responsible for the supreme management and strategic orientation of BJB and for the supervision of the Executive Board. The Executive Board is responsible for the operational management of the company.

The members of the Board of Directors and of the Executive Board of BJB are identical to those of Julius Baer Group Ltd. The members of the Board of Directors are newly elected or re-elected by the ordinary general meeting of shareholders for a 1 year-term. Except for the election of the Chairman of the Board of Directors and the members of the Compensation Committee by the general meeting of shareholders, the Board of Directors constitutes itself. The maximum (cumulative) term of office for the members of the Board of Directors is generally twelve years. Members of the Board of Directors shall as a general rule not stand for re-election as from the year in which they reach the age of 75 years.

Board of Directors of BJB

All members of the Board of Directors of BJB are non-executive members.

The following table shows the composition of the Board of Directors after the 2026 Annual General Meeting. As of the date of this Registration Document the Board of Directors of BJB consists of the following members:

5. Geschäftsführung der BJB

BJB hat einen Verwaltungsrat und eine Geschäftsleitung. Der Verwaltungsrat ernennt die Geschäftsleitung. Die Geschäftsleitung und der Verwaltungsrat sind gemäss Schweizer Bankrecht, streng voneinander getrennt. Der Verwaltungsrat ist verantwortlich für die oberste Führung des Geschäfts und für die strategische Ausrichtung der BJB sowie für die Aufsicht über die Geschäftsleitung. Die Geschäftsleitung ist verantwortlich für die operative Führung des Unternehmens.

Die Mitglieder des Verwaltungsrats und der Geschäftsleitung der BJB sind identisch mit den Mitgliedern des Verwaltungsrats und der Geschäftsleitung der Julius Bär Gruppe AG. Neu zu wählende sowie wieder zu wählende Verwaltungsratsmitglieder werden von der ordentlichen Generalversammlung der Aktionäre für die Dauer von 1 Jahr gewählt. Mit Ausnahme der Wahl des Präsidenten des Verwaltungsrates sowie der Mitglieder des Compensation Committee durch die Generalversammlung der Aktionäre, konstituiert sich der Verwaltungsrat selbst. Die maximale (kumulierte) Amtsdauer für die Mitglieder des Verwaltungsrates beträgt in der Regel zwölf Jahre. Mitglieder des Verwaltungsrats stellen sich in der Regel ab jenem Jahr nicht mehr zur Wiederwahl, in welchem sie ihr 75. Lebensjahr vollenden.

Verwaltungsrat der BJB

Alle Mitglieder des Verwaltungsrates der BJB sind nicht exekutive Mitglieder.

Die nachfolgende Tabelle zeigt die Zusammensetzung des Verwaltungsrats nach der Generalversammlung 2026. Zum Datum dieses Registrierungsformulars gehören folgende Personen dem Verwaltungsrat der BJB an:

Name and Position held	Significant outside activities	Name und Ausgeübte Position	Wesentliche externe Tätigkeiten
Noel Quinn Chairman	Member of the Board of Directors, Omniyat, UAE Advisor to the CEO, IDG Capital, Hong Kong Advisor to the CEO, Vintage, Israel Member of the World Bank Private	Noel Quinn Präsident des Verwaltungsrates	Mitglied des Verwaltungsrates, Omniyat, UAE Berater des CEO, IDG Capital, Hong Kong Berater des CEO, Vintage, Israel Mitglied des World Bank Private

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	Sector Investment Lab
	Member of the Board of Trustees of FII institute, Saudi Arabia
	Non-Executive Director of Fortescue Ltd., Australia
	Non-Executive Director of Sustainable Markets Initiative, UK
Jürg Hunziker Vice Chair	Member of the board of directors of Swisspeers AG
	Member of the Advisor Council of Euroclear SA/NV, Belgium
Kathryn Shih Member of the Board of Directors	Member of the Board of the Advisory Council of the Hong Kong University of Science and Technology Business School, Hong Kong
	Director of Shih Co Charitable Foundation Ltd., Hong Kong
Bruce Alan Fletcher Member of the Board of Directors	Chairman of the Board of Directors Professional Risk Managers International Association, USA
	Senior Advisor Boston Consulting Group via sole proprietorship of Fletcher Risk Consultants, Ltd.
Eunice Zehnder-Lai Member of the Board of Directors	Member of the Board of Directors of DKSH Holding Ltd, Zurich, Switzerland
	Vice chair and member of the Board of Directors of Geberit Group AG, Rapperswil-Jona, Switzerland
	Member of the Foundation Board of the Orpheum Foundation for the Advancement of Young Soloists, Zurich, Switzerland
	President of the Foundation Board of Friends of Asia Society Switzerland Arts & Culture Foundation, Zurich, Switzerland
	Member of the Board of Directors of Asia Society Switzerland, Zurich, Switzerland
	Member of the Foundation Board of Insights for Education, Zurich, Switzerland
	Member of the Global board of Trustees, Asia Society, New York, USA
	Member of the Foundation Board American Swiss Foundation, New York, USA

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

	Sector Investment Lab
	Mitglied des Board of Trustees des FII Institute, Saudi-Arabien
	Nicht-exekutiver Director der Fortescue Ltd., Australien
	Nicht-exekutiver Director der Sustainable Markets Initiative, UK
Jürg Hunziker Vize-Präsident des Verwaltungsrats	Mitglied des Verwaltungsrates der Swisspeers AG
	Mitglied des Beirats von Euroclear SA/NV, Belgien
Kathryn Shih Mitglied des Verwaltungsrats	Mitglied des Beraterrates der Hong Kong University of Science and Technology Business School, Hong Kong
	Direktor der Shih Co Charitable Foundation Ltd., Hong Kong
Bruce Alan Fletcher Mitglied des Verwaltungsrats	Präsident des Verwaltungsrats der Professional Risk Managers International Association, USA
	Senior Advisor Boston Consulting Group via alleinige Inhaberschaft der Fletcher Risk Consultants, Ltd.
Eunice Zehnder-Lai Mitglied des Verwaltungsrats	Mitglied des Verwaltungsrates der DKSH Holding AG, Zürich, Schweiz
	Vize-Präsidentin und Mitglied des Verwaltungsrates der Geberit Group AG, Rapperswil-Jona, Schweiz
	Mitglied des Stiftungsrates der Orpheum Stiftung zur Förderung junger Solisten, Zürich, Schweiz
	Präsidentin des Stiftungsrates der Friends of Asia Society Switzerland Arts & Culture Stiftung, Zürich, Schweiz
	Mitglied des Verwaltungsrates der Asia Society Schweiz Stiftung, Zürich, Schweiz
	Mitglied des Gründungsrates der Insights for Education, Zürich, Schweiz
	Mitglied des Global Board of Trustees, Asia Society, New York, Vereinigte Staaten von Amerika
	Mitglied des Stiftungsrates American Swiss Foundation, New York, USA

II. BANK JULIUS BAER & CO. LTD., ZURICH

Tomas Varela Muiña Member of the Board of Directors	Trustee of the Fundación Española de Estudios Financieros (Spanish Foundation of Financial Studies), Madrid, Spain Independent Director of Finalbion, Spain Member of the Board of Directors of Aena SME, S.A., Spain
Urban Angehrn Member of the Board of Directors	Non-Executive Director of Schweizerische Mobiliar Asset Management AG, Switzerland Non-Executive Director of Partners Group Holding AG & Partners Group AG, Switzerland Chair of the Board of Directors of Zurich Life Insurance Company, Switzerland Chair of the Board of Trustees of the pension fund of Zürich Versicherungs-Gruppe, Switzerland
Colin Bell Member of the Board of Directors	Non-Executive Director and Member of the Risk Committee of Man Group plc, UK Non-Executive Director and Chair of Risk Committee of Starling Bank Limited, UK Non-Executive Director and Chair of Audit & Risk Committee of Oxford Quantum Circuits Limited, UK Non-Executive Director and Member of the Audit & Risk Committee of Serendipity Capital, Singapore

The Business address of the Board of Directors of BJB is Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zurich, Switzerland.

Executive Board of BJB

The following table shows the composition of the Executive Board after the 2026 Annual General Meeting. As of the date of this Registration Document the members of the Executive Board of BJB of were:

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

Tomas Varela Muiña Mitglied des Verwaltungsrats	Trustee der Fundación Española de Estudios Financieros (Spanische Stiftung für Finanzstudien), Madrid, Spanien Unabhängiger Direktor von Finalbion, Spanien Mitglied des Verwaltungsrates Aena SME, S.A., Spanien
Urban Angehrn Mitglied des Verwaltungsrats	Nicht-Exekutiver Director der Schweizerische Mobiliar Asset Management AG, Schweiz Mitglied des Verwaltungsrates der Partners Group Holding AG & Partners Group AG, Schweiz Verwaltungsratspräsident der Zurich Life Insurance Company, Schweiz Präsident des Stiftungsrates Pensionskasse der Zürich Versicherungs-Gruppe, Schweiz
Colin Bell Mitglied des Verwaltungsrats	Nicht-exekutiver Director und Mitglied des Risk Committee der Man Group plc, Grossbritannien Nicht-exekutiver Director und Vorsitzender des Risk Committee der Starling Bank Limited, Grossbritannien Nicht-exekutiver Director und Vorsitzender des Audit & Risk Committee der Oxford Quantum Circuits Limited, Grossbritannien Nicht-exekutiver Director und Mitglied des Audit & Risk Committee der Serendipity Capital, Singapur

Die Geschäftsadresse des Verwaltungsrats der BJB ist Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zürich, Schweiz.

Geschäftsleitung der BJB

Die nachfolgende Tabelle zeigt die Zusammensetzung der Geschäftsleitung nach der Generalversammlung 2026. Zum Datum dieses Registrierungsformulars gehören folgende Personen der Geschäftsleitung der BJB an:

II. BANK JULIUS BAER & CO. LTD., ZURICH

Name and Position held[1]	Significant outside activities
Stefan Bolliger Chief Executive Officer	Trustee, Royal Academy of Arts, London, UK Member of the Swiss American Chamber of Commerce, Switzerland Member of the IMD Foundation Board, Switzerland
Jean Nabaa Chief Operating Officer	none
Evangelia (Evie) Kostakis[3] Chief Financial Officer	Member of the Board of Directors of AMINA Bank AG, Zug, Switzerland
Ivan Ivanic Chief Risk Officer	none
Christoph Hiestand[5] Group General Counsel	none
Victoria McLean Chief Compliance Officer	none

The Business address of the Executive Board of BJB of BJB is Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zurich, Switzerland.

Conflicts of interest

At the date of this Registration Document there are no potential conflicts of interest between any duties to BJB of the members of its Board of Directors or its Executive Board and their private interest and/or other duties.

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

Name und Ausgeübte Position[2]	Wesentliche externe Tätigkeiten
Stefan Bolliger Chief Executive Officer	Trustee, Royal Academy of Arts, London, Grossbritannien Mitglied der Swiss American Chamber of Commerce, Schweiz Mitglied des IMD Foundation Board, Schweiz
Jean Nabaa Chief Operating Officer	none
Evangelia (Evie) Kostakis[4] Chief Financial Officer	Mitglied des Verwaltungsrates von AMINA Bank AG, Zug, Schweiz
Ivan Ivanic Chief Risk Officer	keine
Christoph Hiestand[6] Group General Counsel	keine
Victoria McLean Chief Compliance Officer	keine

Die Geschäftsadresse der Geschäftsleitung der BJB ist Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zürich, Schweiz.

Interessenkonflikte

Zum Datum dieses Registrierungsformulars gibt es keine potenziellen Interessenkonflikte zwischen den Verpflichtungen gegenüber der BJB seitens der Mitglieder ihres Verwaltungsrats oder ihrer Geschäftsleistung und deren privaten Interessen und/oder sonstigen Verpflichtungen.

[1] Thomas Frauenlob, Co-Head Region Western Markets & Switzerland, based in Zurich, and Rajesh Manwani, Co-Head Global Products & Solutions, based in Singapore, were appointed to the Executive Board, effective 1 June 2026.
[2] Per 1. Juni 2026 wurden Thomas Frauenlob, Co-Head Region Western Markets & Switzerland, mit Sitz in Zürich, und Rajesh Manwani, Co-Head Global Products & Solutions, mit Sitz in Singapur in die Geschäftsleitung berufen.
[3] Evangelia (Evie) Kostakis will step down from her role as Chief Financial Officer by end of the year 2026.
[4] Evangelia (Evie) Kostakis wird von ihrer Position als Chief Financial Officer zum Ende des Jahres 2026 zurücktreten.
[5] As of 1 June 2026 the Group General Counsel function, held by Christoph Hiestand, will not be part of the Executive Board going forward.
[6] Per 1. Juni 2026 wird die Funktion des Group General Counsel, die von Christoph Hiestand wahrgenommen wird, künftig nicht mehr Teil der Geschäftsleitung sein.

II. BANK JULIUS BAER & CO. LTD., ZURICH

6. Share Capital of BJB and Main Shareholders of Julius Baer Group

BJB is a company limited by shares under Swiss law. As at the date of this Registration Document, the share capital of the Issuer amounts to CHF 575 million. The share capital is now divided into 5,750,000 fully paid-up registered shares, each with a nominal amount of CHF 100. There is no category of shares that carry preferential rights. At the general meeting, each share carries one vote. BJB has neither authorised nor conditional capital. BJB does not hold any of its own shares. There is no capital made up of participation certificates or profit-sharing certificates.

BJB is a one hundred per cent subsidiary of Julius Baer Group Ltd.

Julius Baer Group Ltd. is the parent and public company of the Julius Baer Group, which is active in the financial services industry operating on a global basis. Julius Baer Group evolved from the split-up of business segments of the former Julius Baer Holding Ltd.

As far as BJB is aware, the following persons/groups are as the date of this Registration Document the main shareholders in Julius Baer Group Ltd:

Name	Portion of the Share Capital
UBS Fund Management (Switzerland) AG, Switzerland	10.01%
BlackRock, Inc., New York, USA	5.06%
Dodge & Cox, USA	5.02%
Julius Baer Group Ltd., Switzerland	3.61%
Pzena Investment Management, LCC, USA	3.01%
Swisscanto Fondsleitung AG	3.0%

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

6. Aktienkapital der BJB und Hauptgesellschafter der Julius Bär Gruppe

BJB ist eine Aktiengesellschaft nach Schweizer Recht. Zum Datum dieses Registrierungsformulars betrug das Aktienkapital CHF 575 Millionen. Das Aktienkapital ist eingeteilt in 5.750.000 vollständig einbezahlte Namenaktien, jede mit einem Nennwert von CHF 100. Es gibt keine Aktien mit Vorzugsrechten. Auf jede Aktie entfällt eine Stimme in der Generalversammlung. Es gibt weder genehmigtes noch bedingtes Kapital. BJB hält keine eigenen Aktien. Es gibt keine Partizipationsscheine oder Genussscheine.

BJB ist eine hundertprozentige Tochter der Julius Bär Gruppe AG.

Die Julius Bär Gruppe AG ist die Konzernobergesellschaft der Julius Bär Gruppe, welche weltweit in der Finanzindustrie tätig ist. Julius Bär Gruppe ist aus der Aufteilung der Geschäftsbereiche der ehemaligen Julius Bär Holding AG hervorgegangen.

Soweit BJB bekannt, waren zum Datum dieses Registrierungsformulars die folgenden Personen/Gruppen die wesentlichen Aktionäre der Julius Bär Gruppe AG:

Name	Anteil am Aktienkapital
UBS Fund Management (Switzerland) AG, Schweiz	10.01%
BlackRock, Inc., New York, USA	5.06%
Dodge & Cox, USA	5.02%
Julius Bär Gruppe AG, Schweiz	3.61%
Pzena Investment Management, LCC, USA	3.01%
Swisscanto Fondsleitung AG	3.0%

II. BANK JULIUS BAER & CO. LTD., ZURICH

7. Audit Committee of BJB

Tomas Varela

Jürg Hunziker

Eunice Zehnder-Lai

8. Historical Financial Information of BJB*

For the financial year ended 31 December 2024, BJB has published consolidated financial information including the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows, Notes to the consolidated financial statements and the Auditors' report (the "**BJB Consolidated Financial Statements 2024**"). The BJB Consolidated Financial Statements 2024 are hereby incorporated by reference into this Registration Document. A list setting out all information incorporated by reference is provided in section "6. Information Incorporated by reference" on page 42 below.

For the financial year ended 31 December 2025, BJB has published consolidated financial information including the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows, Notes to the consolidated financial statements and the Auditors' report (the "**BJB Consolidated Financial Statements 2025**"). The BJB Consolidated Financial Statements 2025 are included in pages S-1 to S-65 of section IV. to this Registration Document.

For the financial year ended 31 December 2025, BJB has published financial information including the Income statement, balance sheet, notes to the financial statements and the Auditors' report (the "**BJB Financial Statements 2025**"). The BJB Financial Statements 2025 are included in pages R-1 to R-89 of section V. to this Registration Document.

II. BANK JULIUS BÄR & CO. AG, ZÜRICH

7. Audit Committee der BJB

Tomas Varela

Jürg Hunziker

Eunice Zehnder-Lai

8. Historische Finanzinformationen der BJB*

Für das am 31. Dezember 2024 beendete Geschäftsjahr hat BJB konsolidierte Finanzinformationen einschließlich konsolidierter Erfolgsrechnung, konsolidierter Gesamtergebnisrechnung, konsolidierter Bilanz, konsolidierter Eigenkapitalentwicklung und konsolidierter Mittelflussrechnung, einen Anhang zu den konsolidierten Finanzinformationen sowie den Bericht der Abschlussprüfer (die "**BJB Konsolidierten Finanzinformationen 2024**") veröffentlicht. BJB Konsolidierten Finanzinformationen 2024 werden hiermit mittels Verweis in dieses Registrierungsformulars aufgenommen. Eine Liste, die alle mittels Verweis aufgenommenen Informationen enthält, ist im nachfolgenden Abschnitt "6. Mittels Verweis Aufgenommene Angaben" auf Seite 42 enthalten.

Für das am 31. Dezember 2025 beendete Geschäftsjahr hat BJB konsolidierte Finanzinformationen einschließlich konsolidierter Erfolgsrechnung, konsolidierter Gesamtergebnisrechnung, konsolidierter Bilanz, konsolidierter Eigenkapitalentwicklung und konsolidierter Mittelflussrechnung, einen Anhang zu den konsolidierten Finanzinformationen sowie den Bericht der Abschlussprüfer (die "**BJB Konsolidierten Finanzinformationen 2025**") veröffentlicht. BJB Konsolidierten Finanzinformationen 2025 sind auf den Seiten S-1 bis S-65 im Abschnitt IV. dieses Registrierungsformulars enthalten.

Für das am 31. Dezember 2025 beendete Geschäftsjahr hat BJB Finanzinformationen einschliesslich Erfolgsrechnung, Bilanz, einen Anhang zu den Finanzinformationen sowie den Bericht der Abschlussprüfer (die "**BJB Finanzinformationen 2025**") veröffentlicht. Die BJB Finanzinformationen 2025 sind auf den Seiten R-1 bis R-89 im Abschnitt V. dieses Registrierungsformulars enthalten.

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The BJB Consolidated Financial Statements 2024 and the BJB Consolidated Financial Statements 2025 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). The BJB Financial Statements 2025 have been prepared in accordance with the Guidelines of the FINMA Circular 2020/1 "Accounting Banks".

* The Income Statement in the BJB Consolidated Financial Statements 2024, the BJB Consolidated Financial Statements 2025 and the BJB Financial Statements 2025 include the figure "Operating Income". This is an Alternative Performance Measure. For Banks, the operating income comprises the net income from the banking business (including investing, financing and interest business), before deduction of the operating expenses. BJB considers the presentation of operating income to be useful and meaningful to investors because it provides purposeful information regarding BJB's financial and operating performance. In addition, Operating Income supports the direct comparison of BJB vis-à-vis its closest peers.

Auditing of Historical Financial Information

The responsible auditors of BJB (See *"II.2. Statutory Auditors of BJB*" above) have audited the historical financial information of BJB for financial years ended 31 December 2024 and 31 December 2025 as mentioned above and have issued an unqualified opinion in each case.

9. Significant changes in the financial position of BJB and its consolidated subsidiaries

There has been no significant change in the financial position of BJB and its consolidated subsidiaries since 31 December 2025.

10. Significant changes in the financial performance of BJB and its consolidated subsidiaries

There has been no significant change in the financial performance of BJB and its consolidated subsidiaries since 31 December 2025.

11. Legal and arbitration proceedings relating to BJB

Save as disclosed in the following, during the period covering the last previous 12 months no governmental, legal or arbitration proceedings (including any such proceedings, which are pending or threatened of which BJB is aware) may have, or have had in the recent past significant effects on the financial position or profitability of

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Die BJB Konsolidierten Finanzinformationen 2024, und die BJB Konsolidierten Finanzinformationen 2025 sind gemäß den internationalen Rechnungslegungsgrundsätzen IFRS ("**IFRS**") erstellt worden. Die BJB Finanzinformationen 2025 wurden in Übereinstimmung mit den Richtlinien des FINMA-Rundschreibens 2020/1 "Rechnungslegung Banken" erstellt.

* Die Gewinn- und Verlustrechnung den BJB Konsolidierten Finanzinformationen 2024, den BJB Konsolidierten Finanzinformationen 2025 und den BJB Finanzinformationen 2025 enthalten die Kennzahl "Operativer Gewinn". Dabei handelt es sich um eine Alternative Leistungskennzahl. Für Banken umfasst der Operative Gewinn den Nettoertrag aus dem Bankgeschäft (einschließlich Anlage-, Finanzierungs- und Zinsgeschäft) vor Abzug der Betriebsausgaben. BJB hält die Darstellung des Operativen Gewinns für Investoren für nützlich und sinnvoll, da es zielgerichtete Informationen über die finanzielle und betriebliche Leistung von BJB liefert. Darüber hinaus unterstützt der Operativer Gewinn den direkten Vergleich von BJB mit seinen engsten Konkurrenten.

Prüfung der historischen Finanzinformationen

Die verantwortlichen Abschlussprüfer (siehe oben "*II.2. Abschlussprüfer/Gesetzliche Revisionsstelle der BJB*") haben die historischen Finanzinformationen der BJB für die am 31. Dezember 2024 und 31. Dezember 2025 geendeten Geschäftsjahre geprüft und jeweils ein uneingeschränktes Prüfungsurteil erteilt.

9. Wesentliche Veränderungen in der Finanzlage von BJB und ihren konsolidierten Tochtergesellschaften

Die Finanzlage der BJB und ihrer konsolidierten Tochtergesellschaften hat sich seit dem 31. Dezember 2025 nicht wesentlich verändert.

10. Wesentliche Änderungen in der Finanz- und Ertragslage von BJB und ihren konsolidierten Tochtergesellschaften

Die Finanz- und Ertragslage der BJB und ihrer konsolidierten Tochtergesellschaften hat sich seit dem 31. Dezember 2025 nicht wesentlich verändert.

11. Gerichts- und Schiedsverfahren betreffend die BJB

Mit Ausnahme der im folgenden offengelegten Verfahren bestanden im Zeitraum der letzten 12 Monate keine staatlichen Interventionen, Gerichts- oder Schiedsgerichtsverfahren (einschließlich derjenigen Verfahren, die nach Kenntnis von BJB noch anhängig sind oder eingeleitet werden könnten) bzw. wurden solche

BJB and/or its consolidated subsidiaries.

BJB is involved in various legal, regulatory, and arbitration proceedings concerning matters arising within the course of normal business operations. The current business environment involves substantial legal and regulatory risks, the impact of which on the financial position or profitability of BJB – depending on the status of related proceedings – is difficult to assess.

BJB establishes provisions for pending and threatened legal proceedings if the management is of the opinion that such proceedings are more likely than not to result in a financial obligation or loss, or if the dispute for economic reasons should be settled without acknowledgment of any liability on the part of BJB and if the amount of such obligation or loss can be reasonably estimated.

In rare cases in which the amount cannot be estimated reliably due to the early stage of the proceedings, the complexity of the proceedings and/or other factors, no provision is recognized but the case is disclosed as a contingent liability as of 31 December 2025. These contingent liabilities might have a material effect on BJB.

Described below are certain proceedings that might have a material effect on BJB.

In 2010 and 2011, litigation was commenced against BJB and numerous other financial institutions by the liquidators of the Fairfield funds (the "**Fairfield Liquidators**"), having acted as feeder funds for the Madoff fraudulent investment schemes. In the direct claims against BJB, the Fairfield Liquidators are seeking to recover a total amount of approximately USD 64 million in the courts of New York (including approximately USD 17 million that relates to redemption payments made to clients of ING Bank (Suisse) SA, which merged with BJB in 2010 and approximately USD 25 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with BJB in 2013. These claims have also been raised by BJB in connection with acquisition-related representation and warranties). The proceedings in the courts of the British Virgin Islands, where an amount of approximately USD 8.5 million have been claimed from BJB, were finally dismissed in favour of BJB with a ruling of the Privy Council, the highest court of appeals for the British Virgin Islands. In addition to the direct claims against BJB, the Fairfield Liquidators have made combined claims in the amount of approximately USD 1.8

abgeschlossen, die sich erheblich auf die Finanzlage oder die Rentabilität von BJB und/oder ihrer konsolidierten Tochtergesellschaften auswirken bzw. in jüngster Zeit ausgewirkt haben.

BJB ist im Rahmen des normalen Geschäftsgangs in verschiedene rechtliche, regulatorische und Schiedsgerichtsverfahren involviert. Das gegenwärtige Geschäftsumfeld birgt substanzielle rechtliche und regulatorische Risiken, deren Einfluss auf die finanzielle Stärke oder Profitabilität der BJB - je nach Stand der entsprechenden Verfahren - schwierig abzuschätzen ist.

BJB bildet für laufende und drohende Verfahren Rückstellungen, konkret dann, wenn nach Meinung des Managements die Wahrscheinlichkeit besteht, dass solche Verfahren eine finanzielle Verpflichtung oder einen Verlust nach sich ziehen oder dass finanzielle Konflikte ohne Anerkennung einer Rechtspflicht seitens BJB beigelegt werden können, und wenn der Betrag einer solchen Verpflichtung oder eines Verlusts verlässlich abgeschätzt werden kann.

In vereinzelten Fällen, in welchen der Betrag nicht verlässlich abgeschätzt werden kann, dies z.B. auf Grund des frühen Stadiums der Verfahren, der Komplexität der Verfahren und/oder anderer Faktoren, wird keine Rückstellung gebildet, sondern eine Eventualverbindlichkeit per 31. Dezember 2025 für den Fall ausgewiesen. Diese Eventualverbindlichkeiten können eine erhebliche Auswirkung auf BJB haben.

Nachstehend sind bestimmte Verfahren aufgeführt, die möglicherweise eine erhebliche Auswirkung auf BJB haben können.

In den Jahren 2010 und 2011 wurde gegen BJB sowie zahlreiche weitere Finanzinstitute von den Insolvenzverwaltern der Fairfield-Fonds (die "**Fairfield Liquidatoren**", letztere agierten als Feeder-Fonds für das betrügerische Anlagevehikel von B. Madoff) in New York und auf den Britischen Jungferninseln Klage eingereicht. Mit den direkt gegen BJB gerichteten Klagen verlangen die Fairfield Liquidatoren einen Gesamtbetrag von rund USD 64 Millionen vor Gerichten in New York (inklusive rund USD 17 Millionen welche mit Bezug auf Rückzahlungen an Kunden der ING Bank (Suisse) SA, welche 2010 mit BJB fusioniert wurde, geltend gemacht werden und inklusive rund USD 25 Millionen welche mit Bezug auf Rückzahlungen an Kunden der Merrill Lynch Bank (Suisse) SA, welche 2013 mit BJB fusioniert wurde, geltend gemacht werden. Diese Forderungen sind ebenfalls Gegenstand von vertragsrechtlichen Gewährleistungsansprüchen, welche die BJB geltend macht). Die Verfahren auf den Britischen Jungferninseln, im Rahmen deren ca. USD 8,5 Millionen von BJB gefordert werden, wurden zugunsten der BJB durch das höchste Gericht der Britischen Jungferninseln, das Privy Council,

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billion against more than 80 defendants. Only a fraction of this amount is sought against BJB and its beneficial owners. The combined claims aggregate the damages asserted against all defendants, such that a reliable allocation of the claimed amounts between BJB and the other defendants cannot be made at this time. Finally, in further proceedings, the trustee of Madoff's broker-dealer company (the "**Trustee**") seeks to recover approximately USD 110 million in the courts of New York (including approximately USD 46 million which relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with BJB in 2013, such claims being subject to the acquisition-related representations and warranties provisions), largely in relation to the same redemption payments which are the subject matter of the claims asserted by the Fairfield Liquidators. BJB is challenging these actions on procedural and substantive grounds and has taken further measures to protect its interests.

In the proceedings initiated by the Trustee, the Bankruptcy Court in New York dismissed the case against BJB and other defendants based on extraterritoriality principles in November 2016. The Trustee has appealed this decision and in February 2019, the Court of Appeal has reversed the decision by the Bankruptcy Court. The Supreme Court denied reviewing such decision, therefore the proceedings continued with the Bankruptcy Court. The Bankruptcy Court has denied the Bank's motion to dismiss and the Bank has filed an answer to the Trustee's amended complaint. The case has begun with the fact discovery phase, which, per the case schedule, will continue at least until March 2026. In the proceedings initiated by the Fairfield Liquidators, the Bankruptcy Court in New York has decided on certain aspects in December 2018, which have been appealed by the Fairfield Liquidators. The Bankruptcy Court has additionally decided on certain other aspects in BJB's favour in late 2020. That decision has been appealed as well. Both appeals have been consolidated and remain pending. In August 2022, the U.S. District Court for the Southern District of New York ruled on the pending appeals and confirmed the Bankruptcy Court's decision. The Liquidators appealed the decision to the U.S. Court of Appeals for the Second Circuit. Further, in October 2021, BJB filed a motion to dismiss for lack of personal jurisdiction. In response, the Fairfield Liquidators requested jurisdictional discovery which has been completed. Following jurisdictional discovery, Fairfield filed its opposition to the Bank's motion to dismiss for lack of personal jurisdiction. In September 2024, the Bankruptcy Court denied the bank's motion to dismiss, along with the motions of other similarly situated defendants. In August 2025, the Court of Appeals ruled on the pending appeals and dismissed all of the Fairfield

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abgewiesen. Zusätzlich zu den direkten Klagen gegen BJB machen die Fairfield Liquidatoren kombinierte Ansprüche in Höhe von über USD 1,8 Milliarden gegenüber mehr als 80 Beklagten geltend. BJB und die Begünstigten werden nur auf einen Bruchteil dieses Betrags verklagt. Die kombinierten Ansprüche beinhalten die kumulierten Forderungen gegenüber allen Beklagten, sodass eine verlässliche Zuordnung der geltend gemachten Ansprüche zwischen BJB und den übrigen Beklagten derzeit nicht möglich ist. Schliesslich macht der Liquidator von Madoffs Effektenhändler-Gesellschaft (der "**Liquidator**") in weiteren Verfahren vor Gerichten in New York einen Anspruch von rund USD 110 Millionen geltend (inklusive rund USD 46 Millionen, welche mit Bezug auf Rückzahlungen an Kunden der Merrill Lynch Bank (Suisse) SA, welche 2013 mit BJB fusioniert wurde, geltend gemacht werden, und welche Gegenstand vertragsrechtlicher Gewährleistungsansprüche der BJB sind), dies hauptsächlich im Zusammenhang mit denselben Rückzahlungen, welche auch von den Fairfield Liquidatoren eingeklagt wurden. BJB ficht die Klagen basierend auf verfahrensrechtlichen und materiellen Gründen an und hat weitere Maßnahmen zum Schutz ihrer Interessen ergriffen.

Das vom Liquidator initiierte Verfahren wurde vom Konkursgericht in New York im November 2016 aufgrund extraterritorialer Grundätze abgewiesen. Dieser Entscheid wurde vom Liquidator angefochten und im Februar 2019 hob das Appellationsgericht den Entscheid des Konkursgerichts auf. Der Supreme Court verweigerte eine Überprüfung des Entscheides, entsprechend wurde das Verfahren vor dem Konkursgericht weitergeführt. Das Konkursgericht hat den Antrag der Bank auf Klageabweisung abgelehnt und die Bank hat eine Antwort auf die geänderte Klage des Trustee eingereicht. Das Verfahren hat mit der Phase der Sachverhaltsermittlung begonnen, die gemäss Zeitplan mindestens bis März 2026 andauern wird. In dem von den Fairfield Liquidatoren initiierten Verfahren hat das Konkursgericht New York im Dezember 2018 erste Teilentscheide gefällt, welche wiederum von den Fairfield Liquidatoren angefochten wurden. Das Verfahren ist zwar noch hängig aber das Konkursgericht hat zusätzlich gewisse Teilentscheide zugunsten der BJB gefällt. Dieser Entscheid wurde ebenfalls angefochten. Beide Beschwerden wurden vereint und sind weiterhin hängig. Im August 2022 entschied das US-Bezirksgericht für den südlichen Bezirk von New York über die anhängigen Berufungen und bestätigte die Entscheidung des Konkursgerichts. Die Liquidatoren haben gegen die Entscheidung Berufung beim US-Berufungsgericht für den zweiten Gerichtsbezirk eingelegt. Darüber hinaus hat BJB im Oktober 2021 einen Antrag zur Abweisung der Klage wegen fehlender persönlicher Zuständigkeit eingereicht. Daraufhin beantragten die Fairfield Liquidatoren eine gerichtliche Offenlegung, die inzwischen abgeschlossen ist. Im Anschluss an die gerichtliche Untersuchung legte Fairfield

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Liquidators' claims, including the combined claim in the amount of approximately USD 1.8 billion. The Fairfield Liquidators have petitioned the Court of Appeals for a rehearing. Depending on the court's decision whether to grant a rehearing, the Liquidators may subsequently seek further review by the U.S. Supreme Court. In both cases, whether further review is granted is at the discretion of the Court.

In the context of an investigation against a former client regarding alleged participation in an environmental certificate trading related tax fraud in France, a formal procedure into suspected lack of due diligence in financial transactions/money laundering has been initiated against BJB in June 2014 and been dismissed for formal reasons by a Court Order in March 2017. The deposit in the amount of EUR 3.75 million made in October 2014 by BJB with the competent French court as a precautionary measure representing the amount of a potential fine was accordingly reimbursed to BJB. However, in July 2019, the same amount was deposited again, as in July 2017, a new procedure with respect to the same matter was initiated against BJB. In May 2020, following an application by the prosecutor, the court admitted a new indictment against BJB in this matter. A trial in the matter took place in December 2021 at which a fine of EUR 5 million and a restitution amount of EUR 2 million was proposed to be charged against BJB. The competent court of First Instance issued its decision on 14 March 2022 and found the Bank guilty of aggravated money laundering and confirmed the fine of EUR 5 million but reduced the claimed restitution amount to EUR 0.4 million. On 16 December 2025, the Court of Appeal confirmed the decision issued by the court of first instance but reduced the fine to EUR 2 million and rejected the claimed restitution amount of EUR 0.4 million. The Bank has appealed the decision to the Court de Cassation and continues to protect its interest.

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Einspruch gegen den Antrag der Bank auf Abweisung der Klage wegen fehlender persönlicher Zuständigkeit ein. Im September 2024 lehnte das Konkursgericht den Antrag der Bank auf Abweisung der Klage ab, ebenso wie die Anträge der anderen ähnlich situierten Beklagten. Im August 2025 entschied das Berufungsgericht über die anhängigen Berufungsverfahren und wies alle Ansprüche der Fairfield Liquidatoren zurück, einschließlich der Sammelklage in Höhe von rund USD 1,8 Milliarden. Die Fairfield Liquidatoren haben beim Berufungsgericht einen Antrag auf erneute Verhandlung gestellt. Je nachdem, ob das Gericht einer erneuten Verhandlung stattgibt, könnten die Liquidatoren anschließend eine weitere Überprüfung durch den U.S. Supreme Court beantragen. In beiden Fällen liegt die Entscheidung über die Gewährung einer weiteren Überprüfung im Ermessen des Gerichts.

In Frankreich wurde im Zusammenhang mit Untersuchungen gegen einen ehemaligen Kunden wegen möglicher Beteiligung an einem Abgabebetrug im Zusammenhang mit dem Handel von Umweltzertifikaten im Juni 2014 ein formelles Verfahren gegen BJB wegen Verdachts auf mangelnde Sorgfalt bei Finanzgeschäften/Geldwäscherei eröffnet und aus verfahrensrechtlichen Gründen durch einen Gerichtsentscheid im März 2017 abgewiesen. Die von BJB im Oktober 2014 beim zuständigen Gericht hinterlegte Kaution im Betrag von EUR 3,75 Millionen als vorsorgliche Massnahme, im Umfang des Betrags einer möglichen Busse, wurde an BJB zurückbezahlt. Im Juli 2019 wurde jedoch derselbe Betrag erneut hinterlegt, als im Juli 2017 ein neues Verfahren in gleicher Sache gegen BJB eingeleitet wurde. Im Mai 2020 nach einem Antrag der Strafverfolgungsbehörde hat das Gericht eine neue Anklage gegen die BJB in dieser Sache zugelassen. Im Dezember 2021 fand ein Verfahren in dieser Angelegenheit statt, bei der eine Geldstrafe in Höhe von EUR 5 Millionen und eine Ersatzzahlung von EUR 2 Millionen gegen BJB beantragt wurde. Das zuständige Gericht erster Instanz erließ seinen Entscheid am 14. März 2022 und befand die Bank der schweren Geldwäsche für schuldig und bestätigte die Geldstrafe von EUR 5 Millionen., reduzierte jedoch den geforderten Rückerstattungsbetrag auf EUR 0.4 Millionen. Am 16. Dezember 2025 bestätigte das Berufungsgericht das Urteil der ersten Instanz, setzte jedoch die Geldstrafe auf EUR 2 Millionen herab und wies den geforderten Rückerstattungsbetrag in Höhe von EUR 0,4 Millionen zurück. Die Bank hat gegen die Entscheidung Berufung beim Kassationsgericht eingelegt und verteidigt weiterhin ihre Interessen.

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In November 2019, a former employee filed a labour law-based claim in the amount of USD 34.1 million in Venezuela against several Julius Baer companies, including Bank Julius Baer & Co. Ltd., combined with a respective precautionary seizure request in the double amount. In December 2023, the court of first instance and, in January 2024, the Superior Labour Court decided to partially uphold the claim, such decision having been appealed by both parties to the Venezuelan Social Cassation Chamber of the Supreme Court of Justice, which confirmed the Superior Labour Court's decision in December 2025. Julius Baer continues contesting the jurisdiction of the Courts, the awarded amounts and the execution of such decisions and continues to defend its interests.

In May 2021, BJB became aware that a Writ of Summons ("the Writ") had been registered against it at the Registry of the High Court of the Hong Kong Special Administrative Region, Court of First Instance. The Writ had been filed by SRC International (Malaysia) Limited ("SRC") claiming the sum of approximately USD 112 million (plus interest) from BJB, alleging BJB was in breach of its fiduciary duty of care by accepting and processing payment instructions for the transfer of funds during the period 25 October 2013 to September 2016. On 4 May 2022, the amended writ and statement of claim in the amount of USD 112.5 million was served on the Bank. BJB is contesting the claim while taking appropriate measures to defend its interests.

In the context of a credit event that occurred in BJB's private debt business (being run down by BJB) and which led to a loan loss allowance in the amount of CHF 586 million reflected in the 2023 consolidated financial statements, recovery activities by BJB are ongoing, subject to material uncertainties related to the enforceability of collateral, including competing third-party claims and counterclaims as raised by liquidators in charge of the defaulted borrower. In this context the Bank has been served with a claim in the amount of EUR 62.3 million as filed by a liquidator in April 2025 with a court in Vienna. The Bank is contesting the claim while taking appropriate measures to defend its interests. The credit event and its wider context are also subject to a consolidated regulatory enforcement procedure by the Swiss Financial Market Supervisory Authority FINMA.

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Im November 2019 reichte ein ehemaliger Mitarbeiter in Venezuela eine arbeitsrechtliche Klage in Höhe von USD 34.1 Mio. gegen mehrere Julius Bär Gesellschaften, darunter die Bank Julius Bär & Co. AG, verbunden mit einem entsprechenden vorsorglichen Beschlagnahmeantrag in doppelter Höhe. Im Dezember 2023 entschied das Gericht in erster Instanz und im Januar 2024 das Oberste Arbeitsgericht, der Klage teilweise stattzugeben, wogegen beide Parteien Berufung bei der Sozialkassationskammer des Obersten Gerichtshofs von Venezuela eingelegt haben, die die Entscheidung des Obersten Arbeitsgerichts im Dezember 2025 bestätigte. haben. Julius Bär bestreitet weiterhin die Zuständigkeit der Gerichte, die zugesprochenen Beträge sowie die Vollstreckung dieser Entscheide und verteidigt weiterhin seine Interessen.

Im Mai 2021 erlangte BJB davon Kenntnis, dass beim erstinstanzlichen High Court of the Hong Kong Special Administrative Region eine Klage (die "Klage") gegen sie eingereicht wurde. Die Klage wurde von SRC International (Malaysia) Limited ("SRC") eingereicht, mit der die SRC einen Betrag von USD 112 Millionen (zuzüglich Zins) fordert und geltend macht, die BJB habe ihre Sorgfaltspflicht verletzt, indem sie in der Zeit zwischen 25. Oktober 2013 und September 2016 verschiedene Zahlungsaufträge akzeptierte und ausführte. Am 4. Mai 2022 wurden der Bank das geänderte Schreiben und die Klageschrift in Höhe von USD 112,5 Mio. zugestellt. BJB bestreitet die Forderung und ergreift angemessene Maßnahmen zum Schutz ihrer Interessen.

Im Zusammenhang mit einem Kreditereignis, das im Privatkreditgeschäft der BJB eingetreten ist (wird von BJB heruntergefahren) und zu einer Wertberichtigung von 586 Mio. CHF geführt hat, die in der konsolidierten Jahresrechnung 2023 ausgewiesen ist, laufen die Recovery-Massnahmen der BJB weiter, wobei erhebliche Unsicherheiten in Bezug auf die Durchsetzbarkeit von Sicherheiten bestehen, einschliesslich konkurrierender Forderungen Dritter und Gegenforderungen, die von den Insolvenzverwaltern des ausgefallenen Kreditnehmers erhoben werden. In diesem Zusammenhang wurde BJB eine Forderung in Höhe von EUR 62,3 Millionen zugestellt, die ein Insolvenzverwalter im April 2025 bei einem Gericht in Wien eingereicht hatte. BJB bestreitet diese Forderung und ergreift gleichzeitig geeignete Maßnahmen zur Wahrung ihrer Interessen. Das Kreditereignis und sein weiterer Kontext sind auch Gegenstand eines konsolidierten aufsichtsrechtlichen Enforcementverfahrens durch die Eidgenössische Finanzmarktaufsicht FINMA.

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12. Material Contracts

There are no material contracts that are not entered into in the ordinary course of BJB's business which could result in BJB (including its affiliates) being under an obligation or entitlement that is material to BJB's ability to meet its obligations to security holders in respect of the securities being issued.

13. Rating

As of the date of this Registration Document, Moody's assigned ratings to BJB is as follows:

Long-Term Senior Unsecured and Issuer Rating: A3.

If above reference is made to the "long-term" rating then this expresses an opinion of the ability of BJB to honor long-term senior unsecured financial obligations and contracts. The rating has the following meaning:

Moody's: A*: Obligations rated A are considered upper-medium grade and are subject to low credit risk.

* Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Moody's is a credit rating agency established in the European Union and is registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011, and is listed in the list of registered rating agencies of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.

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12. Wesentliche Verträge

Es gibt keine wesentlichen Verträge, die nicht im Rahmen der normalen Geschäftstätigkeit abgeschlossen wurden und die dazu führen könnten, dass BJB (einschließlich ihrer Tochtergesellschaften) eine Verpflichtung oder ein Recht erlangt, die bzw. das für die Fähigkeit der BJB, ihren Verpflichtungen gegenüber den Wertpapierinhabern in Bezug auf die ausgegebenen Wertpapiere nachzukommen, von wesentlicher Bedeutung ist.

13. Rating

Zum Datum dieses Registrierungsformulars, bewertet Moody's die Bank Julius Bär & Co. AG wie folgt:

Rating für langfristige, nicht nachrangige, ungesicherte Schuldtitel und Emittentenrating: A3.

Sofern sich das vorgenannte Rating auf "langfristig" bezieht, wird damit eine Meinung über die Fähigkeit der BJB, ihre langfristigen vorrangigen unbesicherten Finanzverbindlichkeiten und vertraglichen Verpflichtungen aus Finanzgeschäften zu erfüllen, ausgedrückt. Das Rating hat die folgende Bedeutung:

Moody's: A*: A geratete Verbindlichkeiten werden der "oberen Mittelklasse" zugerechnet und bergen ein geringes Kreditrisiko.

* Moody's verwendet in den Ratingkategorien "Aa" bis "Caa" zusätzlich numerische Unterteilungen. Der Zusatz "1" bedeutet, dass eine entsprechend bewertete Verbindlichkeit in das obere Drittel der jeweiligen Ratingkategorie einzuordnen ist, während "2" und "3" das mittlere bzw. untere Drittel anzeigen.

Moody's ist eine Ratingagentur mit Sitz in der Europäischen Union und ist im Einklang mit der Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen, abgeändert durch die Verordnung (EU) Nr. 513/2011, registriert und in der Liste der registrierten Ratingagenturen der Europäischen Wertpapier- und Marktaufsichtsbehörde unter http://www.esma.europa.eu/page/List-registered-and-certified-CRAs aufgeführt.

III. GENERAL INFORMATION

1. Statement on the BaFin approval

BJB hereby states that:

a) this Registration Document has been approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* ("**BaFin**"), as competent authority under Regulation (EU) 2017/1129;

b) BaFin only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;

c) such approval should not be considered as an endorsement of BJB that is the subject of this Registration Document.

2. Responsibility statement

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland (acting itself or acting through its Guernsey Branch, No. 1, The Plaza, Elizabeth Avenue, Admiral Park, P.O. Box 87, St. Peter Port, GBG-Guernsey GY1 4 BS), as BJB accepts responsibility for the information provided in this Registration Document pursuant to Section 8 WpPG in connection with Article 11 paragraph 1 sentence 2 of the Prospectus Regulation.

BJB declares that, to the best of its knowledge, the information contained in this Registration Document is in accordance with the facts and that the Registration Document makes no omission likely to affect its import.

3. Notification

BJB has requested BaFin to notify the competent authority in Austria, Lichtenstein, Luxembourg and Ireland in relation to this Registration Document with a certificate of approval (a "**Notification**") attesting that this Registration Document has been drawn up in accordance with the Prospectus Regulation and providing it with an electronic copy of this Registration Document. BJB may request BaFin to provide a Notification to competent authorities in additional member states within the European Economic Area.

III. ALLGEMEINE INFORMATIONEN

1. Hinweis zur Billigung durch die BaFin

BJB erklärt hiermit, dass

a) dieses Registrierungsformular durch die Bundesanstalt für Finanzdienstleistungsaufsicht ("**BaFin**") als zuständige Behörde gemäß der Verordnung (EU) 2017/1129 gebilligt wurde;

b) die BaFin dieses Registrierungsformular nur bezüglich der Standards der Vollständigkeit, Verständlichkeit und Kohärenz gemäß der Verordnung (EU) 2017/1129 billigt;

c) eine solche Billigung nicht als eine Befürwortung der BJB, die Gegenstand dieses Registrierungsformulars ist, erachtet werden sollte.

2. Verantwortlichkeitserklärung

Die Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zürich, Schweiz (selbst handelnd oder durch ihre Zweigniederlassung Guernsey, No. 1, The Plaza, Elizabeth Avenue, Admiral Park, P.O. Box 87, St. Peter Port, GBG-Guernsey GY1 4 BS), BJB übernimmt nach § 8 WpPG i.V.m Artikel 11 Absatz 1 Satz 2 der Prospektverordnung die Verantwortung für die in diesem Registrierungsformular gemachten Angaben.

Die BJB erklärt, dass nach ihrem Wissen die in diesem Registrierungsformular enthaltenen Angaben richtig sind und keine Auslassungen enthält, die die Aussage des Registrierungsformulars verzerren können.

3. Notifizierung

Die BJB hat bei der BaFin die Übermittlung einer Bescheinigung über die Billigung (eine "**Notifizierung**") an die zuständigen Behörden in Österreich, Liechtenstein und Luxemburg in Bezug auf dieses Registrierungsformulars, aus dem hervorgeht, dass dieses Registrierungsformular im Einklang mit der Prospektverordnung erstellt wurde sowie die Übermittlung einer elektronischen Kopie dieses Registrierungsformulars, beantragt. Die BJB kann bei der BaFin eine Notifizierung an die zuständigen Behörden in weiteren Mitgliedstaaten des Europäischen Wirtschaftsraums beantragen.

III. GENERAL INFORMATION

4. Publication and validity of the Registration Document

This Registration Document shall be valid for twelve (12) months after its approval by BaFin; this Registration Document solely represents the status of the information contained in it at the time of its approval.

BJB may choose to produce a new registration document to replace this Registration Document whenever significant new information regarding the Issuer is available.

This Registration Document does not constitute an offer to sell or the solicitation of an offer to buy any security or to enter into any agreement and BJB is not soliciting any action based upon it. Nobody has been authorised by BJB to release more information or confirmations than provided in this Registration Document. If those information and confirmations are still given, investors should not rely on them as if they were authorised by BJB.

5. Documents Available

Copies of the following documents can be ordered free of charge from or will be available, during usual business hours, for inspection at Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland and may be inspected on the respective website indicated below:

- Articles of Association of Bank Julius Baer & Co. Ltd.*;
- BJB Consolidated Financial Statements 2024**;
- BJB Consolidated Financial Statements 2025**; and
- BJB Financial Statements 2025**.

* The document may be inspected on the following website:

https://derivatives.juliusbaer.com/home/restricted/en/eu-kids-4-priips

** The document may be inspected on the following website: https://www.juliusbaer.com/en/media-investors/financial-information/financial-reporting/

III. ALLGEMEINE INFORMATIONEN

4. Veröffentlichung und Gültigkeit des Registrierungsformulars

Dieses Registrierungsformular ist gültig für einen Zeitraum von zwölf (12) Monaten nach seiner Billigung durch die BaFin. Das Registrierungsformular gibt lediglich den Stand der in ihm enthaltenen Informationen zum Zeitpunkt seiner Billigung wieder.

Die BJB kann zu jeder Zeit, zu der maßgebliche neue Informationen über die Emittentin verfügbar sind, ein neues Registrierungsformular erstellen, um dieses Registrierungsformular zu ersetzen.

Das Registrierungsformular beinhaltet weder ein Angebot zum Verkauf noch eine Aufforderung zur Abgabe eines Angebots, Wertpapiere zu kaufen, oder einen Vertrag abzuschließen und BJB fordert zu keiner darauf basierenden Handlung auf. Keine andere Person ist von BJB autorisiert worden, über dieses Registrierungsformular hinausgehende Informationen oder Bestätigungen zu veröffentlichen. Sollten solche Informationen oder Bestätigungen dennoch erteilt werden, sollten Investoren auf diese nicht so vertrauen, als wären sie von BJB genehmigt.

5. Verfügbare Dokumente

Kopien der folgenden Dokumente können zu den üblichen Geschäftszeiten bei Bank Julius Bär & Co. AG, Bahnhofstrasse 36, 8001 Zürich, Schweiz eingesehen oder kostenfrei angefordert werden und kann auf den nachfolgend aufgeführten Webseiten eingesehen werden:

- Statuten der Bank Julius Bär & Co. AG*,
- BJB Konsolidierte Finanzinformationen 2024**,
- BJB Konsolidierte Finanzinformationen 2025**, und
- BJB Finanzinformationen 2025**.

* Das Dokument kann auf der folgenden Website eingesehen werden:

https://derivatives.juliusbaer.com/home/restricted/de/eu-kids-4-priips

** Das Dokument kann auf der folgenden Website eingesehen werden: https://www.juliusbaer.com/en/media-investors/financial-information/financial-reporting/

III. GENERAL INFORMATION

6. Information Incorporated by reference

The following information contained in the Registration Document of BJB dated 6 June 2025 is incorporated by reference into this Registration Document in accordance with Article 19 (1)(a) of the Prospectus Regulation and forms part of this Registration Document:

Information*	Page of the Registration Document dated 6 June 2025**	Incorporated into this Registration Document on the following pages:
BJB Consolidated Financial Statements 2024		**33**
Consolidated Income Statement	P-1	33
Consolidated Statement of Comprehensive Income	P-2	33
Consolidated Balance Sheet	P-3	33
Consolidated Statement of Changes in Equity	P-5	33
Consolidated Statement of Cash Flows	P-7	33
Notes	P-11	33
Auditor's Report	P-86	33

* The non-incorporated parts of the document are either not relevant for the investor or are covered elsewhere in this Registration Document.

** The Registration Document of the Issuer dated 6 June 2025 has been approved by BaFin and has been published on the website of BJB (https://derivatives.juliusbaer.com/ in section "Base Prospectus", "Programme for the issuance of derivatives 2025/2026") and can be downloaded by clicking on this https://derivatives.juliusbaer.com/MediaLibrary/6ee79c41-53b4-4bfd-8c9c-3f35f782b1e3/VO_BJB_RD_final.pdf.

III. ALLGEMEINE INFORMATIONEN

6. Mittels Verweis Aufgenommene Angaben

Die folgenden Angaben aus dem Registrierungsformular der BJB vom 6. Juni 2025 werden gemäß Artikel 19 (1)(a) der Prospektverordnung mittels Verweis in dieses Registrierungsformular aufgenommen und sind Bestandteil dieses Registrierungsformulars:

Information*	Seite des Registrierungs-formulars vom 6. Juni 2025**	Aufgenommen in dieses Registrierungs-formular auf den folgenden Seiten
BJB Konsolidierte Finanz-informationen 2024		**33**
Konsolidierte Gewinn- und Verlustrechnung	P-1	33
Konsolidierte Gesamtergebnis-rechnung	P-2	33
Konsolidierte Bilanz	P-3	33
Konsolidierte Eigenkapital-veränderungs-rechnung	P-5	33
Konsolidierte Kapitalflussrechnung	P-7	33
Anhang	P-11	33
Bestätigungsvermerk der Abschlussprüfer	P-86	33

* Die nicht mittels Verweis aufgenommenen Teile eines Dokuments sind entweder für den Anleger nicht relevant oder sind an anderer Stelle im Prospekt enthalten.

** Das Registrierungsformular vom 6. Juni 2025 wurde von der BaFin gebilligt und wurde im Internet auf der Seite der BJB veröffentlicht (https://derivatives.juliusbaer.com/ unter "Basisprospekte", "Emissionsprogramme für Derivate 2025/2026") und kann durch klicken auf diesen https://derivatives.juliusbaer.com/MediaLibrary/6ee79c41-53b4-4bfd-8c9c-3f35f782b1e3/VO_BJB_RD_final.pdf heruntergeladen werden.

IV.
BJB Consolidated Financial Statements as at 31 December 2025

Consolidated Income Statement	R-1
Consolidated Statement of Comprehensive Income	R-2
Consolidated Balance Sheet	R-3
Consolidated Statement of Changes in Equity	R-5
Consolidated Statement of Cash Flows	R-7
Notes	R-10
Auditors Report	R-85

IV.
BJB Konsolidierte Finanzinformationen zum 31. Dezember 2025

Konsolidierte Gewinn- und Verlustrechnung	R-1
Konsolidierte Gesamtergebnisrechnung	R-2
Konsolidierte Bilanz	R-3
Konsolidierte Eigenkapitalveränderungsrechnung	R-5
Konsolidierte Kapitalflussrechnung	R-7
Anhang	R-10
Bestätigung der Wirtschaftsprüfers	R-85

Primary financial statements

Consolidated income statement

	Note	**2025** CHF m	2024 CHF m
Interest income on financial instruments measured at amortised cost or FVOCI		**1,584.5**	2,146.7
Interest expense on financial instruments measured at amortised cost		**1,584.9**	1,959.7
Net interest income	1	**-0.4**	187.0
Commission and fee income		**2,236.3**	2,058.6
Commission expense		**619.7**	565.1
Net commission and fee income	2	**1,616.6**	1,493.5
Net income from financial instruments measured at FVTPL		**1,548.2**	1,183.6
Net credit losses/(recoveries) on financial instruments		**187.1**	14.4
Other ordinary results	3	**92.0**	91.7
Operating income		**3,069.3**	2,941.4
Personnel expenses	4	**1,429.4**	1,356.5
General expenses	5	**738.0**	720.6
Depreciation of property and equipment	8	**69.9**	71.4
Amortisation and impairment of intangible assets	9	**144.9**	133.1
Operating expenses		**2,382.2**	2,281.6
Profit before taxes		**687.1**	659.8
Income taxes	6A	**100.6**	-49.5
Net profit attributable to the shareholder of Bank Julius Baer & Co. Ltd.		**586.5**	709.3

Share information	Note	**2025** CHF	2024 CHF
Basic earnings per share (EPS)	13	**102.00**	123.36
Diluted earnings per share (EPS)	13	**102.00**	123.36

Consolidated statement of comprehensive income

	2025 *CHF m*	2024 *CHF m*
Net profit recognised in the income statement	**586.5**	709.3
Other comprehensive income (net of taxes):		
Items that may be reclassified to the income statement		
Net unrealised gains/(losses) on debt instruments measured at FVOCI	**145.7**	164.4
Net realised (gains)/losses on debt instruments measured at FVOCI reclassified to the income statement	**-0.1**	-0.2
Effective portion of changes in fair value of hedging instruments designated as cash flow hedges	**9.6**	18.1
Items that will not be reclassified to the income statement		
Net unrealised gains/(losses) on equity instruments designated at FVOCI	**2.8**	-34.4
Gains/(losses) from own credit risk on financial liabilities designated at fair value	**-0.4**	-1.3
Remeasurement of defined benefit obligation	**-16.0**	-24.8
Other comprehensive income	**141.6**	121.8
Total comprehensive income attributable to the shareholder of Bank Julius Baer & Co. Ltd.	**728.1**	831.1

Consolidated balance sheet

	Note	31.12.2025 CHF m	31.12.2024 CHF m
Assets			
Cash and balances at central banks		**4,848.1**	5,950.1
Due from banks		**5,679.6**	5,374.9
Receivables from securities financing transactions	17	**9,755.5**	5,732.2
Lombard loans	19/20	**31,926.1**	31,360.3
Mortgages	19/20	**6,671.5**	6,700.1
Financial assets measured at FVTPL	7B/19	**14,287.1**	14,547.3
Derivative financial instruments	18	**3,553.3**	3,796.2
Financial assets designated at fair value	19	**153.0**	179.1
Financial assets measured at FVOCI	7C/20	**8,517.7**	10,516.7
Other financial assets measured at amortised cost	7D/20	**6,389.9**	5,181.9
Property and equipment	8	**486.1**	516.6
Goodwill and other intangible assets	9	**2,420.3**	2,364.8
Accrued income and prepaid expenses		**818.3**	747.6
Deferred tax assets	6C	**7.4**	10.0
Other assets	12	**6,168.6**	5,068.0
Total assets		**101,682.5**	98,045.8

	Note	**31.12.2025** CHF m	31.12.2024 CHF m
Liabilities and equity			
Due to banks		**5,359.6**	6,669.5
Payables from securities financing transactions	17	**2,011.3**	2,592.5
Due to customers		**63,950.8**	64,302.5
Financial liabilities measured at FVTPL	7B/19	**1,292.8**	778.6
Derivative financial instruments	18	**3,896.4**	3,003.3
Financial liabilities designated at fair value	19	**16,381.9**	12,156.2
Debt issued	10	**1,093.4**	1,082.5
Accrued expenses and deferred income		**999.7**	932.1
Current tax liabilities		**70.5**	134.4
Deferred tax liabilities	6D	**40.4**	38.2
Provisions	11	**53.9**	51.4
Other liabilities	12	**407.5**	387.0
Total liabilities		**95,558.2**	92,128.2
Share capital	13	**575.0**	575.0
Capital reserves		**1,931.1**	1,931.1
Retained earnings		**3,633.6**	3,584.5
Other components of equity		**-15.4**	-173.0
Total equity attributable to shareholder of Bank Julius Baer & Co. Ltd.		**6,124.3**	5,917.6
Total liabilities and equity		**101,682.5**	98,045.8

Consolidated statement of changes in equity

At 1 January 2024	
Net profit	
Items that may be reclassified to the income statement	
Items that will not be reclassified to the income statement	
Total other comprehensive income	
Total comprehensive income	
Net realised gains reclassified from OCI to retained earnings	
Dividend payment	
Share-based payments expensed for the year	
Distribution to the parent related to share-based payments for the year	
At 31 December 2024	

At 1 January 2025	
Net profit	
Items that may be reclassified to the income statement	
Items that will not be reclassified to the income statement	
Total other comprehensive income	
Total comprehensive income	
Dividend payment	
Share-based payments expensed for the year	
Distribution to the parent related to share-based payments for the year	
At 31 December 2025	

[1] Includes the effective portion of changes in fair value of hedging instruments designated as cash flow hedges as well as cost of hedging related to cash flow hedges.

				Other components of equity			
	Share capital *CHF m*	Capital reserves *CHF m*	Retained earnings *CHF m*	FVOCI *CHF m*	Cash Flow hedges[1] *CHF m*	Own credit risk on financial liabilities designated at FV *CHF m*	Total equity attributable to shareholder of Bank Julius Baer & Co. Ltd. *CHF m*
	575.0	1,931.1	3,289.9	-285.2	-29.6	-4.5	5,476.7
	-	-	709.3	-	-	-	709.3
	-	-	-	164.2	18.1	-	182.3
	-	-	-24.8	-34.4	-	-1.3	-60.5
	-	-	-24.8	129.8	18.1	-1.3	121.8
	-	-	684.5	129.8	18.1	-1.3	831.1
	-	-	0.3	-0.3	-	-	-
	-	-	-400.0	-	-	-	-400.0
	-	-	50.8	-	-	-	50.8
	-	-	-41.0	-	-	-	-41.0
	575.0	1,931.1	3,584.5	-155.7	-11.5	-5.8	5,917.6
	575.0	**1,931.1**	**3,584.5**	**-155.7**	**-11.5**	**-5.8**	**5,917.6**
	-	**-**	**586.5**	**-**	**-**	**-**	**586.5**
	-	**-**	**-**	**145.6**	**9.6**	**-**	**155.2**
	-	**-**	**-16.0**	**2.8**	**-**	**-0.4**	**-13.6**
	-	**-**	**-16.0**	**148.4**	**9.6**	**-0.4**	**141.6**
	-	**-**	**570.5**	**148.4**	**9.6**	**-0.4**	**728.1**
	-	**-**	**-512.0**	**-**	**-**	**-**	**-512.0**
	-	**-**	**63.2**	**-**	**-**	**-**	**63.2**
	-	**-**	**-72.6**	**-**	**-**	**-**	**-72.6**
	575.0	**1,931.1**	**3,633.6**	**-7.3**	**-1.9**	**-6.2**	**6,124.3**

Consolidated statement of cash flows

	2025 *CHF m*	2024 *CHF m*
Net profit	**586.5**	709.3
Adjustments to reconcile net profit to cash flow from/(used in) operating activities:		
Non-cash items included in net profit and other adjustments:		
- Depreciation of property and equipment	**69.9**	71.4
- Amortisation and impairment of intangible assets	**144.9**	133.1
- Change in loss allowance	**187.1**	14.4
- Deferred tax expense/(benefit)	**-1.6**	-5.4
- Net loss/(gain) from investing activities	**-72.6**	-124.4
- Net loss/(gain) from financing activities	**-0.3**	-0.1
- Other non-cash income and expenses	**63.2**	50.8
Net increase/decrease in operating assets and liabilities:		
- Net due from/to banks	**-3,107.1**	-405.7
– Net financial assets measured at FVTPL and derivative financial instruments	**1,936.4**	-3,789.3
- Net lombard loans, mortgages/due to customers	**-1,066.2**	3,813.5
- Issuance and repayment of financial liabilities designated at fair value	**4,225.3**	1,967.4
- Accrued income, prepaid expenses and other assets	**-1,190.9**	149.0
- Accrued expenses, deferred income, other liabilities and provisions	**79.1**	10.9
Adjustment for income tax expenses	**102.2**	-44.1
Income taxes paid	**-165.3**	-22.9
Cash flow from operating activities	**1,790.6**	2,527.9
Purchase of property and equipment and intangible assets	**-224.8**	-230.3
Net (investment in)/divestment of financial assets measured at FVOCI	**2,152.9**	1,681.4
Net (investment in)/divestment of other financial assets measured at amortised cost	**-1,541.3**	597.2
Cash flow from investing activities	**386.8**	2,048.3
Dividend payments	**-512.0**	-400.0
Distribution to the parent related to share-based payments for the year	**-72.6**	-41.0
Issuance of long-term debt, including financial liabilities designated at fair value	**11.5**	-18.2
Cash flow from financing activities	**-573.1**	-459.2
Net (decrease)/increase in cash and cash equivalents	**1,604.3**	4,117.0
Cash and cash equivalents at the beginning of the year	**19,940.7**	16,413.8
Cash flow from operating activities	**1,790.6**	2,527.9
Cash flow from investing activities	**386.8**	2,048.3
Cash flow from financing activities	**-573.1**	-459.2
Effects of exchange rate changes on cash and cash equivalents	**820.6**	-590.1
Cash and cash equivalents at the end of the year	**22,365.6**	19,940.7

Cash and cash equivalents are structured as follows:

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Cash and cash equivalents are structured as follows:		
Cash and balances at central banks	**4,848.1**	5,950.1
Due from banks[1]	**3,458.5**	3,043.6
Receivables from securities financing transactions[1]	**4,480.5**	5,298.4
Debt instruments measured at FVOCI[1]	**9,578.5**	5,648.6
Total	**22,365.6**	19,940.7

[1] Original maturity of less than three months

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Additional cash flow information		
Interest received in cash	**2,093.6**	2,606.4
Interest paid in cash	**2,669.0**	2,857.4
Dividends on equities received in cash	**271.3**	254.9

Comment on risk management

The content in the Consolidated Financial State
ment of Bank Julius Baer & Co. Ltd
set under this heading was deleted.

Comment on capital management

Management of capital including regulatory capital

For information about capital management including regulatory capital, refer to the respective section in the Annual Report 2025 of Julius Baer Group Ltd.

Notes to the consolidated financial statement

Note 1 Net interest income

The interest in the following table is accounted for under the effective interest method:

	2025 *CHF m*	2024 *CHF m*
Interest income on amounts due from banks	**105.7**	187.4
Interest income on loans	**961.9**	1,372.5
Interest income on debt instruments at FVOCI	**319.2**	405.9
Interest income on debt instruments at amortised costs	**197.6**	180.9
Negative interest received on financial liabilities	**0.1**	-
Interest income on financial instruments measured at amortised cost or FVOCI	**1,584.5**	2,146.7
Interest expense on amounts due to banks	**143.7**	196.3
Interest expense on amounts due to customers	**1,413.4**	1,738.5
Interest expense on debt issued	**19.8**	17.2
Interest expense on lease liabilities	**6.9**	7.7
Negative interest paid on financial assets	**1.1**	-
Interest expense on financial instruments measured at amortised cost	**1,584.9**	1,959.7
Total	**-0.4**	187.0

Note 2 Net commission and fee income

The Bank recognises fee and commission income related to its wealth management-related services either at the time the service is performed, i.e. upon execution of a transaction, or in the corresponding periods over the life of a contract if services are provided over a certain period of time. Income and income components that are based on performance are recognised to the extent that it is highly probable that a significant reversal will not occur.

	2025 *CHF m*	2024 *CHF m*
Advisory and management fees	**1,477.8**	1,384.6
Brokerage commissions and income from securities underwriting	**741.7**	657.0
Commission and fee income on other services	**16.8**	17.0
Total commission and fee income	**2,236.3**	2,058.6
Commission expense	**619.7**	565.1
Total	**1,616.6**	1,493.5

Note 3 Other ordinary results

	2025 *CHF m*	2024 *CHF m*
Dividend income on equity instruments at FVOCI	**3.3**	3.2
Result from disposal of debt instruments at FVOCI	**-**	0.2
Real estate income	**6.6**	6.8
Other ordinary income	**82.2**	81.5
Other ordinary expenses	**0.1**	0.0
Total	**92.0**	91.7

Note 4 Personnel expenses

	2025 *CHF m*	2024 *CHF m*
Salaries and bonuses	**1,148.0**	1,104.7
Contributions to staff pension plans (defined benefits)	**94.4**[1]	80.9[2]
Contributions to staff pension plans (defined contributions)	**27.7**	26.8
Other social security contributions	**85.8**	81.7
Share-based payments	**63.2**	50.8
Other personnel expenses	**10.3**	11.6
Total	**1,429.4**	1,356.5

[1] Includes the gain from a curtailment to the Swiss pension plan in the amount of CHF 10.3 million.
[2] Includes the gain from a curtailment to the Swiss pension plan in the amount of CHF 5.5 million.

Note 5 General expenses

	2025 *CHF m*	2024 *CHF m*
Occupancy expense	**23.0**	25.0
IT and other equipment expense	**113.8**	101.9
Information, communication and advertising expense	**167.4**	172.3
Service expense, fees and non-income taxes	**382.0**	387.4
Provisions and losses	**48.7**	32.4
Other general expenses	**3.1**	1.6
Total	**738.0**	720.6

Note 6 Income taxes

Income tax expense comprises current taxes, top-up taxes, and deferred taxes.

Current income taxes are calculated on the basis of the applicable tax laws of the respective countries and are recognised as expense in the financial year in which the related taxable income arises.

Top-up taxes are determined on the basis of the applicable top-up tax laws of the respective countries and recognised as expense at the level of the constituent entity in the financial year in which the related GloBE-income (Global Anti-Base Erosion – Pillar 2) arises.

Deferred tax assets and deferred tax liabilities are taken into account for the expected future tax consequences of all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding local tax values. However, no deferred tax assets and liabilities related to Pillar 2 taxes are recognised.

Note 6A Tax effects recognised in the income statements

The following table presents the reconciliation between the product of accounting profit multiplied by the applicable (statutory) tax rate and the effective tax expense of the Bank:

	2025 *CHF m*	2024 *CHF m*
Income tax on profit before taxes (statutory tax expense)	**137.4**	131.9
Effect of tax rate differences in foreign jurisdictions	**-18.4**	-13.0
Effect of domestic tax rate differences	**-3.4**	-4.5
Income subject to a reduced tax rate	**-35.2**	-33.0
Effect from unrecognised tax losses	**-**	-0.7
Adjustments related to prior years	**-0.4**	-144.6[1]
Non-deductible expenses	**9.1**	11.9
Other	**11.5**	2.5
Actual income tax expense	**100.6**	-49.5

[1] The vast majority of the adjustments related to prior years resulted from a substantial release of tax provisions following the completion of a Swiss corporate income tax audit covering the financial years 2017-2022.

The basis for the above table is the statutory income tax rate of 19.0% (2024: 19.0%), which corresponds to the average Bank tax rate in Switzerland.

The Bank applies management judgement in identifying uncertainties related to income tax treatments and the respective interpretations by local tax authorities. In addition, management also adequately considers court decisions and aligns its estimates accordingly.

The Bank operates in an international tax environment that has become more complex and challenging in recent years because of multinational (e.g., Base Erosion and Profit Shifting [BEPS] project by OECD/G20) and unilateral initiatives. Among other things, the Bank applies transfer pricing arrangements among different Bank entities due to its cross border operations to correctly align taxable profits with value creation. Therefore, the Bank subsidiaries' tax filings in different jurisdictions include effects related to such transfer pricing arrangements and the local tax authorities may challenge the applied tax treatment. However, based on its ongoing analysis of the tax regulations and the respective application in the different locations as well as the benchmarking process, the Bank is of the opinion that its transfer pricing arrangements will be accepted

by the tax authorities. Moreover, the tax treatment of various items requires an interpretation of local tax law and practice in many jurisdictions to the best of the Bank's knowledge. In addition, the Bank books tax provisions where adequate to cover future potential tax. After considering the above, the Bank is of the opinion that the tax expense and tax liabilities in the financial statements are adequate and based on reasonable judgements by tax professionals.

The OECD/G20 introduced a new minimum taxation regime under GloBE Model Rules, which applies to multinational groups that have consolidated revenues of EUR 750 million or more. The Bank is in scope of this new regime. Various countries have changed their tax laws accordingly since 1 January 2024. In Switzerland, the Qualified Domestic Minimum Top-up Tax (QDMTT) has been applicable as of 1 January 2024 and the Income Inclusion Rule (IIR) has been applicable as of 1 January 2025.

Top-up taxes are determined on the basis of the applicable top-up tax laws of the respective countries and recognised as expense at the level of the constituent entity (top-up taxes based on QDMTT) are recognised as expense at level of the Ultimate Parent Entity ["UPE"] Julius Baer Group Ltd. (top-up taxes based on IIR) in the financial year in which the related GloBE-income (Global Anti-Base Erosion – Pillar 2) arises.

In 2025, the Bank is subject to the OECD GloBE Model Rules in various jurisdictions. The Bank established the respective liability in the amount of CHF 12.8 million (2024: CHF 0) through the income statement.

	2025 *CHF m*	2024 *CHF m*
Domestic income taxes	**46.5**	-83.0
Foreign income taxes	**54.1**	33.5
Total	**100.6**	-49.5

Current income taxes[1]	**102.2**	-44.1
Deferred income taxes	**-1.6**	-5.4
Total	**100.6**	-49.5

[1] Includes top-up taxes in the amount of CHF 12.8 million (2024: CHF 0.0 million).

Note 6B Tax effects recognised outside the income statement

Current and deferred taxes are credited or charged outside the income statement (i.e. directly in equity or in other comprehensive income) if the taxes refer to items that are credited or charged outside the income statement.

	2025		
	Before-tax amount *CHF m*	Tax (expense)/ benefit *CHF m*	Net-of-tax amount *CHF m*
Items that may be reclassified to the income statement			
Net unrealised gains/(losses) on debt instruments measured at FVOCI	155.3	-9.6	145.7
Net realised (gains)/losses on debt instruments measured at FVOCI reclassified to the income statement	-0.1	-	-0.1
Cash flow hedges	9.6	-	9.6
Items that will not be reclassified to the income statement			
Net unrealised gains/(losses) on equity instruments designated at FVOCI	3.4	-0.6	2.8
Own credit on financial liabilities designated at fair value	-0.4	-	-0.4
Remeasurement of defined benefit obligation	-19.8	3.8	-16.0
Other comprehensive income	**148.0**	**-6.4**	**141.6**

	2024		
	Before-tax amount *CHF m*	Tax (expense)/ benefit *CHF m restated*	Net-of-tax amount *CHF m*
Items that may be reclassified subsequently to the income statement			
Net unrealised gains/(losses) on debt instruments measured at FVOCI	176.5	-12.1	164.4
Net realised (gains)/losses on debt instruments measured at FVOCI reclassified to the income statement	-0.2	-0.0	-0.2
Cash flow hedges	18.1	-	18.1
Cost of hedging related to cash flow hedges	0.0	-	0.0
Items that will not be reclassified to the income statement			
Net unrealised gains/(losses) on equity instruments designated at FVOCI	-42.5	8.1	-34.4
Net realised gains/(losses) on equity instruments designated at FVOCI	-0.0	0.0	0.0
Own credit on financial liabilities designated at fair value	-1.3	-	-1.3
Remeasurement of defined benefit obligation	-30.6	5.8	-24.8
Other comprehensive income	120.0	1.8	121.8

Note 6C Deferred tax assets

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Balance at the beginning of the year	**10.0**	16.9
Income statement - credit	**2.9**	-
Income statement - charge	**-**	-2.1
Recognised directly in OCI	**-5.5**	-4.8
Balance at the end of the year	**7.4**	10.0

The components of deferred tax assets are as follows:

Employee compensation and benefits	**6.1**	6.1
Financial assets measured at FVOCI	**4.3**	13.6
Other	**3.8**	1.6
Deferred tax assets before set-off[1]	**14.2**	21.3
Offset	**-6.8**	-11.3
Total	**7.4**	10.0

[1] For balance sheet purposes, the Bank recognises either a deferred tax asset or a deferred tax liability for each consolidated company if that company is allowed to net its deferred tax assets and deferred tax liabilities in line with the local tax rules. Disaggregation of these net balances (in this case deferred tax assets) into the single components may result in negative amounts (in this case deferred tax liabilities), which are disclosed as offsetting amounts.

In general, deferred tax assets arising from temporary differences and from loss carryforwards eligible for offsetting are only capitalised if it is likely that sufficient future taxable profits will be available against which those temporary differences or loss carryforwards can be offset; those related to operating loss carryforwards are assessed at each year-end with regard to their sustainability based on the actual three-year business forecast.

There are no unrecognised accumulated loss carryforwards in the Bank.

Note 6D Deferred tax liabilities

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Balance at the beginning of the year	**38.2**	52.3
Income statement - charge	**2.6**	0.5
Income statement - credit	**-1.3**	-8.0
Recognised directly in OCI	**0.9**	-6.6
Balance at the end of the year	**40.4**	38.2

The components of deferred tax liabilities are as follows:

Property and equipment	**28.8**	31.6
Financial assets measured at FVOCI	**15.8**	15.5
Pension asset	**2.6**	2.4
Deferred tax liability before set-off[1]	**47.2**	49.5
Offset	**-6.8**	-11.3
Total	**40.4**	38.2

[1] For balance sheet purposes, the Bank recognises either a deferred tax asset or a deferred tax liability for each consolidated company if that company is allowed to net its deferred tax assets and deferred tax liabilities in line with the local tax rules. Disaggregation of these net balances (in this case deferred tax liabilities) into the single components may result in negative amounts (in this case deferred tax assets), which are disclosed as offsetting amounts.

Note 7 Financial assets and financial liabilities

Note 7A Classification of financial assets and financial liabilities

					31.12.2025
	FVTPL *CHF m*	Designated as at FVTPL *CHF m*	FVOCI *CHF m*	Amortised cost *CHF m*	**Total** *CHF m*
Financial assets					
Cash and balances at central banks	-	-	-	4,848.1	**4,848.1**
Due from banks	-	-	-	5,679.6	**5,679.6**
Receivables from securities financing transactions	-	-	-	9,755.5	**9,755.5**
Lombard loans	-	-	-	31,926.1	**31,926.1**
Mortgages	-	-	-	6,671.5	**6,671.5**
Financial assets measured at FVTPL	14,287.1	-	-	-	**14,287.1**
Derivative financial instruments	3,553.3	-	-	-	**3,553.3**
Financial assets designated at fair value	-	153.0	-	-	**153.0**
Financial assets measured at FVOCI	-	-	8,517.7	-	**8,517.7**
Other financial assets measured at amortised cost	-	-	-	6,389.9	**6,389.9**
Accrued income	-	-	-	709.1	**709.1**
Other financial assets	-	-	-	9.8	**9.8**
Total	**17,840.4**	**153.0**	**8,517.7**	**65,989.6**	**92,500.7**
Financial liabilities					
Due to banks	-	-	-	5,359.6	**5,359.6**
Payables from securities financing transactions	-	-	-	2,011.3	**2,011.3**
Due to customers	-	-	-	63,950.8	**63,950.8**
Financial liabilities measured at FVTPL	1,292.8	-	-	-	**1,292.8**
Derivative financial instruments	3,892.4	-	4.0	-	**3,896.4**
Financial liabilities designated at fair value	-	16,381.9	-	-	**16,381.9**
Debt issued	-	-	-	1,093.4	**1,093.4**
Accrued expense	-	-	-	596.9	**596.9**
Other financial liabilities	-	-	-	51.3	**51.3**
Total	**5,185.2**	**16,381.9**	**4.0**	**73,063.3**	**94,634.4**

					31.12.2024
	FVTPL *CHF m*	Designated as at FVTPL *CHF m*	FVOCI *CHF m*	Amortised cost *CHF m*	Total *CHF m*
Financial assets					
Cash	-	-	-	5,950.1	5,950.1
Due from banks	-	-	-	5,374.9	5,374.9
Receivables from securities financing transactions	-	-	-	5,732.2	5,732.2
Lombard loans	-	-	-	31,360.3	31,360.3
Mortgages	-	-	-	6,700.1	6,700.1
Financial assets measured at FVTPL	14,547.3	-	-	-	14,547.3
Derivative financial instruments	3,796.2	-	-	-	3,796.2
Financial assets designated at fair value	-	179.1	-	-	179.1
Financial assets measured at FVOCI	-	-	10,516.7	-	10,516.7
Other financial assets measured at amortised cost	-	-	-	5,181.9	5,181.9
Accrued income	-	-	-	658.2	658.2
Other financial assets	-	-	-	14.9	14.9
Total	18,343.5	179.1	10,516.7	60,972.6	90,011.9
Financial liabilities					
Due to banks	-	-	-	6,669.5	6,669.5
Payables from securities financing transactions	-	-	-	2,592.5	2,592.5
Due to customers	-	-	-	64,302.5	64,302.5
Financial liabilities measured at FVTPL	778.6	-	-	-	778.6
Derivative financial instruments	2,982.3	-	21.0	-	3,003.3
Financial liabilities designated at fair value	-	12,156.2	-	-	12,156.2
Debt issued	-	-	-	1,082.5	1,082.5
Accrued expense	-	-	-	554.3	554.3
Other financial liabilities	-	-	-	5.5	5.5
Total	3,760.9	12,156.2	21.0	75,206.8	91,144.9

Note 7B Financial assets and financial liabilities measured at FVTPL

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Financial assets measured at FVTPL		
Trading securities – debt FVTPL	**3,076.4**	3,693.1
of which listed	***1,775.2***	*2,262.0*
of which unlisted	***1,301.2***	*1,431.1*
Trading securities – equity FVTPL	**11,037.4**	10,560.9
of which listed	***10,577.9***	*9,425.5*
of which unlisted	***459.5***	*1,135.4*
Other financial assets mandatorily measured at FVTPL	**173.3**	293.3
of which listed	***147.4***	*114.1*
of which unlisted	***25.9***	*179.2*
Total	**14,287.1**	14,547.3
Financial liabilities measured at FVTPL		
Debt instruments at FVTPL	**329.1**	153.7
of which listed	***301.7***	*148.7*
of which unlisted	***27.4***	*5.0*
Equity instruments at FVOCI	**963.7**	624.9
of which listed	***947.6***	*594.1*
of which unlisted	***16.1***	*30.8*
Total	**1,292.8**	778.6

Note 7C Financial assets measured at FVOCI

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Government and agency bonds	**3,245.3**	3,552.5
Financial institution bonds	**4,372.4**	5,322.7
Corporate bonds	**774.4**	1,519.2
Debt instrument at FVOCI	**8,392.1**	10,394.4
of which listed	***4,968.7***	*7,052.0*
of which unlisted	***3,423.4***	*3,342.4*
Equity instruments at FVOCI	**125.6**	122.3
of which unlisted	***125.6***	*122.3*
Total	**8,517.7**	10,516.7

Note 7D Other financial assets measured at amortised cost

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Government and agency bonds	**3,430.4**	2,857.1
Financial institution bonds	**2,346.6**	1,780.0
Corporate bonds	**612.9**	544.8
Total	**6,389.9**	5,181.9
of which listed	***6,138.0***	*4,791.4*
of which unlisted	***251.9***	*390.5*

Note 7E Financial assets pledged or ceded

	31.12.2025		31.12.2024	
	Carrying value *CHF m*	Effective commitment *CHF m*	Carrying value *CHF m*	Effective commitment *CHF m*
Cash and balances at central banks[1]	**25.3**	**25.3**	25.3	25.3
Securities	**707.2**	**707.2**	968.1	968.1
Other	**31.3**	**31.3**	8.8	8.8
Total	**763.8**	**763.8**	1,002.2	1,002.2

[1] Cash and balances at central banks includes the pledged cash at the Swiss National Bank related to the Swiss deposit guarantee institution.

The assets are mainly pledged for Lombard limits at central banks, stock exchange securities deposits, covered bonds with Swiss central mortgage institutions, and collateral in over-the-counter (OTC) derivatives trading. Not included in these numbers are financial assets provided as collateral in securities transactions (refer to Note 17 for details).

Note 8 Property, equipment and leases

Property and equipment includes bank premises, IT hardware, communication systems, leasehold improvements, and other equipment. Items of property and equipment are depreciated over their estimated useful lives using the straight-line method. Bank premises are depreciated over a period of 66 years, leasehold improvements over the shorter of the residual lease term or useful life, IT hardware over three years, and other items of property and equipment generally over five to ten years.

Current maintenance and servicing costs are recognised in general expenses.

	Bank premises *CHF m*	Leases *CHF m*	Other property and equipment *CHF m*	**Total property and equipment** *CHF m*
Historical cost				
Balance at 01.01.2024	438.8	371.5	181.7	992.0
Additions	6.5	23.6	26.0	56.1
Disposals/transfers[1]	-	54.3	20.8	75.1
Balance at 31.12.2024	445.3	340.8	186.9	973.0
Additions	3.1	15.1	21.2	39.4
Disposals/transfers[1]	1.0	3.3	4.9	9.2
Balance at 31.12.2025	447.4	352.6	203.2	1,003.2
Accumulated amortisation and impairment losses				
Balance at 01.01.2024	173.9	169.0	117.2	460.1
Charge for the period	10.3	33.7	27.4	71.4
Disposals/transfers[1]	-	54.3	20.8	75.1
Balance at 31.12.2024	184.2	148.4	123.8	456.4
Charge for the period	9.6	33.7	26.6	69.9
Disposals/transfers[1]	0.7	3.3	5.2	9.2
Balance at 31.12.2025	193.1	178.8	145.2	517.1
Carrying value				
Balance at 31.12.2024	261.1	192.4	63.1	516.6
Balance at 31.12.2025	**254.3**	**173.8**	**58.0**	**486.1**

[1] Includes also derecognition of fully depreciated assets not used anymore.

A lessee recognises right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The vast majority of lease contracts where the Bank is the lessee relates to office leases, with a limited number of leases of vehicle and other items. The Bank does not apply lease accounting to software or other intangible assets.

As the implicit rate in leases is generally not available, the Bank as a lessee applies its incremental borrowing rate. This rate is determined based on the Bank's actual funding rate (by currency and term), which is provided to the Bank by external sources on a regular basis.

The following information relates to the Bank's lease activities:

	2025 *CHF m*	2024 *CHF m*
Amounts recognised in the income statement		
Depreciation charge	**33.7**	33.7
Interest expense on lease liability	**6.9**	7.7
Expense related to short-term/low-value leases	**0.4**	0.5
Total	**41.0**	41.9

Cash outflows for leases (excluding short-term/low-value leases)		
Cash payments – leases	**32.1**	30.2
Cash payments – interest paid	**6.4**	7.7
Total	**38.5**	37.9

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Maturity analysis – contractual undiscounted cash flows for lease liabilities		
Less than one year	**36.8**	36.9
One to five years	**102.4**	113.1
More than five years	**75.9**	93.6
Total	**215.1**	243.6

Note 9 Goodwill and other intangible assets

Customer relationships comprises long-term customer relationship intangibles from business combinations. They are initially recognised at fair value at the date of acquisition and are amortised over their estimated useful life not exceeding ten years, using the straight-line method.

The Bank capitalises costs relating to the acquisition, installation and internal development of software if it is probable that the future economic benefits that are attributable to the asset will flow to the Bank and that the costs of the asset can be identified and measured reliably. The capitalised software is amortised using the straight-line method over its useful life not exceeding ten years.

	Goodwill *CHF m*	Customer relationships *CHF m*	Software *CHF m*	**Total intangible assets** *CHF m*
Historical cost				
Balance at 01.01.2024	1,501.7	1,185.5	1,494.7	4,181.9
Additions	-	-	197.9	197.9
Disposals/transfers[1]	-	-	36.4	36.4
Balance at 31.12.2024	1,501.7	1,185.5	1,656.2	4,343.4
Additions	-	-	200.4	200.4
Disposals/transfers[1]	-	1,185.5	50.7	1,236.2
Balance at 31.12.2025	1,501.7	-	1,805.9	3,307.6
Accumulated amortisation and impairment losses				
Balance at 01.01.2024	-	1,184.2	697.7	1,881.9
Charge for the period	-	1.1	132.0[2]	133.1
Disposals/transfers[1]	-	-	36.4	36.4
Balance at 31.12.2024	-	1,185.3	793.3	1,978.6
Charge for the period	-	0.2	144.7[3]	144.9
Disposals/transfers[1]	-	1,185.5	50.7	1,236.2
Balance at 31.12.2025	-	-	887.3	887.3
Carrying value				
Balance at 31.12.2024	1,501.7	0.2	862.9	2,364.8
Balance at 31.12.2025	**1,501.7**	**-**	**918.6**	**2,420.3**

[1] Includes also derecognition of fully amortised assets not used anymore.
[2] Includes impairment of CHF 3.6 million related to software not used anymore.
[3] Includes impairment of CHF 5.4 million related to software not used anymore.

Goodwill – impairment testing

To identify any indications of impairment on goodwill, the recoverable amount based on the value in use is determined for the respective cash-generating unit (CGU, i.e. for the smallest identifiable group of assets that generates cash inflows independently from other assets) and is subsequently compared with the carrying amount of that unit. Within the Bank, cash inflows are not attributable to either any dimension (e.g. geographical areas, booking centres, clients, or products) or group of assets. In addition, management makes operating decisions based on information at the Bank level (see also Note 25 regarding the determination of the segments). Therefore, the goodwill is allocated to and tested at the level of the Bank.

The Bank uses a proprietary model based on the discounted cash flow method to calculate the recoverable amount. The Bank estimates the free cash flows expected to be generated from the continuing use of the CGU based on its regular financial planning, taking into account the following key parameters and their single components:

- assets under management;
- return on assets (RoA) on the average assets under management (driven by fees and commissions, trading income and net interest income);
- operating income and expenses; and
- tax rate applicable.

To each of these key parameters, reasonably expected growth assumptions are applied in order to calculate the projected cash flows for the next five years, whereof the first three years are based on the detailed budgeting and the remaining two years on the less detailed mid-term planning (particularly net new money). The Bank expects in the medium and long term a favourable development of the wealth management activities, which is reflected in the respective growth of the key parameters, although the Bank cannot exclude short-term market disruptions. The Bank also takes into consideration its relative strength as a pure wealth management provider vis-à-vis its peers, which should result in a better-than-average business development in the respective market. Additionally, the estimates of the expected free cash flows take into account the projected investments that are necessary to maintain the level of economic benefits expected to arise from the underlying assets in their current condition.

The resulting free cash flows are discounted to present value, using a pre-tax discount rate of 10.3% (2024: 9.3%). The discount rate used in the calculation represents the Bank's specific risk-weighted rate based on factors such as the risk-free rate, market risk premium, adjusted Beta, size premium, and country risk premium.

The Bank's approach to determine the key assumptions and related growth expectations is based on management's knowledge and reasonable expectations of future business, using internal and external market information, planned and/or started business initiatives, and other reasonable intentions of management. For that purpose, the Bank uses historical information by taking into consideration the current and expected market situations as well as the current and expected future relative market position of the Bank vis-à-vis its respective competitors and in its industry. Beyond management's planning horizon of five years, a long-term growth rate of 1% for assets under management is applied.

Changes in key assumptions

Deviations of future actual results achieved vs. forecast/planned key assumptions, as well as future changes of any of the key assumptions based on a future different assessment of the development of relevant markets and/or businesses may occur. Such deviations may result from changes in products and client mix, profitability, required types and intensity of personnel resources, general and company-specific personnel cost development, and/or changes in the implementation of known or the addition of new business initiatives, and/or other internal and/or external factors. These changes may cause the value of the business to alter and therefore either increase or reduce the difference between the carrying value in the balance sheet and the recoverable amount, or may even lead to a partial impairment of goodwill.

Management has performed sensitivity analyses on the discount rate and growth rate applied to a forecast period. Under all these scenarios with reasonably possible changes in key assumptions, the recoverable amount is considerably above the carrying amount of the CGU.

Note 10 Debt issued

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Bonds	**1,081.9**	1,082.5
Debt issued through Swiss central mortgage institutions	**11.5**	-
Total	**1,093.4**	1,082.5

Changes in bonds

	2025 *CHF m*	2024 *CHF m*
Balance at the beginning of the year	**1,082.5**	1,070.5
Changes from financing cash flows:		
– Proceeds from issuance of new bonds	**-**	460.7
– Repayment of bonds	**-**	-478.9
Total changes from financing cash flows	**-**	-18.2
Amortisation of premiums/discounts	**-0.3**	-0.1
Foreign exchange	**-**	14.1
Hedge accounting	**-0.3**	16.2
Balance at the end of the year	**1,081.9**	1,082.5

Bonds

					31.12.2025	31.12.2024
		Currency	Notional amount *m*	Stated interest rate / effective interest rate *%*	Carrying value *CHF m*	Carrying value *CHF m*
Bank Julius Baer & Co. Ltd.						
2021	Senior unsecured bond	CHF	260.0	0.125/0.103	257.9	256.8
2023	Senior unsecured bond	CHF	160.0	2.375/2.328	163.1	164.7
2023	Senior unsecured bond	CHF	200.0	2.500/2.461	200.4	200.4
2024	Senior unsecured bond	CHF	460.0	2.375/2.353	460.5	460.6
Total					**1,081.9**	1,082.5

Senior unsecured issues

2021 issuance
The senior unsecured bond, which is denominated in CHF, was issued by the Bank on 27 April 2021. The bonds have a final maturity on 27 April 2028 and pay interest at a fixed rate of 0.125% per annum payable annually in arrears on 27 April.

2023 issuances
The senior unsecured bond, which is denominated in CHF, was issued by the Bank on 6 September 2023. The bonds have a final maturity on 6 September 2027 and pay interest at a fixed rate of 2.375% per annum payable annually in arrears on 6 September.

The senior unsecured bond, which is denominated in CHF, was issued by the Bank on 6 September 2023. The bonds have a final maturity on 6 September 2030 and pay interest at a fixed rate of 2.500% per annum payable annually in arrears on 6 September.

2024 issue
The senior unsecured bond, which is denominated in CHF, was issued by the Bank on 4 April 2024. The bonds have a final maturity on 4 April 2031 and pay interest at a fixed rate of 2.375% per annum payable annually in arrears on 4 April.

Note 11 Provisions

	Legal risks *CHF m*	Other *CHF m*	**2025 Total** *CHF m*	2024 Total *CHF m*
Balance at the beginning of the year	**32.4**	**19.0**	**51.4**	34.4
Utilised	**-29.1**	**-7.4**	**-36.5**	-13.7
Provisions made	**42.7**	**0.2**	**42.9**	34.6
Provisions reversed	**-0.3**	**-**	**-0.3**	-5.4
Translation differences	**-2.8**	**-0.8**	**-3.6**	1.5
Balance at the end of the year	**42.9**	**11.0**	**53.9**	51.4
Maturity of provisions				
Up to one year	**10.2**	**5.4**	**15.6**	19.8
Over one year	**32.7**	**5.6**	**38.3**	31.6

Introduction

The Bank operates in a legal and regulatory environment that exposes it to significant litigation, regulatory, financial, reputational, and other risks arising from disputes and regulatory proceedings.

Non-compliance with legal and/or regulatory requirements may result in authorities taking regulatory enforcement action or initiating criminal proceedings against the Bank and/or its employees. Possible sanctions could include the revocation of licences to operate certain businesses, the order to suspend or limit certain activities, the suspension or expulsion from a particular jurisdiction or market of any of the Bank's business organisations or their key personnel, the imposition of fines, the disgorgement of profit as well as claims for restitution, and censures on companies and employees with respective impact on the reputation of the Bank and its relation with clients, business partners, and other stakeholders. In certain markets, authorities, such as regulatory or tax authorities, may determine that industry practices, e.g. regarding the provision and charging of services, are or have become inconsistent with their interpretations of existing local and/or international laws and regulations. Also, from time to time, the Bank is and may be confronted with information and clarification requests, and procedures from authorities and other third parties (e.g. related to conflicting laws, sanctions) as well as with enforcement procedures and/or litigations relating to certain topics such as environmental, social, governance, sustainability, suitability, disclosure, crypto, and artificial intelligence-related issues. As a matter of principle, the Bank cooperates with the competent authorities within the confines of applicable laws to clarify the situation while protecting its own and other stakeholders' interests.

The risks described above and below may not be the only risks to which the Bank is exposed. The additional risks not presently known, or risks and proceedings currently deemed immaterial, may also impair the Bank's future business, results of operations, financial condition and prospects. The materialisation of one or more of these risks may individually, or together with other circumstances, have a materially adverse impact on the Bank's business, results of operations, financial condition, reputation, and prospects.

Legal proceedings/contingent liabilities

The Bank is involved in various legal, regulatory, and administrative proceedings concerning matters arising within the course of normal business operations. The current business environment involves substantial legal and regulatory risks, the impact of which on the financial position or profitability of the Bank – depending on the status of related proceedings – is difficult to assess.

The Bank establishes legal provisions for pending and threatened legal proceedings in accordance with applicable accounting standards if management is of the opinion that such proceedings are more likely than not to result in a financial obligation or loss, or if the dispute for economic reasons should be settled

without acknowledgement of any liability on the part of the Bank and if the amount of such obligation or loss can already be reasonably estimated.

In rare cases in which the amount cannot be reasonably estimated due to the early stage of the proceedings, the complexity of the proceedings, and/or other factors, no provision is recognised but the case is recorded as a contingent liability. The contingent liabilities may result in a materially adverse effect on the Bank or may for other reasons be of interest to investors and other stakeholders.

Open proceedings

In 2010 and 2011, litigation was initiated against the Bank and numerous other financial institutions by the liquidators of the Fairfield funds (the 'Fairfield Liquidators'), which funds had served as feeder funds for the Madoff fraudulent investment schemes. In the direct claims against the Bank, the Fairfield Liquidators are seeking to recover a total amount of approximately USD 64 million in the courts of New York (including approximately USD 17 million that relates to redemption payments made to clients of ING Bank (Suisse) SA, which merged with the Bank in 2010, and approximately USD 25 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Bank in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions). The proceedings in the courts of the British Virgin Islands, where an amount of approximately USD 8.5 million had been claimed from the Bank, were finally dismissed in favour of the Bank with a ruling of the Privy Council, the highest court of appeals for the British Virgin Islands. In addition to the direct claims against the Bank, the Fairfield Liquidators have made combined claims in the amount of approximately USD 1.8 billion against more than 80 defendants, with only a fraction of this amount being sought from the Bank (and ultimately its clients concerned). The combined claims aggregate the damages asserted against all defendants, such that a reliable allocation of the claimed amounts between the Bank and the other defendants cannot be made at this time. Finally, in further proceedings, the trustee of Madoff's broker-dealer company (the 'Trustee') seeks to recover approximately USD 110 million in the courts of New York (including approximately USD 46 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Bank in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions), largely in relation to the same redemption payments that are the subject matter of the claims asserted by the Fairfield Liquidators. The Bank is challenging these actions on procedural and substantive grounds and has taken further measures to defend and protect its interests. In the proceedings initiated by the Trustee, the Bankruptcy Court in New York dismissed the case against the Bank and other defendants in November 2016 based on extraterritoriality principles. The Trustee appealed this decision, and, in February 2019, the Court of Appeal reversed the decision by the Bankruptcy Court. The Supreme Court refused to review this decision, therefore the proceedings continued with the Bankruptcy Court. The Bankruptcy Court has denied the Bank's motion to dismiss and the Bank has filed an answer to the Trustee's amended complaint. The case has begun with the fact discovery phase, which, per the case schedule, will continue at least until March 2026. In the proceedings initiated by the Fairfield Liquidators, the Bankruptcy Court in New York decided in December 2018 on certain aspects, which were appealed by the Fairfield Liquidators. The Bankruptcy Court additionally decided on certain other aspects in the Bank's favour in late 2020. That decision was also appealed by the Fairfield Liquidators. Both appeals were consolidated. In August 2022, the U.S. District Court for the Southern District of New York ruled on the pending appeals and confirmed the Bankruptcy Court's decision. The Fairfield Liquidators appealed the decision to the U.S. Court of Appeals for the Second Circuit. Further, in October 2021, the Bank filed a motion to dismiss for lack of personal jurisdiction. In response, the Fairfield Liquidators requested jurisdictional discovery, which has been completed. Following jurisdictional discovery, Fairfield filed its opposition to the Bank's motion to dismiss for lack of personal jurisdiction. In September 2024, the Bankruptcy Court denied the Bank's motion to dismiss, along with the motions of other similarly situated defendants. In August 2025, the Court of Appeals ruled on the pending appeals and dismissed all of the Fairfield Liquidators' claims, including the combined claim in the amount of approximately USD 1.8 billion. The Fairfield Liquidators have

petitioned the Court of Appeals for a rehearing. Depending on the court's decision whether to grant a rehearing, the Liquidators may subsequently seek further review by the U.S. Supreme Court. In both cases, whether further review is granted is at the discretion of the Court.

In the context of an investigation against a former client regarding alleged participation in tax fraud relating to environmental-certificate trading in France, a formal procedure into suspected lack of due diligence in financial transactions/money laundering was initiated against the Bank in June 2014 and dismissed for formal reasons by a court order in March 2017. The deposit in the amount of EUR 3.75 million made in October 2014 by the Bank with the competent French court as a precautionary measure representing the amount of a potential fine was accordingly reimbursed to the Bank. However, in July 2017 the same amount was deposited again as a new investigatory procedure with respect to the same matter was initiated against the Bank. In May 2020, following an application by the prosecutor, the court admitted a new indictment against the Bank in this matter. A trial in the matter took place in December 2021, at which a fine of EUR 5 million and a restitution amount of EUR 2 million were proposed to be charged against the Bank. The competent court of first instance issued its decision on 14 March 2022 and found the Bank guilty of aggravated money laundering and confirmed the fine of EUR 5 million but reduced the claimed restitution amount to EUR 0.4 million. On 16 December 2025, the Court of Appeal confirmed the decision issued by the court of first instance but reduced the fine to EUR 2 million and rejected the claimed restitution amount of EUR 0.4 million. The Bank has appealed the decision to the Cour de Cassation and continues to protect its interest.

In November 2019, a former employee filed a labour law-based claim in the amount of USD 34.1 million in Venezuela against several Julius Baer companies, including the Bank, combined with a respective precautionary seizure request in double the amount. In December 2023, the court of first instance and, in January 2024, the Superior Labour Court decided to partially uphold the claim, such decision having been appealed by both parties to the Venezuelan Social Cassation Chamber of the Supreme Court of Justice, which confirmed the Superior Labour Court's decision in December 2025. Julius Baer continues contesting the jurisdiction of the Courts, the awarded amounts and the execution of such decisions and continues to defend its interests.

In May 2021, the Bank became aware that a writ of summons ('the Writ') had been registered against it at the Registry of the High Court of the Hong Kong Special Administrative Region, Court of First Instance. The Writ had been filed by SRC International (Malaysia) Limited claiming the sum of approximately USD 112 million (plus interest) from the Bank, alleging the Bank was in breach of its fiduciary duty of care by accepting and processing payment instructions for the transfer of funds during the period 25 October 2013 to September 2016. On 4 May 2022, the amended writ and statement of claim in the amount of USD 112.5 million was served on the Bank. The Bank is contesting the claim while taking appropriate measures to defend its interests.

In the context of a credit event that occurred in the Bank's private debt business (being run down) and which led to a loan loss allowance in the amount of CHF 586 million reflected in the 2023 consolidated financial statements, recovery activities by the Bank are ongoing, subject to material uncertainties related to the enforceability of collateral, including competing third-party claims and counterclaims as raised by liquidators in charge of the defaulted borrower. In this context the Bank has been served with a claim in the amount of EUR 62.3 million as filed by a liquidator in April 2025 with a court in Vienna. The Bank is contesting the claim while taking appropriate measures to defend its interests. The credit event and its wider context are also subject to a consolidated regulatory enforcement procedure by the Swiss Financial Market Supervisory Authority FINMA.

Note 12 Other assets and liabilities

Other assets

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Precious metals (physical)	**4,894.2**	3,201.3
Tax receivables	**1,057.3**	1,691.9
Accounts receivable	**9.8**	14.9
Pension asset	**13.5**	12.6
Other	**193.8**	147.3
Total	**6,168.6**	5,068.0

Other liabilities

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Lease liability	**193.6**	211.7
Other tax payable	**65.9**	62.4
Accounts payable	**51.3**	5.5
Other	**96.7**	107.4
Total	**407.5**	387.0

Note 13 Earnings per share and shares outstanding

	2025	2024
Basic earnings per share		
Net profit (CHF m)	**586.5**	709.3
Weighted average number of shares outstanding	**5,750,000**	5,750,000
Basic earnings per share (CHF)	**102.00**	123.36

	31.12.2025	31.12.2024
Shares outstanding		
Total shares issued (par value CHF 100)	**5,750,000**	5,750,000

	31.12.2025	31.12.2024
Share capital		
Total share capital outstanding (CHF m)	**575.0**	575.0

	2025	2024
Dividend proposal		
Dividend proposal 2025 and dividend 2024 per share (CHF)	**154.43**	89.04

There are no dilutive effects.
There is no authorised share capital.

Note 14 Related party transactions

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Key management personnel compensation[1]		
Salaries and other short-term employee benefits	**18.7**	27.3
Post-employment benefits	**0.7**	1.7
Share-based payments	**12.2**	10.7
Total	**31.6**	39.7
Receivables from		
Julius Baer Group entities	**1,465.8**	204.1
significant shareholders[2]	**2,806.7**	2,513.9
key management personnel	**-**	13.8
Total	**4,272.5**	2,731.8
Liabilities to		
Julius Baer Group entities	**2,557.1**	3,207.6
significant shareholders[2]	**3,606.4**	2,559.9
key management personnel	**9.0**	11.5
own pension funds	**15.6**	16.0
Total	**6,188.1**	5,795.0
Credit guarantees to		
Julius Baer Group entities	**106.4**	195.4
key management personnel	**0.2**	0.1
Total	**106.6**	195.5
Income from services provided to		
Julius Baer Group entities	**315.6**	475.3
significant shareholders[2]	**183.0**	146.6
key management personnel	**0.1**	0.6
Total	**498.7**	622.5
Services provided by		
Julius Baer Group entities	**97.5**	79.2
significant shareholders[2]	**30.2**	33.1
Total	**127.7**	112.3

[1] Key management personnel consists of the members of the Board of Directors and the Executive Board of Julius Baer Group Ltd. Refer to chapter II. Corporate Governance of this Annual Report of Julius Baer Group Ltd. for an overview of the members of those boards as of the end of 2025.
[2] Julius Baer Group Ltd.

The loans granted to key management personnel consist of Lombard loans on a secured basis (through pledging of the securities portfolios) and mortgages on a fixed and variable basis.

The interest rates of the Lombard loans and mortgages are in line with the terms and conditions that are available to other employees, which are in line with the terms and conditions granted to third parties adjusted for reduced credit risk.

Transactions with Group entities and own pension funds are at arm's length.

Note 15 Pension plans

Bank pension plans
The Bank maintains various defined contribution and defined benefit pension plans in Switzerland and abroad. The pension plans in Switzerland have been set up on the basis of the Swiss method of defined contributions under the Swiss pension law. Employees and pensioners or their survivors receive statutorily determined benefits upon leaving the Bank or retiring and in the event of death or invalidity. These benefits are the result of the conversion rate applied to the accumulated balance of the individual plan participant's pension account at the retirement date. The accumulated balance equals the sum of the regular employer's and employee's contribution that were made during the employment period, including the accrued interest on these amounts. However, these plans do not fulfil all the criteria of a defined contribution plan according to IFRS Accounting Standards and are therefore treated as defined benefit plans for the purpose of the Bank's financial statements.

The pension obligations are largely covered through plan assets of pension funds that are legally separated and independent from the Bank. In case the plans become significantly underfunded over an extended period as per the Swiss pension law, the Bank and the employees share the risk of additional payments into the pension fund. The pension funds are managed by a board of trustees consisting of representatives of the employees and the employer. Managing the pension funds includes pursuing a medium- and long-term consistency and sustainability balance between the pension plans' assets and liabilities, based on a diversified investment strategy correlating with the maturity of the pension obligations. The organisation, management, financing and investment strategy of the pension plans comply with the legal requirements, the foundation charters, and the applicable pension regulations.

Defined benefit plans
For defined benefit plans, the net defined benefit liability recognised in other liabilities in the balance sheet is the present value of the defined benefit obligation less the fair value of the plan assets as of the reporting date. It is recognised in other liabilities in the balance sheet. If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the recognition of the resulting net asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan ('asset ceiling').

The Bank applies the projected unit credit method to determine the present value of the defined benefit obligation and the current and past service cost. The corresponding calculations are carried out by independent qualified actuaries.

1. Development of pension obligations and assets	**2025** *CHF m*	2024 *CHF m*
Present value of defined benefit obligation at the beginning of the year	**-3,535.7**	-3,286.2
Current service cost	**-94.4**	-76.2
Employees' contributions	**-53.4**	-52.4
Interest expense on defined benefit obligation	**-33.0**	-51.7
Past service cost, curtailments, settlements, plan amendments	**0.2**	-0.8
Benefits paid (including benefits paid directly by employer)	**171.3**	114.2
Transfer payments in/out	**2.0**	-0.2
Experience gains/(losses) on defined benefit obligation	**-2.4**	-77.2
Actuarial gains/(losses) arising from change in demographic assumptions	**36.7**	1.1
Actuarial gains/(losses) arising from change in financial assumptions	**16.7**	-105.7
Translation differences	**0.7**	-0.6
Present value of defined benefit obligation at the end of the year	**-3,491.3**	-3,535.7
of which due to active members	***-2,501.3***	*-2,497.1*
of which due to deferred members	***-4.6***	*-5.1*
of which due to pensioners	***-985.4***	*-1,033.5*

Fair value of plan assets at the beginning of the year	**3,763.0**	3,437.7
Interest income on plan assets	**36.0**	55.5
Employees' contributions	**53.4**	52.4
Employer's contributions	**115.0**	112.1
Curtailments, settlements, plan amendments	**-**	-4.3
Benefits paid by fund	**-171.3**	-114.2
Transfer payments in/out	**-2.0**	0.2
Administration cost (excluding asset management cost)	**-1.2**	-1.2
Return on plan assets (excluding interest income)	**130.3**	224.0
Translation differences	**-0.9**	0.8
Fair value of plan assets at the end of the year	**3,922.3**	3,763.0

2. Development of effect of asset ceiling	**2025** *CHF m*	2024 *CHF m*
Effect of asset ceiling at the beginning of the year	**-214.7**	-139.4
Interest income/(expenses) on effect of asset ceiling	**-2.0**	-2.3
Change in effect of asset ceiling excluding interest expense/(income)	**-200.8**	-73.0
Effect of asset ceiling at the end of the year	**-417.5**	-214.7

3. Balance sheet	**31.12.2025** *CHF m*	31.12.2024 *CHF m*
Fair value of plan assets	**3,922.3**	3,763.0
Present value of defined benefit obligation	**-3,491.3**	-3,535.7
Surplus/(deficit)	**431.0**	227.3
Effect of the asset ceiling	**-417.5**	-214.7
Net defined benefit asset/(liability)	**13.5**	12.6

	2025 *CHF m*	2024 *CHF m*
4. Income statement		
Current service cost	**-94.4**	-76.2
Interest expense on defined benefit obligation	**-33.0**	-51.7
Past service cost, curtailments, settlements, plan amendments	**0.2**	-5.1
Interest income on plan assets	**36.0**	55.5
Interest income/(expense) on effect of asset ceiling	**-2.0**	-2.2
Administration cost (excluding asset management cost)	**-1.2**	-1.2
Defined benefit cost recognised in the income statement	**-94.4**	-80.9
of which service cost	***-95.4***	*-82.5*
of which net interest on the net defined benefit/(liability) asset	***1.0***	*1.6*

	2025 *CHF m*	2024 *CHF m*
5. Movement in defined benefit asset/(liability)		
Net defined benefit asset/(liability) at the beginning of the year	**12.6**	12.1
Translation differences	**-0.2**	0.2
Defined benefit cost recognised in the income statement	**-94.4**	-80.9
Employer's contributions	**115.0**	112.1
Remeasurements of the net defined benefit asset/(liability)	**-19.5**	-30.9
Net defined benefit asset/(liability) at the end of the year	**13.5**	12.6
Remeasurements of the net defined benefit asset/(liability)		
Actuarial gains/(losses) of defined benefit obligation	**51.0**	-181.8
Return on plan assets (excluding interest income)	**130.3**	224.0
Effect of asset ceiling	**-200.8**	-73.0
Total recognised in other comprehensive income	**-19.5**	-30.8

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
6. Composition of plan assets		
Cash	**281.3**	228.5
Debt instruments	**937.3**	930.1
Equity instruments	**1,516.5**	1,513.0
Real estate	**754.8**	715.1
Alternative investments	**429.8**	373.4
Other	**2.6**	2.9
Total	**3,922.3**	3,763.0

	31.12.2025 *%*	31.12.2024 *%*
7. Aggregation of plan assets – quoted market prices in active markets		
Cash	**7.2**	6.1
Debt instruments	**23.2**	22.3
Equity instruments	**38.7**	40.2
Real estate	**9.0**	7.6
Alternative investments	**2.9**	0.5
Other	**0.1**	0.1
Total	**81.1**	76.8

8. Sensitivities	**2025** *CHF m*	2024 *CHF m*
Decrease of discount rate - 0.25%		
Effect on defined benefit obligation	**-108.4**	-87.2
Effect on service cost	**-5.5**	-3.3
Increase of discount rate + 0.25%		
Effect on defined benefit obligation	**102.6**	82.5
Effect on service cost	**5.1**	3.1
Decrease of salary increase - 0.25%		
Effect on defined benefit obligation	**8.7**	13.2
Effect on service cost	**1.1**	1.4
Increase of salary increase + 0.25%		
Effect on defined benefit obligation	**-8.7**	-13.6
Effect on service cost	**-1.1**	-1.4
Life expectancy		
Increase in longevity by one additional year	**-62.3**	-72.9

Actuarial calculation of pension assets and obligations
The latest actuarial calculation was carried out as at 31 December 2025. The actuarial assumptions are based on local economic conditions and are as follows for Switzerland, which accounts for 100% (2024: 100%) of all defined benefit obligations and plan assets:

	2025	2024
Discount rate	**1.10%**	0.95%
Average future salary increases	**1.00%**	0.75%
Future pension increases	**0.00%**	0.00%
Duration (years)	**12**	14

Investment in Julius Baer Group Ltd. shares
The plan assets are invested in accordance with local laws and do not include shares of Julius Baer Group Ltd.

Expected employer contributions
The expected employer contributions for the 2026 financial year related to defined benefit plans are estimated at CHF 107.3 million.

Outstanding liabilities to pension plans
The Bank had outstanding liabilities to various pension plans in the amount of CHF 15.6 million (2024: CHF 16.0 million).

Defined contribution plans
The Bank maintains a number of defined contribution plans, primarily outside Switzerland. In the case of defined contribution plans, the pension expenses are charged to the income statement in the corresponding financial year. The expenses for contributions to these pension plans amounted to CHF 27.7 million for the 2025 financial year (2024: CHF 26.8 million).

Note 16 Share-based payments and other compensation plans

The Bank maintains various share-based payment plans for its employees. Share-based payments that are subject to the completion of a service period or to other vesting conditions are expensed over the respective vesting period. The fair value of these payments at grant date serves as the basis for calculating the personnel expenses and, unless subject to non-market performance criteria, is not remeasured for subsequent changes in the fair value of the underlying equity instruments. The amount recognised as an expense is adjusted to reflect the number of share awards for the related services and for non-market performance criteria achievement.

The programmes described below reflect the deferred variable compensation plan landscape as at 31 December 2025. All plans are reviewed annually to reflect any regulatory and/or market changes. The Bank's overall compensation landscape is described in chapter *III. Remuneration Report* of the Julius Baer Group Ltd. Annual Report.

Equity-based variable compensation

Equity Performance Plan

The Equity Performance Plan (EPP) has been a long-term incentive mechanism that awards performance units to eligible participants subject to individual performance in the reporting period and to future Bank-based performance-based vesting criteria. It has been an equity plan that sought to create a retention element for key employees and to link a significant portion of the executive compensation to the future performance of the Bank.

Eligibility for the EPP has been determined annually based on various factors, which include nomination by the CEO, overall role within the Bank, total variable compensation, and individual contribution in the reporting period. All members of the Executive Board, key employees, and employees defined as risk takers of the Bank by virtue of their function within the organisation were considered for the EPP based on their specific role. An EPP grant is made once a year (annual, rolling basis) and award levels are determined in reference to the annual performance-based variable compensation awarded to the individual concerned.

Vesting of the EPP is subject to future performance with the goal of incentivising participants in two ways:

- Firstly, by the nature of its construction, the ultimate value of the award to the participants fluctuates with the market value of Julius Baer Group Ltd. shares.
- Secondly, the performance units are contingent on continued service and two key performance indicators (KPIs): cumulative Economic Profit (cEP) and relative Total Shareholder Return (rTSR).

The service condition requires that the participant generally remains with the Bank for five years after the grant (plans vest pro rata in years three, four, and five following the grant date). The performance of the two KPIs is assessed during the three-year performance period to determine the number of shares the participant ultimately receives.

The number of shares delivered under the EPP is between 0% and 150% of the number of performance units granted in any given year (with each individual KPI being capped at a maximum multiplying factor of 200%). The cap serves to limit EPP awards so as to avoid any unforeseen outcome of the final EPP multiplier resulting in unintentionally high or excessive levels of compensation. A high level of performance is required to attain a maximum share delivery (creating a maximum uplift of 50% of the performance units granted), while low-level performance potentially leads to nil compensation.

The KPI targets are set based on the strategic three-year budget/plan that is approved by the Board of Directors on an annual basis.

No further grants are expected to be made under the EPP following the 2025 financial year; however, EPP awards outstanding at the end of 2025 will continue to vest according to their original terms.

Premium Share Plan
The Premium Share Plan (PSP) is designed to link a portion of the employee's variable compensation to the long-term success of the Bank. A PSP grant is made once a year as part of the annual variable compensation awarded to the individual concerned, and participation is determined on an annual basis. The employee is granted a number of share units equal in value to the deferred element. These awards vest in equal tranches over at least three years. At the end of the plan period, subject to continued employment, the employee then receives an additional premium award representing a further one-third of the number of awards granted to them at the beginning of the plan period.

Long-Term Incentive Plan (LTI)
In certain specific situations, the Bank may also offer incentives outside the annual compensation cycle by granting an equity-based LTI. The LTI awards may include, but are not limited to, such items as compensatory payments to new hires for lost or forfeited compensation, reward programmes, or retention awards to key employees during extraordinary or critical circumstances. The LTI may also be used as a replacement of the PSP or for the delivery of blocked shares where required for regulatory reasons.

LTI grants generally run over a three-year plan period. The Bank typically operates two different vesting schedules for this plan: (1) three equal one-third tranches vesting over a three-year period, or (2) cliff-vesting of all granted shares in one single tranche at the end of a three-year period.

Staff Participation Plan (SPP)
The SPP is offered to most of the Bank's global employee population. Some individuals or employees in specific locations are excluded from participating for legal, regulatory, policy, or other administrative reasons. Under this plan, eligible participants may voluntarily purchase Julius Baer Group Ltd. shares at the prevailing market price, and for every three shares so purchased they will receive one additional share free of charge. These free shares vest after three years, subject to continued employment. Purchases under the SPP only occur once a year.

The objective of this plan is to strengthen the employee's identification with the Bank, to encourage entrepreneurial spirit, to generate greater interest in the business through ownership, and to provide employees with financial recognition for their long-term dedication to the Bank.

Movements in shares/performance units granted under various share plans are as follows:

	2025 Number of units		2024 Number of units	
Equity Performance Plan	Economic Profit	Total Shareholder Return	Economic Profit	Total Shareholder Return
Unvested units outstanding, at the beginning of the year	**662,172**	**662,172**	697,567	697,567
Granted during the year	**207,287**	**207,287**	187,717	187,717
Exercised during the year	**-65,237**	**-65,237**	-207,290	-207,290
Forfeited during the year	**-5,602**	**-5,602**	-15,823	-15,823
Unvested units outstanding, at the end of the year	**798,620**[1]	**798,620**[1]	662,172	662,172

[1] Thereof, 192,777 units already converted into 49,340 shares based on the performance measurement.

Premium Share Plan	**2025**	2024
Unvested shares outstanding, at the beginning of the year	**1,269,048**	1,202,913
Granted during the year	**664,952**	604,572
Vested during the year	**-552,956**	-494,923
Transferred (net) during the year	**-51,424**	-12,317
Forfeited during the year	**-1,947**	-31,197
Unvested shares outstanding, at the end of the year	**1,327,673**	1,269,048
Weighted average fair value per share granted (CHF)	**59.69**	46.65
Fair value of outstanding shares at the end of the year (CHF m)	**82.8**	74.4

Long-Term Incentive Plan	**2025**	2024
Unvested shares outstanding, at the beginning of the year	**348,928**	178,569
Granted during the year	**277,144**	275,537
Vested during the year	**-161,933**	-99,478
Transferred (net) during the year	**162**	-
Forfeited during the year	**-2,343**	-5,700
Unvested shares outstanding, at the end of the year	**461,958**	348,928
Weighted average fair value per share awarded (CHF)	**58.58**	50.58
Fair value of outstanding shares at the end of the year (CHF m)	**28.8**	20.5

Unvested units outstanding at the beginning of the year	**-**	-
Granted during the year	**77,078**	-
Unvested units outstanding at the end of the year	**77,078**	-

Staff Participation Plan	**2025**	2024
Unvested shares outstanding, at the beginning of the year	**148,542**	128,463
Granted during the year	**80,866**	61,839
Vested during the year	**-53,352**	-38,045
Transferred (net) during the year	**-4,233**	728
Forfeited during the year	**123**	-4,443
Unvested shares outstanding, at the end of the year	**171,946**	148,542
Weighted average fair value per share granted (CHF)	**63.56**	50.05
Fair value of outstanding shares at the end of the year (CHF m)	**10.7**	8.7

Compensation expense recognised for the various share plans is as follows:

Share-based payments	**2025** *CHF m*	2024 *CHF m*
Equity Performance Plan	**13.0**	11.3
Premium Share Plan	**30.9**	29.4
Long-Term Incentive Plan	**16.1**	7.5
Staff Participation Plan	**3.2**	2.6
Total	**63.2**	50.8

Note 17 Securities financing transactions

The Bank enters into fully collateralised securities borrowing and securities lending transactions as well as repurchase and reverse repurchase agreements. Generally, the transactions are carried out under standard agreements employed by market participants (e.g. Global Master Securities Lending Agreements or Global Master Repurchase Agreements). The related credit risk exposures are controlled by daily monitoring and adjusted collateralisation of the positions. The financial assets that continue to be recognised on the balance sheet are typically transferred in exchange for cash or other financial assets. The related liabilities can therefore be assumed to be approximately the same as the carrying amount of the transferred financial assets.

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Receivables		
Receivables from cash provided in securities borrowing transactions	**1,325.0**	454.2
of which recognised in due from banks	***1,325.0***	*454.2*
Receivables from cash provided in reverse repurchase transactions	**8,430.5**	5,278.0
of which with central banks	***4,100.0***	*800.0*
of which with banks	***4,330.5***	*4,478.0*
Payables		
Obligations to return cash received in securities lending transactions	**536.6**	137.4
of which with banks	***536.6***	*137.4*
Obligations to return cash received in repurchase transactions	**1,474.7**	2,455.1
of which with banks	***1,474.7***	*2,455.1*
Securities collateral		
Own securities lent as well as securities provided as collateral for borrowed securities under securities borrowing and repurchase transactions	**7,470.3**	5,744.0
of which the right to pledge or sell has been granted without restriction	***7,470.3***	*5,744.0*
of which recognised in financial assets measured at FVTPL	***3,893.6***	*2,147.0*
of which recognised in financial assets measured at FVOCI	***1,702.1***	*1,901.8*
of which recognised in other financial assets measured at amortised cost	***1,874.6***	*1,695.2*
Securities borrowed as well as securities received as collateral for loaned securities under securities lending and reverse repurchase transactions	**25,696.0**	17,137.7
of which repledged or resold securities	***14,111.0***	*10,743.8*

Fees received or paid in connection with securities lending and borrowing transactions are recognised as commission income or commission expenses on an accrual basis.

Interest income from reverse repurchase transactions and interest expenses from repurchase transactions are accrued in the corresponding periods over the life of the underlying transactions in the respective interest positions.

Note 18 Derivative financial instruments

Derivatives held for trading or other purposes

	Contract/ Notional amount *CHF m*	Positive replacement value *CHF m*	Negative replacement value *CHF m*
Foreign exchange derivatives			
Forward contracts	150,759.8	744.3	920.4
Futures	45.7	0.1	-
Cross-currency swaps	226.6	2.3	0.2
Options (OTC)	22,219.7	287.8	133.7
Options (traded)	10.0	1.0	-
Total foreign exchange derivatives on 31.12.2025	**173,261.8**	**1,035.5**	**1,054.3**
Total foreign exchange derivatives on 31.12.2024	119,970.8	1,960.4	1,355.2
Interest rate derivatives			
Swaps	31,911.9	127.2	85.2
Futures	1,819.5	5.0	0.7
Options (OTC)	2,233.7	2.9	10.7
Total interest rate derivatives on 31.12.2025	**35,965.1**	**135.1**	**96.6**
Total interest rate derivatives on 31.12.2024	31,131.5	193.9	166.1
Precious metals derivatives			
Forward contracts	8,708.1	676.1	928.6
Futures	661.2	0.2	2.0
Options (OTC)	18,528.9	776.1	515.5
Options (traded)	3,012.9	4.6	72.4
Total precious metals derivatives on 31.12.2025	**30,911.1**	**1,457.0**	**1,518.5**
Total precious metals derivatives on 31.12.2024	24,799.3	368.2	432.7
Equity/indices derivatives			
Total return swaps	2,437.1	56.0	22.1
Futures	1,477.2	9.4	4.2
Options (OTC)	11,225.4	505.8	329.4
Options (traded)	28,844.7	334.6	774.7
Total equity/indices derivatives on 31.12.2025	**43,984.4**	**905.8**	**1,130.4**
Total equity/indices derivatives on 31.12.2024	42,999.9	1,239.0	949.3
Other derivatives			
Futures	23.9	0.2	0.8
Total other derivatives on 31.12.2025	**23.9**	**0.2**	**0.8**
Total other derivatives on 31.12.2024	114.1	1.1	1.7

Derivatives held for trading or other purposes (continued)

	Contract / Notional amount *CHF m*	Positive replacement value *CHF m*	Negative replacement value *CHF m*
Credit derivatives			
Credit default swaps	835.2	7.1	2.7
Total return swaps	945.3	0.6	55.3
Total credit derivatives on 31.12.2025	**1,780.5**	**7.7**	**58.0**
Total credit derivatives on 31.12.2024	1,509.5	10.6	40.8
Total derivatives held for trading or other purposes on 31.12.2025	**285,926.8**	**3,541.3**	**3,858.6**
Total derivatives held for trading or other purposes on 31.12.2024	220,525.1	3,773.2	2,945.8

Derivatives held for hedge accounting

Derivatives designated as fair value hedges			
Interest rate swaps	3,626.4	12.0	33.8
Derivatives designated as cash flow hedges			
Interest rate swaps	392.2	-	4.0
Total derivatives held for hedge accounting on 31.12.2025	**4,018.6**	**12.0**	**37.8**
Total derivatives held for hedge accounting on 31.12.2024	3,499.3	23.0	57.5
Total derivative financial instruments on 31.12.2025	**289,945.4**	**3,553.3**	**3,896.4**
Total derivative financial instruments on 31.12.2024	224,024.4	3,796.2	3,003.3

Note 19 Fair values

Note 19A Fair values and carrying values

Financial assets

	31.12.2025		31.12.2024	
	Carrying value *CHF m*	Fair value *CHF m*	Carrying value *CHF m*	Fair value *CHF m*
Financial assets measured at amortised cost				
Cash and balances at central banks	**4,848.1**	**4,848.1**	5,950.1	5,950.1
Due from banks	**5,679.6**	**5,709.2**	5,374.9	5,379.0
Receivables from securities financing transactions	**9,755.5**	**9,755.5**	5,732.2	5,732.2
Lombard loans	**31,926.1**	**32,236.4**	31,360.3	31,693.9
Mortgages	**6,671.5**	**6,742.7**	6,700.1	6,784.9
Other financial assets measured at amortised cost	**6,389.9**	**6,440.1**	5,181.9	5,171.4
Accrued income	**709.1**	**709.1**	658.2	658.2
Other financial assets	**9.8**	**9.8**	14.9	14.9
Total	**65,989.6**	**66,450.9**	60,972.6	61,384.6
Financial assets measured at FVTPL				
Financial assets measured at FVTPL	**14,287.1**	**14,287.1**	14,547.3	14,547.3
Derivative financial instruments	**3,553.3**	**3,553.3**	3,796.2	3,796.2
Financial assets designated at fair value	**153.0**	**153.0**	179.1	179.1
Total	**17,993.4**	**17,993.4**	18,522.6	18,522.6
Financial assets measured at FVOCI				
Financial assets measured at FVOCI	**8,517.7**	**8,517.7**	10,516.7	10,516.7
Total	**8,517.7**	**8,517.7**	10,516.7	10,516.7
Total financial assets	**92,500.7**	**92,962.0**	90,011.9	90,423.9

Financial liabilities

	31.12.2025		31.12.2024	
	Carrying value *CHF m*	Fair value *CHF m*	Carrying value *CHF m*	Fair value *CHF m*
Financial liabilities measured at amortised costs				
Due to banks	**5,359.6**	**5,372.3**	6,669.5	6,693.3
Payables from securities financing transactions	**2,011.3**	**2,011.3**	2,592.5	2,592.5
Due to customers	**63,950.8**	**64,227.9**	64,302.5	64,648.0
Debt issued	**1,093.4**	**1,134.2**	1,082.5	1,130.9
Accrued expenses	**596.9**	**596.9**	554.3	554.3
Other financial liabilities	**51.3**	**51.3**	5.5	5.5
Total	**73,063.3**	**73,393.9**	75,206.8	75,624.5
Financial liabilities measured at FVTPL				
Financial liabilities measured at FVTPL	**1,292.8**	**1,292.8**	778.6	778.6
Derivative financial instruments	**3,896.4**	**3,896.4**	3,003.3	3,003.3
Financial liabilities designated at fair value	**16,381.9**	**16,381.9**	12,156.2	12,156.2
Total	**21,571.1**	**21,571.1**	15,938.1	15,938.1
Total financial liabilities	**94,634.4**	**94,965.0**	91,144.9	91,562.6

Financial liabilities designated at fair value

The Bank issues to its wealth management clients structured notes for investment purposes. As the redemption amount on the structured notes is linked to changes in stock prices, indices, currencies, or other assets, the Bank cannot determine the difference between the carrying amount and the amount the Bank would be contractually required to pay at maturity to the holder of the structured notes.

Changes in the fair value of financial liabilities designated at fair value are primarily attributable to changes in the market risk factors of the embedded derivatives. The impact of the credit rating of the Bank on the fair value changes of these liabilities amounted to CHF -0.4 million (2024: CHF -1.3 million) which have been recognised in other comprehensive income (OCI).

Note 19B Fair value determination

The following methods are used in measuring the fair value of financial instruments:

Financial instruments measured at amortised cost
Short-term financial instruments: financial instruments measured at amortised cost with a maturity or a refinancing profile of one year or less are generally classified as short-term. This includes the balance sheet items cash and balances at central banks, and, depending on the maturity, due from banks, loans (Lombard loans and mortgages), due to banks, due to customers, and debt issued. For short-term financial instruments that do not have a market price published by a recognised stock exchange or notable market (referred to hereinafter as a market price), the carrying value generally approximates the fair value.

Long-term financial instruments: financial instruments measured at amortised cost with a maturity or refinancing profile of over one year are included in the following balance sheet items: due from banks, loans, due to banks, due to customers, and debt issued. The fair value of these long-term financial instruments, which do not have a market price, is derived by using the net present value method. For loans, generally, the Swiss Average Rate Overnight (SARON) is used to calculate the net present value of the loans, as these assets are fully collateralised and therefore the specific counterparty risk has no material impact on the fair value measurement. For amounts due to banks and due to customers, a SARON-based internal rate is used. For bonds issued, the quoted prices of the bonds determine the fair value.

Financial assets and liabilities measured at FVTPL, financial assets measured at FVOCI, derivative financial instruments, and financial liabilities designated at fair value
For financial instruments measured at fair value through profit or loss (FVTPL) as well as for financial assets measured at fair value through other comprehensive income (FVOCI), the fair values are determined as follows:

Level 1
For financial instruments for which prices are quoted in an active market, the fair value is determined directly from the quoted market price.

Level 2
For financial instruments for which quoted market prices are not directly available or are not derived from active markets, fair values are estimated using valuation techniques or models based wherever possible on assumptions supported by observable market prices or rates existing on the balance sheet date. This is the case for most OTC derivatives, most unquoted financial instruments, the vast majority of the Bank's issued structured notes, and other items that are not traded in active markets. The main pricing models and valuation techniques applied to these financial instruments include forward pricing and swap models using present-value calculations, and option models such as the Black-Scholes model. The values derived from applying these models and techniques are significantly impacted by the choice of the valuation model used and the underlying assumptions made, such as the amounts and timing of future cash flows, discount rates, volatility, or credit risk.

Level 3
For certain financial instruments, neither quoted market prices nor valuation techniques or models based on observable market prices are available for determining the fair value. In these cases, fair value is estimated indirectly using valuation techniques or models based on reasonable assumptions that reflect market conditions.

Financial assets measured at FVTPL and financial assets measured at FVOCI: the Bank holds shares in service providers such as SIX Swiss Exchange and SWIFT, which are required for the operation of the Bank and are reported as financial assets measured at FVOCI, with changes in the fair value recognised in other comprehensive income.

The determination of the fair value of these equity instruments is either based on the reported or published net asset value of the investees, or recent similar transactions in the instruments. The net asset values, as well as the transaction prices, are adjusted by management for any necessary impacts from events that may have an influence on the valuation (adjusted net asset method, and market approach, respectively). Changes in the net asset value of the equity instruments result in corresponding changes in the fair values. However, reasonably realistic changes to these values have no material impact on the financial statements of the Bank.

Financial assets designated at fair value: the Bank issues to its wealth management clients a limited number of specific structured notes, which are intended to be fully invested in private equity investments. Since the notes may not be fully invested in private equity as from the beginning, the portion currently not yet invested is placed in money market funds, short-term debt funds, or held in cash. Although the clients contractually bear all the related risks and rewards from the underlying investments, these financial instruments are not derecognised from the Bank's balance sheet due to the strict derecognition criteria required by International Financial Reporting Standards (IFRS). Therefore, the private equity investments as well as the money market instruments are recorded as financial assets designated at fair value. Any changes in the fair value or any other income from the private equity investments or the money market instruments are recorded in the income statement. However, as the clients are entitled to all rewards related to the investments, these amounts net out in the respective line item in the income statement. Hence, any change in the valuation inputs has no impact on the Bank's income statement or shareholders' equity.

To measure the fair values of the private equity investments, the Bank generally relies on the valuations provided by the respective private equity funds managing the investments. These funds in turn use their own valuation techniques, such as market approaches or income approaches, including their own input factors into the applied models. Therefore, the private equity investments are reported in level 3 of the fair value hierarchy, as the fair values are determined based on models with unobservable market inputs. The related issued notes are reported as financial liabilities designated at fair value and classified as level 3 instruments, due to the related private equity investments being part of the valuation of the notes.

The fair value of financial instruments measured at fair value is determined as follows:

				31.12.2025
	Quoted market price	Valuation technique market-observable inputs	Valuation technique non-market-observable inputs	**Total**
	Level 1 *CHF m*	Level 2 *CHF m*	Level 3 *CHF m*	*CHF m*
Financial assets and liabilities measured at fair value				
Trading – debt instruments at FVTPL	1,945.7	1,110.1	20.6	3,076.4
Trading – equity instruments at FVTPL	10,577.4	427.8	32.2	11,037.4
Other securities mandatorily measured at FVTPL	147.3	18.3	7.7	173.3
Total financial assets measured at FVTPL	**12,670.4**	**1,556.2**	**60.5**	**14,287.1**
Foreign exchange derivatives	0.1	1,035.4	-	1,035.5
Interest rate derivatives	5.0	142.1	-	147.1
Precious metal derivatives	0.2	1,456.8	-	1,457.0
Equity/indices derivatives	9.4	896.4	-	905.8
Credit derivatives	-	7.7	-	7.7
Other derivatives	0.2	-	-	0.2
Total derivative financial instruments	**14.9**	**3,538.4**	**-**	**3,553.3**
Financial assets designated at fair value	**4.9**	**63.3**	**84.8**	**153.0**
Debt instruments at FVOCI	5,311.4	3,080.7	-	8,392.1
Equity instruments at FVOCI	-	-	125.6	125.6
Total financial assets measured at FVOCI	**5,311.4**	**3,080.7**	**125.6**	**8,517.7**
Total assets	**18,001.6**	**8,238.6**	**270.9**	**26,511.1**
Debt instruments at FVTPL	309.7	19.4	-	329.1
Equity instruments at FVTPL	947.5	16.0	0.2	963.7
Total financial liabilities measured at FVTPL	**1,257.2**	**35.4**	**0.2**	**1,292.8**
Foreign exchange derivatives	-	1,054.3	-	1,054.3
Interest rate derivatives	0.7	133.7	-	134.4
Precious metal derivatives	2.0	1,516.5	-	1,518.5
Equity/indices derivatives	4.2	1,126.2	-	1,130.4
Credit derivatives	-	22.8	35.2	58.0
Other derivatives	0.8	-	-	0.8
Total derivative financial instruments	**7.7**	**3,853.5**	**35.2**	**3,896.4**
Financial liabilities designated at fair value	**-**	**16,172.1**	**209.8**	**16,381.9**
Total liabilities	**1,264.9**	**20,061.0**	**245.2**	**21,571.1**

				31.12.2024
	Quoted market price	Valuation technique market-observable inputs	Valuation technique non-market-observable inputs	Total
	Level 1 *CHF m*	Level 2 *CHF m*	Level 3 *CHF m*	*CHF m*
Financial assets and liabilities measured at fair value				
Trading – debt instruments at FVTPL	2,571.4	1,093.7	28.0	3,693.1
Trading – equity instruments at FVTPL	9,424.5	1,100.2	36.2	10,560.9
Other securities mandatorily measured at FVTPL	114.1	159.9	19.3	293.3
Total financial assets measured at FVTPL	12,110.0	2,353.8	83.5	14,547.3
Foreign exchange derivatives	0.1	1,960.3	-	1,960.4
Interest rate derivatives	3.5	213.4	-	216.9
Precious metal derivatives	0.7	367.5	-	368.2
Equity/indices derivatives	12.5	1,226.5	-	1,239.0
Credit derivatives	-	10.3	0.3	10.6
Other derivatives	1.1	-	-	1.1
Total derivative financial instruments	17.9	3,778.0	0.3	3,796.2
Financial assets designated at fair value	2.6	45.4	131.1	179.1
Debt instruments at FVOCI	7,469.3	2,925.1	-	10,394.4
Equity instruments at FVOCI	-	-	122.3	122.3
Total financial assets measured at FVOCI	7,469.3	2,925.1	122.3	10,516.7
Total assets	19,599.8	9,102.3	337.2	29,039.3
Debt instruments at FVTPL	153.6	0.1	-	153.7
Equity instruments at FVTPL	593.8	30.8	0.3	624.9
Total financial liabilities measured at FVTPL	747.4	30.9	0.3	778.6
Foreign exchange derivatives	0.8	1,354.4	-	1,355.2
Interest rate derivatives	0.5	223.1	-	223.6
Precious metal derivatives	0.2	432.5	-	432.7
Equity/indices derivatives	11.5	937.8	-	949.3
Credit derivatives	-	10.5	30.3	40.8
Other derivatives	1.7	-	-	1.7
Total derivative financial instruments	14.7	2,958.3	30.3	3,003.3
Financial liabilities designated at fair value	-	11,916.9	239.3	12,156.2
Total liabilities	762.1	14,906.1	269.9	15,938.1

The fair value of financial instruments disclosed at fair value is determined as follows:

	Quoted market price Level 1 *CHF m*	Valuation technique market-observable inputs Level 2 *CHF m*	Valuation technique non-market-observable inputs Level 3 *CHF m*	**31.12.2025** **Total** *CHF m*
Financial assets and liabilities disclosed at fair value				
Cash and balances at central banks	4,848.1	-	-	4,848.1
Due from banks	-	5,709.2	-	5,709.2
Receivables from securities financing transactions	-	9,755.5	-	9,755.5
Lombard loans	-	32,236.4	-	32,236.4
Mortgages	-	6,742.7	-	6,742.7
Other financial assets measured at amortised cost	6,440.1	-		6,440.1
Accrued income	-	709.1	-	709.1
Other financial assets	-	9.8	-	9.8
Total assets	**11,288.2**	**55,162.7**	**-**	**66,450.9**
Due to banks	-	5,372.3	-	5,372.3
Payables from securities financing transactions	-	2,011.3	-	2,011.3
Due to customers	-	64,227.9	-	64,227.9
Debt issued	1,134.2	-	-	1,134.2
Accrued expenses	-	596.9	-	596.9
Other financial liabilities	-	51.3	-	51.3
Total liabilities	**1,134.2**	**72,259.7**	**-**	**73,393.9**

	Quoted market price Level 1 *CHF m*	Valuation technique market-observable inputs Level 2 *CHF m*	Valuation technique non-market-observable inputs Level 3 *CHF m*	31.12.2024 Total *CHF m*
Financial assets and liabilities disclosed at fair value				
Cash and balances at central banks	5,950.1	-	-	5,950.1
Due from banks	-	5,379.0	-	5,379.0
Receivables from securities financing transactions	-	5,732.2	-	5,732.2
Lombard loans	-	31,693.9	-	31,693.9
Mortgages	-	6,784.9	-	6,784.9
Other financial assets measured at amortised cost	5,171.4	-		5,171.4
Accrued income	-	658.2	-	658.2
Other financial assets	-	14.9	-	14.9
Total assets	11,121.5	50,263.1	-	61,384.6
Due to banks	-	6,693.3	-	6,693.3
Payables from securities financing transactions	-	2,592.5	-	2,592.5
Due to customers	-	64,648.0	-	64,648.0
Debt issued	1,130.9	-	-	1,130.9
Accrued expenses	-	554.3		554.3
Other financial liabilities	-	5.5	-	5.5
Total liabilities	1,130.9	74,493.6	-	75,624.5

Note 19C Transfers between fair value level 1 and level 2

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Transfers from level 1 to level 2		
Financial assets measured at FVTPL	**0.3**	1.8
Financial liabilities	**-**	-
Transfers from level 2 to level 1		
Financial assets measured at FVTPL	**2.0**	3.4
Financial assets measured at FVOCI	**-**	5.9
Financial liabilities measured at FVTPL	**-**	0.4

The transfers from fair value level 1 to level 2, and vice versa, occurred due to changes in the direct availability of quoted market prices. Transfers between the levels are deemed to have occurred at the end of the reporting period.

Note 19D Level 3 financial instruments

The following table presents the changes in fair value level 3 financial instruments:

Historical cost	Financial assets measured at FVTPL *CHF m*	Financial assets designated at FVTPL *CHF m*	Financial assets measured at FVOCI *CHF m*	**Total Financial liabilities designated at FVTPL** *CHF m*
Balance on 01.01.2024	134.2	131.0	163.7	268.6
Investments	6.7	-	1.4	30.3
Disposals	-92.0	-7.0	-0.4	-79.9
Net gains/(losses) recognised in the income statement	-0.1	7.1	-	32.6
Net gains/(losses) recognised in other comprehensive income	-	-	-42.5	-
Transfers to level 3 from level 1 or 2	15.5	-	-	18.3
Balance on 31.12.2024	64.3	131.1	122.2	269.9
Balance on 01.01.2025	**64.3**	**131.1**	**122.2**	**269.9**
Investments	7.6	-	-	42.4
Disposals	-14.9	-35.5	-	-41.0
Net gains/(losses) recognised in the income statement	-4.3	-10.8	-	-26.2
Net gains/(losses) recognised in other comprehensive income	-	-	3.4	-
Transfers from level 3 to level 1 or 2	0.1	-	-	0.1
Balance on 31.12.2025	**52.8**	**84.8**	**125.6**	**245.2**

Note 20 Credit risk

Note 20A Expected credit losses

Expected credit loss model
An entity is required to recognise expected credit losses (ECL) at initial recognition of any debt financial instrument measured at amortised cost or FVOCI and to update the amount of ECL recognised at each reporting date to reflect changes in the credit risk of the respective instruments. Refer to chapter *IV. Risk Management* (credit risk section) of this Annual Report for more background information on the risk management process.

In general, the ECL model uses a dual measurement approach:

- If the credit risk of a financial instrument has not increased significantly since its initial recognition, the instrument will attract a loss allowance equal to the 12-month ECL ('stage 1' ECL);
- If the credit risk of a financial instrument has increased significantly since its initial recognition, the instrument will attract a loss allowance equal to lifetime ECL ('stage 2' ECL) or the instrument is credit-impaired ('stage 3' ECL).

If a significant increase in credit risk (SICR) has occurred to the financial instrument, the instrument moves from stage 1 to stage 2 or if there is objective evidence of credit impairment to stage 3. The threshold applied varies depending on the original credit quality of the counterparty. For financial instruments with lower default probabilities at origination due to good credit quality of the counterparty, the threshold for SICR is set at a higher level than for instruments with higher default probabilities at origination. This implies that for financial instruments with initially lower default probabilities, a relatively higher deterioration in credit quality is needed to trigger SICR than for those instruments with originally higher probabilities of default.

The model is symmetric, meaning that if the SICR condition is no longer met, the financial instrument is transferred back into stage 1.

Due to the remote credit risk, the Bank does not recognise ECL for balances at central banks.

ECL stage allocation
Each credit exposure is classified in one of the three ECL stages. At initial recognition, the Bank classifies all financial instruments in stage 1 because it does not acquire or originate credit-impaired instruments. If a SICR has occurred to the financial instrument, the instrument moves from stage 1 to stage 2 or stage 3.

The Bank generally classifies Lombard loans, mortgages, and balances in the category due from banks at the time of origination in its internal credit risk rating classes R1 to R5 (due from banks up to R6), which reflect balances with low to medium and (rather as an exception) increased credit risk (but no SICR indicator). The Bank may apply R5 initially to certain more concentrated or less liquid collateralised Lombard loans and select mortgages positions. In the category due from banks, the Bank may apply R6 initially to select non-investment grade debt instruments or professional counterparty exposures. The investment grade debt instruments held for investment purposes (measured at either FVOCI or amortised cost) are generally classified as R1 to R4.

In the case of the rating classes R1 to R5 (neither SICR, past due nor credit-impaired), the outstanding balances are serviced; the lending value of the collateral (at fair value) pledged for collateralised exposures equals or exceeds the balances, and repayment of the balance is not in doubt, i.e. no SICR indicators are present.

The Bank determined that moves within these initial rating classes do not qualify as SICR; however, a move to R6 (and for select Lombard loans and mortgages to R5) indicates a SICR is present, triggering a move from stage 1 to stage 2. In addition, and to supplement this quantitative criterion, qualitative criteria based on other available internal data are applied to identify potential indicators for SICR situations. These qualitative criteria are specific to the respective type of financial instrument and are applied following specified policies and processes within the Bank.

Balances in the credit risk rating classes R7 to R10 show indicators for SICR and objective evidence of impairment, i.e. are considered credit-impaired, referred to as defaulted and classified in stage 3. The credit risk rating class R7 is applied if either the borrower is in financial difficulties and the financial instrument is or has been restructured (distressed restructuring). The classes R8 to R10 are applied for positions for which specific loan loss allowances are established on a case-by-case basis. Generally, Lombard loans and mortgages are moved to these rating classes if the respective position is not fully covered anymore, e.g. the market value of the collateral provided is lower than the credit exposure, (critical) credit covenants are not complied with, there's an unlikeliness or unwillingness of the counterparty to service its debt, or payments are more than 90 days past due, to name some of the criteria.

ECL measurement
An entity should measure ECL of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, i.e. based on probability of default;
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast future economic conditions; and
- the time value of money.

Generally, ECL calculations are based on the four components probability of default (PD), exposure at default (EAD), loss given default (LGD), and the discount rate (IR). These four components are used in the following basic formula: ECL = PD * LGD * EAD * IR.

Based on the above requirements, the Bank maintains calculation models to quantify the ECL impact on its financial statements for stage 1 and stage 2. These models for the defined portfolios are generally based on the specific instrument's PD, LGD and EAD including any unused credit commitments, where applicable. These models take into consideration the Bank's generally fully collateralised Lombard loans and mortgages, and the high-quality debt instruments in the treasury portfolio. If the models do not fully reflect the facts and circumstances for certain financial instruments in the portfolio, the Bank may apply post-model adjustments (including for a portfolio subset) to better reflect the specific credit risk of those instruments.

For the credit-impaired financial instruments in stage 3, the loss allowances are determined individually according to the specific facts and circumstances as at the reporting date and are no longer based on a modelled approach.

For the stage 1 and stage 2 ECL calculation, three different scenarios in relation to future market conditions are determined: a baseline, an upside, and a downside scenario. Expected probabilities are allocated to each scenario and updated on a regular basis. The calculation of the ECL is mostly driven by the downside scenario; the baseline and upside scenarios have very limited impact on the ECL measurement due to the Bank's credit policy of collateralised Lombard loan and mortgage and investment grade debt instruments. An increase in the weighting of the downside scenario would increase the ECL in stage 1 and stage 2 accordingly.

To apply the expected future economic conditions in the models, the Bank determined the world gross domestic product (GDP) forecast as the main economic input factor for the ECL on its financial instruments portfolios. Other forward-looking macroeconomic factors proved to be of lesser relevance to the Bank's portfolios as a whole. A decrease in the expected GDP would have a negative impact on the ECL in stage 1 and stage 2.

In addition, for each portfolio, supplementary product-specific factors are used as outlined in the following paragraphs. These scenario factors are based on the assessment of the Bank's credit risk control unit for current and expected market developments in the respective product areas. The factors are updated and confirmed on a regular basis by the Bank's ECL committee, which comprises officers from the risk control, treasury and finance units. This ECL committee is also responsible for the update of the macroeconomic scenarios which

are used in the stage 1 and stage 2 ECL calculation and are based on the geopolitical realities and macroeconomic data and growth expectations.

Due from banks
For due-from-banks positions, the input factors are determined as follows:

Probability of default: Publicly available PDs per rating class are applied, using the same PDs for stage 1 and stage 2, since the outstanding balances have a maximum term of 12 months. PDs for an expected life shorter than one year are derived from the available 12 month PDs by linear reduction. The ratings and the related PDs are shifted up and down by one notch of the internal rating, using publicly available data sources for the respective PDs. The three scenarios are weighted based on the generally applied probabilities.

Loss given default: An average LGD per rating class is applied. This factor is derived from publicly available data sources.

Exposure at default: The EAD equals either the nominal value (money market issues, time accounts) or the carrying value (current and transactional accounts).

Lombard loans
For conventional Lombard loans, the input factors are determined as follows:

Probability of default: The PD factors are derived from the Bank-internal 'margin call process' in Lombard lending. This process reflects internal procedures to avoid loan losses and is based on

- the probability that the credit position gets into a significant shortfall within one year;
- the probability that the credit position becomes unsecured within 10 days; and
- the liquidation process to cover the exposure,

taking into consideration their respective probabilities.

This margin call process is simulated for each rating class (R1–R6) and for stage 1 and stage 2 separately. The resulting PDs are then applied uniformly across all counterparties and related Lombard loans in the respective rating class.

Loss given default: The LGDs are formula-based, including the market value of the collateral at a client pledge group level. Scenario calculations on the market value of the collateral are performed, resulting in different LGDs per scenario. Three scenarios (baseline, upside and downside), including the probability of the respective scenario, are applied in the process.

Exposure at default: The EAD equals the higher of a) the current exposure (based on data from the internal credit supervision system comprising the following credit exposures: cash exposure, derivative exposure, credit guarantees and reservations) and b) the lower of the lending value or approved limit. The Bank therefore assumes the highest possible risk (i.e. the highest outstanding) in determining the EAD, including any unused credit commitments. Consequently, even if no exposure is currently drawn under the limit, an ECL is calculated.

Private Debt legacy loans: For the limited number of remaining private debt legacy loans reported within the Lombard loans, the Bank uses a separate ECL calculation in order to account for the inherently higher credit risk and is therefore different from the ECL calculation applied to Lombard loans as outlined above. This separate ECL calculation is similar to the models used for balances in the category due from banks and for the debt instruments in the treasury portfolios. Consequently, for each private debt loan, publicly available data sources are used for the respective input factors PD and LGD, and separately for each stage (stage 1 or stage 2). The EADs are determined similar to Lombard loans. The assigned issuer ratings and the related PDs are shifted up and down by one notch; the three resulting scenarios are weighted based on the generally applied probabilities.

Mortgages
For traditional mortgages, the input factors are determined as follows:

Probability of default: The PD factor is specifically determined for each counterparty and the related property based on the following input criteria:

- economic area of the counterparty domicile;
- counterparty domicile and property location (country) is the same;
- assets/collateral within the Bank to pay interest/amortisation;
- counterparty self-used vs. rented-out real estate; and
- stage 1 or stage 2.

For each of these criteria, fixed parameters are determined (based on Bank experience), which then add up to the mortgage counterparty-specific PD factors. These criteria have been selected as they are observed to influence the default behaviour of the counterparty behind the mortgages.

Loss given default: The LGD is based on scenario calculations on the market value of the real estate collateral and other pledged assets, which is then set in relation to the loan amount (loan-to-value ratio; LTV). Three scenarios (baseline, upside and downside), including the probability of the respective scenario, are applied in the process. However, instead of applying a fixed percentage for the negative scenario to all real estate uniformly, the negative scenario is based on the combination of a base factor and additional penalties depending on the following real estate-specific criteria:

- property location (country/region);
- property size as a function of the property market value;
- property type (e.g. residential, office, commercial); and
- holiday home regions.

For each of these criteria, fixed parameters (based on Bank experience) are determined, which then add up to the mortgage-specific negative scenario. These criteria are selected as the resulting different characteristics of the real estate market generally respond differently to market fluctuations and hence the achievable collateral liquidation value. The total simulated market value is then compared with the exposure to determine the LGD.

Exposure at default: The EAD equals the carrying value (exposure).

Treasury portfolios
For the debt instruments measured at FVOCI and at amortised cost in the treasury portfolios, the input factors are determined as follows:

Probability of default: Publicly available PDs per rating class are applied to debt securities and money market instruments, separately for stage 1 (one-year PD or shorter) and stage 2 (respective PD according to expected life). These ratings and the related PDs are shifted by two notches up and down, using publicly available data sources for the respective PDs. The three scenarios are then weighted based on the generally applied probabilities. PDs for an expected life shorter than one year are derived from the available 12 month PDs by linear reduction.

Loss given default: An average LGD per rating class is applied. These factors are derived from publicly available data sources.

Exposure at default: The EAD equals the amortised cost value.

Recognition of loss allowances and write-offs
The credit losses recognised in the income statement (Net credit losses/(recoveries) on financial instruments) is the amount required to adjust the loss allowance from the previous reporting date to the current reporting date due to the periodic detailed ECL calculation.

In the balance sheet, the loss allowance related to financial instruments measured at amortised cost is included in the carrying amount of the instrument. For debt instruments measured at FVOCI, the loss allowance is recognised in other comprehensive income (equity) and therefore does not reduce the carrying amount of the instrument in the balance sheet. This ensures that the carrying amount of these debt instruments is always measured at the fair value.

The gross carrying amount of a financial instruments is (partially) written off when there is no reasonable expectation of recovery of the amount, i.e. the amount outstanding is deemed uncollectible or forgiven. The time of each write-off is individually determined on a case-by-case basis by the Bank's credit risk control unit. For collateralised loans, it is only after a foreclosure sale of the pledged assets that a write-off takes place for any remaining uncovered balance. Possible partial or full recoveries of amounts previously written off are recognised in the same line as the previous credit losses.

20B Credit quality analysis

The following tables provide an analysis of the Bank's exposure to credit risk by credit quality (based on the Bank's internal credit system) and ECL stage.

					31.12.2025
	Moody's rating	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**Total** *CHF m*
Due from banks, at amortised cost					
R1–R4: Low to medium risk		5,463.1	-	-	**5,463.1**
R5–R6: Increased risk		217.0	-	-	**217.0**
R7–R10: Impaired		-	-	-	**-**
Total		5,680.1	-	-	**5,680.1**
Loss allowance		-0.5	-	-	**-0.5**
Carrying amount		**5,679.6**	**-**	**-**	**5,679.6**
Lombard loans, at amortised cost[1]					
R1–R4: Low to medium risk		31,135.7	-	-	**31,135.7**
R5–R6: Increased risk		519.4	141.0	-	**660.4**
R7–R10: Impaired		-	-	777.8	**777.8**
Total		31,655.1	141.0	777.8	**32,573.9**
Loss allowance		-3.7	-7.1	-637.0	**-647.8**
Carrying amount		**31,651.4**	**133.9**	**140.8**	**31,926.1**
Mortgages, at amortised cost					
R1–R4: Low to medium risk		6,085.1	-	-	**6,085.1**
R5–R6: Increased risk		-	426.7	-	**426.7**
R7–R10: Impaired		-	-	357.9	**357.9**
Total		6,085.1	426.7	357.9	**6,869.7**
Loss allowance		-2.4	-53.2	-142.6	**-198.2**
Carrying amount		**6,082.7**	**373.5**	**215.3**	**6,671.5**
Debt instruments, at FVOCI					
R1–R4: Low to medium risk	Aaa – Baa3	8,392.1	-	-	**8,392.1**
R5–R6: Increased risk	Ba1 – B3	-	-	-	**-**
R7–R10: Impaired	Caa1 – C	-	-	-	**-**
Unrated		-	-	-	**-**
Carrying amount		**8,392.1**	**-**	**-**	**8,392.1**
Loss allowance		-0.5	-	-	**-0.5**
Debt investment, at amortised cost					
R1–R4: Low to medium risk	Aaa – Baa3	6,390.6	-	-	**6,390.6**
R5–R6: Increased risk	Ba1 – B3	-	-	-	**-**
R7–R10: Impaired	Caa1 – C	-	-	-	**-**
Unrated		-	-	-	**-**
Total		6,390.6	-	-	**6,390.6**
Loss allowance		-0.7	-	-	**-0.7**
Carrying amount		**6,389.9**	**-**	**-**	**6,389.9**

[1] This position includes loss allowances on overdue interest payments on mortgages.

	Moody's rating	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
					31.12.2024
Due from banks, at amortised cost					
R1–R4: Low to medium risk		5,249.1	-	-	5,249.1
R5–R6: Increased risk		125.9	-	-	125.9
R7–R10: Impaired		-	-	-	-
Total		5,375.0	-	-	5,375.0
Loss allowance		-0.1	-	-	-0.1
Carrying amount		5,374.9	-	-	5,374.9
Lombard loans, at amortised cost[1]					
R1–R4: Low to medium risk		30,237.8	2.0	-	30,239.8
R5–R6: Increased risk		881.0	248.9	-	1,129.9
R7–R10: Impaired		-	-	696.8	696.8
Total		31,118.8	250.9	696.8	32,066.5
Loss allowance		-12.3	-7.1	-686.8	-706.2
Carrying amount		31,106.5	243.8	10.0	31,360.3
Mortgages, at amortised cost[1]					
R1–R4: Low to medium risk		6,558.7	1.0	-	6,559.7
R5–R6: Increased risk		31.2	54.0	-	85.2
R7–R10: Impaired		-	-	63.5	63.5
Total		6,589.9	55.0	63.5	6,708.4
Loss allowance		-3.4	-	-4.9	-8.3
Carrying amount		6,586.5	55.0	58.6	6,700.1
Debt instruments, at FVOCI					
R1–R4: Low to medium risk	Aaa – Baa3	10,386.0	-	-	10,386.0
R5–R6: Increased risk	Ba1 – B3	-	-	-	-
R7–R10: Impaired	Caa1 – C	-	-	-	-
Unrated		8.4	-	-	8.4
Carrying amount		10,394.4	-	-	10,394.4
Loss allowance		-0.6	-	-	-0.6
Debt investment, at amortised cost					
R1–R4: Low to medium risk	Aaa – Baa3	5,182.2	-	-	5,182.2
R5–R6: Increased risk	Ba1 – B3	-	-	-	-
R7–R10: Impaired	Caa1 – C	-	-	-	-
Unrated		-	-	-	-
Total		5,182.2	-	-	5,182.2
Loss allowance		-0.3	-	-	-0.3
Carrying amount		5,181.9	-	-	5,181.9

[1] This position includes loss allowances on overdue interest payments on mortgages.

20C Movements in loss allowance

The following tables present the development of the Bank's ECL allowance by portfolio and stage:

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**Total** *CHF m*
Due from banks, at amortised cost				
Balance at 1 January 2025	0.1	-	-	**0.1**
Transfer to/(from) 12-month ECL	0.0	-0.0	-	**-**
Net remeasurement of loss allowance	-0.0	-	-	**-0.0**
New/increase financial assets	0.4	-	-	**0.4**
Financial assets that have been derecognised	-0.0	-0.0	-	**-0.0**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Balance at 31 December 2025	**0.5**	**-0.0**	**-**	**0.5**
Lombard loans, at amortised cost				
Balance at 1 January 2025	12.3	7.1	686.8	**706.2**
Transfer to/(from) 12-month ECL	0.0	-0.0	-	**-**
Transfer to/(from) lifetime ECL not credit-impaired	-0.6	0.6	-	**-**
Transfer to/(from) lifetime ECL credit-impaired	-0.7	-6.6	7.3	**-**
Net remeasurement of loss allowance	-2.3	6.4	-50.4[1]	**-46.3**
New/increase financial assets	1.5	0.0	15.4[2]	**16.9**
Financial assets that have been derecognised	-5.2	-0.3	-7.8	**-13.3**
Write-offs	-	-	-3.9	**-3.9**
Changes in models/risk parameters	-1.3	-	-	**-1.3**
Foreign exchange and other movements	-	-	-10.5	**-10.5**
Balance at 31 December 2025	**3.7**	**7.2**	**636.9**	**647.8**
Mortgages, at amortised cost				
Balance at 1 January 2025	3.4	-0.0	4.9	**8.3**
Transfer to/(from) lifetime ECL credit-impaired	-0.7	0.7	-	**-**
Net remeasurement of loss allowance	0.1	2.6	195.4	**198.1**
New/increase financial assets	0.3	0.1	1.0	**1.4**
Financial assets that have been derecognised	-2.0	-	-2.5	**-4.5**
Write-offs	-	-	-56.2	**-56.2**
Changes in models/risk parameters	1.3	49.8[3]	-	**51.1**
Foreign exchange and other movements	-	-	0.0	**0.0**
Balance at 31 December 2025	**2.4**	**53.2**	**142.6**	**198.2**

[1] The decrease relates primarily to recoveries on the credit losses incurred in 2023 on the single largest exposure in the private debt loan book at that time.
[2] Including outstanding accumulated interest.
[3] Includes post-model adjustments related to certain mortgage positions.

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**Total** *CHF m*
Debt instruments, at FVOCI				
Balance at 1 January 2025	0.6	-	-	**0.6**
Net remeasurement of loss allowance	-0.0	-	-	**-0.0**
New financial assets purchased	0.1	-	-	**0.1**
Financial assets that have been derecognised	-0.2	-	-	**-0.2**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Foreign exchange and other movements	0.0	-	-	**0.0**
Balance at 31 December 2025	**0.5**	**-**	**-**	**0.5**

Debt instruments, at amortised cost				
Balance at 1 January 2025	0.3	-	-	**0.3**
Net remeasurement of loss allowance	0.0			**0.0**
New financial assets purchased	0.5	-	-	**0.5**
Financial assets that have been derecognised	-0.1	-	-	**-0.1**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Foreign exchange and other movements	-0.0	-	-	**-0.0**
Balance at 31 December 2025	**0.7**	**-**	**-**	**0.7**

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
Due from banks, at amortised cost				
Balance at 1 January 2024	0.1	-	-	0.1
Transfer to/(from) 12-month ECL	0.0	-0.0	-	-
Net remeasurement of loss allowance	0.0	-	-	0.0
New/increase financial assets	0.1	0.0	-	0.1
Financial assets that have been derecognised	-0.1	-	-	-0.1
Changes in models/risk parameters	-0.0	-	-	-0.0
Balance at 31 December 2024	0.1	0.0	-	0.1
Lombard loans, at amortised cost				
Balance at 1 January 2024	19.9	1.0	696.4	717.3
Transfer to/(from) 12-month ECL	0.1	-0.1	-	-
Transfer to/(from) lifetime ECL not credit-impaired	-1.4	1.4	-	-
Transfer to/(from) lifetime ECL credit-impaired	-0.2	-0.7	0.9	-
Net remeasurement of loss allowance	2.3	0.5	12.8	15.6
New/increase financial assets	2.2	0.0	26.1[1]	28.3
Financial assets that have been derecognised	-10.0	-0.1	-3.2	-13.3
Write-offs	-	-	-64.9	-64.9
Recoveries of amounts previously written-off	-	-	1.2	1.2
Changes in models/risk parameters	-0.6	5.1	-	4.5
Foreign exchange and other movements	-	-	17.5	17.5
Balance at 31 December 2024	12.3	7.1	686.8	706.2
Mortgages, at amortised cost				
Balance at 1 January 2024	3.5	0.6	7.9	12.0
Transfer to/(from) 12-month ECL	0.4	-0.4	-	-
Transfer to/(from) lifetime ECL credit-impaired	-0.0	-0.0	0.0	-
Net remeasurement of loss allowance	0.3	-	7.0	7.3
New/increase financial assets	0.3	-	1.0	1.3
Financial assets that have been derecognised	-0.3	-0.2	-3.6	-4.1
Write-offs	-	-	-0.5	-0.5
Changes in models/risk parameters	-0.8	-	-	-0.8
Foreign exchange and other movements	-	-	-6.9	-6.9
Balance at 31 December 2024	3.4	-0.0	4.9	8.3

[1] Including outstanding accumulated interest.

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
Debt instruments, at FVOCI				
Balance at 1 January 2024	1.0	-	-	1.0
Net remeasurement of loss allowance	-0.3	-	-	-0.3
New financial assets purchased	0.2	-	-	0.2
Financial assets that have been derecognised	-0.3	-	-	-0.3
Changes in models/risk parameters	-0.0	-	-	-0.0
Foreign exchange and other movements	-0.0	-	-	-0.0
Balance at 31 December 2024	0.6	-	-	0.6

Debt instruments, at amortised cost				
Balance at 1 January 2024	0.4	-	-	0.4
Net remeasurement of loss allowance	-0.1			-0.1
New financial assets purchased	0.0	-	-	0.0
Financial assets that have been derecognised	-0.0	-	-	-0.0
Changes in models/risk parameters	-0.0	-	-	-0.0
Foreign exchange and other movements	0.0	-	-	0.0
Balance at 31 December 2024	0.3	-	-	0.3

The growth assumption used in the baseline scenario has been decreased marginally for the year-end 2025. The weightings used for the current year's ECL calculation are 70% for the baseline scenario, 20% for the downside scenario, and 10% for the upside scenario and are unchanged from the previous year. The publicly available PDs did not show any material underlying changes for 2025. The other input factors applied in the ECL calculation, as well as the general models applied, did not have to be adjusted, as they generally proved to be reliable and robust.

In 2025, the Bank conducted the following credit-related reviews and specific model modifications:

- At the start of 2025, the Bank modified the stage 1 and stage 2 calculation models for a) Lombard loans with higher concentration or less-liquid underlying collaterals and b) more complex mortgages, in both cases to more accurately reflect the inherent credit risk profile of such positions. These modifications did not materially impact the associated loan loss allowances.
- In the first half of 2025, a review of selected positions in the mortgage portfolio as well as of the remaining private debt loan book resulted in certain loans being transferred to ECL stage 3 and a corresponding increase in loan loss allowances.
- At its strategy update in June 2025, the Group reinforced its commitment to its core wealth management proposition, including traditional Lombard loans and residential mortgage lending. In line with this strategic shift, the Bank undertook a comprehensive revision of its credit risk appetite framework and extended the credit file review in the second half of 2025, resulting in a decision to manage down in an orderly manner a subset of the loan book primarily related to income-producing residential and commercial real estate mortgages which no longer fit with the Bank's revised strategy and risk appetite. To account for the forward-looking risks and the possibility of tighter customer refinancing conditions during this process, additional loan loss allowances were recognised at the end of 2025, mostly in the form of post-model adjustments to stage 2 and certain stage 3 positions.

As significant uncertainty regarding the development of the macroeconomic and political situation persists, the input factors used in the ECL calculations are monitored on an ongoing basis and may have to be adjusted in the next reporting periods.

Note 20D Credit risk exposure

The following table shows the Bank's theoretical maximum exposure to credit risk as of the balance sheet date, which represents the exposure in the event of other parties failing to perform their obligations, without taking account of any collateral held or other credit enhancements. For financial assets, these exposures are typically the carrying amount.

Maximum exposure to credit risk

	31.12.2025 Gross maximum exposure *CHF m*	31.12.2024 Gross maximum exposure *CHF m*
Due from banks	**5,679.6**	5,374.9
Receivables from securities financing transactions	**5,655.5**	4,932.2
Lombard loans	**31,926.1**	31,360.3
Mortgages	**6,671.5**	6,700.1
Financial assets measured at FVTPL	**3,076.4**	3,693.1
Derivative financial instruments	**3,553.3**	3,796.2
Financial assets designated at fair value	**153.0**	179.1
Financial assets measured at FVOCI	**8,392.1**	10,394.4
Other financial assets measured at amortised cost	**6,389.9**	5,181.9
Accrued income	**709.1**	658.2
Other financial assets	**9.8**	14.9
Total[1]	**72,216.3**	72,285.3
Off-balance sheet		
Irrevocable commitments[2]	**243.5**	260.3
Total maximum exposure to credit risk	**72,459.8**	72,545.6

[1] Cash, including balances held with central banks, is not considered a credit risk and hence excluded from all credit risk analyses.
[2] These amounts reflect the maximum payments the Bank is committed to making.

For information on the concentration of credit risk, refer to the Risk Management section in the Annual Report 2025 of Julius Baer Group Ltd.

Note 20E Collateral analysis

For Lombard loans, the principal types of collateral are readily marketable debt and equity securities as well as other eligible assets; for mortgages, predominantly residential properties serve as main collateral.

The following table provides information regarding the loan-to-value ratio for the respective credit products, based on the product's carrying amount, i.e. net of any respective loss allowances, and the market value of the collateral.

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Loan-to-value ratio (LTV)		
Lombard loans (not credit-impaired)		
Less than 50%	20,619.4	20,053.5
51–70%	7,823.6	7,677.3
71–90%	3,150.7	3,293.0
91–100%	174.4	306.5
More than 100%	17.2	20.0
Total	**31,785.3**	31,350.3
Mortgages (not credit-impaired)		
Less than 50%	3,151.0	3,085.8
51–70%	2,843.3	2,941.3
71–90%	462.0	614.4
91–100%	-	-
Total	**6,456.3**	6,641.5
Credit-impaired Lombard loans		
Less than 50%	51.2	0.6
71–100%	-	1.4
More than 100%	89.6	8.0
Total	**140.8**	10.0
Credit-impaired mortgages		
Less than 50%	15.4	7.8
51–70%	91.9	5.8
71–100%	107.9	23.3
More than 100%	-	21.7
Total	**215.2**	58.6

Note 20F Financial instruments – Offsetting

As a wealth manager, the Bank enters into securities transactions and derivative financial instruments. In order to control the credit exposure and reduce the credit risk related to these transactions, the Bank applies credit mitigation strategies in the ordinary course of business. The Bank enters into master netting agreements with counterparties to mitigate the credit risk of securities lending and borrowing transactions, repurchase and reverse repurchase transactions, and OTC derivative transactions. Such arrangements include Global Master Securities Lending Agreements or Global Master Repurchase Agreements, as well as ISDA Master Agreements for derivatives.

However, under IFRS Accounting Standards, to be able to offset transactions with the same counterparty on the balance sheet, the Bank must have a legally enforceable right to set off the recognised amounts, and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously. In addition, the offsetting right must not only be legally enforceable in the normal course of business, but must also be enforceable for all counterparties in the event of default, insolvency, or bankruptcy. Since the Bank's arrangements may not fulfil the strict offsetting criteria as required by IFRS Accounting Standards, the Bank does not offset the respective amounts related to these transactions on the balance sheet.

The majority of exposures to securities transactions and OTC derivative financial instruments are collateralised, with the collateral being prime financial instruments or cash. Consequently, the remaining credit risk on securities lending and borrowing as well as on repurchase and reverse repurchase transactions is fully mitigated. Consequently, the remaining credit risk on securities lending and borrowing as well as on repurchase and reverse repurchase transactions is fully mitigated.

Securities transactions: since the Bank does not apply netting on its balance sheet, the cash collateral provided in securities borrowing and reverse repurchase transactions in the amount of CHF 9,755.5 million (2024: CHF 5,732.2 million) and the cash collateral received in securities lending and repurchase transactions in the amount of CHF 2,011.3 million (2024: CHF 2,592.5 million), as disclosed in Note 17 are not offset with the respective counterparty positions in the balance sheet.

Derivative financial instruments: the derivative financial instruments consist of OTC as well as exchange-traded derivatives. The majority of OTC derivatives, i.e. positive replacement values in the amount of CHF 3,198.2 million (2024: CHF 2,953.8 million) and negative replacement values in the amount of CHF 3,041.6 million (2024: CHF 2,178.2 million) are subject to an enforceable netting agreement. Transactions with other banks are generally collateralised with other financial instruments (derivatives) that are recognised on the Bank's balance sheet. With non-banking counterparties, the collateral recognised is generally cash balances. None of these balances related to the derivatives transactions are offset on the balance sheet.

Note 21 Risk measures

Note 21A Market risk measures

Market risk refers to the potential losses from changes in the valuation of the Bank's assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors. Refer to the respective Risk Management section in the Annual Report 2025 of Julius Baer Group Ltd. for the relevant background information related to the Bank's market risk.

Market risk measurement, market risk limitation, back-testing, and stress testing

The following methods are used to measure and limit market risk: value-at-risk (VaR) limits, sensitivity or concentration limits (delta, vega, basis-point, and nominal limits as well as scenario analyses), and country limits for trading positions. VaR, the key risk figure, measures the magnitude of the loss on a portfolio that, under normal circumstances and for a specific probability (confidence interval), will not be exceeded during the observed holding period.

Whereas VaR forecasts identify potential losses during normal market conditions, daily stress tests are carried out in order to estimate the consequences of extreme market swings. Limits are set for both these risk metrics and their utilisation is monitored on a daily basis. The daily stress tests are periodically complemented by additional tests based on historical scenarios. Additional stress tests, reflecting specific market and political situations, are also carried out.

The following table is a summary of the VaR positions of the Bank's trading portfolios (one-day holding period, 95% confidence interval):

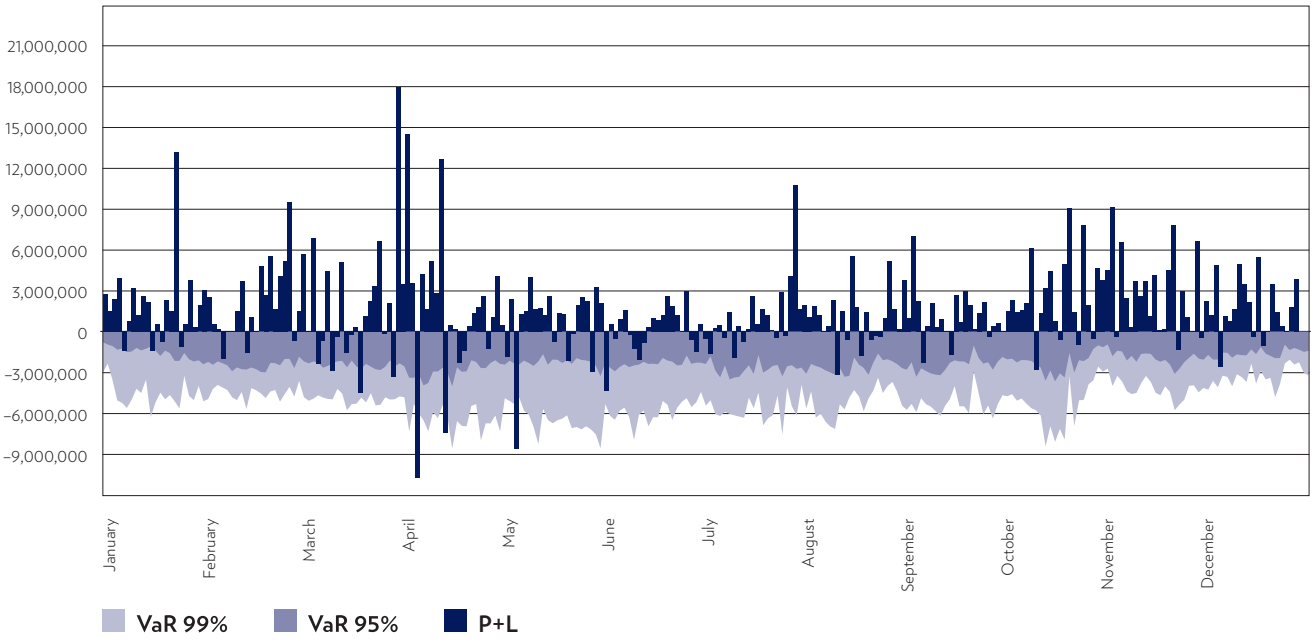
Market risk – VaR positions by risk type

	At 31 December *CHF m*	Average *CHF m*	Maximum *CHF m*	**2025** Minimum *CHF m*
Equities	**-1.5**	**-2.0**	**-3.9**	**-0.1**
Interest rates	**-0.8**	**-1.4**	**-2.5**	**-0.7**
Foreign exchange/precious metals	**-0.2**	**-0.6**	**-1.9**	**-0.1**
Effects of correlation	**0.9**			
Total	**-1.6**	**-2.3**	**-4.0**	**-0.8**

	At 31 December *CHF m*	Average *CHF m*	Maximum *CHF m*	2024 Minimum *CHF m*
Equities	-1.2	-0.7	-2.0	0.0
Interest rates	-1.6	-1.6	-2.2	0.9
Foreign exchange/precious metals	-0.1	-0.4	-1.7	-0.1
Effects of correlation	1.3			
Total	-1.6	-1.7	-2.6	-0.9

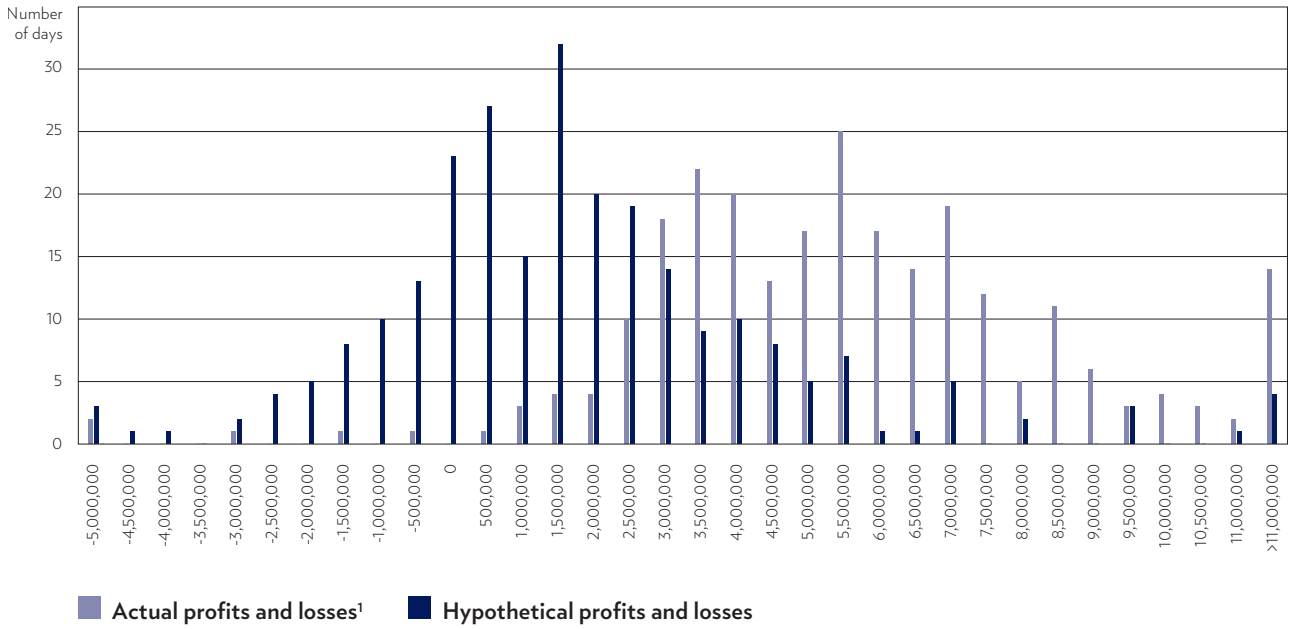
The adequacy of the VaR calculation, which is based on historical market movements, is monitored through regular back-testing. This involves the comparison of the VaR values calculated each day with the hypothetical gains or losses that would have occurred if the end-of-day positions had been left unchanged on the next trading day. The following chart shows the daily calculations of VaR in 2025 (at confidence intervals of 95% and 99% and for a one-day holding period) compared with these hypothetical gains or losses. A back-testing exception occurs when the change in overall position value resulting from the back-testing simulation is negative and its absolute value is greater than the VaR (at a confidence interval of 99%) for the relevant day's closing positions.

Back testing of Bank Julius Baer trading book positions in 2025 (CHF)



The following chart compares these hypothetical gains and losses with the actual profit and loss generated by the trading operations of the Bank. To ensure comparability, pure commission income has been removed from these results.

Distribution of daily revenues from trading activities of Bank Julius Baer for 2025 (CHF)



[1] Pure trading revenues excluding commissions and fees

At the beginning of 2025, the preceding 12-month period contained two back-testing exception that fell out of the observation period during 2025. For the 12-month period starting on 1 January 2025 and ending on 31 December 2025, we have registered three additional back-testing exceptions:

All three back testing exceptions, 8 April 2025, 9 April 2025 and 16 April 2025 were a result of increased volatility due to global trade tensions.

As of 31 December 2025, the overall number of back-testing exceptions stands therefore at three.

All back-testing violations are examined individually and shared with FINMA periodically.

Regulatory capital

In 2025, the Bank transitioned from the previous internal model, using Value at Risk, to the standard approach under Fundamental Review of the Trading Book (FRTB) from 1 January 2025.

For additional information regarding the calculation of the Group's minimum regulatory capital requirements under Basel III Pillar 3, refer to the separate Basel III Pillar 3 Report published in the Regulatory Disclosures section of the www.juliusbaer.com website (this will be available at the end of April 2026).

Note 21B Interest rate risk measures

One measure of interest rate risk is the impact of a positive change of 1% (+100 basis points) on the entire yield curve across all currencies on the economic value of equity. This includes modelled liabilities, of which the most significant items are client demand deposits and equity. The table below, broken down according to maturity bands and currencies, shows the results of such a scenario per 31 December 2025. Negative values under this scenario reflect a potential drop in fair value within the respective maturity band; positive values reflect a potential increase in fair value. This risk measure is also used to carry out scenario analyses on a regular basis. Since there are no material option structures in the banking book, a negative change of 1% in the yield curves would result in scenario values of a similar magnitude but with the opposite sign.

Interest sensitivity by time bands and 100bp parallel increase

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	**Total** *CHF m*
CHF						
2025	**-0.6**	**7.4**	**-10.4**	**24.2**	**-11.2**	**9.4**
2024	2.9	3.0	28.1	0.1	20.8	54.9
USD						
2025	**-4.6**	**-12.1**	**-1.3**	**12.5**	**-14.0**	**-19.5**
2024	0.4	-5.3	-7.4	-35.2	-3.3	-50.8
EUR						
2025	**-2.5**	**-1.1**	**-1.4**	**-17.2**	**-13.0**	**-35.2**
2024	-1.0	-2.3	-5.4	24.0	-1.7	13.6
Other						
2025	**-0.4**	**-3.1**	**8.0**	**4.3**	**0.1**	**8.9**
2024	0.5	-2.0	1.2	24.7	-	24.4

In addition, the effect on Net interest income resulting from changes in the yield curve is measured. Based on the assumptions described above, and further assuming that the Bank took no mitigating action, Net interest income is adversely sensitive to declining interest rates. Net interest income over the one-year horizon would decline by CHF -103.0 million (2024: CHF -37.2 million) assuming a parallel -100bps shift of the yield curves and CHF -176.8 million (2024: CHF -39.7 million) if faced with the 'parallel down' scenario defined in the Interest Rate Risk in the Banking Book (IRRBB) regulation.

Note 22 Hedge accounting

Note 22A Fair value hedges

Fair value hedge (FVH) accounting
The risk being hedged in a fair value hedge is a change in the fair value of an asset or liability or an unrecognised firm commitment that is attributable to a particular risk and could affect the income statement. The changes in fair value might arise from changes in interest rates, foreign exchange rates, or equity prices, i.e. the item to hedge is 'some fixed item', which however underlies variability due to market changes, which shall be prevented.

For a FVH, an adjustment is made to the carrying value of the hedged item to reflect the change in the value due to the hedged risk, with an offset to the income statement for the change in value of the hedging instrument. Where the offset is not complete, this will result in ineffectiveness to be recorded in the income statement.

As permitted under IFRS 9, the Bank continues to apply the hedge accounting requirements of the former IAS 39 to fair value hedges of portfolio interest rate risk related to mortgages.

Fair value hedges of interest rate risk
The Bank hedges part of its interest rate exposure from fixed-rate CHF-denominated mortgages to changes in fair value by using interest rate swaps on a portfolio basis. Such portfolio hedges are based on mortgages with similar maturities, and the hedge relationships are rebalanced on a monthly basis. The amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses are amortised over the remaining terms to maturity of the hedged items using the straight-line method.

In addition, different interest rate swaps are used to hedge the interest rate risks of some of the bonds issued by the Bank that are denominated in CHF, as well as a very limited number of individual mortgages measured at amortised cost and debt instruments measured at FVOCI. The fixed legs of these swaps are in correspondence to the respective (fixed-rate) bonds and mortgages. As such, the interest rate risk of each financial instrument is substantially reduced to the interest rate risk of the floating-rate leg of the respective swap.

The counterparties of the swaps transactions used for portfolio hedges as well as those used for single hedges are investment-grade counterparties. However, the Bank does not incur any credit risk with these derivative instruments, as all credit risk is eliminated through clearing or because of collateral agreements in place. Prior to committing to a hedge relationship, an assessment takes place in order to justify that the fair value of the hedged item and the hedging instrument do offset their interest rate risks, and that the economic hedge relationships meet the hedge accounting criteria. Besides this qualitative assessment, regular quantitative assessments are carried out based on prospective (i.e. forward-looking, using regression analysis) as well as retrospective effectiveness tests. These tests allow assessing whether the hedging instrument is expected to be or has been highly effective in offsetting changes in the fair value of the hedged item. Hedge ineffectiveness may arise from minor differences in the core data of the time deposits and swap fixed leg, or the interest rate sensitivities of the floating leg of the swap.

	Hedges of time deposits (single hedges) *CHF m*	Hedges of mortgages (single hedges) *CHF m*	Hedges of mortgages (portfolio hedges) *CHF m*	Hedges of bonds (single hedges) *CHF m*	Hedges of fixed deposits (micro hedge) *CHF m*
					31.12.2025
Hedged items					
Amortised cost value	**1,937.9**	**18.0**	**230.6**	**n/a**	**150.0**
Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item	**-1.8**	**-0.2**	**11.5**	**11.7**	-
Carrying amount hedged items	**1,936.1**	**17.8**	**242.1**	**1,347.3**	**150.0**
Hedging instruments - interest rate swaps					
Notional amount (overall average fixed interest rate: 0.24%)					**150.0**
- whereof remaining maturity 1–5 years (average fixed interest rate: 0.24%)					***150.0***
Notional amount (overall average fixed interest rate: 1.81%)	**1,929.6**				
- whereof remaining maturity <1 year (average fixed interest rate: 0.52%)	***272.3***				
- whereof remaining maturity 1–5 years (average fixed interest rate: 2.03%)	***1,657.3***				
Notional amount (overall average fixed interest rate: -0.31%)		**18.0**			
- whereof remaining maturity 1–5 years years (average fixed interest rate: -0.31%)		***18.0***			
Notional amount (overall average fixed interest rate: 1.50%)			**220.0**		
- whereof remaining maturity <1 year (average fixed interest rate: 1.36%)			***100.0***		
- whereof remaining maturity 1–5 years years (average fixed interest rate: 1.63%)			***40.0***		
- whereof remaining maturity > 5 years (average fixed interest rate: 1.60%)			***80.0***		
Notional amount (overall average fixed interest rate: 3.73%)				**1,308.8**	-
- whereof remaining maturity < 1 year (average fixed interest rate: -4.17%)				***111.7***	-
- whereof remaining maturity 1–5 years years (average fixed interest rate: 3.69%)				***1,197.1***	-
Positive replacement value	**11.4**	**0.5**	-	**0.1**[1]	-
- related notional amount	***466.9***	***18.0***	-	***48.4***	***150.0***
Negative replacement value	**13.5**	-	**9.3**	**11.0**[1]	-
- related notional amount	***1,462.8***	-	***220.0***	***1,260.4***	-
Hedge effectiveness testing and related ineffectiveness					
Change in fair value of hedged item used for calculation of hedge ineffectiveness	**1.7**	**-0.2**	**-1.4**	**11.7**	-
Change in fair value of interest rate swaps used for calculation of hedge ineffectiveness	**-2.1**	**0.5**	**1.4**	**-11.0**[1]	-
Amount of hedge ineffectiveness recognised in the income statement	**-0.4**	**0.3**	-	**0.7**	-
Termination of hedge relationship					
Accumulated amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses	-	-	**12.6**		-

[1] The change in fair value of the interest rate swaps used for the calculation of the hedge effectiveness for the portfolio hedges reflects the changes in the fair value of the latest hedge period only, whereas the sum of the positive and negative replacement values reflects the differences in fair values of the interest rate swaps between inception and reporting date.

	31.12.2024			
	Hedges of time deposits (single hedges) *CHF m*	Hedges of mortgages (single hedges) *CHF m*	Hedges of mortgages (portfolio hedges) *CHF m*	Hedges of bonds (single hedges) *CHF m*
Hedged items				
Amortised cost value	1,211.0	19.4	229.5	n/a
Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item	15.3	-0.2	15.7	-13.8
Carrying amount hedged items	1,226.3	19.2	245.2	1,479.3
Hedging instruments - interest rate swaps				
Notional amount (overall average fixed interest rate: 1.09%)	1,190.7			
- whereof remaining maturity 1–5 years (average fixed interest rate: 0.12%)	*1,190.7*			
Notional amount (overall average fixed interest rate: -0.31%)		18.0		
- whereof remaining maturity > 5 years (average fixed interest rate: -0.31%)		*18.0*		
Notional amount (overall average fixed interest rate: 1.50%)			*220.0*	
- whereof remaining maturity 1-5 years (average fixed interest rate: 1.36%)			*100.0*	
- whereof remaining maturity > 5 years (average fixed interest rate: 1.61%)			*120.0*	
Notional amount (overall average fixed interest rate: 3.71%)				1,483.4
- whereof remaining maturity 1–5 years years (average fixed interest rate: 3.71%)				*1,483.4*
Positive replacement value	7.3	0.6	-[1]	15.1[1]
- related notional amount	*619.2*	*18.0*	-	*1,227.9*
Negative replacement value	22.6	-	12.6[1]	1.3[1]
- related notional amount	*571.4*	-	*220.0*	*255.5*
Hedge effectiveness testing and related ineffectiveness				
Change in fair value of hedged item used for calculation of hedge ineffectiveness	15.3	-0.2	-0.8	-13.8
Change in fair value of interest rate swaps used for calculation of hedge ineffectiveness	-15.3	0.5	0.6[1]	13.8[1]
Amount of hedge ineffectiveness recognised in the income statement	-	0.3	-0.2	-
Termination of hedge relationship				
Accumulated amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses	-	-	16.1	

[1] The change in fair value of the interest rate swaps used for the calculation of the hedge effectiveness for the portfolio hedges reflects the changes in the fair value of the latest hedge period only, whereas the sum of the positive and negative replacement values reflects the differences in fair values of the interest rate swaps between inception and reporting date.

Note 22B Cash flow hedges

Cash flow hedge (CFH) accounting
The risk being hedged in a cash flow hedge is the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, an unrecognised firm commitment, or a highly probable forecast transaction and could affect the income statement. The item to hedge is 'some variable item', i.e. producing some variable cash amount, which shall be stabilised (i.e. the amount shall be fixed).

For a CFH, the carrying amount of the hedged item, which may not even be recognised yet, is unchanged. The effect of hedge accounting is to defer the effective portion of the change in value of the hedging instrument in OCI. Any ineffective portion remains in the income statement as ineffectiveness.

Cash flow hedges of interest rate risk
The Bank uses longer-term interest rate swaps (maturities of 1–5 years) to hedge the variability of future interest rate payments on selected Lombard loans with short maturities (and rollover assumption). These loans share the same currency and type of risk.

The following table relates to the derivatives (interest rate swaps) used for the cash flow hedges and the related amounts recognised in OCI and the income statement:

	31.12.2025 Interest rate hedges *CHF m*	**31.12.2024** Interest rate hedges *CHF m*
Hedging instrument – Derivatives		
Negative replacement values of derivatives	**4.0**	21.0
Nominal value of derivatives	**392.2**	587.2
Amounts recognised in OCI		
OCI on cash flow hedges	**-1.9**	-11.5
Amounts recognised in the income statement		
Hedge ineffectiveness recognised in net income from financial instruments measured at FVTPL	**9.0**	0.8
Amortisation of time value of the derivatives into income statement	**-5.2**	4.6

Note 23 Liquidity analysis

The following table shows an analysis of the Bank's financial liabilities by remaining contractual maturities as of the balance sheet date. Contrary to the balance sheet presentation, these amounts include the total of contractual undiscounted interest payments related to these financial liabilities. Liabilities without a stated maturity, i.e. that can be called for repayment at any time, are classified as on demand. All derivative financial instruments held for trading are classified as on demand since there are no single derivatives or classes of derivatives for which the contractual maturities are relevant to the timing of the total cash flows of the Bank.

Remaining contractual maturities of financial liabilities

	On demand *CHF m*	Due within 3 months *CHF m*	Due within 3 to 12 months *CHF m*	Due within 12 months to 5 years *CHF m*	Due after 5 years *CHF m*	**Total** *CHF m*
Financial liabilities recognised on the balance sheet						
Due to banks	4,541.9	526.1	311.2	-	-	**5,379.2**
Payables from securities financing transactions	-	2,011.3	-	-	-	**2,011.3**
Due to customers	24,019.2	34,196.7	3,052.2	3,262.5	-	**64,530.6**
Financial liabilities measured at FVTPL	1,292.8	-	-	-	-	**1,292.8**
Derivative financial instruments	3,859.0	0.7[1]	11.2[1]	19.4[1]	6.1[1]	**3,896.4**
Financial liabilities designated at fair value	2,883.8	6,796.6	5,191.6	1,784.5	121.4	**16,777.9**
Debt issued	-	-	31.9	690.6	471.6	**1,194.1**
Accrued expenses	-	596.9	-	-	-	**596.9**
Other financial liabilities	-	51.3	-	-	-	**51.3**
Total 31.12.2025	36,596.7	44,179.6	8,598.1	5,757.0	599.1	**95,730.5**
Due to banks	5,723.0	635.6	306.2	48.3	-	6,713.1
Payables from securities financing transactions	-	1,979.2	613.3	-	-	2,592.5
Due to customers	20,931.9	37,780.2	3,418.1	2,867.6	-	64,997.8
Financial liabilities measured at FVTPL	778.6	-	-	-	-	778.6
Derivative financial instruments	2,945.8	0.4[1]	0.9[1]	46.1[1]	10.1[1]	3,003.3
Financial liabilities designated at fair value	2,699.1	4,351.4	3,460.6	1,777.5	134.6	12,423.2
Debt issued	-	-	9.3	454.7	671.2	1,135.2
Accrued expenses	-	554.3	-	-	-	554.3
Other financial liabilities	-	5.5	-	-	-	5.5
Total 31.12.2024	33,078.4	45,306.6	7,808.4	5,194.2	815.9	92,203.5
Off-balance sheet (irrevocable commitments)[2]						
Total 31.12.2025	204.3	15.1	14.7	8.8	0.6	**243.5**
Total 31.12.2024	227.1	5.8	12.0	15.4	-	260.3

[1] These derivatives are not held for trading but for hedging purposes.
[2] These amounts reflect the maximum payments the Bank is committed to making.

Note 24 Interests in subsidiaries and other entities

Note 24A Companies consolidated

	Head Office	Currency	Share capital *m*	Equity interest *%*
Bank Julius Baer & Co. Ltd.	Zurich	CHF	575.000	100
Branches in Basle, Berne, Crans-Montana, Geneva, Guernsey,				
Hong Kong, Lausanne, Lucerne, Lugano, Singapore, Sion,				
St. Gallen, St. Moritz, Verbier, Zurich				
Representative Offices in Bogotá, Istanbul, Johannesburg,				
Mexico City, Santiago de Chile, Shanghai, Tel Aviv				
including				
Bank Julius Baer Nominees (Singapore) Pte. Ltd.	*Singapore*	*SGD*	*0.000*	*100*

Note 24B Unconsolidated structured entities

As a comprehensive wealth manager, the Bank is involved in the set-up and operation of a wide range of structured entities which serve as investment vehicles for the Bank's clients. Such structured entities include segregated portfolio companies, investment funds, private equity feeder funds and umbrella funds, as well as similar vehicles in the legal form of limited partnerships (LPs).

The Bank generally acts as investment manager and custodian bank and also holds the management shares of the LPs. These management shares may be equipped with voting rights, but do not provide any participating rights in the segregated underlying investments. The participation rights and the related variable returns related to these investments, as well as the funding of the investment portfolios, are entirely with the investing clients. The Bank therefore acts in the role of an agent and receives a market-based fixed fee for its services.

Consequently, due to the missing exposure, or rights, to variable returns from its involvement with the segregated portfolios, the Bank does not have control over the underlying investments and hence does not consolidate the structured entities.

In addition, the Bank does not assume any material risk related to those entities, as it

- has no interest in the underlying segregated investment portfolios;
- is not required to assume any such investments;
- does not provide contractually agreed redemptions or redemption prices related to the investments under any circumstances;
- does not provide financial support to any structured entity; and
- invests no seed money in the fund vehicles.

Note 25 Reporting by segment

The Bank engages exclusively in wealth management activities primarily in Switzerland, Europe, Asia and South America. This focus on pure-play wealth management includes certain internal supporting functions that serve entirely the core business activities. Revenues from wealth management activities primarily encompass commissions charged for servicing and advising wealth management clients as well as net interest income on financial instruments.

The Bank's external segment reporting is based on the management approach, i.e. the internal reporting to the chief operating decision maker, which is responsible for allocating resources and assesses the financial performance of the business. The Executive Board (ExB) of Julius Baer Group Ltd. has been identified as the chief operating decision maker since it is responsible for the implementation of the overall strategy and the operational management

of the whole Group. Refer to chapter *II. Corporate Governance* of the Julius Baer Group Ltd. Annual Report for an overview of the members of the ExB.

Various management reports with discrete financial information are prepared at regular intervals for various management levels. However, the ExB reviews and uses for its management decisions the consolidated financial reports at the Group level only.

Based on the analysis of the relevant factors determining segments, the Bank consists of a single reportable segment. This is in line with the strategy and business model of the Bank, and reflects the management structure and the use of information by management in making operating decisions.

Therefore, and given that the external reporting in these financial statements reflects the internal management accounting, the Bank does not disclose separate segment information.

Geographical information

	31.12.2025 Non-current assets *CHF m*	31.12.2024 *CHF m*	**2025** Operating income *CHF m*	2024 *CHF m*
Switzerland	**2,415.7**	2,409.3	**2,149.4**	2,146.1
Europe (excl. Switzerland)	**61.0**	61.2	**157.3**	111.6
Asia and other countries	**429.7**	410.9	**942.6**	846.1
Less consolidation items	**-**	-	**180.0**	162.4
Total	**2,906.4**	2,881.4	**3,069.3**	2,941.4

The information about geographical areas is based on the domicile of the reporting companies. This geographical information does not reflect the way the Bank is managed.

Note 26 Off balance sheet Items

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Contingent liabilities	**842.5**	1,046.7
Irrevocable commitments	**243.5**	260.3
Total	**1,086.0**	1,307.0

Contingent liabilities mainly include credit guarantees as well as amounts related to open legal proceedings which are not yet provisioned for.

Irrevocable commitments relate to unused irrevocable credit lines and the commitments to the Swiss deposit guarantee institution.

Note 27 Events after the balance sheet date

There are no events to report that had an influence on the balance sheet or the income statement for the 2025 financial year.

Note 28 Summary of selected accounting policies

Basis of accounting

Bank Julius Baer & Co. Ltd. is a Swiss corporation that is committed to the wealth management business. The consolidated financial statements as at 31 December 2025 comprise those of Bank Julius Baer & Co. Ltd. and its subsidiaries. The Board of Directors approved these financial statements on 31 January 2026. In addition, they are submitted for approval to the Annual General Meeting on 19 March 2026.

Amounts in the consolidated financial statements are stated in Swiss francs. The consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). Generally, the historical cost principle is applied, with the exception of financial assets measured at fair value through profit or loss or at fair value through other comprehensive income, derivative financial instruments, as well as certain financial liabilities that are measured at fair value and precious metals that are measured at fair value less costs to sell.

Use of estimates in preparing the consolidated financial statements

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities, and disclosure of contingent liabilities. Actual results in future periods could differ from such estimates.

Estimates and assumptions are used mainly in the following areas of the consolidated financial statements and are in part discussed in the corresponding notes: determination of the fair values of financial instruments, assessment of the business model when classifying financial instruments, uncertainties in measuring provisions and contingent liabilities, loss allowances (measurement of expected credit losses), pension assets and liabilities (measurement of defined benefit obligation), income taxes (judgement regarding the interpretation of the applicable tax laws and the respective tax practice, such as transfer pricing or deductible versus non-deductible items, and anticipation of tax audit issues), share-based payments, goodwill and other intangible assets (measurement of recoverable amount).

Summary of most important accounting policies

All Bank companies apply uniform accounting and measurement principles, which have remained the same as in the previous year.

Foreign currency translation
In the individual financial statements of the Bank companies, income and expenses denominated in foreign currencies are translated at the exchange rate on the date of the respective transaction. Assets and liabilities are translated at the closing exchange rate on the balance sheet date. The resulting gains and losses on monetary assets and liabilities are recognised in the income statement.

	Year-end rates		Average exchange rates for the year	
	31.12.2025	31.12.2024	**2025**	2024
USD/CHF	**0.7922**	0.9062	**0.8283**	0.8818
EUR/CHF	**0.9305**	0.9385	**0.9356**	0.9518
GBP/CHF	**1.0656**	1.1349	**1.0927**	1.1267

Financial instruments

Recognition

All financial instruments are initially measured at fair value; for financial instruments not at fair value through profit or loss, eligible transaction costs are included.

Foreign exchange, securities, and derivatives transactions are recorded in the balance sheet on the trade date. All other financial instruments are recorded on the settlement date.

Measurement

Two criteria are used to determine how financial assets should be classified and subsequently measured:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

A business model refers to how an entity manages its financial assets in order to achieve a particular business objective and to generate cash flows; either by collecting contractual cash flows, by buying and selling the financial asset, or by a combination of the two models.

The additional criterion for determining the classification of a financial asset is whether the contractual cash flows are solely payments of principal and interest (SPPI criterion). Interest under this model mainly comprises returns for the time value of money, credit risk, administration costs, and a profit margin. Interest is accounted for under the effective interest method.

Based on the analysis of the business model and the nature of the contractual cash flows, a financial asset is allocated at initial recognition to one of the three principal classification categories and subsequently measured at either amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

Amortised cost: The Bank originates Lombard and mortgage loans related to its business with wealth management clients. Such loans are held to maturity and to collect the contractual interests during the loan term, and they also fulfil the contractual cash flow characteristics criterion. The Group's loans are therefore measured at amortised cost.

The Bank holds balances with other banks, which are accounted for at amortised cost if the above conditions are fulfilled.

As part of its treasury activities, the Bank holds a portfolio of bonds, which are accounted for at amortised cost.

Fair value through other comprehensive income (FVOCI): The Bank acquires debt instruments (bonds, money market instruments) for its asset and liability management purposes, i.e. to collect the contractual cash flows, and/or for sale. The Bank's debt instruments in this portfolio are therefore measured at FVOCI if the contractual cash flow characteristics criterion is fulfilled as well.

Fair value through profit or loss (FVTPL): The Bank applies this measurement principle to its trading portfolio, its derivatives, and some financial instruments mandatorily measured at FVTPL.

In addition, at initial recognition, an entity has the option to irrevocably designate financial instruments as at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency (an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities, or recognising the gains or losses on them, on different bases. The Bank applies this fair value option to certain financial assets related to its issued structured notes.

Equity instruments: Equity instruments are generally accounted for at FVTPL. However, at initial recognition, an entity may make an irrevocable election, on an instrument-by-instrument basis, to present in other comprehensive income (OCI) changes in the fair value of the equity instrument that is not held for trading. The Bank applies the OCI option to its investments in service providers that are necessary to run the Bank's daily business. All other equity investments, including the equities held for trading purposes, are measured at FVTPL.

Financial liabilities: Financial liabilities are classified and subsequently measured at amortised cost, except for instruments that are held for trading (including derivatives), which are recognised at FVTPL. The Bank applies this measurement principle to its amounts due to banks and customers (deposits) and its debt issued (bonds).

Financial liabilities may initially be designated as at FVTPL (the fair value option – see conditions above). This fair value option for financial liabilities requires that the amount of change in fair value attributable to changes in the own credit risk of the liability be presented in other comprehensive income without reclassification to the income statement. The remaining amount of total gain or loss is included in the income statement. The Bank applies the fair value option to its issued structured notes.

Changes in accounting policies

As of 1 January 2025, the Bank did not apply any material new or amended standards.

New standards and interpretations not yet adopted

The following new standards – or revisions or published new interpretations of existing standards – may have an impact on the Bank's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements
This new standard introduces the following new requirements to improve companies' reporting of financial performance and provide the users of the financial statements with a better basis for analysing and comparing companies:

- improved presentation in the income statement;
- enhanced transparency of management-defined performic measures; and
- more useful grouping of information in the financial statements.

The new standard will be effective 1 January 2027 and is not expected to have a material impact on the Bank's consolidated financial statements.

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
The amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures include the following guidance:

- clarification on the classification of financial assets with environmental, social and corporate governance (ESG) and similar (contingent) features – ESG-linked features in loans could affect whether the loans are measured at amortised cost or fair value;
- clarification on the settlement of a financial asset or a financial liability via electronic cash transfers regarding the date on which such assets or liabilities are derecognised; and
- disclosures on equity instruments measured at FVOCI.

The amendments will be effective 1 January 2026 and will not have a material impact on the Bank's consolidated financial statements.

Additional information

Note 29 Assets under management

Assets under management include all bankable assets managed by or deposited with the Bank for investment purposes. Assets included are portfolios of wealth management clients for which the Bank provides discretionary or advisory asset management services. Assets deposited with the Bank held for transactional, safekeeping, custody or administrative purposes, and for which the Bank does not offer advice on how the assets should be invested, are excluded from assets under management. Assets under management take into account client deposits as well as market values of securities, precious metals, and fiduciary investments placed at third-party institutions.

Assets with discretionary mandate are defined as assets for which the investment decisions are made by the Bank, and include assets deposited with the Bank as well as assets deposited with a third-party institution. Other assets under management are defined as assets for which the investment decision is made by the client itself. Assets in collective investment schemes managed by the Bank include investment products and solutions developed by the Bank and for which the Bank provides services on an ongoing basis.

When assets under management are subject to more than one level of asset management services, double counting arises within the total assets under management. Each such separate discretionary or advisory service provides additional benefits to the respective client and generates additional revenue to the Bank.

Net new money consists of in- or outflows attributable to new clients, departed clients and existing clients. It is calculated by the direct method, which is based on individual client transactions. New or repaid loans to clients and related interest expenses result in net new money flows. Interest and dividend income from assets under management, market performance and currency impacts as well as fees and commissions are not included in the net new money result. Generally, reclassifications between assets under management and assets under custody result in corresponding net new money in- or outflows.

Assets under management are disclosed according to the Guidelines of the FINMA governing financial statement reporting.

Assets under custody are defined as assets held for transactional, safekeeping, custody or administrative purposes and for which additional services, for example analysis and reporting or securities lending and borrowing, are provided.

Client assets comprise the aggregate of assets under management and assets under custody.

Non-bankable assets (e.g. art collections, real estate), asset flows driven more by liquidity requirements than investment purposes, assets primarily used for cash management, funding or trading purposes or deposited assets held purely for transactional or safekeeping/custody purposes are excluded from client assets.

Assets under management

	31.12.2025 CHF m	31.12.2024 CHF m
Assets with discretionary mandate	**64,533**	62,104
Other assets under management	**348,078**	326,101
Assets in collective investment schemes managed by the Bank	**24,938**	16,674
Total assets under management (including double counting)	**437,549**	404,879
of which double counting	***22,225***	*14,721*

	2025 CHF m	2024 CHF m
Balance at the beginning of the period	**404,879**	347,399
Net new money	**11,180**	11,499
Market performance and currency impacts	**22,324**	47,993
Acquisitions/(divestment)[1]	**-979**	-1,344
Other effects[2]	**145**	-668
Balance at the end of the period	**437,549**	404,879

	31.12.2025 CHF m	31.12.2024 CHF m
Client assets	**516,219**	477,156

[1] In both 2025 and 2024, assets under management were impacted by the Bank's decision to discontinue certain service offerings.
[2] The category includes the consequences of policy changes and reclassifications into assets under custody resulting from externally imposed restrictions impacting the Bank's service offering.

Breakdown of assets under management

	31.12.2025 %	31.12.2024 %
By types of investment		
Equities	**31**	30
Investment funds	**31**	28
Bonds (including convertible bonds)	**15**	17
Client deposits	**12**	14
Structured products	**6**	6
Money market instruments	**3**	4
Other	**2**	1
Total	**100**	100
By currencies		
USD	**54**	57
EUR	**15**	14
CHF	**11**	10
Other	**20**	19
Total	**100**	100

Note 30 Differences between IFRS and Swiss GAAP

The Bank is subject to supervision by the Swiss Financial Market Supervisory Authority (FINMA), which requires Switzerland-domiciled banks using International Financial Reporting Standards (IFRS) as their primary accounting standard to provide a narrative explanation of the major differences between IFRS and Swiss GAAP. Swiss GAAP is based on the regulations of the Swiss Code of Obligation, on Swiss Banking Law and the Ordinance thereto, on the FINMA Accounting Ordinance (RelV-FINMA) and the Guidelines of the FINMA Circular 2020/1 'Accounting Banks'.

The following main differences between IFRS and Swiss GAAP (true and fair view) are relevant to the Bank:

Under IFRS, goodwill is not amortised but tested for impairment annually, and a write-off is made if the recoverable amount is less than the carrying amount. Under Swiss GAAP, goodwill is amortised over its useful life, generally not exceeding five years, and tested for impairment.

Under IFRS, changes in the fair value of financial instruments measured at fair value through other comprehensive income (FVOCI) are directly recognised in equity. Under Swiss GAAP, such financial instruments are measured at the lower of cost or market (LOCOM), with the changes in fair value where required recognised in the income statement.

Under IFRS, the remeasurement of the net defined benefit liability comprises movements in actuarial gains and losses and return on plan assets (excluding net interest cost); these components are recognised directly in equity. Swiss GAAP allows the general application of IAS 19 for the accounting for defined benefit plans. However, these components are recognised in the income statement.

Under IFRS, a lessee recognises right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Under Swiss GAAP, no right-of-use assets or lease liabilities are recognised, but operating lease expenses are expensed as incurred.

Under IFRS, for cash flow hedges, the effect of hedge accounting is to defer the effective portion of the change in value of the hedging instrument in other comprehensive income (OCI). Under Swiss GAAP, the effective portion of the change in value of the hedging instrument is also deferred, but recognised in the settlement account which is part of Other assets/Other liabilities.

Report of the Statutory Auditor to the Annual General Meeting of Bank Julius Baer & Co. Ltd., Zurich

KPMG

Statutory Auditor's Report

To the General Meeting of Bank Julius Baer & Co. Ltd., Zurich

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements Bank Julius Baer & Co. Ltd. and its subsidiaries (the Bank), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 4 to 87) give a true and fair view of the consolidated financial position of the Bank as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters



LITIGATION AND REGULATORY PROCEEDINGS



VALUATION OF FINANCIAL INSTRUMENTS



IMPAIRMENT OF LOANS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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LITIGATION AND REGULATORY PROCEEDINGS

Key Audit Matter

As at 31 December 2025, the Bank recognizes provisions for legal risks of CHF 42.9m arising from litigation and regulatory proceedings (together 'legal and regulatory matters').

The Bank is involved in a number of legal and regulatory matters which could have a material effect on the Bank but do not qualify for the recognition of a provision. These matters are disclosed as contingent liabilities.

The recognition and measurement of provisions and the measurement and disclosure of contingent liabilities in respect of legal and regulatory matters requires significant judgment.

Our response

Our procedures included the assessment of key controls over the identification, evaluation and measurement of potential obligations arising from legal and regulatory matters.

We paid particular attention to significant matters that experienced notable developments or that emerged during the period. For matters identified, we considered whether an obligation exists, the appropriateness of provisioning and/or disclosure based on the facts and circumstances available.

In order to assess the facts and circumstances, we obtained and assessed the relevant regulatory and litigation documents and interviewed the Bank's internal and external legal counsels. We also critically assessed the assumptions made and key judgments applied and considered possible alternative outcomes.

Additionally, we considered whether the Bank's disclosures of the application of judgment in estimating provisions and contingent liabilities adequately reflected the uncertainties associated with legal and regulatory matters.

For further information on litigation and regulatory proceedings refer to note 11 to the consolidated financial statements on pages 30 to 32.



VALUATION OF FINANCIAL INSTRUMENTS

Key Audit Matter

As at 31 December 2025, the Bank reports financial assets of CHF 26,511.1m and financial liabilities of CHF 21,571.1m measured at fair value representing 26.1% and 21.2% of total assets and total liabilities and equity respectively.

The fair value of financial instruments that are traded in an active market is determined based on quoted market prices. The exercise of judgement and the use of estimates and assumptions is in particular required for instruments where observable market prices or market parameters are not available. For such instruments the fair value is determined through the use of valuation techniques or models applied by the Bank.

Due to the significance of such financial instruments to the balance sheet and the degree of complexity involved, there is estimation uncertainty with regard to the valuation of financial instruments.

Our response

Our procedures included the assessment of key controls over the identification, measurement and management of valuation risk, as well as evaluating the methodologies and input parameters used by the Bank in determining fair values.

For the Bank's fair value models, we involved our own valuation specialists to assess the appropriateness of the models and inputs. We further compared observable inputs against independent sources and externally available market data and re-performed independent valuations for a sample of instruments with the assistance of our own valuation specialists.

Additionally, we assessed whether the fair value determination is appropriately disclosed.

For further information on valuation of financial instruments refer to notes 19A and 19B to the consolidated financial statements on pages 47 to 53.

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IMPAIRMENT OF LOANS

Key Audit Matter

As at 31 December 2025, the Bank reports loans of CHF 39,443.6m representing 38.8% of total assets and records a loan loss allowance of CHF 846.0m. Lombard loans represent 82.5% of the loan portfolio (CHF 32,573.9m) including a loss allowance of CHF 647.8m, while mortgage loans represent 17.5% of the loan portfolio (CHF 6,869.7m) including a loss allowance of CHF 198.2m. CHF 637.0m of the loss allowance for lombard loans relates to Stage 3 ECL, primarily due to credit losses on the private debt portfolio.

Loans are measured at amortized cost considering any impairment losses. The impairment of loans is estimated through the application of judgment and use of assumptions. This particularly applies to the specific allowances measured on an individual basis for credit losses established for impaired loan amounts.

The loan portfolios which give rise to the greatest uncertainty are typically those with concentration risks in collaterals that are potentially more sensitive to global economic trends.

Our response

Our procedures included the assessment of key controls over the approval, recording and monitoring of loans and an evaluation of the methodologies, inputs and assumptions used by the Bank to assess the adequacy of impairment allowances for individually assessed loans.

For a sample of loans with specific allowances for credit losses we evaluated the Bank's individual impairment assessment and specifically challenged the Bank's assumptions used, including the value of realizable collateral and the estimated recoverability. Based on a retrospective review, we further critically assessed whether the Bank revised its estimates and assumptions for specific allowances established in prior year.

We also tested a sample of individually significant exposures which had not been identified as potentially impaired by the Bank and assessed whether appropriate consideration was given to the collectability of future cash flows and the valuation of the underlying collaterals.

For further information on impairment of loans, refer to note 20A and 20B to the consolidated financial statements on pages 55 to 61.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Banks's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Bank audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Bank as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Bank audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG



Mirko Liberto
Licensed Audit Expert
Auditor in Charge



Corina Wipfler
Licensed Audit Expert

Zurich, 16 February 2026

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

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Financial statements

Income statement

	Note	2025 CHF 1,000	2024 CHF 1,000
Interest and discount income		**1,066,542**	1,559,853
Interest and dividend income on trading portfolios		**1,057,199**	1,196,759
Interest and dividend income on financial investments		**447,290**	455,426
Interest expense		**2,639,133**	2,931,145
Gross result on interest operations	1	**-68,102**	280,893
Changes in value adjustments for default risks and losses from interest operations and losses on the interest business		**-186,823**	-14,633
Subtotal net result on interest operations		**-254,925**	266,260
Commission income on securities trading and investment activities		**2,219,558**	2,041,613
Commission income on lending activities		**3,885**	3,608
Commission income on other services		**12,870**	13,430
Commission expense		**619,672**	565,162
Subtotal result on commission business and services		**1,616,641**	1,493,489
Result on trading activities and the fair value option	2	**1,534,094**	1,015,490
Result from the sale of financial investments		**86,924**	125,680
Real estate income		**6,647**	6,750
Other ordinary income		**234,519**	206,083
Other ordinary expenses		**118**	63
Subtotal other result from ordinary activities		**327,972**	338,450
Operating income		**3,223,782**	3,113,689
Personnel expenses	3	**1,458,339**	1,377,536
General expenses	4	**725,846**	721,487
Subtotal operating expenses		**2,184,185**	2,099,023
Depreciation and amortisation	14	**253,311**	243,070
Provisions and losses	5, 20	**48,655**	32,381
Operating result		**737,631**	739,215
Taxes	6	**104,480**	-39,707
Net profit/loss		**633,151**	778,922

Balance sheet

	Note	**31.12.2025** CHF 1,000	31.12.2024 CHF 1,000
Assets			
Cash		**4,848,078**	5,950,076
Due from banks	9	**5,679,583**	5,374,906
Due from securities transactions	7	**9,755,524**	5,732,164
Due from customers	9	**31,926,093**	31,360,303
Mortgages	9	**6,660,170**	6,684,640
Trading portfolios	10	**19,179,929**	17,748,544
Positive replacement values of derivative financial instruments	12	**3,553,310**	3,796,208
Financial assets designated at fair value	11	**153,024**	179,137
Financial investments	13	**14,777,831**	15,579,415
Accrued income and prepaid expenses		**820,936**	765,549
Tangible fixed assets	14	**1,188,339**	1,143,425
Intangible assets	14	**21,845**	95,315
Other assets	15	**1,300,555**	1,903,178
Total assets	25	**99,865,217**	96,312,860

Total subordinated claims		**351,770**	430,117
of which with conversion obligation and/or claims waiver		***76,899***	*88,786*

	Note	**31.12.2025** CHF 1,000	31.12.2024 CHF 1,000
Liabilities and equity			
Due to banks		**5,359,587**	6,669,549
Due to securities transactions	7	**2,011,313**	2,592,484
Due to customers		**63,953,340**	64,318,846
Trading liabilities	10	**1,292,764**	778,597
Negative replacement values of derivative financial instruments	12	**3,896,372**	3,003,287
Financial liabilities designated at fair value	11	**16,381,896**	12,156,191
Debt issued	18	**1,092,606**	1,081,359
Accrued expenses and deferred income		**1,072,539**	1,069,113
Other liabilities	16	**216,676**	178,939
Provisions	20	**53,879**	51,401
Liabilities		**95,330,972**	91,899,766
Share capital	21	**575,000**	575,000
Statutory capital reserve		**1,932,546**	1,932,546
of which tax-exempt capital contribution reserve		***1,916,640***	*1,916,640*
Statutory retained earnings reserve		**818,223**	767,023
Voluntary retained earnings reserve		**575,155**	359,155
Profit carried forward		**170**	448
Net profit/loss		**633,151**	778,922
Equity		**4,534,245**	4,413,094
Total liabilities and equity		**99,865,217**	96,312,860
Total subordinated liabilities		**1,109,006**	1,210,222
of which with conversion obligation and/or claims waiver		***1,109,006***	*1,210,222*

Off-balance sheet transactions

	Note	**31.12.2025** CHF 1,000	31.12.2024 CHF 1,000
Contingent liabilities	9/27	**842,469**	1,046,716
Irrevocable commitments	9/28	**243,475**	260,322
Fiduciary transactions	29	**9,918,373**	10,614,613

Proposal of the Board of Directors to the Annual General Meeting

	31.12.2025 CHF 1,000	31.12.2024 CHF 1,000
Net profit	**633,151**	778,922
Profit carried forward	**170**	448
Disposable profit	**633,321**	779,370
Appropriation of profit		
Allocation to statutory retained earnings reserve	**88,800**	51,200
Allocation to voluntary retained earnings reserve	**-**	216,000
Allocation from voluntary retained earnings reserve	**344,000**	-
Dividend payment	**888,000**	512,000
Total appropriation of profit	**632,800**	779,200
Profit carried forward	**521**	170

Statement of changes in equity

At 1 January 2024	
Allocation to statutory retained earnings reserve	
Allocation to voluntary retained earnings reserve	
Bank Julius Baer & Co. Ltd. dividend payment	
Total profit appropriation 2024	
Net profit	
Share-based payments expensed for the year	
Distribution to the parent related to share-based payments for the year	
At 31 December 2024	

At 1 January 2025	
Allocation to statutory retained earnings reserve	
Allocation to voluntary retained earnings reserve	
Bank Julius Baer & Co. Ltd. dividend payment	
Total profit appropriation 2025	
Net profit	
Share-based payments expensed for the year	
Distribution to the parent related to share-based payments for the year	
At 31 December 2025	

	Share capital *CHF 1,000*	Statutory capital reserve *CHF 1,000*	Statutory retained earnings reserve *CHF 1,000*	Voluntary retained earnings reserve *CHF 1,000*	Retained earnings and net profit *CHF 1,000*	Total equity attributable to shareholder of Bank Julius Baer & Co. Ltd. *CHF 1,000*
	575,000	1,932,546	727,023	350,155	449,448	4,034,172
	-	-	40,000	-	-40,000	-
	-	-	-	9,000	-9,000	-
	-	-	-	-	-400,000	-400,000
	-	-	40,000	9,000	-449,000	-400,000
	-	-	-	-	778,922	778,922
	-	-	-	-	41,021	41,021
	-	-	-	-	-41,021	-41,021
	575,000	1,932,546	767,023	359,155	779,370	4,413,094
	575,000	**1,932,546**	**767,023**	**359,155**	**779,370**	**4,413,094**
	-	**-**	**51,200**	**-**	**-51,200**	**-**
	-	**-**	**-**	**216,000**	**-216,000**	**-**
	-	**-**	**-**	**-**	**-512,000**	**-512,000**
	-	**-**	**51,200**	**216,000**	**-779,200**	**-512,000**
	-	**-**	**-**	**-**	**633,151**	**633,151**
	-	**-**	**-**	**-**	**72,587**	**72,587**
	-	**-**	**-**	**-**	**-72,587**	**-72,587**
	575,000	**1,932,546**	**818,223**	**575,155**	**633,321**	**4,534,245**

Comment on risk management

For information about risk management, refer to the respective section in the Annual Report 2025 of Julius Baer Group Ltd.

Comment on capital management

Management of capital including regulatory capital

For information about capital management including regulatory capital, refer to the respective section in the Annual Report 2025 of Julius Baer Group Ltd.

Key figures[1]

	2025	2024
Available capital (CHF m)		
Common Equity Tier 1 capital (CET1)	**3,610.9**	3,793.1
Tier 1 capital	**4,713.0**	5,003.4
Total capital	**4,830.1**	5,071.7
Risk weighted assets (RWA) (CHF m)		
RWA	**21,312.8**	18,893.5
Total risk-weighted assets (RWA) pre Output Floor	**21,312.8**	
Risk-based capital ratios as a percentage of RWA		
Common equity tier 1 capital ratio (%)	**16.9**	20.1
Common Equity Tier 1 ratio (%) pre Output Floor (Art. 45a Abs. 3 CAO)	**16.9**	
Tier 1 capital ratio (%)	**22.1**	26.5
Tier 1 ratio (%) pre Output Floor	**22.1**	
Total capital ratio (%)	**22.7**	26.8
Total capital ratio (%) pre Output Floor	**22.7**	
Additional CET1 buffer requirements as a percentage of RWA		
Capital conservation buffer requirement as per the Basel minimal standards (2.5% from 2019) (%)	**2.5**	2.5
Countercyclical buffer requirement (art. 44a CAO) as per the Basel minimal standards (%)	**0.2**	0.2
Total of Bank CET1 specific buffer requirements as per the Basel minimal standards (%)	**2.7**	2.7
CET1 available after meeting the Bank's minimum capital requirements as per the Basel minimal standards (%)	**12.4**	15.6
Target capital ratios according to appendix 8 CAO (% of RWA)		
Capital buffer according to appendix 8 CAO (%)	**4.0**	4.0
Countercyclical capital buffer (art. 44 and 44a CAO) (%)	**0.5**	0.5
CET1 target ratio (%) according to appendix 8 CAO in addition to countercyclical capital buffer according to art. 44 and 44a CAO	**8.3**	8.3
Tier 1 target ratio (%) according to appendix 8 CAO in addition to countercyclical capital buffer according to art. 44 and 44a CAO	**10.1**	10.1
Total capital target ratio (%) according to appendix 8 CAO in addition to countercyclical capital buffer according to art. 44 and 44a CAO	**12.5**	12.5
Basel III leverage ratio		
Total Basel III leverage ratio exposure measure (CHF m)	**106,018.8**	100,841.1
Basel III leverage ratio (%)	**4.4**	5.0
Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	**4.4**	
Minimal capital requirements (Art. 42 CAO)	**3,180.6**	
Liquidity coverage ratio		
Total HQLA (CHF m)	**22,584.3**	18,103.9
Total net cash outflow (CHF m)	**8,878.9**	7,544.8
LCR ratio (%)	**254.4**	240.0
Net Stable Funding Ratio (NSFR)		
Available stable funding	**59,132.9**	58,293.3
Required stable funding	**39,306.6**	39,548.6
Net Stable Funding Ratio, NSFR (%)	**150.4**	147.4

[1] Row numbers according to the sample table enclosed in the FINMA ordinance on the disclosure obligations of banks and securities firms (DisO-FINMA), annex 2, table KM1.

Accounting policies and valuation principles

Amounts in the Bank's financial statements are stated in Swiss Francs. The accounting policies and valuation principles are based on the regulations of the Swiss Code of Obligations, on Swiss Banking Law and the Ordinance thereto, on the FINMA Accounting Ordinance (Rechnungslegungsverordnung-FINMA; RelV-FINMA) and the Guidelines of the Financial Market Supervisory Authority (FINMA) Circular 2020/1 'Accounting Banks'.

Bank Julius Baer & Co. Ltd., which has its headquarters in Zurich, Switzerland, applies the principles related to the statutory single-entity closing with reliable assessment.

Use of estimates in preparing the statutory financial statements

In preparing the financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent liabilities. Actual results in future periods could differ from such estimates.

Estimates and assumptions are used mainly in the following areas of the financial statements and are discussed in the corresponding notes: determination of the fair values of financial instruments, uncertainties in measuring provisions and contingent liabilities loss allowances (measurement of expected credit losses), pension assets and liabilities (measurement of defined benefit obligation), share-based payments, goodwill and other intangible assets (measurement of recoverable amount), income taxes (judgment regarding the interpretation of the applicable tax laws and the respective tax practice, such as transfer pricing or deductible versus non-deductible items, and anticipation of tax audit issues).

Accounting Policies

The Bank applies uniform accounting and measurement principles, which have remained the same as in the previous year.

Foreign currency translation
In the individual financial statements of the Bank, income and expenses denominated in foreign currencies are translated at the exchange rate on the date of the respective transaction. Assets and liabilities are translated at the closing exchange rate on the balance sheet date. The resulting gains and losses on monetary assets and liabilities are recognised in the income statement as foreign exchange gains/losses.

The following exchange rates are used for the major currencies:

	Year-end rates		Average exchange rates for the year	
	31.12.2025	31.12.2024	**2025**	2024
USD/CHF	**0.7922**	0.9062	**0.8283**	0.8818
EUR/CHF	**0.9305**	0.9385	**0.9356**	0.9518
GBP/CHF	**1.0656**	1.1349	**1.0927**	1.1267

Reporting of transactions
Foreign exchange, derivatives and securities transactions are recorded in the balance sheet on trade date. All other financial instruments are recorded on settlement date.

Income recognition
Income from services provided is either recognised at the time the service is performed, i.e. upon execution of a transaction, or in the corresponding periods over the life of a contract if services are provided over a certain period of time. Income and income components that are based on performance are recognised at the time when all performance criteria are fulfilled.

Cash
Cash includes notes and coins on hand, as well as balances held with central banks.

Due from banks, due from customers and mortgages
Amounts due from banks are recognised at nominal value. Amounts due from customers and mortgages are initially recorded at cost, which in general is equal to the principal amount for originated receivables.

Securities lending and borrowing transactions
Securities lending and borrowing transactions are collateralised by securities or cash. The transactions are usually conducted under standard agreements employed by the market participants; the counterparties are subject to the Bank's normal credit risk process.

Securities borrowed as well as securities received by the Bank as collateral under securities lending transactions are only recorded in the balance sheet if the Bank obtains control of the contractual rights (risks and rewards of ownership) associated with these securities. Similarly, securities lent as well as securities provided by the Bank as collateral under securities borrowing transactions are only derecognised from the balance sheet if the Bank relinquishes control of the contractual rights associated with these securities. Securities lent and securities provided as collateral that remain in the balance sheet are remeasured according to the respective position they are recorded in. The fair values of securities received or provided are monitored daily in order to provide or request additional collateral in accordance with the underlying agreements.

Cash collateral received is recognised with a corresponding obligation to return it, and cash collateral provided is derecognised and a corresponding receivable reflecting the Bank's right to receive it back is recognised.

Fees received or paid in connection with securities lending and borrowing transactions are recognised as commission income or commission expenses on an accrual basis.

Repurchase and reverse repurchase transactions
Repurchase transactions and reverse repurchase transactions are considered secured financing transactions and are recorded at the value of the cash collateral provided or received. The transactions are generally conducted under standard agreements employed by the market participants; the counterparties are subject to the Bank's normal credit risk process.

Securities received and securities delivered are only recorded in the balance sheet or derecognised from the balance sheet if control of the contractual rights (risks and rewards of ownership) associated with these securities is relinquished as well. The fair values of the securities received or delivered are monitored daily in order to provide or request additional collateral in accordance with the underlying agreements.

Cash received is recognised with a corresponding obligation to return it, and cash provided is derecognised and a corresponding receivable reflecting the Bank's right to receive it back is recognised.

Interest income from reverse repurchase transactions and interest expenses from repurchase transactions are accrued in the corresponding periods over the life of the underlying transactions in the respective interest positions.

Trading assets/liabilities
All trading positions are recognised at fair value. Realised gains and losses on disposal or redemption and unrealised gains and losses from changes in the fair value are recognised in result on trading activities and the fair value option.

Interest and dividend income and interest expense from trading positions are included in gross result on interest operations.

Precious metals held for trading purposes are measured at fair value less costs to sell with all changes in the fair value recognised in result on trading activities and the fair value option.

Financial assets/liabilities designated at fair value
Financial assets and liabilities may initially be designated at fair value through profit or loss (fair value option) if the following conditions are cumulatively met:

- they are measured at fair value and risk-managed similar to trading positions;
- there is an economic hedge relationship between the respective assets and liabilities which widely reduces or eliminates an accounting mismatch; and
- the possible effect of changes in the own credit rating on the fair value is not recognised in the income statement.

The Bank measures its issued structured products containing a debt instrument and an embedded derivative at fair value, with changes in fair value recognised in result on trading activities and the fair value option.

In addition, the Bank reports assets and liabilities related to certain structured investments where the client bears all the related risks and rewards from the investments, as designated at fair value.

Derivative financial instruments
The Bank applies the respective IFRS 9 guidelines for the treatment of derivative financial instruments including hedging.

Derivative financial instruments held for trading, including foreign exchange products, interest rate futures, forward rate agreements, currency and interest rate swaps, currency and interest rate options (written options as well as purchased options), are recognised at fair value. In order to calculate the fair value, corresponding stock exchange prices, discounted cash flow models and option pricing models are employed. Derivatives are reported as an asset position if their fair value is positive and as a liability position if their fair value is negative. Changes in fair value on trading positions are recognised in result on trading activities and the fair value option.

Hedging
An entity may choose to designate a hedging relationship between a hedging instrument and a hedged item in order to achieve hedge accounting. Prior to hedge accounting being applied, all of the following steps must have been completed:

- identification of eligible hedged item(s) and hedging instruments;
- identification of an eligible hedged risk;
- verification that the hedge relationship meets the definition of one of the permitted types (see below);
- verification that the qualifying criteria for hedge accounting are met; and
- formal designation of the hedge relationship.

The Bank applies the following IFRS 9 hedge accounting models (concepts):

Fair value hedge (FVH) accounting: The risk being hedged in a fair value hedge is a change in the fair value of an asset or liability or an unrecognised firm commitment that is attributable to a particular risk and could affect the income statement. The changes in fair value might arise through changes in interest rates, foreign exchange rates or equity prices, i.e. the item to hedge is 'some fixed item', which however underlies variability due to market changes, which shall be prevented.

For an FVH, an adjustment is made to the carrying value of the hedged item to reflect the change in the value due to the hedged risk, with an offset to the income statement for the change in value of the hedging instrument. Where the offset is not complete, this will result in ineffectiveness to be recorded in the income statement.

Cash flow hedge (CFH) accounting: The risk being hedged in a cash flow hedge is the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, an unrecognised firm commitment or a highly probable forecast transaction, and could affect the income statement. The item to hedge is 'some variable item', i.e. producing some variable cash amount, which shall be stabilised (the amount shall be fixed).

For a CFH, the carrying amount of the hedged item, which may not even be recognised yet, is unchanged. The effect of hedge accounting is to defer the effective portion of the change in value of the hedging instrument in other comprehensive income (under Swiss GAAP, direct bookings into equity are not allowed; therefore, such amounts are recognised in the settlement account instead which is part of other assets/other liabilities). Any ineffective portion remains in the income statement as ineffectiveness.

Fair value hedges of portfolio interest rate risk: As permitted under IFRS 9, the Bank continues to apply the hedge accounting requirements of IAS 39 to fair value hedges of portfolio interest rate risk related to mortgages.

Economic hedges: Certain derivative transactions represent financial hedging transactions and are in line with the risk management principles of the Bank. However, in view of the strict and specific guidelines of IFRS, they do not fulfil the criteria to be treated as hedging transactions for accounting purposes. They are therefore reported as trading positions. Changes in value are recorded in the income statement in the corresponding period.

Financial investments
Security positions, including money market instruments, which are not held for trading purposes, are reported as financial investments.

Money market instruments: Money market instruments and certain bonds held for treasury purposes are measured at amortised cost. Interest on these instruments is accrued using the effective interest method, including the amortisation of premiums and discounts and is recognised in gross result on interest operations.

Debt and equity instruments: Debt and equity instruments are measured at the lower of cost or fair value. Changes in value are recognised under the item other ordinary income or other ordinary expenses. Write-ups are recorded up to the initial cost of the investments provided that the below-cost fair value subsequently rises again. Realised gains and losses are included under the item results from the sale of financial investments. Interest on debt securities is accrued and, together with dividend income on equity securities, recognised in gross result on interest operations.

Tangible fixed assets
Tangible fixed assets include bank premises, IT, software, communication systems, leasehold improvements as well as other equipment. They are carried at cost less accumulated depreciation and impairment losses. Items of property and equipment are depreciated over their estimated useful lives using the straight-line method.

Bank premises are depreciated over a period of 66 years. Leasehold improvements are depreciated over the shorter of the residual lease term or useful life. IT hardware is depreciated over three years and other items of property and equipment generally over five to ten years.

Leasehold improvements are investments made to customise buildings and offices occupied under lease contracts to make them suitable for the intended purpose. If a leased property must be returned to its original condition at the end of the lease term, the present value of the estimated reinstatement costs is capitalised as part of the total leasehold improvement costs. At the same time, a liability for reinstatement costs is recognised to reflect the obligation incurred.

The reinstatement costs are recognised in the income statement through depreciation of the capitalised leasehold improvements over their useful life.

Purchased or internally generated software is capitalised if it is probable that the future economic benefits that are attributable to the asset will flow to the Bank and that the costs of the asset can be identified and measured reliably. The capitalised software is depreciated over its useful life not exceeding ten years.

Subsequent expenditure on an item of property and equipment is recognised in the carrying value of the item if it is probable that the Bank will profit from the future economic benefits of the investment. Current maintenance and servicing costs are recognised in general expenses.

On each balance sheet date, the items of property and equipment are reviewed for indications of impairment. If such indications exist, it is determined whether the carrying amount of the item is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

Leasing
Under operating leasing, leased assets are not recognised on the balance sheet, as the risks and rewards of ownership remain with the lessor. Lease payments for operating leases are recognised through the item general expenses in the income statement over the lease term on a straight-line basis.

Intangible assets
In a business combination, the acquiree's identifiable assets and liabilities are recognised at their respective fair value at acquisition date. Goodwill is measured as the difference between the sum of the fair value of consideration transferred and the recognised amount of the identifiable assets acquired and liabilities assumed. Goodwill is amortised using the straight-line method over a period of five years, in justified cases also over a maximum period of ten years.

On each balance sheet date, goodwill is tested for impairment. It is determined whether the carrying amount of the goodwill is fully recoverable; an impairment loss is recognized if the carrying amount exceeds the recoverable amount.

Due to banks and due to customers
Amounts due to banks and customers are recognised at nominal value. Interest is debited to interest expenses on an accrual basis.

Debt issued
Issued bonds are initially recognised at the fair value of the consideration received and are subsequently reported in the balance sheet at amortised cost using the effective interest method. Own bonds that the Bank holds are offset.

Taxes
The current taxes on the result for the period (income taxes) as well as the capital taxes are determined in accordance with the local tax regulations for calculating profit and the relevant capital and are recognised as expense in the accounting period in which the related profit arises. Direct taxes owed on current profit are recognised as accrued expenses.

Provisions
A provision is recognised if, as a result of a past event, the Bank has a legal or constructive present obligation existing on the balance sheet date that will probably lead to an outflow of resources and whose amount can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the obligation as at the balance sheet date, taking into account the risks and uncertainties related to the obligation. The recognition and release of provisions are recorded in the income statement through provisions and losses.

Post-employment benefits
The Bank applies IAS 19 Employee benefits for the recognition and measurement of its post-employment benefits (pension plans). However, amounts which are recognised in other comprehensive income directly in equity for IFRS purposes are recognised in the income statement for the purpose of these financial statements.

For defined benefit plans, the net defined benefit liability recognised in other liabilities in the balance sheet is the present value of the defined benefit obligation less the fair value of the plan assets as of the reporting date. The Bank applies the projected unit credit method to determine the present value of the defined benefit obligation and the current and past service cost. The corresponding calculations are carried out by independent qualified actuaries.

All changes in the present value of the defined benefit obligation and in the fair value of the plan assets are recognised in the financial statements immediately in the period they occur. Service costs, including past service costs, and net interest on the net defined benefit liability are recognised in the income statement. The Bank determines the net interest expense based on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation. The remeasurement of the net defined benefit liability is also recognised in the income statement and comprises movements in actuarial gains and losses and return on plan assets (excluding net interest cost).

For defined contribution pension plans, the contributions are expensed when the employees render the corresponding service to the Bank.

Share-based payments
The Bank maintains various share-based payment plans in the form of share plans for its employees. When such payments are made to employees, the fair value of these payments at grant date serves as the basis for calculating the personnel expenses. Share-based payments that are not subject to any further conditions are expensed immediately at grant date. Share-based payments that are subject to the completion of a service period or to other vesting conditions are expensed over the respective vesting period. The amount recognised as an expense is adjusted to reflect the number of share awards for which the related services and non-market performance vesting conditions are expected to be met.

The Bank uses shares of its parent company Julius Baer Group Ltd (i.e. virtual equity instruments) for the settlement of the share plans; therefore, the expense recognised for the share plans are adjusted to the acquisition date fair value of the vested shares, or the present fair value, if the shares have not yet been purchased.

Share capital
The share capital comprises all issued, fully paid shares of Bank Julius Baer & Co. Ltd.

Statutory capital reserve
The statutory capital reserve represents the additional proceeds (premium) received from the issue of shares by Bank Julius Baer & Co. Ltd. and from the exercise of conversion rights and warrants on Bank Julius Baer & Co. Ltd.

Statutory retained earnings reserve
The statutory retained earnings reserve represents retained earnings which have been accumulated according to the legally mandatory requirements.

Voluntary retained earnings reserve
The voluntary retained earnings reserve represents retained earnings which have been accumulated in addition to the legally mandatory requirements.

Profit carried forward
The profit carried forward represents profits from previous years not allocated to the statutory and voluntary retained earnings reserves and not distributed to the shareholders.

Irrevocable commitments and contingent liabilities
The irrevocable commitments relate to unutilised irrevocable commitments to extend credit.

The contingent liabilities comprise, among other instruments, credit guarantees in the form of obligations under avals, sureties and guarantees, including guarantee obligations in the form of irrevocable letters of credit, bid and performance bonds, and irrevocable liabilities under documentary letters of credit.

These items are recorded at nominal value. Provisions are established for foreseeable risks.

Fiduciary transactions
Fiduciary transactions consist of investments, credits and participations that the Bank enters into or grants in its own name but for the account of and at the risk of the client as per written instruction.

Changes in accounting policies and valuation principles

There have been no material changes to the Bank's accounting policies in 2025.

Notes to the financial statements

Note 1 Gross result on interest operations

	2025 *CHF 1,000*	2024 *CHF 1,000*
Interest income on cash	**8,617**	83,916
of which negative interest	***-23***	-
Interest income on amounts due from banks	**96,054**	103,472
of which negative interest	***-1,026***	*-5*
Interest income on loans	**961,871**	1,372,464
of which negative interest	***-5***	-
Interest income on financial investments	**443,967**	452,188
Total interest income using the effective interest method	**1,510,509**	2,012,040
Dividend income on financial investments	**3,323**	3,239
Interest income on trading portfolios	**789,214**	945,129
Dividend income on trading portfolios	**267,985**	251,630
Total interest and dividend income	**2,571,031**	3,212,038
Interest expense	**2,639,133**	2,931,145
of which negative interest	***-119***	-
Total interest expense using the effective interest method	**2,639,133**	2,931,145
Total	**-68,102**	280,893

Negative interest related to assets is recognised in interest income as a reduction of the interest income. Negative interest related to liabilities is recognised in interest expense as a reduction of the interest expense.

Note 2 Result on trading activities and the fair value option

	2025 *CHF 1,000*	2024 *CHF 1,000*
Debt instruments	**24,326**	23,619
Equity instruments	**106,369**	13,292
Foreign exchange	**1,403,399**	978,579
Total	**1,534,094**	1,015,490

In each case, the item includes results from trading in the corresponding derivative instruments.

Note 3 Personnel expenses

	2025 *CHF 1,000*	2024 *CHF 1,000*
Salaries and bonuses	**1,148,030**	1,104,711
Contributions to staff pension plans (defined benefits)	**94,401**	80,890
Contributions to staff pension plans (defined contributions)	**27,734**	26,815
Change in net defined benefit pension plan liability	**-1,103**	-388
Other social security contributions	**85,793**	81,680
Share-based payments	**72,587**	41,021
Other personnel expenses	**30,897**	42,807
Total	**1,458,339**	1,377,536

Note 4 General expenses

	2025 *CHF 1,000*	2024 *CHF 1,000*
Occupancy expense	**60,931**	62,077
IT and other equipment expense	**114,597**	102,461
Information, communication and advertising expense	**167,442**	172,263
Service expense, fees and taxes	**381,995**	382,457
of which fees of audit firm		
- Audit fees	***4,821***	*4,090*
- Other fees	***1,917***	*1,918*
Other general expenses	**881**	2,229
Total	**725,846**	721,487

Note 5 Provisions and losses

	2025 *CHF 1,000*	2024 *CHF 1,000*
Operating losses	**6,033**	3,208
Provision legal risks	**42,415**	8,460
Provision other	**207**	20,713
Total	**48,655**	32,381

Note 6 Taxes

	2025 *CHF 1,000*	2024 *CHF 1,000*
Income taxes	**102,225**	-44,054[1]
Capital taxes	**2,255**	4,347
Total	**104,480**	-39,707

[1] The vast majority of the adjustments related to prior years resulted from a substantial release of tax provisions following the completion of a Swiss corporate income tax audit covering the financial years 2017-2022.

On a total of CHF 737.6 million (2024: CHF 739.2 million) of net profit before taxes, Bank Julius Baer & Co. Ltd. recognised CHF 104.5 million (2024: CHF -39.7 million) of taxes which leads to an effective tax rate of 14.2% (2024: -5.4%).

Note 7 Securities transactions

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Receivables		
Receivables from cash collateral provided in securities borrowing transactions	**1,325,035**	454,221
Receivables from cash collateral provided in reverse repurchase transactions	**8,430,489**	5,277,943
Total	**9,755,524**	5,732,164
Payables		
Obligations to return cash collateral received in securities lending transactions	**536,592**	137,388
Obligations to return cash collateral received in repurchase transactions	**1,474,721**	2,455,096
Total	**2,011,313**	2,592,484
Securities collateral		
Own securities lent as well as securities provided as collateral for borrowed securities under securities borrowing and repurchase transactions	**7,470,262**	5,744,042
of which securities the right to pledge or sell has been granted without restriction	***7,470,262***	*5,744,042*
of which recognised in trading assets	***3,893,557***	*2,146,995*
of which recognised in financial investments	***3,576,705***	*3,597,047*
Securities borrowed as well as securities received as collateral for loaned securities under securities lending and reverse repurchase transactions	**25,696,021**	17,137,699
of which repledged	***14,110,978***	*10,356,479*
of which resold	***675,260***	*387,315*

Note 8 Financial instruments – Expected credit losses

Expected credit loss model
An entity is required to recognise expected credit losses (ECL) at initial recognition of any debt financial instrument measured at amortised cost or LOCOM and to update the amount of ECL recognised at each reporting date to reflect changes in the credit risk of the respective instruments. Refer to chapter *IV. Risk Management* (credit risk section) of this Annual Report for more background information on the risk management process.

In general, the ECL model uses a dual measurement approach:

- If the credit risk of a financial instrument has not increased significantly since its initial recognition, the instrument will attract a loss allowance equal to the 12-month ECL ('stage 1' ECL);
- If the credit risk of a financial instrument has increased significantly since its initial recognition, the instrument will attract a loss allowance equal to lifetime ECL ('stage 2' ECL) or the instrument is credit-impaired ('stage 3' ECL).

If a significant increase in credit risk (SICR) has occurred to the financial instrument, the instrument moves from stage 1 to stage 2 or if there is objective evidence of credit impairment to stage 3. The threshold applied varies depending on the original credit quality of the counterparty. For financial instruments with lower default probabilities at origination due to good credit quality of the counterparty, the threshold for SICR is set at a higher level than for instruments with higher default probabilities at origination. This implies that for financial instruments with initially lower default probabilities, a relatively higher deterioration in credit quality is needed to trigger SICR than for those instruments with originally higher probabilities of default.

The model is symmetric, meaning that if the SICR condition is no longer met, the financial instrument is transferred back to stage 1.

Due to the remote credit risk, the Bank does not recognise ECL for balances at central banks.

ECL stage allocation
Each credit exposure is classified in one of the three ECL stages. At initial recognition, the Bank classifies all financial instruments in stage 1 because it does not acquire or originate credit-impaired instruments. If a SICR has occurred to the financial instrument, the instrument moves from stage 1 to stage 2 or stage 3.

The Bank generally classifies Lombard loans, mortgages, and balances in the category due from banks at the time of origination in its internal credit risk rating classes R1 to R5 (due from banks up to R6), which reflect balances with low to medium and (rather as an exception) increased credit risk (but no SICR indicator). The Bank may apply R5 initially to certain more concentrated or less liquid collateralised Lombard loans and select mortgages positions. In the category due from banks, the Bank may apply R6 initially to select non-investment grade debt instruments or professional counterparty exposures. The investment grade debt instruments held for investment purposes (measured at either LOCOM or amortised cost) are generally classified as R1 to R4.

In the case of the rating classes R1 to R5 (neither SICR, past due nor credit-impaired), the outstanding balances are serviced; the lending value of the collateral (at fair value) pledged for collateralised exposures equals or exceeds the balances, and repayment of the balance is not in doubt, i.e. no SICR indicators are present.

The Bank determined that moves within these initial rating classes do not qualify as SICR; however, a move to R6 (and for select Lombard loans and mortgages to R5) indicates a SICR is present, triggering a move from stage 1 to stage 2. In addition, and to supplement this quantitative criterion, qualitative criteria based on other available internal data are applied to identify potential indicators for SICR situations. These qualitative criteria are specific to the respective type of financial instrument and are applied following specified policies and processes within the Bank.

Balances in the credit risk rating classes R7 to R10 show indicators for SICR and objective evidence of impairment, i.e. are considered credit-impaired,

referred to as defaulted and classified in stage 3. The credit risk rating class R7 is applied if either the borrower is in financial difficulties and the financial instrument is or has been restructured (distressed restructuring). The classes R8 to R10 are applied for positions for which specific loan loss allowances are established on a case-by-case basis. Generally, Lombard loans and mortgages are moved to these rating classes if the respective position is not fully covered anymore, e.g. the market value of the collateral provided is lower than the credit exposure, (critical) credit covenants are not complied with, there's an unlikeliness or unwillingness of the counterparty to service its debt, or payments are more than 90 days past due, to name some of the criteria.

ECL measurement
An entity should measure ECL of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, i.e. based on probability of default;
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast future economic conditions; and
- the time value of money.

Generally, ECL calculations are based on the four components probability of default (PD), loss given default (LGD), exposure at default (EAD), and the discount rate (IR). These four components are used in the following basic formula: ECL = PD * LGD * EAD * IR.

Based on the above requirements, the Bank maintains calculation models to quantify the ECL impact on its financial statements for stage 1 and stage 2. These models for the defined portfolios are generally based on the specific instrument's PD, LGD and EAD including any unused credit commitments, where applicable. These models take into consideration the Bank's generally fully collateralised Lombard loans and mortgages, and the high-quality debt instruments in the treasury portfolio. If the models do not fully reflect the facts and circumstances for certain financial instruments in the portfolio, the Bank may apply post-model adjustments (including for a portfolio subset) to better reflect the specific credit risk of those instruments.

For the credit-impaired financial instruments in stage 3, the loss allowances are determined individually according to the specific facts and circumstances as at the reporting date and are no longer based on a modelled approach.

For the stage 1 and stage 2 ECL calculation, three different scenarios in relation to future market conditions are determined: a baseline, an upside, and a downside scenario. Expected probabilities are allocated to each scenario and updated on a regular basis. The calculation of the ECL is mostly driven by the downside scenario; the baseline and upside scenarios have very limited impact on the ECL measurement due to the Bank's credit policy of collateralised Lombard loan and mortgage and investment grade debt instruments. An increase in the weighting of the downside scenario would increase the ECL in stage 1 and stage 2 accordingly.

To apply the expected future economic conditions in the models, the Bank determined the world gross domestic product (GDP) forecast as the main economic input factor for the ECL on its financial instruments portfolios. Other forward-looking macroeconomic factors proved to be of lesser relevance to the Bank's portfolios as a whole. A decrease in the expected GDP would have a negative impact on the ECL in stage 1 and stage 2.

In addition, for each portfolio, supplementary product-specific factors are used as outlined in the following paragraphs. These scenario factors are based on the assessment of the Bank's credit risk control unit for current and expected market developments in the respective product areas. The factors are updated and confirmed on a regular basis by the Bank's ECL committee, which comprises officers from the risk control, treasury and finance units. This ECL committee is also responsible for the update of the macroeconomic scenarios which are used in the stage 1 and stage 2 ECL calculation and are based on the geopolitical realities and macroeconomic data and growth expectations.

Due from banks
For due-from-banks positions, the input factors are determined as follows:

Probability of default: Publicly available PDs per rating class are applied, using the same PDs for stage 1 and stage 2, since the outstanding balances have a maximum term of 12 months. PDs for an expected life shorter than one year are derived from the available 12 month PDs by linear reduction. The ratings and the related PDs are shifted up and down by one notch of the internal rating, using publicly available data sources for the respective PDs. The three scenarios are weighted based on the generally applied probabilities.

Loss given default: An average LGD per rating class is applied. This factor is derived from publicly available data sources.

Exposure at default: The EAD equals either the nominal value (money market issues, time accounts) or the carrying value (current and transactional accounts).

Due from customers
For conventional Lombard loans, the input factors are determined as follows:

Probability of default: The PD factors are derived from the Bank-internal 'margin call process' in Lombard lending. This process reflects internal procedures to avoid loan losses and is based on

- the probability that the credit position gets into a significant shortfall within one year;
- the probability that the credit position becomes unsecured within 10 days; and
- the liquidation process to cover the exposure,

taking into consideration their respective probabilities.

This margin call process is simulated for each rating class (R1–R6) and for stage 1 and stage 2 separately. The resulting PDs are then applied uniformly across all counterparties and related Lombard loans in the respective rating class.

Loss given default: The LGDs are formula-based, including the market value of the collateral at a client pledge group level. Scenario calculations on the market value of the collateral are performed, resulting in different LGDs per scenario. Three scenarios (baseline, upside and downside), including the probability of the respective scenario, are applied in the process.

Exposure at default: The EAD equals the higher of a) the current exposure (based on data from the internal credit supervision system comprising the following credit exposures: cash exposure, derivative exposure, credit guarantees and reservations) and b) the lower of the lending value or approved limit. The Bank therefore assumes the highest possible risk (i.e. the highest outstanding) in determining the EAD, including any unused credit commitments. Consequently, even if no exposure is currently drawn under the limit, an ECL is calculated for the respective position.

Private Debt legacy loans: For the limited number of remaining private debt legacy loans reported within the Lombard loans, the Bank uses a separate ECL model in order to account for the inherently higher credit risk and is therefore different from the ECL model applied to Lombard loans as outlined above. This separate ECL model is similar to the models used for balances in the category due from banks and for the debt instruments in the treasury portfolios. Consequently, for each private debt loan, publicly available data sources are used for the respective input factors PD and LGD, and separately for each stage (stage 1 or stage 2). The EADs are determined similar to Lombard loans. The assigned issuer ratings and the related PDs are shifted up and down by one notch; the three resulting scenarios are weighted based on the generally applied probabilities.

Mortgages
For traditional mortgages, the input factors are determined as follows:

Probability of default: The PD factor is specifically determined for each counterparty and the related property based on the following input criteria:

- economic area of the counterparty domicile;
- counterparty domicile and property location (country) is the same;
- assets/collateral within the Bank to pay interest/amortisation;
- counterparty self-used vs. rented-out real estate; and
- stage 1 or stage 2.

For each of these criteria, fixed parameters are determined (based on Bank experience), which then add up to the mortgage counterparty-specific PD factors. These criteria have been selected as they are observed to influence the default behaviour of the counterparty behind the mortgages.

Loss given default: The LGD is based on scenario calculations on the market value of the real estate collateral and other pledged assets, which is then set in relation to the loan amount (loan-to-value ratio; LTV). Three scenarios (baseline, upside and downside), including the probability of the respective scenario, are applied in the process. However, instead of applying a fixed percentage for the negative scenario to all real estate uniformly, the negative scenario is based on the combination of a base factor and additional penalties depending on the following real estate-specific criteria:

- property location (country/region);
- property size as a function of the property market value;
- property type (e.g. residential, office, commercial); and
- holiday home regions.

For each of these criteria, fixed parameters (based on Bank experience) are determined, which then add up to the mortgage-specific negative scenario. These criteria are selected as the resulting different characteristics of the real estate market generally respond differently to market fluctuations and hence the achievable collateral liquidation value. The total simulated market value is then compared with the exposure to determine the LGD.

Exposure at default: The EAD equals the carrying value (exposure).

Treasury portfolios
For the debt instruments measured at LOCOMand at amortised cost in the treasury portfolios, the input factors are determined as follows:

Probability of default: Publicly available PDs per rating class are applied to debt securities and money market instruments, separately for stage 1 (one-year PD or shorter) and stage 2 (respective PD according to expected life). These ratings and the related PDs are shifted by two notches up and down, using publicly available data sources for the respective PDs. The three scenarios are then weighted based on the generally applied probabilities. PDs for an expected life shorter than one year are derived from the available 12 month PDs by linear reduction.

Loss given default: An average LGD per rating class is applied. These factors are derived from publicly available data sources.

Exposure at default: The EAD equals the amortised cost value.

Recognition of loss allowances and write-offs
The credit losses recognised in the income statement (Net credit losses/(recoveries) on financial instruments) is the amount required to adjust the loss allowance from the previous reporting date to the current reporting date due to the periodic detailed ECL calculation.

In the balance sheet, the loss allowance related to financial instruments is included in the carrying amount of the instrument.

The gross carrying amount of a financial instruments is (partially) written off when there is no reasonable expectation of recovery of the amount, i.e. the amount outstanding is deemed uncollectible or forgiven. The time of each write-off is individually determined on a case-by-case basis by the Bank's credit risk control unit. For collateralised loans, it is only after a foreclosure sale of the pledged assets that a write-off takes place for any remaining uncovered balance. Possible partial or full recoveries of amounts previously written off are recognised in the same line as the previous credit losses.

Credit quality analysis
The following tables provide an analysis of the Bank's exposure to credit risk by credit quality (based on the Bank's internal credit system) and ECL stage.

Exposure to credit risk by credit quality

	Moody's rating	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**31.12.2025** **Total** *CHF m*
Due from banks, at amortised cost					
R1–R4: Low to medium risk		5,463.1	-	-	**5,463.1**
R5–R6: Increased risk		217.0	-	-	**217.0**
R7–R10: Impaired		-	-	-	**-**
Total		5,680.1	-	-	**5,680.1**
Loss allowance		-0.5	-	-	**-0.5**
Carrying amount		**5,679.6**	**-**	**-**	**5,679.6**
Due from customers, at amortised cost[1]					
R1–R4: Low to medium risk		31,135.7	-	-	**31,135.7**
R5–R6: Increased risk		519.4	141.0	-	**660.4**
R7–R10: Impaired			-	778.4	**778.4**
Total		31,655.1	141.0	778.4	**32,574.5**
Loss allowance		-3.7	-7.2	-637.5	**-648.4**
Carrying amount		**31,651.4**	**133.8**	**140.9**	**31,926.1**
Mortgages, at amortised cost					
R1–R4: Low to medium risk		6,073.8	-	-	**6,073.8**
R5–R6: Increased risk		-	426.7	-	**426.7**
R7–R10: Impaired		-	-	357.9	**357.9**
Total		6,073.8	426.7	357.9	**6,858.4**
Loss allowance		-2.4	-53.1	-142.7	**-198.2**
Carrying amount		**6,071.4**	**373.6**	**215.2**	**6,660.2**
Debt securities, at LOCOM					
R1–R4: Low to medium risk	Aaa – Baa3	8,344.0	-	-	**8,344.0**
R5–R6: Increased risk	Ba1 – B3	-	-	-	**-**
R7–R10: Impaired	Caa1 – C	-	-	-	**-**
Unrated		-	-	-	**-**
Carrying amount		**8,344.0**	**-**	**-**	**8,344.0**
Loss allowance		-0.5	-	-	**-0.5**
Debt securities, at amortised cost					
R1–R4: Low to medium risk	Aaa – Baa3	6,390.6	-	-	**6,390.6**
R5–R6: Increased risk	Ba1 – B3	-	-	-	**-**
Total		6,390.6	-	-	**6,390.6**
Loss allowance		-0.7	-	-	**-0.7**
Carrying amount		**6,389.9**	**-**	**-**	**6,389.9**

[1] This position includes loss allowances on overdue interest payments on mortgages.

					31.12.2024
	Moody's rating	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
Due from banks, at amortised cost					
R1–R4: Low to medium risk		5,249.1	-	-	5,249.1
R5–R6: Increased risk		125.9	-	-	125.9
R7–R10: Impaired		-	-	-	-
Total		5,375.0	-	-	5,375.0
Loss allowance		-0.1	-	-	-0.1
Carrying amount		5,374.9	-	-	5,374.9
Due from customers, at amortised cost[1]					
R1–R4: Low to medium risk		30,237.8	2.0	-	30,239.8
R5–R6: Increased risk		881.0	248.8	-	1,129.8
R7–R10: Impaired		-	-	697.5	697.5
Total		31,118.8	250.8	697.5	32,067.1
Loss allowance		-12.3	-7.1	-687.4	-706.8
Carrying amount		31,106.5	243.7	10.1	31,360.3
Mortgages, at amortised cost					
R1–R4: Low to medium risk		6,543.2	1.0	-	6,544.2
R5–R6: Increased risk		31.2	54.0	-	85.2
R7–R10: Impaired		-	-	63.5	63.5
Total		6,574.4	55.0	63.5	6,692.9
Loss allowance		-3.4	-	-4.9	-8.3
Carrying amount		6,571.0	55.0	58.6	6,684.6
Debt securities, at LOCOM					
R1–R4: Low to medium risk	Aaa – Baa3	10,345.4	-	-	10,345.4
R5–R6: Increased risk	Ba1 – B3	-	-	-	-
R7–R10: Impaired	Caa1 – C	-	-	-	-
Unrated		8.4	-	-	8.4
Carrying amount		10,353.8	-	-	10,353.8
Loss allowance		-0.6	-	-	-0.6
Debt securities, at amortised cost					
R1–R4: Low to medium risk	Aaa – Baa3	5,182.2	-	-	5,182.2
R5–R6: Increased risk	Ba1 – B3	-	-	-	-
R7–R10: Impaired	Caa1 – C	-	-	-	-
Unrated		-	-	-	-
Total		5,182.2	-	-	5,182.2
Loss allowance		-0.3	-	-	-0.3
Carrying amount		5,181.9	-	-	5,181.9

[1] This position includes loss allowances on overdue interest payments on mortgages.

Movements in loss allowance

The following tables present the development of the Bank's ECL allowance by portfolio and stage:

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**Total** *CHF m*
Due from banks, at amortised cost				
Balance at 1 January 2025	0.1	-	-	**0.1**
Net remeasurement of loss allowance	-0.0	-	-	**-0.0**
New/increase financial assets	0.4	-	-	**0.4**
Financial assets that have been derecognised	-0.0	-0.0	-	**-0.0**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Balance at 31 December 2025	**0.5**	**-0.0**	**-**	**0.5**
Due from customers, at amortised cost				
Balance at 1 January 2025	12.3	7.1	687.4	**706.8**
Transfer to/(from) 12-month ECL	0.0	-0.0	-	**-**
Transfer to/(from) lifetime ECL not credit-impaired	-0.6	0.6	-	**-**
Transfer to/(from) lifetime ECL credit-impaired	-0.7	-6.6	7.3	**-**
Net remeasurement of loss allowance	-2.3	6.4	-50.4[1]	**-46.3**
New/increase financial assets	1.5	0.0	15.4[2]	**16.9**
Financial assets that have been derecognised	-5.2	-0.3	-7.8	**-13.3**
Write-offs	-	-	-3.9	**-3.9**
Changes in models/risk parameters	-1.3	-	-	**-1.3**
Foreign exchange and other movements	-	-	-10.5	**-10.5**
Balance at 31 December 2025	**3.7**	**7.2**	**637.5**	**648.4**
Mortgages, at amortised cost				
Balance at 1 January 2025	3.4	-0.0	4.9	**8.3**
Transfer to/(from) lifetime ECL not credit-impaired	-0.7	0.7	-	**-**
Net remeasurement of loss allowance	0.1	2.6	195.4	**198.1**
New/increase financial assets	0.3	0.1	1.0	**1.4**
Financial assets that have been derecognised	-2.0	-	-2.5	**-4.5**
Write-offs	-	-	-56.2	**-56.2**
Changes in models/risk parameters	1.3	49.8[3]	-	**51.1**
Foreign exchange and other movements	-	-	0.0	**0.0**
Balance at 31 December 2025	**2.4**	**53.2**	**142.6**	**198.2**

[1] The decrease relates primarily to recoveries on the credit losses incurred in 2023 on the single largest exposure in the private debt loan book at that time.
[2] Including outstanding accumulated interest.
[3] Includes post-model adjustments related to certain mortgage positions.

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	**Total** *CHF m*
Debt securities, at LOCOM				
Balance at 1 January 2025	0.6	-	-	**0.6**
Net remeasurement of loss allowance	-0.0	-	-	**-0.0**
New financial assets purchased	0.1	-	-	**0.1**
Financial assets that have been derecognised	-0.2	-	-	**-0.2**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Foreign exchange and other movements	0.0	-	-	**0.0**
Balance at 31 December 2025	**0.5**	**-**	**-**	**0.5**
Debt securities, at amortised cost				
Balance at 1 January 2025	0.3	-	-	**0.3**
Net remeasurement of loss allowance	0.0			**0.0**
New financial assets purchased	0.5	-	-	**0.5**
Financial assets that have been derecognised	-0.1	-	-	**-0.1**
Changes in models/risk parameters	-0.0	-	-	**-0.0**
Foreign exchange and other movements	-0.0	-	-	**-0.0**
Balance at 31 December 2025	**0.7**	**-**	**-**	**0.7**

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
Due from banks, at amortised cost				
Balance at 1 January 2024	0.1	-	-	0.1
Transfer to/(from) 12-month ECL	0.0	-0.0	-	-
Transfer to/(from) lifetime ECL not credit-impaired	-0.0	0.0	-	-
Net remeasurement of loss allowance	-0.0	-	-	-0.0
New/increase financial assets	0.1	0.0	-	0.1
Financial assets that have been derecognised	-0.1	-	-	-0.1
Changes in models/risk parameters	-0.0	-	-	-0.0
Balance at 31 December 2024	0.1	0.0	-	0.1
Due from customers, at amortised cost				
Balance at 1 January 2024	19.9	1.0	701.8	722.7
Transfer to/(from) 12-month ECL	0.1	-0.1	-	-
Transfer to/(from) lifetime ECL not credit-impaired	-1.4	1.4	-	-
Transfer to/(from) lifetime ECL credit-impaired	-0.2	-0.7	0.9	-
Net remeasurement of loss allowance	2.3	0.5	12.8	15.6
New/increase financial assets	2.2	0.0	26.1[1]	28.3
Financial assets that have been derecognised	-10.0	-0.1	-3.2	-13.3
Write-offs	-	-	-61.1	-61.1
Recoveries of amounts previously written-off	-	-	0.1	0.1
Changes in models/risk parameters	-0.6	5.1	-	4.5
Foreign exchange and other movements	-	-	10.0	10.0
Balance at 31 December 2024	12.3	7.1	687.4	706.8
Mortgages, at amortised cost				
Balance at 1 January 2024	3.5	0.6	7.9	12.0
Transfer to/(from) 12-month ECL	0.4	-0.4	-	-
Transfer to/(from) lifetime ECL not credit-impaired	-	-	-	-
Transfer to/(from) lifetime ECL credit-impaired	-0.0	-0.0	0.0	-
Net remeasurement of loss allowance	0.3	-	7.0	7.3
New/increase financial assets	0.3	-	1.0	1.3
Financial assets that have been derecognised	-0.3	-0.2	-3.6	-4.1
Write-offs	-	-	-0.5	-0.5
Changes in models/risk parameters	-0.8	-	-	-0.8
Foreign exchange and other movements	-	-	-6.9	-6.9
Balance at 31 December 2024	3.4	-0.0	4.9	8.3

[1] Including outstanding accumulated interest.

	12-month ECL (Stage 1) *CHF m*	Lifetime ECL not credit-impaired (Stage 2) *CHF m*	Lifetime ECL credit-impaired (Stage 3) *CHF m*	Total *CHF m*
Debt securities, at LOCOM				
Balance at 1 January 2024	1.0	-	-	1.0
Net remeasurement of loss allowance	-0.3	-	-	-0.3
New financial assets purchased	0.2	-	-	0.2
Financial assets that have been derecognised	-0.3	-	-	-0.3
Changes in models/risk parameters	-0.0	-	-	-0.0
Foreign exchange and other movements	0.0	-	-	0.0
Balance at 31 December 2024	0.6	-	-	0.6
Debt securities, at amortised cost				
Balance at 1 January 2024	0.4	-	-	0.4
Net remeasurement of loss allowance	-0.1			-0.1
New financial assets purchased	0.0	-	-	0.0
Financial assets that have been derecognised	-0.0	-	-	-0.0
Changes in models/risk parameters	-0.0	-	-	-0.0
Foreign exchange and other movements	0.0	-	-	0.0
Balance at 31 December 2024	0.3	-	-	0.3

The growth assumption used in the baseline scenario has been decreased marginally for the year-end 2025. The weightings used for the current year's ECL calculation are 70% for the baseline scenario, 20% for the downside scenario, and 10% for the upside scenario and are unchanged from the previous year. The publicly available PDs did not show any material underlying changes for 2025. The other input factors applied in the ECL calculation, as well as the general models applied, did not have to be adjusted, as they generally proved to be reliable and robust.

In 2025, the Bank conducted the following credit-related reviews and specific model modifications:

- At the start of 2025, the Bank modified the stage 1 and stage 2 calculation models for a) Lombard loans with higher concentration or less-liquid underlying collaterals and b) more complex mortgages, in both cases to more accurately reflect the inherent credit risk profile of such positions. These modifications did not materially impact the associated loan loss allowances.
- In the first half of 2025, a review of selected positions in the mortgage portfolio as well as of the remaining private debt loan book resulted in certain loans being transferred to ECL stage 3 and a corresponding increase in loan loss allowances.
- At its strategy update in June 2025, the Group reinforced its commitment to its core wealth management proposition, including traditional Lombard loans and residential mortgage lending. In line with this strategic shift, the Bank undertook a comprehensive revision of its credit risk appetite framework and extended the credit file review in the second half of 2025, resulting in a decision to manage down in an orderly manner a subset of the loan book primarily related to income-producing residential and commercial real estate mortgages which no longer fit with the Bank's revised strategy and risk appetite. To account for the forward-looking risks and the possibility of tighter customer refinancing conditions during this process, additional loan loss allowances were recognised at the end of 2025, mostly in the form of post-model adjustments to stage 2 and certain stage 3 positions.

As significant uncertainty regarding the development of the macroeconomic and political situation persists, the input factors used in the ECL calculations are monitored on an ongoing basis and may have to be adjusted in the next reporting periods.

Note 9 Listing of collateral

	Type of collateral			
	Mortgage collateral *CHF 1,000*	Other collateral *CHF 1,000*	Without collateral *CHF 1,000*	**Total** *CHF 1,000*
Balance sheet items[1]				
Due from banks	-	3,429,555	2,250,579	**5,680,134**
Due from customers	-	31,590,936	983,528	**32,574,464**
Mortgages	6,715,725	-	142,640	**6,858,365**
of which residential real estate	*6,000,529*	-	*6,537*	***6,007,066***
of which office and business premises	*500*	-	-	***500***
of which trade and industrial property	*714,696*	-	-	***714,696***
of which other	-	-	*136,103*	***136,103***
Total gross balance sheet items 31.12.2025	6,715,725	35,020,491	3,376,747	**45,112,963**
Total gross balance sheet items 31.12.2024	6,685,044	34,555,030	2,894,970	44,135,044
Allowance for credit losses				
Specific valuation allowances	142,641	-	637,534	**780,175**
General valuation allowances	55,554	11,388	-	**66,942**
Total allowance for credit losses 31.12.2025	198,195	11,388	637,534	**847,117**
Total net balance sheet items 31.12.2025	6,517,530	35,009,103	2,739,213	**44,265,846**
Total net balance sheet items 31.12.2024	6,676,791	34,535,491	2,207,567	43,419,849

[1] The amounts presented in this table are gross of loss allowances and therefore not comparable to the net amounts in the balance sheet.

Off-balance sheet items				
Contingent liabilities	-	836,033	6,436	**842,469**
Irrevocable commitments	-	133,098	110,377	**243,475**
Total off-balance sheet items 31.12.2025	-	969,131	116,813	**1,085,944**
Total off-balance sheet items 31.12.2024	-	1,168,561	138,477	1,307,038

	Gross claims *CHF 1,000*	Estimated proceeds from liquidation of collateral *CHF 1,000*	Net claims *CHF 1,000*	Loss allowances *CHF 1,000*
Impaired receivables 31.12.2025	**1,124,466**	**344,291**	**780,175**	**780,175**
Impaired receivables 31.12.2024	757,537	65,277	692,260	692,265

Note 10 Trading portfolios

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Trading assets		
Debt instruments	**3,235,547**	3,974,858
of which listed	***1,922,534***	*2,376,140*
of which unlisted	***1,313,013***	*1,598,718*
Equity instruments	**11,051,583**	10,572,401
of which listed	***10,577,969***	*9,425,536*
of which unlisted	***473,614***	*1,146,865*
Precious metals	**4,892,799**	3,201,285
Total	**19,179,929**	17,748,544
of which measurement is based on a valuation model	***6,509,511***	*5,638,606*
of which repo-eligible securities	***79,622***	*303,377*

Trading liabilities		
Short positions - debt	**329,146**	153,710
of which listed	***301,693***	*148,703*
of which unlisted	***27,453***	*5,007*
Short positions - equity	**963,618**	624,887
of which listed	***947,530***	*594,074*
of which unlisted	***16,088***	*30,813*
Total	**1,292,764**	778,597
of which measurement is based on a valuation model	***35,522***	*31,179*

Note 11 Financial instruments designated at fair value

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Financial assets designated at fair value		
Financial investments	**153,024**	179,137
of which private equity	***153,024***	*179,137*
Total	**153,024**	179,137
of which measurement is based on a valuation model	***148,158***	*176,537*
Financial liabilities designated at fair value		
Issued certificates	**1,951,664**	1,706,518
of which interest instruments	***386,163***	*344,165*
of which equity instruments	***1,565,501***	*1,362,353*
Structured products	**14,430,232**	10,449,673
of which interest instruments	***10,789,614***	*7,949,035*
of which equity instruments	***1,217,582***	*1,313,907*
of which foreign exchange instruments	***2,423,036***	*1,186,731*
Total	**16,381,896**	12,156,191
of which measurement is based on a valuation model	***16,381,896***	*12,156,191*

Note 12A Derivative financial instruments

Derivatives held for trading or other purposes

	31.12.2025			31.12.2024		
	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*
Interest rate derivatives						
Swaps	127.2	85.2	31,911.9	177.4	142.4	29,035.4
Futures	5.0	0.7	1,819.5	3.5	0.5	552.4
Options (OTC)	2.9	10.7	2,233.7	13.0	23.2	1,543.6
Options (traded)	-	-	-	-	-	-
Total	**135.1**	**96.6**	**35,965.1**	193.9	166.1	31,131.4
Foreign exchange derivatives						
Forward contracts	744.3	920.4	150,759.8	1,593.5	1,057.4	93,492.0
Combined interest rate/currency swaps	2.3	0.2	226.6	5.1	-	196.2
Futures	-	-	45.7	0.1	0.8	65.9
Options (OTC)	287.8	133.7	22,219.7	360.9	297.0	26,205.3
Options (traded)	1.1	-	10.0	0.8	-	11.4
Total	**1,035.5**	**1,054.3**	**173,261.8**	1,960.4	1,355.2	119,970.8
Precious metals derivatives						
Forward contracts	676.1	928.6	8,708.1	126.5	159.5	8,536.1
Futures	0.2	2.0	661.2	0.7	0.2	254.7
Options (OTC)	776.1	515.6	18,528.9	226.4	147.8	11,678.3
Options (traded)	4.6	72.3	3,012.9	14.6	125.2	4,330.2
Total	**1,457.0**	**1,518.5**	**30,911.1**	368.2	432.7	24,799.3
Equity/indices derivatives						
Swaps	56.0	22.1	2,437.0	57.7	18.4	2,870.8
Futures	9.4	4.2	1,477.2	12.4	11.5	829.6
Options (OTC)	505.8	329.4	11,225.4	359.8	234.2	12,258.9
Options (traded)	334.6	774.8	28,844.7	809.1	685.2	27,040.6
Total	**905.8**	**1,130.5**	**43,984.3**	1,239.0	949.3	42,999.9
Credit derivatives						
Credit default swaps	7.1	2.7	835.2	3.8	1.0	267.3
Total return swaps	0.6	55.3	945.3	6.8	39.8	1,242.2
Total	**7.7**	**58.0**	**1,780.5**	10.6	40.8	1,509.5
Other derivatives						
Futures	0.2	0.7	23.9	1.1	1.7	114.1
Total	**0.2**	**0.7**	**23.9**	1.1	1.7	114.1
Total derivatives held for trading or other purposes	**3,541.3**	**3,858.6**	**285,926.7**	3,773.2	2,945.8	220,525.0

Derivatives held for hedge accounting

	31.12.2025			31.12.2024		
	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*
Derivatives designated as fair value hedges						
Interest rate swaps	12.0	33.8	3,626.4	23.0	36.5	2,912.1
Derivatives designated as cash flow hedges						
Interest rate swaps	-	4.0	392.2	-	21.0	587.2
Total derivatives held for hedge accounting	**12.0**	**37.8**	**4,018.6**	23.0	57.5	3,499.3
Total derivative financial instruments	**3,553.3**	**3,896.4**	**289,945.3**	3,796.2	3,003.3	224,024.3

	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*	Positive replacement value *CHF m*	Negative replacement value *CHF m*	Contract volume *CHF m*
Analysis according to remaining life						
up to 12 months	3,348.8	3,644.7	270,700.7	3,509.0	2,665.5	205,909.4
1 to 5 years	141.9	187.6	17,030.1	207.9	256.3	15,699.2
over 5 years	62.6	64.1	2,214.5	79.3	81.5	2,415.7
Total	**3,553.3**	**3,896.4**	**289,945.3**	3,796.2	3,003.3	224,024.3
of which measurement is based on a valuation model	*3,538.4*	*3,888.7*		*3,778.4*	*2,988.6*	
after netting	***3,553.3***	***3,896.4***		*3,796.2*	*3,003.3*	

	31.12.2025			31.12.2024		
	Central clearing houses *CHF m*	Banks and brokers *CHF m*	Other clients *CHF m*	Central clearing houses *CHF m*	Banks and brokers *CHF m*	Other clients *CHF m*
After netting						
Positive replacement value after netting	340.8	2,142.9	1,069.6	811.2	1,771.4	1,213.6
Total	**340.8**	**2,142.9**	**1,069.6**	811.2	1,771.4	1,213.6

Note 12B Hedge accounting

Fair value hedges of interest rate risk
The Bank hedges part of its interest rate exposure from-fixed rate CHF denominated mortgages to changes in fair value by using interest rate swaps on a portfolio basis. Such portfolio hedges are based on mortgages with similar maturities, and the hedge relationships are rebalanced on a monthly basis. The amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses are amortised over the remaining terms to maturity of the hedged items using the straight-line method.

In addition, different interest rate swaps are used to hedge the interest rate risks of some of the time deposits of the Bank which are denominated in CHF, as well as a very limited number of individual mortgages and debt instruments measured at LOCOM. The fixed legs of these swaps are in correspondence to the respective (fixed-rate) time deposits and mortgages. As such, the interest rate risk of each asset is substantially reduced to the interest rate risk of the floating-rate leg of the respective swap.

The counterparties of the swaps transactions used for portfolio hedges as well as those used for single hedges are investment-grade counterparties. However, the Bank does not incur any credit risk with these derivative instruments, as all credit risk is eliminated through clearing or because of collateral agreements in place. Prior to committing to a hedge relationship, an assessment takes place in order to justify that the fair value of the hedged item and the hedging instrument do offset their interest rate risks and that the economic hedge relationships meet the hedge accounting criteria. Besides this qualitative assessment, regular quantitative assessments are carried out based on prospective (i.e. forward-looking, using regression analysis) as well as retrospective effectiveness tests. These tests allow assessing whether the hedging instrument is expected to be or has been highly effective in offsetting changes in the fair value of the hedged item. Hedge ineffectiveness may arise from minor differences in the core data of the time deposits and swap fixed leg, or the interest rate sensitivities of the floating leg of the swap.

					31.12.2025
	Hedges of time deposits (single hedges) *CHF m*	Hedges of mortgages (single hedges) *CHF m*	Hedges of mortgages (portfolio hedges) *CHF m*	Hedges of bonds (single hedges) *CHF m*	Hedges of fixed deposits (micro hedge) *CHF m*
Hedged items					
Amortised cost value	**1,937.9**	**18.0**	**230.6**	**n/a**	**150.0**
Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item	**-1.8**	**-0.2**	**11.5**	**11.7**	-
Carrying amount hedged items	**1,936.1**	**17.8**	**242.1**	**1,347.3**	**150.0**
Hedging instruments - interest rate swaps					
Notional amount (overall average fixed interest rate: 0.24%)					**150.0**
- whereof remaining maturity 1–5 years (average fixed interest rate: 0.24%)					***150.0***
Notional amount (overall average fixed interest rate: 1.81%)	**1,929.6**				
- whereof remaining maturity <1 year (average fixed interest rate: 0.52%)	***272.3***				
- whereof remaining maturity 1–5 years (average fixed interest rate: 2.03%)	***1,657.3***				
Notional amount (overall average fixed interest rate: -0.31%)		**18.0**			
- whereof remaining maturity 1–5 years (average fixed interest rate: -0.31%)		***18.0***			
Notional amount (overall average fixed interest rate: 1.50%)			**220.0**		
- whereof remaining maturity <1 year (average fixed interest rate: 1.36%)			**100.0**		
- whereof remaining maturity 1–5 years (average fixed interest rate: 1.63%)			***40.0***		
- whereof remaining maturity > 5 years (average fixed interest rate: 1.60%)			***80.0***		
Notional amount (overall average fixed interest rate: 3.73%)				***1,308.8***	
- whereof remaining maturity < 1 year (average fixed interest rate: 4.17%)				***111.7***	
- whereof remaining maturity 1–5 years (average fixed interest rate: 3.69%)				***1,197.1***	
Positive replacement value	**11.4**	**0.5**	-	**0.1**[1]	-
- related notional amount	***466.9***	***18.0***	-	***48.4***	***150.0***
Negative replacement value	**13.5**	-	**9.3**	**11.0**[1]	-
- related notional amount	***1,462.8***	-	***220.0***	***1,260.4***	-
Hedge effectiveness testing and related ineffectiveness					
Change in fair value of hedged item used for calculation of hedge ineffectiveness	**1.7**	**-0.2**	**-1.4**	**11.7**	-
Change in fair value of interest rate swaps used for calculation of hedge ineffectiveness	**-2.1**	**0.5**	**1.4**	**-11.0**[1]	-
Amount of hedge ineffectiveness recognised in the income statement	**-0.4**	**0.3**	-	**0.7**	-
Termination of hedge relationship					
Accumulated amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses	-	-	**12.6**	-	-

[1] The change in fair value of the interest rate swaps used for the calculation of the hedge effectiveness for the portfolio hedges reflects the changes in the fair value of the latest hedge period only, whereas the sum of the positive and negative replacement values reflects the differences in fair values of the interest rate swaps between inception and reporting date.

				31.12.2024
	Hedges of time deposits (single hedges) *CHF m*	Hedges of mortgages (single hedges) *CHF m*	Hedges of mortgages (portfolio hedges) *CHF m*	Hedges of bonds (single hedges) *CHF m*
Hedged items				
Amortised cost value	1,211.0	19.4	229.5	n/a
Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item	15.3	-0.2	15.7	-13.8
Carrying amount hedged items	1,226.3	19.2	245.2	1,479.3
Hedging instruments - interest rate swaps				
Notional amount (overall average fixed interest rate: 0.53%)	1,190.7			
- whereof remaining maturity <1 year (average fixed interest rate: 1.22%)	*326.2*			
- whereof remaining maturity 1–5 years (average fixed interest rate: 0.12%)	*1,190.7*			
Notional amount (overall average fixed interest rate: -0.31%)		18.0		
- whereof remaining maturity > 5 years (average fixed interest rate: -0.31%)		*18.0*		
Notional amount (overall average fixed interest rate: 1.27%)			*220.0*	
- whereof remaining maturity <1 year (average fixed interest rate: 0.27%)			-	
- whereof remaining maturity 1-5 years (average fixed interest rate: 1.36%)			*100.0*	
- whereof remaining maturity > 5 years (average fixed interest rate: 1.61%)			*120.0*	
Notional amount (overall average fixed interest rate: 3.71%)			-	1,483.4
- whereof remaining maturity 1–5 years (average fixed interest rate: 3.71%)				1,483.4
Positive replacement value	*7.3*	*0.6*	-	*15.1*
- related notional amount	*619.2*	*18.0*	-	*1,227.9*
Negative replacement value	22.6	-	12.6	1.3[1]
- related notional amount	*571.4*	-	*220.0*	*255.5*
Hedge effectiveness testing and related ineffectiveness				
Change in fair value of hedged item used for calculation of hedge ineffectiveness	15.3	-0.2	-0.8	-13.8
Change in fair value of interest rate swaps used for calculation of hedge ineffectiveness	-15.3	0.5	0.6	13.8[1]
Amount of hedge ineffectiveness recognised in the income statement	-	0.3	-0.2	-
Termination of hedge relationship				
Accumulated amount of fair value hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses	-	-	16.1	-

[1] The change in fair value of the interest rate swaps used for the calculation of the hedge effectiveness for the portfolio hedges reflects the changes in the fair value of the latest hedge period only, whereas the sum of the positive and negative replacement values reflects the differences in fair values of the interest rate swaps between inception and reporting date.

Cash flow hedges of interest rate risk
The Bank uses longer-term interest rate swaps (maturities of 1–5 years) to hedge the variability of future interest rate payments on selected Lombard loans with short maturities (and rollover assumption). These loans share the same currency and type of risk.

The following table relates to the interest rate swaps used for the cash flow hedges and the related amounts recognised in OCI[1] and the income statement:

	31.12.2025 Interest rate hedges *CHF m*	31.12.2024 Interest rate hedges *CHF m*
Hedging instrument – Interest rate swaps		
Negative replacement values of derivatives	**4.0**	21.0
Nominal value of derivatives	**392.2**	587.2
Amounts recognised in OCI[1]		
OCI on cash flow hedges	**-1.9**	-11.5
Amounts recognised in the income statement		
Hedge ineffectiveness recognised in net income from financial instruments measured at FVTPL	**9.0**	0.8
Amortisation of time value of the derivatives into income statement	**-5.2**	4.6

[1] Under Swiss GAAP, direct bookings into equity are not allowed; therefore, such amounts are instead recognised in the settlement account which is part of other assets/other liabilities.

Note 13A Financial investments measured at LOCOM

	31.12.2025 Carrying value *CHF 1,000*	31.12.2024 Carrying value *CHF 1,000*	**31.12.2025** Fair value *CHF 1,000*	31.12.2024 Fair value *CHF 1,000*
Government and agency bonds	**3,217,549**	*3,533,044*	**3,245,288**	3,552,520
Financial institution bonds	**4,353,195**	*5,303,680*	**4,372,406**	5,322,736
Corporate bonds	**772,784**	*1,516,431*	**774,419**	1,519,180
Debt instruments	**8,343,528**	10,353,155	**8,392,113**	10,394,436
of which listed	***4,928,220***	*7,021,289*	***4,968,711***	*7,051,986*
of which unlisted	***3,415,308***	*3,331,866*	***3,423,402***	*3,342,450*
Equity instruments	**44,394**	44,389	**125,574**	122,224
of which unlisted	***44,394***	*44,389*	***125,574***	*122,224*
Total	**8,387,922**	10,397,544	**8,517,687**	10,516,660
of which repo-eligible securities	***384,041***	*595,061*		

Note 13B Financial investments measured at amortised cost

	31.12.2025 Carrying value *CHF 1,000*	31.12.2024 Carrying value *CHF 1,000*	**31.12.2025** Fair value *CHF 1,000*	31.12.2024 Fair value *CHF 1,000*
Government and agency bonds	**3,430,451**	*2,857,118*	**3,459,657**	2,828,168
Financial institution bonds	**2,346,577**	*1,779,941*	**2,362,087**	1,792,626
Corporate bonds	**612,881**	*544,812*	**618,354**	550,582
Total	**6,389,909**	5,181,871	**6,440,098**	5,171,376
of which listed	***6,138,011***	*4,791,366*	***6,186,819***	*4,779,872*
of which unlisted	***251,898***	*390,505*	***253,279***	*391,504*

Note 13C Financial investments – Credit ratings

Debt instruments by the Bank's credit rating classes	**Fitch, S&P**	**Moody's**	**31.12.2025** *CHF 1,000*	31.12.2024 *CHF 1,000*
1–2	AAA – AA-	Aaa – Aa3	**12,651,902**	13,478,682
3	A+ – A-	A1 – A3	**1,705,075**	1,908,713
4	BBB+ – BBB-	Baa1 – Baa3	**376,460**	139,185
Unrated			-	8,446
Total			**14,733,437**	15,535,026

Note 14 Goodwill, intangible assets and tangible fixed assets

	Goodwill *CHF 1,000*	Customer relationships *CHF 1,000*	**Total intangible assets** *CHF 1,000*	Bank premises *CHF 1,000*	Software *CHF 1,000*	Other tangible fixed assets *CHF 1,000*	**Total tangible fixed assets** *CHF 1,000*
Historical cost							
Balance at 01.01.2024	1,516,085	1,389,192	2,905,277	379,588	1,482,740	182,083	2,044,411
Additions	-	-	-	6,512	197,858	25,921	230,291
Disposals/transfers[1]	-	-	-	-	36,473	20,805	57,278
Balance at 31.12.2024	1,516,085	1,389,192	2,905,277	386,100	1,644,125	187,199	2,217,424
Additions	-	-	-	3,086	200,450	21,219	224,755
Disposals/transfers[1]	-	1,389,192	1,389,192	989	45,624	4,857	51,470
Balance at 31.12.2025	1,516,085	-	1,516,085	388,197	1,798,951	203,561	2,390,709
Depreciation and amortisation							
Balance at 01.01.2024	1,347,665	1,387,696	2,735,361	159,512	685,718	117,578	962,808
Charge for the period	73,287	1,314	74,601	9,135	131,993[2]	27,341[2]	168,469
Disposals/transfers[1]	-	-	-	-	36,473	20,805	57,278
Balance at 31.12.2024	1,420,952	1,389,010	2,809,962	168,647	781,238	124,114	1,073,999
Charge for the period	73,288	182	73,470	8,438	144,756[3]	26,647[3]	179,841
Disposals/transfers[1]	-	1,389,192	1,389,192	663	45,624	5,183	51,470
Balance at 31.12.2025	1,494,240	-	1,494,240	176,422	880,370	145,578	1,202,370
Carrying value							
Balance at 31.12.2024	95,133	182	95,315	217,453	862,887	63,085	1,143,425
Balance at 31.12.2025	**21,845**	**-**	**21,845**	**211,775**	**918,581**	**57,983**	**1,188,339**

[1] Includes derecognition of fully depreciated assets not used anymore.
[2] Includes impairment of CHF 3.6 million related to software and other property and equipment not used anymore
[3] Includes impairment of CHF 5.4 million related to software and other property and equipment not used anymore

Note 15 Other assets

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Compensation account	**17,223**	45,249
Withholding taxes, VAT and other non-income taxes	**1,057,348**	1,691,875
Other	**225,984**	166,054
Total	**1,300,555**	1,903,178

Note 16 Other liabilities

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Compensation account	**2,239**	3,113
Withholding taxes, VAT and other non-income taxes	**65,858**	62,430
Other	**148,579**	113,396
Total	**216,676**	178,939

Note 17 Financial assets pledged or ceded

	31.12.2025		31.12.2024	
	Carrying value *CHF 1,000*	Effective commitment *CHF 1,000*	Carrying value *CHF 1,000*	Effective commitment *CHF 1,000*
Cash	**25,303**	**25,303**	25,336	25,336
Securities	**707,233**	**707,233**	968,130	968,130
Other	**7,738**	**7,738**	8,823	8,823
Total	**740,274**	**740,274**	1,002,289	1,002,289

[1] The amount in the line item cash includes the pledged cash at the Swiss National Bank related to the Swiss deposit guarantee institution.

The assets are mainly pledged for Lombard limits at central banks, stock exchange securities deposits, covered bonds with Swiss central mortgage institutions, and collateral in over-the-counter (OTC) derivatives trading. Not included in these numbers are financial assets provided as collateral in securities transactions (refer to Note 7 for details).

Note 18 Debt issued

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Bonds	**1,081,067**	1,081,359
Debt issued through Swiss central mortgage institutions	**11,539**	-
Total	**1,092,606**	1,081,359

Changes in debt bonds

	2025 *CHF 1,000*	2024 *CHF 1,000*
Balance at the beginning of the year	**1,081,359**	1,085,623
Changes from financing cash flows:		
– Proceeds from issuance of new bonds	**0**	460,650
– Repayment of bonds	**0**	-478,891
Total changes from financing cash flows	**0**	-18,241
Changes related to amortisation of premiums/discounts	**-292**	-57
Changes related to foreign exchange	**0**	14,034
Balance at the end of the year	**1,081,067**	1,081,359

Bonds

					31.12.2025	31.12.2024
		Currency	Notional amount *m*	Stated interest rate / effective interest rate *%*	Carrying value *CHF 1,000*	Carrying value *CHF 1,000*
Bank Julius Baer & Co. Ltd.						
2021	Senior unsecured bond	CHF	260.0	0.125/0.103	260,132	260,189
2023	Senior unsecured bond	CHF	160.0	2.375/2.328	160,119	160,190
2023	Senior unsecured bond	CHF	200.0	2.500/2.461	200,329	200,400
2024	Senior unsecured bond	CHF	460.0	2.375/2.353	460,487	460,580
Total					**1,081,067**	1,081,359

Note 19 Pension plans

The Bank maintains various defined contribution and defined benefit pension plans in Switzerland and abroad. The pension plans in Switzerland have been set up on the basis of the Swiss method of defined contributions under the Swiss pension law. Employees and pensioners or their survivors receive statutorily determined benefits upon leaving the Bank or retiring as well as in the event of death or invalidity. These benefits are the result of the conversion rate applied to the accumulated balance of the individual plan participant's pension account at the retirement date. The accumulated balance equals the sum of the regular employer's and employees' contribution that were made during the employment period, including the accrued interest on these amounts. However, these plans do not fulfil all the criteria of a defined contribution plan according to IFRS Accounting Standards and are therefore treated as defined benefit plans for the purpose of the Bank's financial statements.

The pension obligations are largely covered through plan assets of pension funds that are legally separated and independent from the Bank. In case the plans become significantly underfunded over an extended period as per the Swiss pension law, the Bank and the employees share the risk of additional payments into the pension fund. The pension funds are managed by a board of trustees consisting of representatives of the employees and the employer. Managing of the pension funds includes pursuing of a medium- and long-term consistency and sustainability balance between the pension plans' assets and liabilities, based on a diversified investment strategy correlating with the maturity of the pension obligations. The organisation, management, financing, and investment strategy of the pension plans comply with the legal requirements, the foundation charters and the applicable pension regulations.

1. Development of pension obligations and assets	**2025** *CHF 1,000*	2024 *CHF 1,000*
Present value of defined benefit obligation at the beginning of the year	**-3,535,686**	-3,286,161
Current service cost	**-94,357**	-76,171
Employees' contribution	**-53,434**	-52,445
Interest expense on defined benefit obligation	**-32,953**	-51,742
Past service cost, curtailments, settlements, plan amendments	**154**	-741
Benefits paid (incl. benefits paid directly by employer)	**171,303**	114,167
Transfer payments in/out	**1,983**	-205
Experience gains/(losses) on defined benefit obligation	**-2,442**	-77,225
Actuarial gains/(losses) arising from change in demographic assumptions	**36,708**	1,140
Actuarial gains/(losses) arising from change in financial assumptions	**16,729**	-105,704
Translation differences	**725**	-599
Present value of defined obligation at the end of the year	**-3,491,270**	-3,535,686
of which due to active members	***-2,501,244***	*-2,497,122*
of which due to deferred members	***-4,585***	*-5,111*
of which due to pensioners	***-985,441***	*-1,033,453*
Fair value of plan assets at the beginning of the year	**3,762,984**	3,437,643
Interest income on plan assets	**36,008**	55,530
Employees' contributions	**53,434**	52,445
Employer's contributions	**115,037**	112,099
Curtailments, settlements, plan amendments	**-**	-4,367
Benefits paid by fund	**-171,303**	-114,167
Transfer payments in/out	**-1,983**	205
Administration cost (excluding asset management cost)	**-1,214**	-1,180
Return on plan assets (excl. interest income)	**130,300**	223,988
Translation differences	**-958**	788
Fair value of plan assets at the end of the year	**3,922,305**	3,762,984

2. Development of effect of asset ceiling	**31.12.2025** *CHF 1,000*	31.12.2024 *CHF 1,000*
Effect of asset ceiling at the beginning of the year	**-214,667**	-139,428
Interest income/(expenses) on effect of asset ceiling	**-2,039**	-2,219
Change in effect of asset ceiling excluding interest expense/(income)	**-200,828**	-73,020
Effect of asset ceiling at the end of the year	**-417,534**	-214,667

3. Balance sheet	**31.12.2025** *CHF 1,000*	31.12.2024 *CHF 1,000*
Fair value of plan assets	**3,922,305**	3,762,984
Present value of funded obligation	**-3,491,270**	-3,535,686
Surplus (deficit)	**431,035**	227,298
Effect of the asset ceiling	**-417,534**	-214,667
Net defined benefit asset/(liability)	**13,501**	12,631

4. Income statement	2025 CHF 1,000	2024 CHF 1,000
Current service cost (employer)	**-94,357**	-76,171
Interest expense on defined benefit obligation	**-32,953**	-51,742
Past service cost, curtailments, settlements, plan amendments	**154**	-5,108
Interest income on plan assets	**36,008**	55,530
Interest income/(expense) on effect of asset ceiling	**-2,039**	-2,219
Administration cost (excluding asset management cost)	**-1,214**	-1,180
Defined benefit cost recognised in the income statement	**-94,401**	-80,890
of which service cost	***-95,417***	*-82,459*
of which net interest on the net defined benefit/(liability) asset	***1,016***	*1,569*

5. Movement in defined benefit asset/(liability)	2025 CHF 1,000	2024 CHF 1,000
Net defined benefit asset/(liability) at the beginning of the year	**12,631**	12,054
Translation differences	**-233**	189
Defined benefit cost recognised in the income statement	**-94,401**	-80,890
Employer's contributions	**115,037**	112,099
Remeasurements of the net defined benefit asset/(liability)	**-19,533**	-30,821
Amount recognised in the balance sheet	**13,501**	12,631[1]

Remeasurements of the net defined benefit asset/(liability)	2025 CHF 1,000	2024 CHF 1,000
Actuarial gains/(losses) of defined benefit obligation	**50,995**	-181,789
Return on plan assets excl. interest income	**130,300**	223,988
Effect of asset ceiling	**-200,828**	-73,020
Total recognised in other comprehensive income[2]	**-19,533**	-30,821

[1] This amount has been recognised as a provision under Swiss GAAP (see Note 20).
[2] This amount has been recognised in the income statement under Swiss GAAP.

6. Composition of plan assets	31.12.2025 CHF 1,000	31.12.2024 CHF 1,000
Cash	**281,304**	228,488
Debt instruments	**937,273**	930,087
Equity instruments	**1,516,521**	1,512,979
Real estate	**754,813**	715,076
Alternative instruments	**429,767**	373,452
Other	**2,627**	2,902
Total	**3,922,305**	3,762,984

7. Aggregation of plan assets – quoted market prices in active markets	**31.12.2025** *in %*	31.12.2024 *in %*
Cash	**7.17**	6.07
Debt instruments	**23.26**	22.31
Equity instruments	**38.66**	40.21
Real estate	**8.97**	7.57
Alternative instruments	**2.94**	0.52
Other	**0.07**	0.08
Total	**81.07**	76.76

8. Sensitivities	**31.12.2025** *CHF 1,000*	31.12.2024 *CHF 1,000*
Decrease of discount rate - 0.25%		
Effect on defined benefit obligation	**-108,418**	-87,226
Effect on service cost	**-5,474**	-3,323
Increase of discount rate + 0.25%		
Effect on defined benefit obligation	**102,550**	82,526
Effect on service cost	**5,140**	3,125
Decrease of salary increase - 0.25%		
Effect on defined benefit obligation	**8,718**	13,241
Effect on service cost	**1,050**	1,384
Increase of salary increase + 0.25%		
Effect on defined benefit obligation	**-8,736**	-13,569
Effect on service cost	**-1,058**	-1,422
Life expectancy		
Increase in longevity by one additional year	**-62,317**	-72,904

Actuarial calculation of pension assets and obligations
The latest actuarial calculation was carried out as at 31 December 2025. The actuarial assumptions are based on local economic conditions and are as follows for Switzerland, which accounts for 100% (2024: 100%) of all benefit obligations and plan assets:

	31.12.2025	31.12.2024
Discount rate	**1.10%**	0.95%
Average future salary increases	**1.00%**	0.75%
Future pension increases	**0.00%**	0.00%
Duration (years)	**12**	14

Investment in Julius Baer Group Ltd. shares
The pension plan assets are invested in accordance with local laws and do not include shares of Julius Baer Group Ltd.

Expected employer contributions
The expected employer contributions for the 2026 financial year related to defined benefit plans are estimated at CHF 107.3 million.

Outstanding liabilities to pension plans
The Bank had outstanding liabilities to various pension plans in the amount of CHF 15.6 million (2024: CHF 16.0 million).

Defined contribution pension plans
The Bank maintains a number of defined contribution pension plans outside Switzerland. In the case of defined contribution pension plans, the pension expenses are charged to the income statement in the corresponding financial year. The expenses for contributions to these pension plans amounted to CHF 27.7 million for the 2025 financial year (2024: CHF 26.8 million).

Note 20 Provisions

	Balance at 01.01.2025 *CHF 1,000*	Specific usage *CHF 1,000*	Currency differences *CHF 1,000*	New creation charged to income statement *CHF 1,000*	Reversals credited to income statement *CHF 1,000*	**Balance at 31.12.2025** *CHF 1,000*
Legal risks	32,396	29,150	-2,816	42,692	277	**42,845**
Other	19,005	7,385	-793	207	-	**11,034**
Total provisions	51,401	36,535	-3,609	42,899	277	**53,879**

Introduction
The Bank operates in a legal and regulatory environment that exposes it to significant litigation, regulatory, financial, reputational, and other risks arising from disputes and regulatory proceedings.

Non-compliance with legal and/or regulatory requirements may result in authorities taking regulatory enforcement action or initiating criminal proceedings against the Bank and/or its employees. Possible sanctions could include the revocation of licences to operate certain businesses, the order to suspend or limit certain activities, the suspension or expulsion from a particular jurisdiction or market of any of the Bank's business organisations or their key personnel, the imposition of fines, the disgorgement of profit as well as claims for restitution, and censures on companies and employees with respective impact on the reputation of the Bank and its relation with clients, business partners, and other stakeholders. In certain markets, authorities, such as regulatory or tax authorities, may determine that industry practices, e.g. regarding the provision and charging of services, are or have become inconsistent with their interpretations of existing local and/or international laws and regulations. Also, from time to time, the Bank is and may be confronted with information and clarification requests, and procedures from authorities and other third parties (e.g. related to conflicting laws, sanctions) as well as with enforcement procedures and/or litigations relating to certain topics such as environmental, social, governance, sustainability, suitability, disclosure, crypto, and artificial intelligence-related issues. As a matter of principle, the Bank cooperates with the competent authorities within the confines of applicable laws to clarify the situation while protecting its own and other stakeholders' interests.

The risks described above and below may not be the only risks to which the Bank is exposed. The additional risks not presently known, or risks and proceedings currently deemed immaterial, may also impair the Bank's future business, results of operations, financial conditions, and prospects. The materialisation of one or more of these risks may individually, or together with other circumstances, have a materially adverse impact on the Bank's business, results of operations, financial condition, and prospects.

Legal proceedings/contingent liabilities
The Bank is involved in various legal, regulatory and administrative proceedings concerning matters arising within the course of normal business operations. The current business environment involves substantial legal and regulatory risks, the impact of which on the financial position or profitability of the Bank – depending on the status of related proceedings – is difficult to assess.

The Bank establishes legal provisions for pending and threatened legal proceedings in accordance with applicable accounting standards if management is of the opinion that such proceedings are more likely than not to result in a financial obligation or loss, or if the dispute for economic reasons should be settled without acknowledgement of any liability on the part of the Bank and if the amount of such obligation or loss can already be reasonably estimated.

In rare cases in which the amount cannot be reasonably estimated due to the early stage of the proceedings, the complexity of the proceedings, and/or other factors, no provision is recognised but the case is recorded as a contingent liability. The contingent liabilities may result in a materially adverse effect on the Bank or may for other reasons be of interest to investors and other stakeholders.

Open proceedings

In 2010 and 2011, litigation was initiated against the Bank and numerous other financial institutions by the liquidators of the Fairfield funds (the 'Fairfield Liquidators'), which funds had served as feeder funds for the Madoff fraudulent investment schemes. In the direct claims against the Bank, the Fairfield Liquidators are seeking to recover a total amount of approximately USD 64 million in the courts of New York (including approximately USD 17 million that relates to redemption payments made to clients of ING Bank (Suisse) SA, which merged with the Bank in 2010, and approximately USD 25 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Bank in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions). The proceedings in the courts of the British Virgin Islands, where an amount of approximately USD 8.5 million had been claimed from the Bank, were finally dismissed in favour of the Bank with a ruling of the Privy Council, the highest court of appeals for the British Virgin Islands. In addition to the direct claims against the Bank, the Fairfield Liquidators have made combined claims in the amount of approximately USD 1.8 billion against more than 80 defendants, with only a fraction of this amount being sought from the Bank (and ultimately its clients concerned). The combined claims aggregate the damages asserted against all defendants, such that a reliable allocation of the claimed amounts between the Bank and the other defendants cannot be made at this time. Finally, in further proceedings, the trustee of Madoff's broker-dealer company (the 'Trustee') seeks to recover approximately USD 110 million in the courts of New York (including approximately USD 46 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Bank in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions), largely in relation to the same redemption payments that are the subject matter of the claims asserted by the Fairfield Liquidators. The Bank is challenging these actions on procedural and substantive grounds and has taken further measures to defend and protect its interests. In the proceedings initiated by the Trustee, the Bankruptcy Court in New York dismissed the case against the Bank and other defendants in November 2016 based on extraterritoriality principles. The Trustee appealed this decision, and, in February 2019, the Court of Appeal reversed the decision by the Bankruptcy Court. The Supreme Court refused to review this decision, therefore the proceedings continued with the Bankruptcy Court. The Bankruptcy Court has denied the Bank's motion to dismiss and the Bank has filed an answer to the Trustee's amended complaint. The case has begun with the fact discovery phase, which, per the case schedule, will continue at least until March 2026. In the proceedings initiated by the Fairfield Liquidators, the Bankruptcy Court in New York decided in December 2018 on certain aspects, which were appealed by the Fairfield Liquidators. The Bankruptcy Court additionally decided on certain other aspects in the Bank's favour in late 2020. That decision was also appealed by the Fairfield Liquidators. Both appeals were consolidated. In August 2022, the U.S. District Court for the Southern District of New York ruled on the pending appeals and confirmed the Bankruptcy Court's decision. The Fairfield Liquidators appealed the decision to the U.S. Court of Appeals for the Second Circuit. Further, in October 2021, the Bank filed a motion to dismiss for lack of personal jurisdiction. In response, the Fairfield Liquidators requested jurisdictional discovery, which has been completed. Following jurisdictional discovery, Fairfield filed its opposition to the Bank's motion to dismiss for lack of personal jurisdiction. In September 2024, the Bankruptcy Court denied the Bank's motion to dismiss, along with the motions of other similarly situated defendants. In August 2025, the Court of Appeals ruled on the pending appeals and dismissed all of the Fairfield Liquidators' claims, including the combined claim in the amount of approximately USD 1.8 billion. The Fairfield Liquidators have petitioned the Court of Appeals for a rehearing. Depending on the court's decision whether to grant a rehearing, the Liquidators may subsequently seek further review by the U.S. Supreme Court. In both cases, whether further review is granted is at the discretion of the Court.

In the context of an investigation against a former client regarding alleged participation in tax fraud relating to environmental-certificate trading in France, a formal procedure into suspected lack of due diligence in financial transactions/money laundering was initiated against the Bank in June 2014 and dismissed for formal reasons by a court order in March 2017. The deposit in the amount of EUR 3.75 million made in October 2014 by the Bank with the competent French court as a precautionary measure representing the amount of a potential fine was accordingly reimbursed to the Bank. However, in July 2017 the same amount was deposited again as a new investigatory procedure with respect to the same matter was initiated against the Bank. In May 2020, following an application by the prosecutor, the court admitted a new indictment against the Bank in this matter. A trial in the matter took place in December 2021, at which a fine of EUR 5 million and a restitution amount of EUR 2 million were proposed to be charged against the Bank. The competent court of first instance issued its decision on 14 March 2022 and found the Bank guilty of aggravated money laundering and confirmed the fine of EUR 5 million but reduced the claimed restitution amount to EUR 0.4 million. On 16 December 2025, the Court of Appeal confirmed the decision issued by the court of first instance but reduced the fine to EUR 2 million and rejected the claimed restitution amount of EUR 0.4 million. The Bank has appealed the decision to the Cour de Cassation and continues to protect its interest.

In November 2019, a former employee filed a labour law-based claim in the amount of USD 34.1 million in Venezuela against several Julius Baer companies, including the Bank, combined with a respective precautionary seizure request in double the amount. In December 2023, the court of first instance and, in January 2024, the Superior Labour Court decided to partially uphold the claim, such decision having been appealed by both parties to the Venezuelan Social Cassation Chamber of the Supreme Court of Justice, which confirmed the Superior Labour Court's decision in December 2025. Julius Baer continues contesting the jurisdiction of the Courts, the awarded amounts and the execution of such decisions and continues to defend its interests.

In May 2021, the Bank became aware that a writ of summons ('the Writ') had been registered against it at the Registry of the High Court of the Hong Kong Special Administrative Region, Court of First Instance. The Writ had been filed by SRC International (Malaysia) Limited claiming the sum of approximately USD 112 million (plus interest) from the Bank, alleging the Bank was in breach of its fiduciary duty of care by accepting and processing payment instructions for the transfer of funds during the period 25 October 2013 to September 2016. On 4 May 2022, the amended writ and statement of claim in the amount of USD 112.5 million was served on the Bank. The Bank is contesting the claim while taking appropriate measures to defend its interests.

In the context of a credit event that occurred in the Bank's private debt business (being run down) and which led to a loan loss allowance in the amount of CHF 586 million reflected in the 2023 consolidated financial statements, recovery activities by the Bank are ongoing, subject to material uncertainties related to the enforceability of collateral, including competing third-party claims and counterclaims as raised by liquidators in charge of the defaulted borrower. In this context the Bank has been served with a claim in the amount of EUR 62.3 million as filed by a liquidator in April 2025 with a court in Vienna. The Bank is contesting the claim while taking appropriate measures to defend its interests. The credit event and its wider context are also subject to a consolidated regulatory enforcement procedure by the Swiss Financial Market Supervisory Authority FINMA.

Note 21 Capital structure of Bank Julius Baer & Co. Ltd., Zurich

	31.12.2025	31.12.2024
Share capital		
Notional amount (CHF)	**100**	100
Number of shares	**5,750,000**	5,750,000
Share capital entitled to dividend (CHF)	**575,000,000**	575,000,000

There is no authorised capital or conditional capital.
All registered shares are fully paid.

Note 22 Significant shareholders[1]

Bank Julius Baer is a wholly owned subsidiary of Julius Baer Group Ltd.

Significant shareholders/participants of Julius Baer Group Ltd.[3]	Disclosure of purchase positions[2]	Disclosure of sale positions[2]
UBS Fund Management (Switzerland) AG[4]	10.01%	
BlackRock, Inc.[5]	5.06%	0.004%
Dodge & Cox[6]	5.02%	
Massachusetts Financial Services Company[7]	4.59%	
Julius Baer Group Ltd.[8]	3.61%	3.445%
Pzena Investment Management LLC[9]	3.01%	

[1] The percentage holding of voting rights as well as the other terms as used herein have to be defined and read in the context of the relevant and applicable stock exchange rules. Please note that some of the above figures base on reports made before the following events: capital reduction on 1 July 2021 following share buy-back program reducing the number of registered shares of Julius Baer Group Ltd. by 2'585'000 to 221'224'448 (as from 1 July 2021); capital reduction on 24 June 2022 following share buy-back program reducing the number of registered shares of Julius Baer Group Ltd. by 7'423'208 to 213'801'240 (as from 24 June 2022); capital reduction on 29 June 2023 following share buy-back program reducing the number of registered shares of Julius Baer Group Ltd. by 7'799'460 to 206'001'780 (as from 29 June 2023).
[2] Purchase positions disclosed pursuant to art. 14 para. 1 a FINMA Financial Market Infrastructure Ordinance (FMIO-FINMA) and sales positions pursuant to art. 14 para. 1 b FMIO-FINMA.
[3] Please note that a change in the holding of voting rights within reportable thresholds does not trigger a notification duty. Further details on individual shareholdings can be found on www.juliusbaer.com/shareholders or on the reporting and publication platform of the Disclosure Office of SIX Swiss Exchange at the address www.ser-ag.com in the section Fundamentals > Notices Market Participants > Significant Shareholders, Issuer Julius Bär Gruppe AG.
[4] UBS Fund Management (Switzerland) AG, Basle/Switzerland (reported on 25 November 2025)
[5] BlackRock, Inc., New York/USA (reported on 23 June 2021)
[6] Dodge & Cox, San Francisco/USA (reported on 5 November 2025)
[7] Massachusetts Financial Services Company, Boston (MA)/USA (reported on 14 July 2025)
[8] Julius Baer Group Ltd., Zurich/Switzerland (reported on 18 February 2025)
[9] Pzena Investment Management, LLC, New York/USA (reported on 25 March 2025).

Note 23 Share-based payments and other compensation plans

The Bank maintains various share-based payment plans for its employees. Share-based payments that are subject to the completion of a service period or to other vesting conditions are expensed over the respective vesting period. The fair value of these payments at grant date serves as the basis for calculating the personnel expenses and, unless subject to non-market performance criteria, is not remeasured for subsequent changes in the fair value of the underlying equity instruments. The amount recognised as an expense is adjusted to reflect the number of share awards for the related services and for non-market performance criteria achievement.

The programmes described below reflect the deferred variable compensation plan landscape as at 31 December 2025. All plans are reviewed annually to reflect any regulatory changes and/or market conditions. The Bank's overall compensation landscape is described in chapter *III. Remuneration Report of the Julius Baer Group Ltd. Annual Report*.

Equity-based variable compensation

Equity Performance Plan

The Equity Performance Plan (EPP) has been a long-term incentive mechanism that awards performance units to eligible participants subject to individual performance in the reporting period and to future Group-based performance-based vesting criteria. It has been an equity plan that sought to create a retention element for key employees and to link a significant portion of the executive compensation to the future performance of the Group.

Eligibility for the EPP has been determined annually based on various factors, which include nomination by the CEO, overall role within Julius Baer, total variable compensation, and individual contribution in the reporting period. All members of the Executive Board, key employees, and employees defined as risk takers of the Bank by virtue of their function within the organisation were considered for the EPP based on their specific role. An EPP grant is made once a year (annual, rolling basis) and award levels are determined in reference to the annual performance-based variable compensation awarded to the individual concerned.

Vesting of the EPP is subject to future performance with the goal of incentivising participants in two ways:

- Firstly, by the nature of its construction, the ultimate value of the award to the participants fluctuates with the market value of Julius Baer Group Ltd. shares.
- Secondly, the performance units are contingent on continued service and two key performance indicators (KPIs): cumulative Economic Profit (cEP) and relative Total Shareholder Return (rTSR).

- The service condition requires that the participant generally remains with the Bank for five years after the grant (plans vest pro rata in years three, four, and five following the grant date). The performance of the two KPIs is assessed during the three-year performance period to determine the number of shares the participant ultimately receives.

The number of shares delivered under the EPP is between 0% and 150% of the number of performance units granted in any given year (with each individual KPI being capped at a maximum multiplying factor of 200%). The cap serves to limit EPP awards so as to avoid any unforeseen outcome of the final EPP multiplier resulting in unintentionally high or excessive levels of compensation. A high level of performance is required to attain a maximum share delivery (creating a maximum uplift of 50% of the performance units granted), while low-level performance potentially leads to nil compensation.

The KPI targets are set based on the strategic three-year budget/plan that is approved by the Board of Directors on an annual basis.

No further grants are expected to be made under the EPP following the 2025 financial year; however, EPP awards outstanding at the end of 2025 will continue to vest according to their original terms.

Premium Share Plan
The Premium Share Plan (PSP) is designed to link a portion of the employee's variable compensation to the long-term success of the Group. A PSP grant is made once a year as part of the annual variable compensation awarded to the individual concerned, and participation is determined on an annual basis. The employee is granted a number of shares equal in value to the deferred element. These awards vest in equal tranches over at least three years. At the end of the plan period, subject to continued employment, the employee then receives an additional premium award representing a further one-third of the number of awards granted to them at the beginning of the plan period.

Long-Term Incentive Plan (LTI)
In certain specific situations, the Bank may also offer incentives outside the annual compensation cycle by granting an equity-based LTI. The LTI awards may include but are not limited to, such items as compensatory payments to new hires for lost or forfeited compensation, reward programmes, or retention key employees during extraordinary or critical circumstances. The LTI may also be used as a replacement of the PSP or for the delivery of blocked shares where required for regulatory reasons.

LTI grants generally over a three-year plan period. The Bank typically operates two different vesting schedules for this plan: (1) three equal one-third tranches vesting over a three-year period, (2) cliff-vesting of all granted shares in one single tranche at the end of a three-year period.

Staff Participation Plan (SPP)
The SPP is offered to most of the Bank's global employee population. Some individuals or employees in specific locations are excluded from participating for legal, regulatory, policy, or other administrative reasons. Under this plan, eligible participants may voluntarily purchase Julius Baer Group Ltd. shares at the prevailing market price, and for every three shares so purchased they will receive one additional share free of charge. These free shares vest after three years, subject to continued employment. Purchases under the SPP only occur once a year.

The objective of this plan is to strengthen the employee's identification with the Bank, to encourage entrepreneurial spirit, to generate greater interest in the business through ownership, and to provide employees with financial recognition for their long-term dedication to the Bank.

Movements in shares/performance units granted under various share plans are as follows:

	2025		2024	
	Number of units Economic Profit	Number of units Total Shareholder Return	Number of units Economic Profit	Number of units Total Shareholder Return
Equity Performance Plan				
Unvested units outstanding, at the beginning of the year	**662,172**	**662,172**	697,568	697,568
Granted during the year	**207,287**	**207,287**	187,717	187,717
Exercised during the year	**-65,237**	**-65,237**	-207,290	-207,290
Forfeited during the year	**-5,602**	**-5,602**	-15,823	-15,823
Unvested units outstanding, at the end of the year	**798,620**[1]	**798,620**[1]	662,172	662,172

[1] Thereof, 192,777 units already converted into 49,340 shares based on the performance measurement.

	2025	2024
Premium Share Plan		
Unvested shares outstanding, at the beginning of the year	**1,269,048**	1,202,913
Granted during the year	**664,952**	604,572
Vested during the year	**-552,956**	-494,923
Transferred (net) during the year	**-51,424**	-12,317
Forfeited during the year	**-1,947**	-31,197
Unvested shares outstanding, at the end of the year	**1,327,673**	1,269,048
Weighted average fair value per share granted (CHF)	**59.69**	46.65
Fair value of outstanding shares at the end of the year (CHF 1,000)	**82,847**	74,442

	2025	2024
Long-Term Incentive Plan		
Unvested shares outstanding, at the beginning of the year	**348,928**	178,569
Granted during the year	**277,144**	275,537
Vested during the year	**-161,933**	-99,478
Transferred (net) during the year	**162**	-
Forfeited during the year	**-2,343**	-5,700
Unvested shares outstanding, at the end of the year	**461,958**	348,928
Weighted average fair value per share awarded (CHF)	**58.58**	50.58
Fair value of outstanding shares at the end of the year (CHF 1,000)	**28,826**	20,468

Unvested units outstanding at the beginning of the year	**-**	-
Granted during the year	**77,078**	-
Unvested units outstanding at the end of the year	**77,078**	-

	2025	2024
Staff Participation Plan		
Unvested shares outstanding, at the beginning of the year	**148,542**	128,463
Granted during the year	**80,866**	61,839
Vested during the year	**-53,352**	-38,045
Transferred (net) during the year	**-4,233**	728
Forfeited during the year	**123**	-4,443
Unvested shares outstanding, at the end of the year	**171,946**	148,542
Weighted average fair value per share granted (CHF)[1]	**63.56**	50.05
Fair value of outstanding shares at the end of the year (CHF 1,000)	**10,729**	8,713

Number and value of equity securities across all plans held by all executives and directors and by employees:

	2025 Number of equity securities	**2025** Value of equity securities *CHF m*	2024 Number of equity securities	2024 Value of equity securities *CHF m*
Equity plans				
Total granted during the year	**1,022,962**	**59.6**	941,948	45.0
of which members of executive bodies	***93,052***	***9.3***	*74,793*	*3.9*
of which employees	***929,910***	***50.3***	*867,155*	*41.1*

	2025 Number of units	**2025** Value of units *CHF m*	2024 Number of units	2024 Value of units *CHF m*
Plans based on units				
Total granted during the year	**491,652**	**23.9**	375,433	12.2
of which members of executive bodies	***276,016***	***13.4***	*86,881*	*2.8*
of which employees	***215,636***	***10.5***	*288,552*	*9.4*

Compensation expense recognised for the various share plans is as follows:

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Share-based payments		
Equity Performance Plan	**16.5**	-3.9
Premium Share Plan	**33.0**	34.7
Long-Term Incentive Plan	**19.6**	6.8
Staff Participation Plan	**3.5**	3.4
Total	**72.6**	41.0

Note 24 Related party transactions

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Claims on	**4,272,509**	2,731,777
affiliated companies	**1,465,762**	204,144
significant shareholders	**2,806,743**	2,513,863
members of the Bank's corporate bodies	**4**	13,770
of which Board of Directors	***-***	*32*
of which Executive Board	***4***	*13,738*
Liabilities to	**6,188,076**	5,795,028
affiliated companies	**2,557,088**	3,207,605
significant shareholders	**3,606,387**	2,559,926
members of the Bank's corporate bodies	**9,012**	11,546
of which Board of Directors	***5,926***	*3,522*
of which Executive Board	***3,086***	*8,024*
own pension funds	**15,589**	15,951
Credit guarantees to	**106,582**	195,528
affiliated companies	**106,380**	195,454
members of the Bank's corporate bodies	**202**	74
of which Board of Directors	***202***	*74*
Services provided to	**498,742**	622,451
affiliated companies	**315,617**	475,289
significant shareholders	**183,015**	146,624
members of the Bank's corporate bodies	**110**	538
of which Board of Directors	***118***	*149*
of which Executive Board	***-8***	*389*
Services provided by	**127,747**	112,319
affiliated companies	**97,537**	79,200
significant shareholders	**30,210**	33,119

The loans granted to key management personnel consist of Lombard loans on a secured basis (through pledging of the securities portfolios) and mortgage loans on a fixed and variable basis. Transactions with the related parties are at arm's length.

The interest rates of the Lombard loans and mortgage loans are in line with the terms and conditions that are available to other employees, which are in line with the terms and conditions granted to third parties adjusted for reduced credit risk.

Note 25 Assets – Country ratings

		31.12.2025		31.12.2024	
		CHF 1,000	*%*	*CHF 1,000*	*%*
Total assets by the Bank's country risks rating classes	**Moody's**				
1–2	Aaa – Aa3	**85,413,241**	**85.5**	83,376,213	86.6
3	A1 – A3	**4,693,550**	**4.7**	3,696,705	3.8
4	Baa1 – Baa3	**1,915,284**	**1.9**	2,015,071	2.1
5	Ba1 – Ba3	**861,964**	**0.9**	789,483	0.8
6–7	B1 – Caa3	**219,012**	**0.2**	428,335	0.4
8–9	Ca – C	**74,753**	**0.1**	59,328	0.1
Unrated		**6,687,413**	**6.7**	5,947,725	6.2
Total		**99,865,217**	**100.0**	96,312,860	100.0

Note 26 Company structure

	Domicile	Currency	Share capital m	Equity interest %
Companies				
Bank Julius Baer & Co. Ltd.	Zurich	CHF	575.000	100
Branches in Basle, Berne, Crans-Montana, Geneva, Guernsey,				
Hong Kong, Lausanne, Lucerne, Lugano, Singapore, Sion				
St. Gallen, St. Moritz, Verbier, Zurich				
Representative Offices in Bogotá, Istanbul, Johannesburg,				
Mexico City, Santiago de Chile, Shanghai, Tel Aviv				
including				
Bank Julius Baer Nominees (Singapore) Pte. Ltd.	*Singapore*	*SGD*	*0.000*	*100*

Note 27 Contingent liabilities

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Credit guarantees in the form of obligations under avals, sureties and guarantees, including guarantee obligations in the form of irrevocable letters of credit	**842,469**	1,046,716

Note 28 Irrevocable commitments

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Unutilised irrevocable commitments to extend credit	**192,869**	209,650
Irrevocable commitments to the Swiss deposit guarantee institution	**50,606**	50,672
Total	**243,475**	260,322

Note 29 Fiduciary transactions

	31.12.2025 *CHF 1,000*	31.12.2024 *CHF 1,000*
Fiduciary deposits at third-party banks	**9,918,373**	10,614,613

Note 30 Assets under management

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Assets with discretionary mandate	**64,533**	62,104
Other assets under management	**348,078**	326,101
Assets in collective investment schemes managed by the Bank	**24,938**	16,674
Total assets under management (including double counting)	**437,549**	404,879
of which double counting	***22,225***	*14,721*

	2025 *CHF m*	2024 *CHF m*
Balance at the beginning of the period	**404,879**	347,399
Net new money	**11,180**	11,499
Market performance and currency impacts	**22,324**	47,993
Acquisitions/(divestment)[1]	**-979**	-1,344
Other effects[2]	**145**	-668
Balance at the end of the period	**437,549**	404,879

	31.12.2025 *CHF m*	31.12.2024 *CHF m*
Client assets	**516,219**	477,156

[1] In both 2025 and 2024, assets under management were impacted by the Bank's decision to discontinue certain service offerings.
[2] The category includes the consequences of policy changes and reclassifications into assets under custody resulting from externally imposed restrictions impacting the Bank's service offering.

Assets under management include all bankable assets managed by or deposited with the Bank for investment purposes. Assets included are portfolios of wealth management clients for which the Bank provides discretionary or advisory asset management services. Assets deposited with the Bank held for transactional, safekeeping, custody or administrative purposes, and for which the Bank does not offer advice on how the assets should be invested, are excluded from assets under management. Assets under management take into account client deposits as well as market values of securities, precious metals, and fiduciary investments placed at third-party institutions.

Assets with discretionary mandate are defined as assets for which the investment decisions are made by the Bank, and include assets deposited with the Bank as well as assets deposited with a third-party institution. Other assets under management are defined as assets for which the investment decision is made by the client itself. Assets in collective investment schemes managed by the Bank include investment products and solutions developed by the Bank and for which the Bank provides services on an ongoing basis.

When assets under management are subject to more than one level of asset management services, double counting arises within the total assets under management. Each such separate discretionary or advisory service provides additional benefits to the respective client and generates additional revenue to the Bank.

Net new money consists of in- or outflows attributable to new clients, departed clients and existing clients. It is calculated by the direct method, which is based on individual client transactions. New or repaid loans to clients and related interest expenses result in net new money flows. Interest and dividend income from assets under management, market performance and currency impacts as well as fees and commissions are not included in the net new money result. Generally, reclassifications between assets under management and assets under custody result in corresponding net new money in- or outflows.

Assets under management are disclosed according to the Guidelines of the FINMA governing financial statement reporting.

Assets under custody are defined as assets held for transactional, safekeeping, custody or administrative purposes and for which additional services, for example analysis and reporting or securities lending and borrowing, are provided.

Client assets comprise the aggregate of assets under management and assets under custody.

Non-bankable assets (e.g. art collections, real estate), asset flows driven more by liquidity requirements than investment purposes, assets primarily used for cash management, funding or trading purposes or deposited assets held purely for transactional or safekeeping/custody purposes are excluded from client assets.

Note 31 Events after the balance sheet date

There are no events to report that had an influence on the balance sheet or the income statement for the 2025 financial year.

Report of the Statutory Auditor to the Ordinary Annual General Meeting of Bank Julius Baer & Co. Ltd., Zurich

KPMG

Statutory Auditor's Report

To the General Meeting of Bank Julius Baer & Co. Ltd., Zurich

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bank Julius Baer & Co. Ltd. (the Bank), which comprise the balance sheet as at 31 December 2025, and the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 4 to 63) for the year ended 31 December 2025 comply with Swiss law and the Bank's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

LITIGATION AND REGULATORY PROCEEDINGS

VALUATION OF FINANCIAL INSTRUMENTS

IMPAIRMENT OF LOANS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG



LITIGATION AND REGULATORY PROCEEDINGS

Key Audit Matter

As at 31 December 2025, the Bank recognizes provisions for legal risks of CHF 42.9m arising from litigation and regulatory proceedings (together 'legal and regulatory matters').

The Bank is involved in a number of legal and regulatory matters which could have a material effect on the Bank but do not qualify for the recognition of a provision. These matters are disclosed as contingent liabilities.

The recognition and measurement of provisions and the measurement and disclosure of contingent liabilities in respect of legal and regulatory matters requires significant judgment.

Our response

Our procedures included the assessment of key controls over the identification, evaluation and measurement of potential obligations arising from legal and regulatory matters.

We paid particular attention to significant matters that experienced notable developments or that emerged during the period. For matters identified, we considered whether an obligation exists, the appropriateness of provisioning and/or disclosure based on the facts and circumstances available.

In order to assess the facts and circumstances, we obtained and assessed the relevant regulatory and litigation documents and interviewed the Bank's internal and external legal counsels. We also critically assessed the assumptions made and key judgments applied and considered possible alternative outcomes.

Additionally, we considered whether the Bank's disclosures of the application of judgment in estimating provisions and contingent liabilities adequately reflected the uncertainties associated with legal and regulatory matters.

For further information on litigation and regulatory proceedings refer to note 20 to the financial statements on pages 51 to 53.



VALUATION OF FINANCIAL INSTRUMENTS

Key Audit Matter

As at 31 December 2025, the Bank reports financial assets of CHF 22,886.3m and financial liabilities of CHF 21,571.0m measured at fair value representing 22.9% and 21.6% of total assets and total liabilities and equity respectively.

The fair value of financial instruments that are traded in an active market is determined based on quoted market prices. The exercise of judgment and the use of estimates and assumptions is in particular required for instruments where observable market prices or market parameters are not available. For such instruments the fair value is determined through the use of valuation techniques or models applied by the Bank.

Due to the significance of such financial instruments to the balance sheet and the degree of complexity involved, there is estimation uncertainty with regard to the valuation of financial instruments.

Our response

Our procedures included the assessment of key controls over the identification, measurement and management of valuation risk, as well as evaluating the methodologies and input parameters used by the Bank in determining fair values.

For the Bank's fair value models, we involved our own valuation specialists to assess the appropriateness of the models and inputs. We further compared observable inputs against independent sources and externally available market data and re-performed independent valuations for a sample of instruments with the assistance of our own valuation specialists.

Additionally, we assessed whether the fair value determination is appropriately disclosed.

For further information on valuation of financial instruments refer to notes 10, 11 and 12A to the financial statements on pages 34 to 37.

KPMG



IMPAIRMENT OF LOANS

Key Audit Matter

As at 31 December 2025, the Bank reports loans of CHF 39,432.9m representing 39.5% of total assets and records a credit loss allowance of CHF 846.6m. Lombard loans represent 82.6% of the loan portfolio (CHF 32,574.5m) including a loss allowance of CHF 648.4m, while mortgage loans represent 17.4% of the loan portfolio (CHF 6,858.4m) including a loss allowance of CHF 198.2m. CHF 637.5m of the loss allowance for lombard loans relates to Stage 3 ECL, primarily due to credit losses on the private debt portfolio.

Loans are measured at amortized cost considering any impairment losses. The impairment of loans is estimated through the application of judgment and use of assumptions. This particularly applies to the specific allowances measured on an individual basis for credit losses established for impaired loan amounts.

The loan portfolios which give rise to the greatest uncertainty are typically those with concentration risks in collaterals that are potentially more sensitive to global economic trends.

Our response

Our procedures included the assessment of key controls over the approval, recording and monitoring of loans and an evaluation of the methodologies, inputs and assumptions used by the Bank to assess the adequacy of impairment allowances for individually assessed loans.

For a sample of loans with specific allowances for credit losses we evaluated the Bank's individual impairment assessment and specifically challenged the Bank's assumptions used, including the value of realizable collateral and the estimated recoverability. Based on a retrospective review, we further critically assessed whether the Bank revised its estimates and assumptions for specific allowances established in prior year.

We also tested a sample of individually significant exposures which had not been identified as potentially impaired by the Bank and assessed whether appropriate consideration was given to the collectability of future cash flows and the valuation of the underlying collaterals.

For further information on impairment of loans refer to note 8 to the financial statements on pages 22 to 32.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Mirko Liberto
Licensed Audit Expert
Auditor in Charge

Corina Wipfler
Licensed Audit Expert

Zurich, 16 February 2026

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

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Appendix pursuant to Article 26 IV Regulation (EU) 2017/1129 of the European Parliament and of the Council relating to the Registration Document of Bank Julius Baer & Co. Ltd. dated 27 May 2026

Appendix nach Artikel 26 IV der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates in Verbindung mit dem Registrierungsdokument der Bank Julius Baer & Co. Ltd. vom 27. Mai 2026

Key information on the Issuer

Who is the Issuer of the Securities?

The Issuer is registered with the names Bank Julius Bär & Co. Ltd., Banque Julius Baer & Cie SA, Bank Julius Bär & Co. AG, Banca Julius Baer & Co. SA ("**BJB**"). Those names refer to one and the same legal entity. BJB has its registered office at Bahnhofstrasse 36, 8001 Zürich, Switzerland, and is registered with the Commercial Register of the Canton of Zurich under the number CH-020.3.902.727-1 and in the UID-Register under CHE-105.940.833 BJB is incorporated as a stock corporation with limited liability under the laws of Switzerland. The LEI is PNWU8O0BLT17BBV61Y18. The website of the Issuer is https://www.juliusbaer.com.

Principal Activities

BJB's core business is wealth management and investment advice for private clients, family offices and external asset managers from around the world. BJB may also purchase real estate, pledge it as security and sell it.

In cooperation with other companies of the Julius Baer Group, comprehensive services are offered i.a. in the areas of wealth and tax planning, foreign exchange, equity, precious metals and fund trading, custody and execution services and other, complementary business fields.

BJB is also active in the Lombard credit business for portfolio management and trading clients and provides straight residential mortgages to its private clients predominantly in Switzerland, but also in high-end market areas of other European countries. BJB within the group companies Bank Julius Bär Deutschland AG, Frankfurt a. M., Bank Julius Baer (Monaco) S.A.M., Bank Julius Baer Europe S.A., Luxembourg and others, is a fully owned subsidiary of Julius Baer Group Ltd. (Julius Baer Group Ltd. together with its subsidiaries the "**Julius Baer Group**"), BJB operates as the central underwriter for traditional and innovative derivative investment products. BJB also engages in securities lending and borrowing.

Major Shareholders

BJB is a one hundred per cent subsidiary of Julius Baer Group Ltd..

Key Managing Directors

The Executive Board[1] of BJB consists of the following members: Stefan Bolliger (Chief Executive Officer), Jean Nabaa (Chief

Basisinformationen über den Emittenten

Wer ist der Emittent der Wertpapiere?

BJB ist mit der Firma Bank Julius Bär & Co. AG, Banque Julius Baer & Cie. SA, Bank Julius Baer & Co. Ltd. und Banca Julius Baer & Co. SA ("**BJB**") im Handelsregister des Kantons Zürich unter der Nummer CH-020.3.902.727-1 seit 31. Dezember 1974 und im UID-Register unter der Nummer CHE-105.940.833 eingetragen. Die genannten Namen beziehen sich auf ein und dieselbe juristische Person. BJB hat keinen kommerziellen Namen. Der Legal Entity Identifier (LEI) der BJB ist: PNWU8O0BLT17BBV61Y18. Die Website der Emittentin ist: https://www.juliusbaer.com.

Haupttätigkeiten

Das wichtigste Geschäftsgebiet der BJB ist die Vermögensverwaltung und Anlageberatung für Privatkunden, Familienunternehmen und unabhängige Vermögensverwalter aus aller Welt. BJB kann Grundstücke erwerben, belasten und veräussern.

In Zusammenarbeit mit anderen Gesellschaften der Julius Bär Gruppe werden umfassende Dienstleistungen u.a. in den Bereichen Wealth & Tax Planning, Devisen- und Wertschriftenhandel, Edelmetall- und Fondshandel, Depot- und Abwicklungsleistungen sowie in weiteren ergänzenden Geschäftsfeldern angeboten.

Für ihre Portfolio-Management- und Handelskunden ist die BJB ausserdem im Lombard-Kreditgeschäft tätig. Sie bietet ihren Privatkunden, vor allem in der Schweiz, aber auch in High-end-Märkten in anderen europäischen Ländern, Hypotheken für Wohnimmobilien an. Innerhalb der Gruppengesellschaften, Bank Julius Bär Deutschland AG, Frankfurt a.M., Bank Julius Baer (Monaco) S.A.M., Bank Julius Baer Europe S.A., Luxemburg und anderen, ist BJB eine hundertprozentige Tochtergesellschaft der Julius Bär Gruppe AG (Julius Bär Gruppe AG zusammen mit allen Tochtergesellschaften die "**Julius Bär Gruppe**") und übernimmt die zentrale Funktion als Emissionshaus für traditionelle und innovative derivative Anlageprodukte. Zudem ist die Emittentin aktiv im Wertpapierleihgeschäft (Securities Lending and Borrowing).

Hauptgesellschafter

BJB ist eine hundertprozentige Tochter der Julius Bär Gruppe AG.

Hauptgeschäftsführer

Die Geschäftsleitung[4] der BJB besteht aus den nachfolgenden Mitgliedern: Stefan Bolliger (Chief Executive Officer), Jean Nabaa

[1] Thomas Frauenlob, Co-Head Region Western Markets & Switzerland, based in Zurich, and Rajesh Manwani, Co-Head Global Products & Solutions, based in Singapore, were appointed to the Executive Board, effective 1 June 2026.

[4] Per 1. Juni 2026 wurden Thomas Frauenlob, Co-Head Region Western Markets & Switzerland, mit Sitz in Zürich, und Rajesh Manwani, Co-Head Global Products & Solutions, mit Sitz in Singapur in die Geschäftsleitung berufen.

Operating Officer), Evangelia (Evie) Kostakis[2] (Chief Financial Officer), Victoria McLean (Chief Compliance Officer), Ivan Ivanic (Chief Risk Officer) and Christoph Hiestand[3] (Group General Counsel).

Statutory Auditors

For the financial years ended 31 December 2024 and 31 December 2025, the independent auditors of BJB were KPMG AG, Badenerstrasse 172, 8004 Zurich, Switzerland, acting in terms of the provisions of company and banking law as well as BJB's articles of association. KPMG AG have audited the consolidated financial statements of BJB for the financial years ended 31 December 2024 and 31 December 2025 and the financial statements of BJB for the financial year ended 31 December 2025. KPMG AG is a member of the Swiss Institute of Certified Accountants and Tax Consultants with registered office in Zurich.

(Chief Operating Officer), Evangelia (Evie) Kostakis[5] (Chief Financial Officer), Victoria McLean (Chief Compliance Officer), Ivan Ivanic (Chief Risk Officer) und Christoph Hiestand[6] (Group General Counsel).

Abschlussprüfer

Für die am 31. Dezember 2024 und am 31. Dezember 2025 beendeten Geschäftsjahre war KPMG AG Badenerstrasse 172, 8004 Zürich, Schweiz der unabhängige Abschlussprüfer der BJB gemäss Gesellschafts- und Bankrecht sowie BJBs Statuten. KPMG AG hat die konsolidierten Finanzberichte der BJB für die am 31. Dezember 2024 und am 31. Dezember 2025 beendeten Geschäftsjahre und die Finanzberichte der BJB für das am 31. Dezember 2025 beendete Geschäftsjahr geprüft. KPMG AG ist Mitglied der Treuhandkammer mit Sitz in Zürich.

[2] Evangelia (Evie) Kostakis will step down from her role as Chief Financial Officer by end of the year 2026.

[3] As of 1 June 2026 the Group General Counsel function, held by Christoph Hiestand, will not be part of the Executive Board going forward.

[5] Evangelia (Evie) Kostakis wird von ihrer Position als Chief Financial Officer zum Ende des Jahres 2026 zurücktreten.

[6] Per 1. Juni 2026 wird die Funktion des Group General Counsel, die von Christoph Hiestand wahrgenommen wird, künftig nicht mehr Teil der Geschäftsleitung sein.

What is the key financial information regarding the Issuer?

Except as otherwise marked below, the following key financial information is based on the audited consolidated financial statements of Bank Julius Baer & Co. LTD. for 31 December 2024 and 31 December 2025

Income statement

	31.12.2024 *CHF m*	**31.12.2025** *CHF m*
Net interest income	187.0	-0.4
Commission and fee income	2,058.6	2,236.3
Net credit losses/ (recoveries) on financial assets	14.4	187.1
Operating income*	2,941.4	3,069.3
Net profit attributable to the shareholder of Bank Julius Baer & Co. Ltd.	709.3	586.5
Share information	*CHF*	*CHF*
- Basic earnings per share (EPS)	123.36	102.00
- Diluted earnings per share (EPS)	123.36	102.00

* Alternative Performance Measure

Welches sind die wesentlichen Finanzinformationen über den Emittenten

Sofern nicht anders gekennzeichnet, basieren die folgenden wesentlichen Finanzinformationen auf den geprüften konsolidierten Finanzinformationen der Bank Julius Bär & Co. Ltd. für den 31. Dezember 2024 und 31. Dezember 2025

Gewinn- und Verlustrechnung

	31.12.2024 *CHF 1.000*	**31.12.2025** *CHF 1.000*
Nettozinserträge	187,0	-0,4
Kommissions- und Gebühreneinnahmen	2.058,6	2.236,3
Netto-Kreditverluste/ (Wiedereingänge) auf Finanzanlagen	14,4	187,1
Operativer Gewinn*	2.941,4	3.069,3
Gewinn des Aktionärs der Bank Julius Bär & Co. AG	709,3	586,5
Aktien-Informationen	*CHF*	*CHF*
- Gewinn je Aktie (EPS)	123,36	102,00
- Verwässertes Ergebnis je Aktie (EPS)	123,36	102,00

*Alternative Leistungskennzahl

Balance sheet

	31.12.2024	31.12.2025
Total assets *(in CHF m)*	98,045.8	101,682.5
Financial liabilities measured at FVTPL *(in CHF m)*	778.6	1,292.8
Total subordinated liabilites***(in CHF 1,000)*	1,210,222	1,109,006
Loans with customers (at net) *(in CHF m)****	38,060.4	38,597.6
Liabilities due to customers *(in CHF m)*	64,302.5	63,950.8
Total equity attributable to shareholder of Bank Julius Baer & Co. Ltd. *(in CHF m)*	5,917.6	6,124.3
Non performing loans (based on net carrying amount)/ Loans and receivables *(in CHF m)*	68.6*****	356.1******
Common Equity Tier 1 capital (CET1) ratio***(in %)*	20.1%	16.9%
Total Capital Ratio***(in %)*	26.8%	22.7%
Basel III leverage ratio (in %)***	5.0%	4.4%

**Key financial information has been extracted from the Bank Julius Baer & Co. Ltd. Annual Report 2025.

***This figure comprise of lombard loans (as at 31/12/2025: CHF 31,926.1 million and as at 31/12/2024: CHF 31,360.3 million) and mortgage loans (as at 31/12/2025: CHF 6,671.5 million and as at 31/12/2024: CHF 6,700.1 million). The figure is not audited.

****This figure consist of the following credit-impared (Stage 3) items: 10.0 m carrying amount in relation to lombard Loans (at amortised cost) and 58.6 m carrying amount in relation to mortgage Loans (at amortised cost). The figure is not audited.

*****This figure consist of the following credit-impared (Stage 3) items: 140.8 m carrying amount in relation to lombard Loans (at amortised cost) and 215.3 m carrying amount in relation to mortgage Loans (at amortised cost). The figure is not audited.

Bilanz

	31.12.2024	31.12.2025
Vermögenswerte insgesamt *(in CHF m)*	98.045,8	101.682,5
Finanzielle Verbindlichkeiten bewertet bei FVTPL *(in CHF m)*	778,6	1.292,8
Nachrangige Verbindlichkeiten***(in CHF 1.000)*	1.210.222	1.109.006
Darlehen gegenüber Kunden (netto) *(in CHF m)* ***	38.060,4	38.597,6
Verpflichtungen gegenüber Kunden *(in CHF m)*	64.302,5	63.950,8
Total Eigenkapital der Aktionäre der Bank Julius Bär & Co. Ltd *(in CHF m)*	5.917,6	6.124,3
Notleidende Kredite (basierend auf Nettobuchwert) / Kredite und Forderungen *(in CHF m)*	68,6****	356,1******
Kernkapitalquote (CET1)*** *(in %)*	20,1%	16,9%
Gesamtkapitalquote*** *(in %)*	26,8%	22,7%
Basel III Verschuldungsquote *** *(in %)*	5,0%	4,4%

****Diese Finanzinformationen entstammen aus den Finanzinformationen 2025 der Bank Julius Bär & Co. AG.

***Diese Kennzahl setzt sich zusammen aus den aus Lombardkrediten (zum 31/12/2025: CHF 31.926,1 Millionen and zum 31/12/2024: CHF 31.360,3 Millionen) und Hypothekenkrediten (zum 31/12/2025: CHF 6.671,5 Millionen and zum 31/12/2024: CHF 6.700,1 Millionen). Diese Angabe ist ungeprüft.

**** Diese Kennzahl setzt sich zusammen aus den folgenden credit-impared (Stage 3) Kennzahlen zusammen: 10,0 m Nettobuchwert in Bezug auf Lombardkredite (zu fortgeführten Anschaffungskosten) und 58,6 m Nettobuchwert in Bezug auf Hypothekenkrediten (zu fortgeführten Anschaffungskosten). Diese Angabe ist ungeprüft.

***** Diese Kennzahl setzt sich zusammen aus den folgenden credit-impared (Stage 3) Kennzahlen zusammen: 140,8 m Nettobuchwert in Bezug auf Lombardkredite (zu fortgeführten Anschaffungskosten) und 215,3 m Nettobuchwert in Bezug auf Hypothekenkrediten (zu fortgeführten Anschaffungskosten). Diese Angabe ist ungeprüft.

What are the key risks that are specific to the Issuer?

In the following the most material risks to BJB are set out. The assessment of materiality of each risk has been made by the Issuer based on the probability of their occurrence and the expected magnitude of their negative impact on the Issue. The realization of these risks could results in adverse effects on BJB's business, results of operations, profitability, financial condition or prospects.

Credit risk: BJB is exposed to the credit risk of its counterparties. Credit risk is the risk of financial losses due to a client or a counterparty of BJB being either unable, or only partially able, to meet an obligation owed to BJB.

Welches sind die zentralen Risiken, die für den Emittenten spezifisch sind?

Im Folgenden werden die wesentlichsten Risiken von BJB dargelegt. Die Beurteilung der Wesentlichkeit jedes Risikos wurde von der Emittentin auf der Grundlage der Wahrscheinlichkeit ihres Eintretens und des zu erwartenden Umfangs ihrer negativen Auswirkungen auf die Emittentin durchgeführt. Die Realisierung dieser Risiken könnte zu nachteiligen Auswirkungen auf den Geschäftsbetrieb, die Ertragslage, die Profitabilität, die Finanzlage oder die Aussichten der BJB haben.

Kreditrisiko: Die BJB ist dem Kreditrisiko ihrer Gegenparteien ausgesetzt. Das Kreditrisiko ist das Risiko von finanziellen Verlusten, die dadurch entstehen, dass ein Kunde oder eine Gegenpartei, nicht oder nur teilweise in der Lage ist, eine Verpflichtung gegenüber der BJB zu erfüllen.

Treasury risk: Treasury risk is defined as the risk associated with BJB's ability to convert an asset into cash to ensure it can meet its obligations in adverse scenarios. The transformation of short-term deposits into long-term assets exposes banks to treasury risk. The treasury risk of BJB consists of the financing risk and the liquidity risk. Financing risk is the risk of BJB being unable to finance its existing or planned activities on an ongoing basis at acceptable prices. A diminution of BJB's liquidity may be caused by events over which it has little or no control. Failure by BJB to effectively manage its liquidity could constrain its ability to fulfil its obligations and fund or invest in its businesses in particular in relation to accepting deposits, providing loans and credits. A realization of the treasury risk could therefore materially affect BJB´s results of operations and financial condition.

Finanzrisiko: Das Finanzrisiko ist definiert als das Risiko, welches mit der Fähigkeit von BJB zusammenhängt, Aktiven in nachteiligen Szenarien in Geld umzuwandeln, um ihren Verpflichtungen nachzukommen. Banken sind aufgrund der Umwandlung von kurzfristigen Einlagen in langfristige Aktiven dem Finanzrisiko ausgesetzt. Das Finanzrisiko von BJB besteht aus dem Finanzierungsrisiko und dem Liquiditätsrisiko. Das Finanzierungsrisiko ist das Risiko, dass BJB nicht in der Lage ist, ihre bestehenden oder geplanten Aktivitäten laufend zu angemessenen Preisen zu finanzieren. Eine Beeinträchtigung der Liquiditätslage der BJB kann durch Ereignisse bewirkt werden, über welche BJB kaum oder gar keine Kontrolle hat. Ein Versagen der BJB ihre Liquidität effektiv zu verwalten, könnte die Fähigkeit, ihren Verpflichtungen nachzukommen beeinflussen, insbesondere in Bezug auf die Annahme von Einlagen, die Gewährung von Darlehen und Krediten. Eine Realisierung des Finanzrisikos könnte demnach die Ertragslage und die Finanzlage der BJB wesentlich beeinträchtigen.

Risk of a rating downgrade: A downgrading of BJB's credit rating could have a material adverse effect on BJB's profitability and results of operations.

Risiko einer Herabstufung des Ratings: Eine Herabstufung des Bonitätsratings könnte sich wesentlich nachteilig auf die Profitabilität und die Ertragslage der BJB auswirken.

Operational risk: BJB is exposed to operational risks. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, external events or fraud. It includes the risk of unexpected losses from isolated events, caused for example by faulty information systems, unsuitable organisational structures or deficient control mechanisms. BJB's operational risk consists, in particular of information security risk (including cyber risk), fraud risk and technology risk. In an industry where business processes are becoming increasingly complex, BJB relies heavily on its financial, accounting and other data processing systems. If any of these systems, were not to operate properly or were disabled including due to a systems malfunction, cyber breach or other systems failure, BJB could suffer financial loss, liability to clients, loss of client confidence, regulatory intervention and/or reputational damage. Therefore, the realisation of operational risks could have a material adverse effect on BJB's profitability and results of operations.

Operationelles Risiko: Die BJB ist operationellen Risiken ausgesetzt. Operationelles Risiko ist das Risiko von Verlusten, die auf unangemessene oder fehlerhafte interne Prozesse, Menschen, Systeme, externe Ereignisse oder Betrug zurückzuführen sind. Es umfasst das Risiko von unerwarteten Verlusten aus isolierten Ereignissen, die zum Beispiel durch fehlerhafte Informationssysteme, ungeeignete Organisationsstrukturen oder mangelhafte Kontrollmechanismen verursacht werden. BJB's operationelles Risiko besteht insbesondere aus dem Risiko in Bezug auf Informationssicherheit (einschließlich dem Cyber-Risiko), dem Betrugsrisiko und dem Technologierisiko. In einer Industrie, in der die Geschäftsprozesse zunehmend komplex werden, verlässt sich die BJB in erheblichem Masse auf finanzielle buchungs- und andere Datenverarbeitungssysteme. Falls ein solches System, künftig nicht ordnungsgemäß funktionieren oder ausfallen würde, könnte die BJB dadurch finanzielle Verluste, Haftung gegenüber Kunden, Verlust von Kundenvertrauen regulatorische Eingriffe und/oder Reputationsschäden erleiden. Daher könnte die Realisierung operationeller Risiken wesentlich negative Auswirkungen auf die Profitabilität und die Ertragslage von BJB haben.

Market risks: Market risk refers to the potential losses through changes in the valuation of its assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors. BJB separates its market risk into the trading market risk and the non-trading market risk. Trading market risk results in the context of structuring such structured products by BJB as well of providing access to global equity, bonds, foreign exchange, fx and precious metal markets. BJB's results of operation depend, to a significant extent, on factors such as the returns realized by its clients on their investments as well as its ability to attract new money inflows. Weak investment performance in the financial markets, in general, will negatively affect the value of the assets BJB manages for its clients and may lead to a decline in BJB's revenues and profitability. If the market risk realizes this could therefore have a material adverse effect on BJB's results of operation.

Marktrisiko: Das Marktrisiko bezieht sich auf die potenziellen Verluste durch Änderungen in der Bewertung seiner Vermögenswerte und Verbindlichkeiten aufgrund von Änderungen der Marktpreise, Volatilitäten, Korrelationen und anderer bewertungsrelevanter Faktoren. BJB unterteilt ihr Marktrisiko in das Marktrisiko aus Handelsaktivitäten und das Marktrisiko ohne Handelsaktivitäten. Die Ertrags- und Finanzlage der BJB hängen zu einem wesentlichen Teil von Faktoren ab, wie die Rendite, welche ihre Kunden auf ihren Anlagen erzielt haben und der Fähigkeit neue Kundengelder anzuziehen. Schwache Anlageergebnisse auf den Finanzmärkten im Allgemeinen werden den Wert der Vermögen negativ beeinflussen, welche die BJB für ihre Kunden verwaltet und könnten zu einer Beeinträchtigung des Ertrages und der Profitabilität der BJB führen. Wenn sich das Marktrisiko realisiert, könnte sich dies wesentlich nachteilig auf BJB's Ertragslage auswirken.

Reputational risk: BJB's reputation may deteriorate due to cases in which stakeholders' perception of BJB differs negatively from BJB´s actual conduct performance and business practice. Negative sentiment relating BJB's business practices can involve any aspect of its operations, but usually relates to topics of business ethics and integrity, or quality of products and services. The realisation of Reputational risk could therefore have a material adverse effect on BJB's business, results of operations and its prospects.

Reputationsrisiko: BJB's Reputation kann sich dadurch verschlechtern, dass die Wahrnehmung von BJB durch die Interessengruppen negativ von der tatsächlichen Leistungsfähigkeit und der Geschäftspraxis abweicht. Eine negative Einstellung zu den Geschäftspraktiken der BJB kann jeden Aspekt ihrer Tätigkeit betreffen, bezieht sich aber in der Regel auf Themen der Geschäftsethik und Integrität oder die Qualität von Produkten und Dienstleistungen. Die Verwirklichung des Reputationsrisikos könnte daher den

Compliance risk: BJB is subject to compliance risks in particular by providing services to clients and counterparties, by receiving services from third parties and by operating in a regulated industry. BJB is a financial services firm and has operations in various jurisdictions, in particular in Switzerland, Middle East, Europe, Asia and Latin America. It must comply with the laws and regulations that apply to its business in all of the jurisdictions in which it does business and its operations are subject to supervision by regulatory authorities in multiple jurisdictions. Potential non-compliance with legal and regulatory requirements may result in civil, criminal or regulatory consequences for BJB which can materially affect BJB's results of operations and profitability.

Geschäftsbetrieb, die Ertragslage und die Aussichten der BJB wesentlich beeinträchtigen.

Compliance Risiko: Insbesondere ist BJB Compliance Risiken ausgesetzt, die bei der Erbringung von Dienstleistungen für Kunden und Gegenparteien, durch den Erhalt von Dienstleistungen von Dritten und durch die Tätigkeit in einer regulierten Branche entstehen. Die BJB ist ein Finanzdienstleistungsunternehmen, welches in verschiedenen Jurisdiktionen, insbesondere der Schweiz, Mittlerer Osten, Europa, Asien und Lateinamerika, operativ tätig ist. Die BJB muss infolgedessen die Gesetze und regulatorischen Anforderungen in sämtlichen Jurisdiktionen einhalten, in denen sie eine operative Tätigkeit ausübt und die jeweiligen Geschäftseinheiten unterliegen der Aufsicht von Behörden in verschiedenen Jurisdiktionen. Eine mögliche Missachtung dieser aufsichtsrechtlichen Anforderungen könnte zu zivilrechtlichen, strafrechtlichen oder behördliche Konsequenzen für BJB führen was die Ertragslage und die Profitabilität der BJB wesentlich beeinträchtigen kann.