



ONE

ANNUAL REPORT 2021  
FINANCIAL & CORPORATE INFORMATION

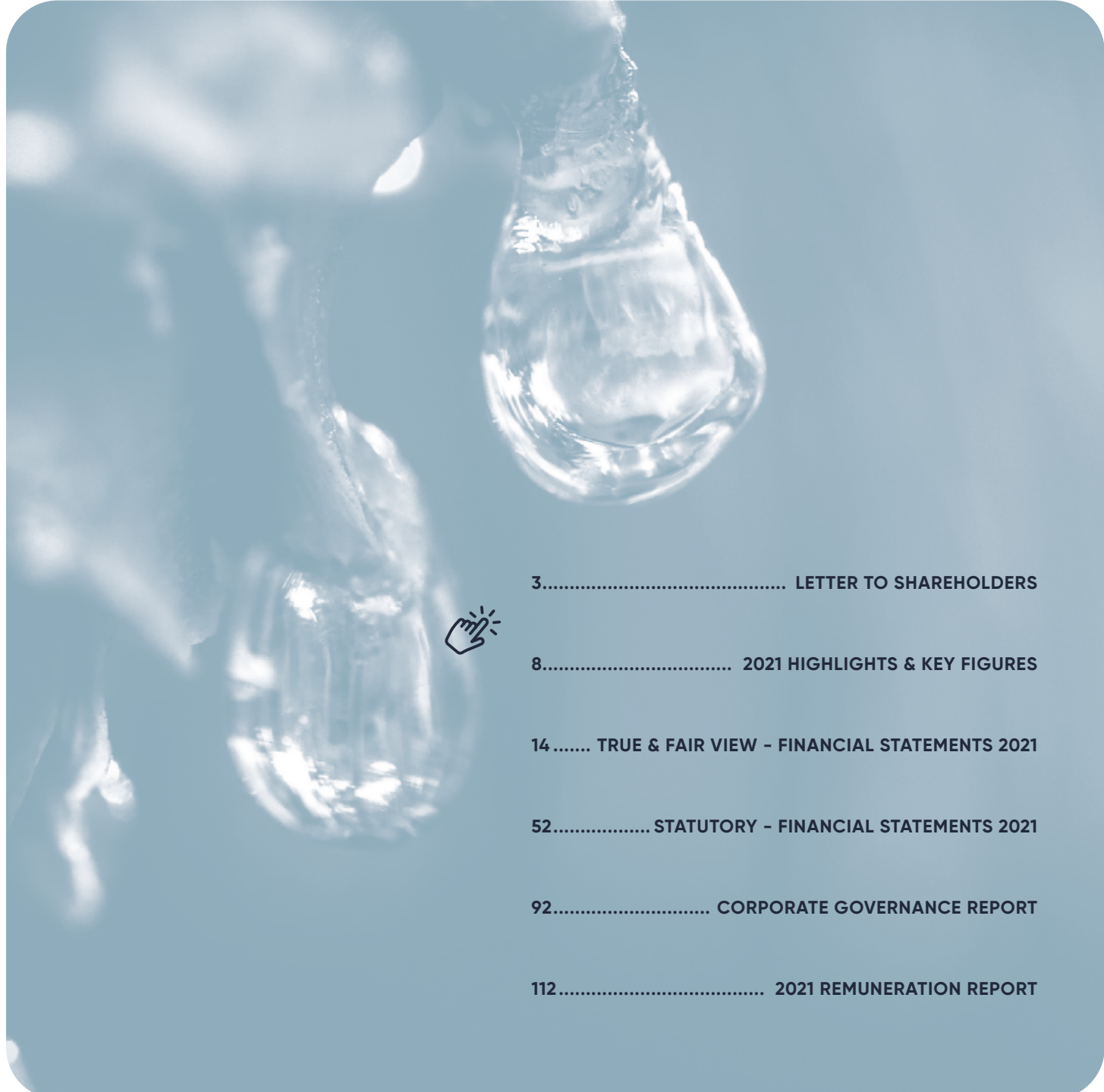
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**WE BELIEVE THAT BY  
PUTTING TOGETHER  
SMART, ENTHUSIASTIC AND  
DETERMINED PEOPLE THAT  
RELENTLESSLY WORK FOR  
THE BETTER, CHANGE AND  
PROGRESS CAN COME TRUE**

# Letter to shareholders

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# 5

## MESSAGE FROM THE CHAIR AND THE CEO

### **The light at the end of the tunnel...**

As 2021 was coming to an end, we bizarrely felt a new fresh breeze of optimism. While we were facing a peak of COVID-19 contamination with the new Omicron variant, we started to foresee a tiny ray of light in the sky. Dark clouds that had been hanging over our heads since early 2020 were getting less dense. No doubt, 2021 was difficult; the pandemic dominated our lives throughout the year and put our world under intense pressure and grief. However, by the end of 2021 we became hopeful that the end of the pandemic was in sight.

During these last 2 years, mankind demonstrated its unprecedented ability to embrace new habits, develop vaccines, treatments or any nonpharmaceutical interventions and deploy them in record time. In other words, we were able to undertake some of the needed measures to prevent a major portion of the population from the most dangerous/detrimental effects of this virus. We therefore foresaw some signs of the end of the crisis, or at least the beginning of an end.

The second aspect of our optimism was related to the spreading sense of urgency to take action for climate change. Leaders finally seemed to seriously consider the growing concerns about global warming and to undertake the necessary actions for a long and necessary process towards energetic transition. We were hopeful too that the world would be more engaged to make things better and to avoid an announced climate disaster<sup>1</sup>.

### **..Unfortunately, hope is not the current trend...**

As we turned to 2022, we started to foresee two new dark clouds coming towards us. The first one was growing inflation, which was at first sight considered by the FED as temporary. Back in 2020, it was clear to us that one of the potential economic detrimental consequences of the pandemic would be – once the first waves of this tsunami were behind us – a burdensome inflation. Temporary inflation per se is not worrisome. However, when inflation lasts, it is like toothpaste: once it's out, you can hardly get it back in again<sup>2</sup>. If you blend it with (1) the devastating effects of the pandemic on the population and (2) existing geopolitical tensions and nationalism, you get a mighty *Molotov cocktail* that could lead us to very dire times.

The second cloud facing our lives as Europeans is in fact a devastating hurricane of darkness. While writing these lines, we are absolutely stunned by the return of war on the European continent after Ukraine's invasion by the Russian army. We are passively and speechlessly watching on Swiss and international channels, Russian troops bombing Kiev and other Ukrainian towns and Western leaders implementing an endless list of sanctions. None of us can pretend to know where this will lead us. For sure, the world we have known for more than three decades will profoundly change and not for the better.

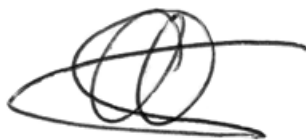
### Fighting the gloom and doom

Our optimism makes us still believe that by putting together smart, enthusiastic and determined people that relentlessly work for the better, change and progress can come true. At ONE swiss bank SA we have endeavoured to apply this basic rule every single day by working intensively together. In 2021, this brought us to some encouraging concrete achievements:

- we successfully completed no less than three transactions, a merger in Geneva, an asset deal in Zurich and an acquisition in Dubai which increased our footprint in Switzerland and abroad;
- we onboarded hundreds of clients and welcomed tens of new colleagues;
- we opened an office in Zurich with a team of ten people as well as in Dubai;
- we regrouped teams @Campus Biotech in Geneva;
- we reactivated the brand Dynagest by ONE and transferred all managed assets to our asset management team which implemented efficient and robust processes;
- we significantly increased the assets under management of our high yield strategy;
- we migrated tons of terabits of data into a unique core banking system, upgraded our whole IT infrastructure and moved tons of kilos of furniture and archives;
- we increased our visibility in the media and in the social networks.

In that view, 2021 was for us a fruitful year as we put ONE in a much better position to face tomorrow's challenges. 2021 ended with a multitude of projects and ideas that should bring us on the path of sustainable profitability. At year-end we also defined a sincere and concrete pathway to become in three years time a more sustainable company<sup>3</sup> with several strong commitments.

Today, considering the dramatic events that are taking place in Europe, it is very difficult to say whether all these projects and ideas will come true at some point. However, if we shall give peace a chance, let's try to do the same with our ambitions!



Geneviève Berclaz  
Chair




Grégoire Pennone  
CEO



<sup>1</sup> Read "How to avoid a climate disaster" from Bill Gates, who also better describe than we do the "Reasons for optimism after a difficult year" in his End-of-year Letter 2021

<sup>2</sup> According to Karl Otto Pöhl

<sup>3</sup> "Our journey to sustainability" will be published by the end of March 2022





**“ THE BANK’S MANAGEMENT  
DECIDED TO PLACE  
SUSTAINABILITY AT THE  
HEART OF ITS ORGANIC  
DEVELOPMENT AND DEFINED  
A CORPORATE VISION  
AND MISSION ”**

# 2021 Highlights & key figures

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## 2021 HIGHLIGHTS



EXECUTING THE MERGER IN JUNE 2021 AND OVERSEEING CHANGE IN CONTROLLING SHAREHOLDERS



OPENING OFFICE IN ZURICH AND COMPLETING INTEGRATION OF THE NEW LOCAL TEAM



REBRANDING AS ONE SWISS BANK AND RENEWING GOVERNING BODIES



IMPLEMENTING SIGNIFICATIVE ECONOMIES OF SCALE



LAUNCHING THE 'DYNAGEST BY ONE' BRAND (ASSET MANAGEMENT)



SUCCESSFULLY COMPLETING MIGRATION OVER TO A SINGLE BANKING SYSTEM AND IT INFRASTRUCTURE



SUCCESSFULLY COMPLETING THE INTEGRATION PROGRAMME



ENHANCING SERVICE OFFERING FOR WEALTH MANAGEMENT CLIENTS



AQUIRING A DUBAI-BASED WEALTH AND ASSET MANAGEMENT COMPANY

## 12 MONTHS' OUTLOOK



EMBRACING A SUSTAINABLE PROFITABILITY



KEEPING ADEQUATE RISK LEVEL



ACHIEVING A LASTING ORGANIC GROWTH



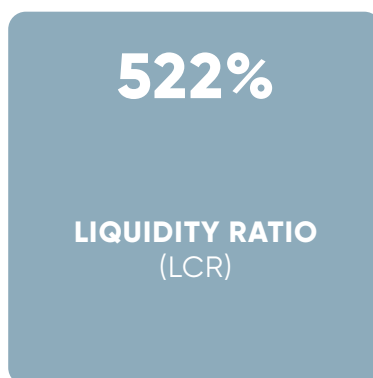
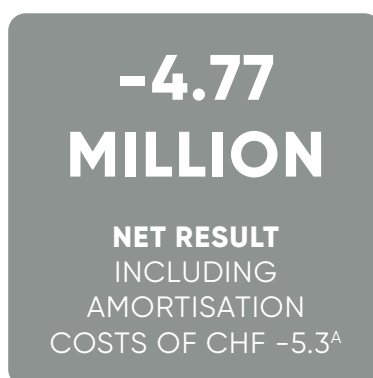
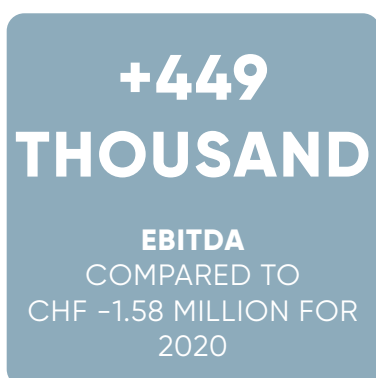
ENHANCING OPERATING MODEL EFFICIENCY AND TECHNOLOGY



OPERATING AS A SUSTAINABLE EMPLOYER



DEVELOPPING ONE ATTRACTIVENESS

**2021 KEY FIGURES (CHF)**

A The difference between net result and EBITDA is mainly due to goodwill amortisation expenses resulting from the merger with One Swiss Bank SA completed on 1 June 2021.

B Versus a minimum regulatory capital ratio of 10.5%.

## 2021 KEY FACTS

Despite COVID-19's challenges, ONE reached several strategic milestones in its development plan and kept moving forward by doubling its client base, enhancing its service offering and implementing economies of scale.

The merger between Banque Profil de Gestion and One Swiss Bank has been fully operational since 2021. The transaction was executed on 1 June 2021 (with retroactive effect from 1 January 2021) to become, a few days later, ONE Swiss bank. While Geneviève Berclaz remained Chair of the Board of Directors, new Board Members, all independent, were appointed during an extraordinary general meeting. The Swiss private bank kept its listing on the Swiss stock exchange but changed its ticker into: ONE.

After several months of intense work, including an IT migration completed in one month, the integration and the reorganisation of the merged entity were finalised in 6 months with the reunion of all Geneva-based employees under one roof at Biotech Campus.

One of the merger's underlying aim was to propose existing institutional asset management capabilities to private clients. The asset management teams have been regrouped under the name 'Dynagest by ONE', referring to the well-known asset management boutique. They manage henceforth all managed assets, including discretionary mandates, by offering robust and innovative systematic and quantitative investment services. Managed assets increased significantly since June 2021, particularly in the Bank's high-yield quant strategy.

ONE also strengthened its Swiss and international footprint by acquiring two entities in the major financial hubs Zurich and Dubai. These moves should boost the Bank's development strategy and demonstrate confidence in the UAE region's capacity for growth and economic stability.

Each and every employee played a huge part in this new banking venture, with the aim of providing more services and expertise to our clients across our three business lines: Wealth Management, Asset Management and Asset Services.

Finally, the Bank's management decided to place sustainability at the heart of its organic development and defined a corporate vision and mission. Throughout 2022, concrete steps will be taken at all levels of the organisation to work collectively towards a better future and a more sustainable planet.

## 2021 RESULTS (true & fair view)

### Positive EBITDA

#### **Expected net loss due to goodwill amortisation costs Increase of regulatory capital ratio since the merger date**

ONE swiss bank reports positive earnings before interest, taxes, depreciation and amortisation (EBITDA) of CHF +0.45 million, in line with management's forecasts, compared to a negative amount of CHF -1.58 million in 2020. Total revenues soared by +168 % to CHF 27.58 million, relative to CHF 10.29 million in 2020. Operating expenses in 2021 amounted CHF 27.1 million, up by +128 % compared to 2020.

2021's net result amounts to CHF -4.77 million. This was anticipated and results mainly from goodwill amortisation costs. The difference between the net loss and the positive EBITDA stemmed mainly from goodwill amortisation and adjustment costs of CHF 5.44 million, including goodwill generated by the merger with One Swiss Bank SA (amounting CHF 10.48 million as of end 2021, after 1st year amortisation). Goodwill amortisation costs do not impact the Bank's regulatory equity level, as goodwill is fully deducted from the regulatory equity at acquisition date.

Total equity as of 31 December 2021 amounts to CHF 43.5 million. It has decreased by CHF -12.3 million, compared to 31 December 2020, as a result of the CHF 8 million extraordinary dividend payment, a capital increase of CHF 1.3 million and the annual net loss. Regulatory capital remains at a comfortable level at CHF 31.2 million as of 31 December 2021, which represent a regulatory ratio of 17.0%, compared to 13.8% at the merger date, which is above minimum legal requirements of 10.5%.

As of 31 December 2021, Bank's total assets reaches CHF 870.1 million, compared to CHF 317.7 million at the end of 2020. This increase mainly results from the merger. Clients assets managed by the Bank and spread over three business lines Wealth Management, Asset Services and Asset Management, jumped to CHF 5.05 billion versus CHF 2.77 billion at year-end 2020. The liquidity coverage ratio (LCR) stood at 522% as of 31 December 2021, significantly above the 100% minimum requirement.

These figures reflect the initial benefits from the economies of scales and the synergies from the merger. The full synergies will be unlocked in 2022.





**REGULATORY CAPITAL RATIO  
INCREASED FROM 13.8%  
IN JUNE 2021 TO 17%  
AT YEAR-END**

# True & Fair View

## Financial statements 2021

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**Balance sheet**

(CHF)	Note	31.12.2021	31.12.2020
<b>Assets</b>			
Liquid assets		325'825'284	50'088'576
Amounts due from banks		246'081'730	185'393'297
Amounts due from customers	1	188'422'076	46'629'099
Mortgage loans	1	16'737'667	16'762'600
Trading portfolio assets	2	109'796	-
Positive replacement values of derivative financial instruments	3	1'209'561	1'844'169
Financial investments	4	73'458'393	13'351'903
Accrued income and prepaid expenses		2'243'177	1'647'257
Participations	5-6	2'189'446	-
Tangible fixed assets	7	547'776	165'724
Intangible assets	8	12'857'054	1'545'936
Other assets	9	395'447	283'491
<b>Total assets</b>		<b>870'077'407</b>	<b>317'712'052</b>
<b>Liabilities</b>			
Amounts due to banks		10'795'245	257'823
Amounts due in respect of customer deposits		798'507'654	252'867'465
Negative replacement values of derivative financial instruments	3	5'246'506	2'076'716
Accrued expenses and deferred income		5'032'385	1'229'240
Other liabilities	9	5'656'277	4'438'022
Provisions	12	1'307'522	971'462
<b>Total liabilities</b>		<b>826'545'589</b>	<b>261'840'728</b>
Reserves for general banking risks	12	4'955'226	5'979'000
Bank's capital	13-17	15'130'600	14'430'600
Capital reserve		1'414'237	840'237
Retained earnings reserve		27'227'998	37'612'544
Currency translation difference		-	-76'738
Own shares		-424'308	-424'308
Minority interests in own capital		-	67'049
Result of the period (profit/-loss)		-4'771'935	-2'557'060
Total equity		43'531'818	55'871'324
<b>Total liabilities and equity</b>		<b>870'077'407</b>	<b>317'712'052</b>
<b>Subordinated liabilities</b>		-	-
<i>Of which subject to debt waiver</i>		-	-
<b>Off-balance sheet transactions</b>			
Contingent liabilities	1 & 23	11'570'305	1'508'395
Irrevocable commitments	1	1'370'000	306'000

**Income Statement**

(CHF)	Note	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020
Interest and discount income		2'813'457	1'147'897
Interest and dividend income from trading operations		17'593	–
Interest and dividend income from financial investments		1'166'542	794'647
Interest expense	27	849'837	–50'142
<b>Gross result from interest operations</b>		<b>4'847'429</b>	<b>1'892'402</b>
Changes in value adjustments for default risks and losses from interest operations		83'779	236'241
<b>Sub-total net result from interest operations</b>		<b>4'931'208</b>	<b>2'128'643</b>
Commission income from securities trading and investment activities		22'189'355	6'976'961
Commission income from lending activities		137'044	121'373
Commission income from other services		3'931'519	1'082'297
Commission expense		–7'628'900	–1'836'513
<b>Sub-total result from commission business and services</b>		<b>18'629'018</b>	<b>6'344'118</b>
<b>Result from trading activities and the fair value option</b>	26	<b>3'745'125</b>	<b>1'816'599</b>
Result from the disposal of financial investments		221'758	–
Other ordinary income		49'019	1'545
Other ordinary expenses		–	–
<b>Sub-total other result from ordinary activities</b>		<b>270'777</b>	<b>1'545</b>
Personnel expenses	28	–15'265'527	–7'303'182
General and administrative expenses	29	–11'861'585	–4'574'111
<b>Sub-total operating expenses</b>		<b>–27'127'112</b>	<b>–11'877'293</b>
Value adjustments on participations, amortisation of tangible fixed assets and intangible assets		–5'436'064	– 806'279
Changes to provisions and other value adjustments, and losses		–863'263	–
<b>Operating result</b>		<b>–5'850'311</b>	<b>–2'392'667</b>
Changes in reserves for general banking risks	30	1'023'774	–
Extraordinary income	30	30'397	–
Extraordinary expenses		–	–
Taxes	32	24'205	–164'393
<b>Result of the period (gain/–loss)</b>		<b>–4'771'935</b>	<b>–2'557'060</b>
<i>Of which minority interests</i>		<i>n/a</i>	–



**Cash flow statement**

In CHF 000	Source of funds	2021 Use of funds	Balance	Source of funds	2020 Use of funds	Balance
<b>Cash flow from operating activities</b> (internal financing)						
Result of the period	-4'772	-		-2'557	-	
Change of reserves for general banking risks	-	1'024		-	-	
Value adjustments on equity securities, depreciation and amortization of tangible fixed assets and intangible assets	5'436	-		614	-	
Provisions and other value adjustments	336	-		-	2'130	
Accrued income and prepaid expenses	-	596		133	-	
Accrued expenses and deferred income	3'803	-		-	1'430	
Other items	1'107	-		663	-	
Previous year's dividend	-	8'000		-	-	
<b>Cash flow from operations activities</b> (internal financing)	<b>5'910</b>	<b>9'620</b>	<b>-3'710</b>	<b>-1'147</b>	<b>3'560</b>	<b>-4'707</b>
<b>Cash flow from shareholder's equity transactions</b>						
Share capital / participation capital / cantonal banks' endowment capital / etc.	700	-		-	-	
Recognised in reserves	756	-		1'724	-	
<b>Cash flow from shareholder's equity transactions</b>	<b>1'456</b>	<b>-</b>	<b>1'456</b>	<b>1'724</b>	<b>-</b>	<b>1'724</b>
<b>Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets</b>						
Participations	-	2'189		-	-	
Other tangible fixed assets	-	1'250		-	114	
Intangible assets	-	15'880		1'003	-	
<b>Cash flow from transactions in respect of equity securities, tangible fixed assets and intangible assets</b>	<b>-</b>	<b>19'319</b>	<b>-19'319</b>	<b>1'003</b>	<b>114</b>	<b>889</b>
<b>Cash flow from banking operations</b>						
<b>Medium and long-term business</b> (>1 year)						
Amounts due secure by mortgages	25	-		25	-	
Financial investments	-	60'106		37'237	-	
<b>Short-term business</b>						
Amounts due to banks	10'537	-		-	80'311	
Amounts due in respect of customer deposits	545'640	-		49'868	-	
Negative replacement values of derivative financial instruments	3'170	-		1'544	-	
Amounts due from banks	-	60'688		10	-	
Amounts due from customers	-	141'793		8'250	-	
Trading portfolio assets	-	110		-	-	
Positive replacement values of derivative financial instruments	635	-		-	1'362	
<b>Liquidity</b>						
Liquid assets		275'737			13'167	
<b>Cash flow from banking operations</b>	<b>560'007</b>	<b>538'434</b>	<b>21'573</b>	<b>96'934</b>	<b>94'840</b>	<b>2'094</b>
<b>Total source of funds</b>	<b>567'373</b>			<b>98'514</b>		
<b>Total use of funds</b>		<b>567'373</b>			<b>98'514</b>	

**Statement of changes in equity**

(CHF)	Bank's capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Own shares (negative item)	Currency translation differences minority and interests	Result of the period	Total
Equity at start of current period	14'430'600	840'237	37'612'544	5'979'000	-424'308	-9'689	-2'557'060	55'871'324
Deconsolidation*	-	-	87'105	-	-	9'689	28'079	124'873
Equity after deconsolidation	14'430'600	840'237	37'699'649	5'979'000	-424'308	-	-2'528'981	55'996'197
Capital increase (employee participations schemes)	700'000	574'000	-	-	-	-	-	1'274'000
Dividends distributions	-	-	-8'000'000	-	-	-	-	-8'000'000
Dividends on own shares	-	-	57'330	-	-	-	-	57'330
Other allocations to (transfers from) the other reserves	-	-	-2'528'981	-	-	-	2'528'981	-
Release of Reserves for general banking risks	-	-	-	-1'023'774	-	-	-	-1'023'774
Result for the period (profit/-loss)	-	-	-	-	-	-	-4'771'935	-4'771'935
<b>Equity at 31.12.2021</b>	<b>15'130'600</b>	<b>1'414'237</b>	<b>27'227'998</b>	<b>4'955'226</b>	<b>-424'308</b>	<b>-</b>	<b>-4'771'935</b>	<b>43'531'818</b>

\* Deconsolidation adjustment is due to the change of "accounting and valuation principle" as consolidated accounts as of 31 December 2021 are not required (refer to note B).

## NOTES TO THE TRUE AND FAIR VIEW FINANCIAL STATEMENTS OF THE YEAR ENDING 31 DECEMBER 2021

### A. GENERAL INFORMATION

ONE swiss bank SA (previously Banque Profil de Gestion SA) changed its controlling shareholder and merged with One Swiss Bank SA on 1 June 2021 (with retroactive effect from 1 January 2021). As a result of the merger, the Bank's name, governance and corporate bodies have changed (refer to Governance publication on the Bank's website: [www.oneswiss.com](http://www.oneswiss.com)).

ONE swiss bank SA (hereafter "ONE" or "the Bank") is a corporation under Swiss law, listed on the Swiss Stock

Exchange and member of the Swiss Stock Exchange, with registered headquarters in Geneva.

The Bank's field of activity extends primarily to the management of private assets, as well as the operation of a depositary bank for private and institutional clients. Mortgages are also granted to clients holding substantial deposits. The Bank also relies on the quantitative management and insurance skills of portfolio of the asset management teams of the Dynagest by ONE unit. Their expertise is oriented towards institutional investors and private customers.

The Bank operates its activities from Geneva, Lugano and Zurich. On 4 November 2021, ONE swiss bank SA signed an agreement acquiring a management company based in Dubai, and will enable it to develop its client base in the Middle East.

On 31 December 2021, the number of full-time equivalent staff at the Bank was 75.73 employees (31 December 2020: 32.3 employees). The Bank outsources to a Swiss subsidiary of a major international banking group, its information technology and the administrative processing of its operations. In accordance with the requirements of FINMA, this outsourcing operates under a contractual and organisational framework which guarantees the quality of performance of client transactions, as well as the security and confidentiality of data and information handled by the outsourcing partner.

## **B. ACCOUNTING AND VALUATION PRINCIPLES**

The accounting principles adopted for the preparation and valuation of the financial statements of the Bank comply with the Swiss Code of Obligations, the Swiss Banking Act and its Ordinance, accounting rules for banks, securities dealers and financial groups and conglomerates defined by the Swiss Financial Market Supervisory Authority Circular 20/1 and FINMA Accounting Ordinance.

### **Consolidation**

Until 31 December 2020, the Bank established consolidated financial statements. Since 2021, as "Participations" (refer to note 5) held are not any more material to the financial reporting and in terms of risk position, no consolidated accounts as of 31 December 2021 are required (according to art. 35 of Swiss Banking Act Ordinance). Therefore, the 2021 financial statements are presenting stand-alone situation, and comparative figures for 31 December 2020 are presenting published consolidated accounts.

### **General valuation principles**

Financial statements are established under the true and fair view principle which presents a true and faire view of the Bank's assets, financial position and results. Unless otherwise specified, the figures in the notes are recorded in CHF monetary units.

The accounts have been prepared under the assumption that activity will continue. The entries in the balance sheet are based on going-concern valuations.

The items presented in the balance sheet captions are valued individually.

### **Recording of transactions**

All transactions are recorded in the books on the trade date and evaluated with the aim of determining profit. Currency spot transactions are recorded in the balance sheet on the trade date.

Income is recorded as and when it is earned or accrued. Expenses are recorded as they are incurred.

### **Conversion of transactions and balances in foreign currency**

Transactions in foreign currency are recorded at the exchange rate prevailing on the day of the transaction. Assets and liabilities denominated in foreign currencies both on and off the balance sheet, are converted at the spot exchange rate prevailing at the closing date.

Gains and losses resulting from the conversion of positions in foreign currency are recorded under the item "Result from trading activities and the fair value option".

The main exchange rates used for translating foreign currencies to Swiss francs are the following:

Currency	Closing rate on 31.12.2021	Average annual rate in 2021	Closing rate on 31.12.2020	Average annual rate in 2020
Euro	1.0350	1.0793	1.0850	1.0709
US dollar	0.9148	0.9156	0.8832	0.9347
GBP	1.2334	1.2577	1.2016	1.2056

### Liquid assets

Liquid assets are recorded at nominal value.

### Amounts due from banks, amounts due from customers

Amounts due from banks, amounts due from customers are recorded at nominal value, less necessary value adjustments.

Precious metal assets recorded in metal accounts are evaluated at fair value, on condition that the specific asset is traded in a price efficient and liquid market.

Amounts due from customers are composed by Lombard credits backed by securities and therefore no value adjustments for non-impaired loans are considered.

Impaired loans, which are the result of situations where it is improbable that the debtor will be in a position to meet future obligations, are evaluated individually and the depreciation of value is subject to individual value adjustments. The depreciation corresponds to the difference between the carrying value of the amount due and its probable realisable value. The probable realisable value of the collateral is the liquidation value (estimated sale value, from which are subtracted the holding costs and the liquidation expenses). In these cases, the Bank always examines the entirety of the client's or the economic entity's commitment with respect to the counterparty risk they could represent.

A loan is considered as non-performing when appropriate indicators provide evidence that future contractual repayments of capital and/or interests are unlikely, or at the latest, when such payments are overdue by 90 days. Interest unpaid after 90 days is considered overdue. In this case, the Bank ceases to record the interest income in the income statement. Value adjustments for non-performing loans are booked in the income statement "Changes in value adjustments for default risks and losses from interest operations".

Given that the Bank only grants loans covered by readily realisable assets, the Bank has not set up an internal rating system of its debtors. The Bank proceeds with regular and individual risk evaluations on its loan portfolio and decides on a case by case basis whether any value adjustments are necessary. The Bank does not apply a policy of collective value adjustments. The individual valuation adjustment is deducted from the corresponding asset item in the balance sheet.

Impaired amounts due are recorded in the balance sheet at nominal value as soon as the capital and interest due are paid again under the contractual provisions and the solvency requirements are met. The value adjustments are released with effect on the income under the item "Changes in value adjustments for default risk and losses from interest operations".

**Mortgage loans**

In the context of large customer relationships, the Bank grants mortgage loans secured by residential properties in Switzerland and abroad. The Bank applies loan to values in line with market practice. The Bank mandates an independent expert to carry out a full assessment of the property on the premises on behalf of the Bank. The value retained is the market value of the property calculated by the expert in his report submitted on behalf of the Bank. Principle of lowest value: In the case of a discrepancy between the purchase price of the asset and the market value confirmed by the expert, the Bank retains the lowest value. This principle applies in the majority of cases for a period of 24 months after the acquisition of the property.

**Amounts due to banks and amounts due in respect of customer deposits**

These positions are recorded at nominal value. Precious metal assets recorded in metal accounts are evaluated at fair value, on condition that the specific asset is traded in a price efficient and liquid market.

**Trading portfolio assets, trading portfolio liabilities**

Trading positions are positions actively managed with the aim of making a profit from changes in market prices or arbitrage transaction gains.

The trading portfolio positions are evaluated and recorded in the balance sheet at fair value. Fair value derives either from the price given on a liquid market efficient at the price forming level, or from the price established by a valuation model.

When, exceptionally, it is not possible to establish the fair value, the valuation and recording in the balance sheet is based on the lower of cost or market principle.

The gain or loss resulting from the change in valuation is recorded in the income statement "Result from trading activities and the fair value option". Interest and dividend income from trading operations are recorded in the income statement "Interest and dividend income from trading operations. The item "Interest and discount income" is not credited with the cost of refinancing trading transactions.

**Positive and negative replacement values of derivative financial instruments**

The Bank may conclude contracts for derivative financial instruments in order to cover foreign exchange risk. These transactions are handled as trading transactions. The Bank does not use hedge accounting. The major portion of derivative financial instrument transactions is concluded at the clients' request.

All derivative financial instruments are evaluated at fair value and their positive or negative replacement values are recorded in the corresponding items in the balance sheet.

Fair values are obtained from quoted market prices, including recent market transactions, discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is derived from its comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging), or based on a valuation technique whose variables include only data from observable markets.

Realised income from trading transactions and unrealised income from the valuation of open trading transactions are recorded in the "Result from trading activities and the fair value option".

### Financial investments

The Bank's financial investments portfolio comprises interest bearing securities, equity securities, as well as mutual fund shares, acquired with the aim of obtaining long term capital gains. Financial investments are evaluated individually.

- Equity securities and mutual fund shares.

Valuation is based on the lower value between the acquisition cost and the market value. Value adjustments are recorded in "Other ordinary expenses" or "Other ordinary income".

- Debt securities to be held until maturity

Valuation is based on the acquisition cost with the agio/disagio accrued/deferred over the residual term to maturity ("accrual method"). The agio/disagio is accrued/deferred over the residual term to maturity via the item "Accrued income and prepaid expenses" or "Accrued expenses and deferred income". Changes in value linked to the default risk are immediately registered in the item "Changes in value adjustments for default risk and losses from interest operations".

When debt securities to be held until maturity are sold before their maturity date or repaid early, the gains and losses corresponding to the interest rate component are accrued/deferred over the transaction's residual duration in the items "Accrued income and prepaid expenses" or "Accrued expenses and deferred income".

- Debt securities not to be held until maturity

Valuation is based on the principle of the lower of cost or market value. Value adjustments resulting from a later valuation are recorded globally in "Other ordinary expenses" or "Other ordinary income". Changes in value linked to the default risk are recorded in the item "Changes in value adjustments for default risk and losses from interest operations".

For investments evaluated at the lowest value, any re-evaluation to, at most, historical cost or purchase cost must be recorded when the fair value, which had fallen below the purchase value, has recovered meanwhile. The balance of adjustment of values is recorded in the items "Other ordinary expenses" or "Other ordinary income".

### Participations

These are valued at historical cost less any permanent impairment.

Each participation is tested for impairment as of the balance sheet date. This test is based on indicators reflecting a possible impairment of individual assets. If any such indicators exist, the recoverable amount is calculated. The recoverable amount is the higher amount of the net selling price and the value in use. An asset is impaired if its carrying amount exceeds its recoverable amount. If the asset is impaired, the book value is reduced to match the recoverable value and the impairment is charged via "Value adjustments on participations and amortisation of tangible assets and intangible assets".

Realised gains from the sale of participations are recorded via "Extraordinary income" and realised losses are recorded via the item "Extraordinary expense".

### **Tangible fixed assets**

Investments made in tangible fixed assets used for more than one financial year and which exceed the CHF 1'500.– activation threshold are activated.

Tangible fixed assets are recorded in the balance sheet at their purchase value minus planned depreciation accumulated over their estimated useful life. Piece of art is not depreciated unless its carrying amount is higher than its estimated value.

Tangible fixed assets are depreciated according to the straight-line method in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets" over their estimated useful life. The estimated depreciation periods for tangible fixed assets are as follows:

- Leasehold improvements: 10 years
- Fixtures: 8 years
- Other equipment: 5 years
- IT, telecommunications: 3 years

The Bank examines, on the date of the balance sheet, if the value of each tangible fixed asset is impaired. This examination is made on the basis of signs suggesting that some assets may have suffered loss of value. If the Bank observes such signs, the Bank determines the realisable value of each asset. An asset's value is depreciated if its carrying amount is higher than its realisable value.

If there is depreciation, the carrying amount is reduced to the realisable value and the value depreciation is debited in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets".

If the examination of the preservation of the value of a tangible fixed asset shows a change in its useful life, the residual carrying amount is amortised following a plan corresponding to the new useful life estimated by the Bank.

Any gains realised on the disposal of tangible fixed assets are recorded in the item "Extraordinary income"; any losses in the item "Extraordinary expenses".

### **Intangible assets**

Intangible assets are recognised as assets in the balance sheet when they will provide economic benefits to the Bank over a period of several years. It is composed of Goodwill resulting from the acquisition of customer portfolios and from the merger result.

Intangible assets are depreciated according to the straight-line method in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets" over their estimated useful life.

The estimated depreciation periods for Goodwill is 5 years.

### **Provisions**

Legal or de facto obligations are evaluated at regular intervals. A provision is set up if an outflow of funds appears likely and can be reliably estimated.

Existing provisions are re-evaluated on each balance sheet date. They are increased, maintained or released on the basis of the new assessment.

Provisions that are no longer economically necessary and that are not reused immediately for other purposes of similar nature are released in the Income statement.

**Taxes**

Current taxes include income and capital taxes. Taxes on transactions are not included. Current taxes on income are determined in accordance with the applicable legal provisions and recorded as an expense in the accounting period in which the income has been realised.

Amounts due for current taxes concerning income and capital are recorded under Liabilities in the item « Accrued expenses and deferred income». Amounts due from tax authorities are recorded under Assets in the item "Accrued income and prepaid expenses". The current tax charge is recorded in the item «Taxes» under the Income statement.

The Bank does record deferred tax assets or liabilities, but no deferred tax assets are recorded on losses carried forward.

**Retirement benefit obligations**

The employees of the Bank are insured through the Bank's pension fund. There is, furthermore, a retirement benefit plan for the executive employees. The retirement benefit obligations, as well as the assets covering them, have been transferred to a legally independent fund. The organisation, management and financing of the retirement schemes comply with the law, the fund statutes, as well as the retirement benefit regulations in force. All the Bank's retirement schemes are constituted as defined contribution plans.

The Bank bears the costs of the employees' and their survivors' retirement benefits in accordance with the law. Employer's contributions corresponding to the retirement schemes are recorded in the item "Personnel expenses".

On the date of the balance sheet, the Bank examines whether there is any economic benefit or obligation in the pension funds. This examination is based on the contracts, the annual financial statements of the pension funds established in Switzerland under the Swiss GAAP RPC 26, as well as other calculations presenting the financial situation and the excess coverage or overdraft existing in each pension fund in the light of the actual circumstances. The economic benefits of the retirement schemes (including the reserve of employer's contributions without waiver of use) are not recorded in the balance sheet. However, the economic obligations are recorded in the item "Provisions" and the difference with the corresponding value of the previous period is recorded in the item "Personnel expenses" in the Income statement.

**Reserves for general banking risks**

When a reserve for general banking risks is constituted, it is subject to deferred taxes.

**Transactions with related parties**

The Bank is involved in transactions with related parties in the normal course of its business. These transactions include advances, deposits and transactions on financial instruments. All transactions are performed at the market terms and conditions prevailing at the date when they were concluded.

**Own shares**

Own shares are deducted from shareholders' equity, up to the purchase price, under a separate heading. Payments of dividends are directly allocated to "Retained earnings reserve". Results on sale of own shares are recorded in "Capital reserve".



**Off-balance sheet transactions**

Off-balance sheet transactions are recorded at nominal value. Provisions for foreseeable risks are recorded under Provisions in the Balance sheet.

**Changes to accounting and evaluation principles.**

There were no changes in the recognition and measurement principles compared to the previous year, except for pre-existing goodwill depreciation periods which has been modified from 7 to 5 years (refer to "Restatement" note for impacts).

**Handling of past due interests**

Past due interests and corresponding commissions are not recorded as interest income. Are considered as such, interest and commissions due for over 90 days and unpaid. With respect to current account credit facilities, interests and commissions are considered past due when the credit limit has been exceeded for over 90 days. From then on, and until the time no interest due since 90 days is outstanding, future accrued interest and commissions are not recorded in the item "Interest and discount income".

Past due interests are not retroactively reversed. Amounts due resulting from interest accumulated until the expiry of the 90 days' time-limit (past due and unpaid interest as well as accumulated accrued interest) are amortised in the item "Changes of value adjustments for default risks and losses from interest operations".

**Derivative financial instruments**

Derivative financial instruments include options, futures and swaps on equities, stock indexes, foreign exchange, commodities and interest rates, together with forward contracts on currencies, securities and commodities.

Derivatives instruments are mark-to-market. For trading balances, realized and unrealized profits and losses are recognized under "trading income". Hedging transactions related to interest-rate and currency risk management are valued according to the rules applicable to the underlying position and reported accordingly in the income statement. Positive and negative replacement values on transactions carried out for the clients and for own account are reported under "positive value of derivative financial instruments" or "negative value of derivative financial instruments", as are those entered into for clients account on OTC contracts.

## Restatement

Due to inconsistencies and changes in valuation principles, 31 December 2020 balances have been restated as follow.

	31.12.2020 (before Restatements restatement)		31.12.2020 (after restatement)	Change in valuation policy	31.12.2020
<b>Assets</b>					
Intangible assets	2'150'421		2'150'421	-604'485	1'545'936
Total assets	318'316'537	0	318'316'537	-604'485	317'712'052
<b>Liabilities</b>					
Accrued expenses and deferred income	3'109'604	-1'880'364	1'229'240		1'229'240
Other liabilities	2'557'658	1'880'364	4'438'022		4'438'022
Provisions	3'100'592	-2'579'000	971'462		971'462
		449'870			
<b>Total liabilities</b>	<b>263'969'858</b>	<b>-2'129'130</b>	<b>261'840'728</b>		<b>261'840'728</b>
Reserves for general banking risks	3'400'000	2'579'000	5'979'000		5'979'000
Bank's capital	14'430'600		14'430'600		14'430'600
Capital reserve	840'237		840'237		840'237
Retained earnings reserve	38'474'585	-449'870	38'024'715	-412'171	37'612'544
Currency translation difference	-76'738		-76'738		-76'738
Own shares	-424'308		-424'308		-424'308
Minority interests in own capital	67'049		67'049		67'049
Result of the period (profit/-loss)	-2'364'746		-2'364'746	-192'314	-2'557'060
<b>Total equity</b>	<b>54'346'679</b>	<b>2'129'130</b>	<b>56'475'809</b>	<b>-604'485</b>	<b>55'871'324</b>
<b>Total liabilities and equity</b>	<b>318'316'537</b>	<b>2'129'130</b>	<b>318'316'537</b>	<b>-604'485</b>	<b>317'712'052</b>

"Restatements" concern allocation of free provisions to "Reserve for general banking risks" (CHF 2'579'000), related deferred tax provision (CHF 449'870), and reallocation of agio/disago on sold financial investments from "Accrued expenses and deferred income" to "Other liability" (CHF 1'880'364).

"Change in valuation policy" relates to pre-existing goodwill depreciation periods which has been modified from 7 to 5 years. In the income statement, for 2020, this results in an increase of CHF 192'314 of "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets".

## C. RISK MANAGEMENT

The Audit & Risk Committee, as delegated by the Board of Directors, proceeds at least once a year with an evaluation of the major risks to which the Bank is exposed and reviews, with the Executive Committee, the quality and efficiency of the internal control system (including the internal directives) and of the measures for reducing risks. The main identified risks cover reputational risk, credit risk, liquidity risk, market risk and operational risk. In its meeting held on 6 December 2021, the Audit & Risk Committee determined, on the basis of information received from the Executive committee, that the main risks were under control and the internal control system was operational. Following this evaluation, the Board of Directors approved the risk policy.

### **Reputational risk**

Reputation is a critical element shaping stakeholders' perception of the Bank's public standing, professionalism, integrity and reliability. Reputational risk can be defined as the existing or potential threat of negative commercial impacts on the Bank created by stakeholders' negative perception of the Bank. It is most often an event which has occurred as a direct consequence of another risk materialising. To identify potential reputational risks at an early stage and take appropriate preventive measures, the Bank strives to instil an intrinsic risk culture in its staff, structures and processes.

### **Legal and compliance risk**

Legal risks relate to potential financial loss as a result of the deficient drafting or implementation of contractual agreements or as a consequence of contractual infringements or illegal and/or culpable actions. It also covers the deficient implementations of changes in the legal and regulatory environment. The legal department is involved as soon as a potential risk has been identified. It assesses the situation and, if appropriate, retains an external lawyer with whom it works to resolve the issue. Such risks have been assessed and provisions have been set aside on a case-by-case basis. Compliance risk is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Bank may suffer as a result of its failure to comply with applicable laws, its own regulations, code of conduct, and standards of best/good practice.

Compliance risk relates to many areas, such as anti-money laundering and combating the financing of terrorism, regulatory tax compliance, breaches of the cross-border rules, conduct risks including suitability and appropriateness of products and investments, or market conduct rules.

### **Credit risk**

#### *Loans to clients*

Credit risk management and control are based on the Bank's credit policy, which determines in particular the conditions for granting and the principles for supervising credit. In principle, the Bank only grants facilities covered by easily marketable securities. The Bank fixes appropriate margins per asset category, following objective and verifiable criteria, which are essentially based upon external credit rating systems of issuers of securities. The credit limits are granted under delegations of competence stipulated in internal regulations and their implementation directives.

The purpose of the credit, the client's integrity as well as the borrower's financial capacity and the proportionate aspect of the transaction constitute important elements. The credit policy is re-examined annually and completed by detailed internal directives.

The Board of Directors approves important credits and credits for governing bodies. The Executive Committee is competent for the other credits. Credits are handled by the credit administration, independently from the client advisors.

Because of the nature of the credit transactions that the Bank offers (secured Loans), the Bank has decided not to put in place an internal credit rating system concerning its debtors. The obligations towards counterparties are defined by credit limits. The loan-to-value ratios of collateral are established on the basis of customary banking standards. The other pledges will be the object of a valuation which considers their fair value. When solvency is insufficient, the Bank uses as criteria the pledge's liquidation value. The maximum financing depends on the Bank's internal loan-to-value ratios as well as the borrower's financial capacity to meet the obligations. Depending on the risk, amortisations can be required.

Credit positions and collateral are re-examined, eventually with value adjustment, with an internally fixed periodicity, pursuant to procedures described under "Methods applied for identifying default risks and for determining the need for value adjustments".

#### *Counterparty risks in interbank business*

In interbank transactions and trading activities, the Bank only works with first-class counterparties and never enters into a business relationship without first proceeding with a detailed evaluation of the default risk. For counterparty risk management, the Bank uses a system of multilevel limits, which is essentially based on counterparty rating and their equity base. Determination of each counterparty's individual limit amount is also dependent on prudential constraints on large exposures. Compliance with the limits is ensured daily by an independent treasury unit.

Supervision of counterparty rating, re-examination of their classification, and correspondingly, of the level of the exposure limits, will take place at least once quarterly. In the event of extreme market situations, the Bank will examine the situation continuously in order to be able to react instantaneously to any aggravation of risk.

#### **Interest-rate variation risk**

The Bank applies an extremely conservative approach in its balance sheet and treasury management, based on compliance without exceptions with the principle of matching the maturity dates of liabilities and assets. Therefore, the Bank is not or is hardly exposed to any rate variation risk caused by an eventual imbalance between the maturity dates of assets and liabilities. Supervision of the implementation of an optimum degree of harmony between applications and resources is the task of an internal unit independent of the treasury. A report is presented every semester to the Board of Directors.

#### **Other market risks**

##### *Foreign exchange risk*

The Bank manages foreign exchange risk in order to minimise the impact that monetary fluctuations could have on its results. Its strategy fundamentally consists in balancing the assets in foreign currencies with the liabilities in foreign currencies. The Board of Directors has determined maximum limits for intraday and overnight exposure, which are calibrated in relation to the amount of its equity. Compliance with these limits is controlled daily by the accounting department.

### *Trading transactions*

Trading transactions for own account are minor and limited by the existence of position and loss limits, the amounts of which are fixed by the Board of Directors. Furthermore, the Bank has no market making activity. The supervision of compliance with these limits is ensured by a unit independent of the treasury and foreign exchange departments. The instruments used by the Bank for trading are standard instruments as well as instruments traded on an individual basis.

### **Liquidity**

The policy concerning liquidity is determined by the Executive Committee as well as the Board of Directors. The treasury department complies with the limits and objectives it is given. The liquid assets, the financial situation and the concentration risks are communicated at least once a month to the Bank's Executive Committee. The evaluation of the liquidity risk is reviewed at least once a year by the Board of Directors, which sets liquidity and financing limits which consider the business strategy as well as the appetite for risk.

Liquidity management aims at creating a solid liquidity position, allowing the Bank to fulfil at all times its payment obligations. The emergency plan relating to liquidity is an important element of the concept of crisis management. It comprises an evaluation of financing sources, when tensions on the market appear, and defines emergency procedures. Important cash flows as well as the availability of first-class security which could be used for obtaining additional liquidities are regularly checked.

### **Operational risk**

Operational risk means the risk of losses caused by the inadequacy or default of internal procedures, of people and of systems or resulting from outside events. The evaluation of operational and compliance risks covers direct financial losses as well as the consequences of a loss of confidence of clients. The first objective of operational risk management is to reinforce the reputation of the institution with clients, shareholders and the regulator.

Operational risk is measured on the basis of damages resulting from normal and extreme situations. A data base of incidents having caused losses is kept up to date within the context of monitoring operational risks. In order to control the risk, it distributes the cases of loss amongst different groups of risk and defines measures for reducing the loss potential. The Audit & Risk Committee reviews the operational risk management policy every year. As for the procedures, the security of information, the control systems and training, measures are taken in order to mitigate the occurrence of a damage. The business continuity plan also contributes to ensure operational security in the event of internal as well as external disasters.

The key controls are documented under uniform principles. All the Bank's departments proceed on an annual basis with evaluations of the internal control procedures in order to measure their operational efficiency. The Business Continuity Management plan is tested every year. Observations made on such occasions are consigned in an operational risk report submitted to the Executive Committee and the Audit & Risk Committee. The improvements proposed in the report are validated by the Bank's corporate bodies. When significant weaknesses are noted, they have an effect on the evaluation of the performance of the heads of the departments involved.

## **D. METHODS APPLIED FOR IDENTIFYING DEFAULT RISKS AND FOR DETERMINING THE NEED FOR VALUE ADJUSTMENTS**

### **Credits backed by securities**

The amounts due, as well as the value of the pledged securities, are checked daily. If the pledge value of the security should be inferior to the amount of the credit, the Bank requires either a partial repayment, or additional security. If the insufficient coverage grows or if there are exceptional market conditions, the Bank liquidates the security.

### **Credits without coverage**

The Bank does not grant commercial credit. Unsecured credits are generally temporary overdrafts on clients' current accounts. If the positions are not rectified in the near future, the Bank takes the necessary measures.

### **Procedure for determining value adjustments and provisions**

New needs for value adjustments and provisions are identified under the procedure described under "Credit risk". Risk positions are re-evaluated regularly, at least once quarterly, and in all cases at the closing of the financial year, and value adjustments are consequently made if necessary. Value adjustments on risk positions are examined and determined by the Credit Committee. The Credit Committee decisions are submitted for ratification to the Executive Committee and the Board of Directors.

## **E. VALUATION OF CREDIT COLLATERAL**

### **Credits backed by securities**

For Lombard credits and other credits backed by securities, only easily negotiable securities are accepted. The Bank accepts structured products if the investments are regularly quoted. In order to cover market risk, the Bank writes down the market price of pledged securities. Concerning structured products, the write-downs are greater than for liquid products. For Mortgage backed by real estate properties, the Bank assesses on an annual basis the value of the underling.

## **F. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

None.

## G. INFORMATION ON THE BALANCE SHEET

Unless otherwise indicated, all figures are stated in monetary units – in Swiss francs (CHF).

### 1. Collateral for loans and off-balance sheet transactions as well as impaired loans

(in thousands of Swiss francs)	Mortgage security	Other collateral	Unsecured	Total
Loans (before netting with value adjustments):				
- Amounts due from customers*	19	188'993	11'575	200'587
- Mortgage loans	16'738	-	-	16'738
- Residential property	16'738	-	-	16'738
<b>Total of Loans before netting with value adjustments</b>	<b>16'757</b>	<b>188'993</b>	<b>11'575</b>	<b>217'325</b>
<i>Previous year</i>	16'763	44'317	2'653	63'733
<b>Total of Loans (after netting with value adjustments) **</b>	<b>16'757</b>	<b>176'828</b>	<b>11'575</b>	<b>205'160</b>
<i>Previous year</i>	16'763	44'317	2'312	63'392
<b>Off-balance sheet:</b>				
- Contingent liabilities	-	9'288	2'282	11'570
- Irrevocable commitments	-	-	1'370	1'370
<b>Total</b>	<b>-</b>	<b>9'288</b>	<b>3'652</b>	<b>12'940</b>
<i>Previous year</i>	-	1'508	306	1'814

\* Part of the unsecured amount due from customers is composed by the deposit with SIX SIS SA of KCHF 2'345 (31.12.2020: KCHF 2'653).

Impaired loans / receivables	Gross debt amount value	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Current year**	13'806	1'641	12'165	12'165
<i>Previous year</i>	341	-	341	341

\*\* Impaired loans include a gross exposure of KCHF 3'876 related to a civil real estate company in liquidation and an impaired loan of KCHF 9'641 transferred from a client book acquisition (fully provisioned).

## 2. Breakdown of trading portfolios assets

	31.12.2021	31.12.2020
Equity securities	109'796	-
<b>Total trading portfolio assets</b>	<b>109'796</b>	<b>-</b>

## 3. Derivative financial instruments (assets and liabilities)

(in thousands of Swiss francs) (RV: replacement values)	Trading instruments			Hedging instruments		
	Positive RV	Negative RV	Volume of contracts	Positive RV	Negative RV	Volume of contracts
Currencies / Precious Metals:						
-Forward contracts	1'205	5'242	451'184	-	-	-
-Options (OTC)	5	5	615	-	-	-
Total before impact of netting agreements	1'210	5'247	451'799			
Of which, determined using a valuations model	1'210	5'247	451'799			
<i>Previous year</i>	<i>1'844</i>	<i>2'077</i>	<i>445'576</i>	-	-	-
Total after impact of netting agreements	Positive replacement values (cumulative)			Negative replacement values (cumulative)		
Current year	1'210			5'247		
<i>Previous year</i>	<i>1'844</i>			<i>2'077</i>		
Distribution according to counterparties	Central clearing authorities			Banks	Other clients	
Positive replacement values (after netting agreements)	-			628	582	

## 4. Financial investment

	Book value		Fair value	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Debt securities:				
- intended to be held to maturity	67'726'462	13'351'903	67'946'069	13'631'235
- available for sale	1'688'830	-	1'720'134	-
Equity securities	4'043'101	-	4'110'793	74'318
Total financial investments	73'458'393	13'351'903	73'776'996	13'705'553
Thereof securities eligible for repo transactions in accordance with liquidity requirements	69'415'292	13'351'903	69'666'203	13'631'235



Breakdown of counterparties by rating	From AAA to AA-	From A1 to A-	From BBB+ to BBB-	From BB+ to BB-	Inferior to B-	Without notation
Book value of debt securities	31'537'546	11'130'525	18'269'527	-	-	8'477'694

The Bank is mainly using Standard & Poor's rating classes, and if necessary Moody's, for determining the rating of counterparties.

## 5. Presentation of participations

Participations without market value	Acquisition cost	Accumulated depreciation	Book value 31.12.2020	Deconsolidation	Additions	Depreciation	Book value 31.12.2021
Dynamic Asset Management Company (Luxembourg) SA	Fund administrator	-	-	318'264	-	-318'263	1
ONE swiss private wealth Ltd (Dubai)	Wealth management	-	-	-	2'189'445	-	2'189'445
Total participations		-	-	318'264	2'189'445	-318'263	2'189'446

Dynamic Asset management Company (Luxembourg) SA is in winddown process and has been fully depreciated in 2021.

On 4 November 2021, the Bank acquired a management company based in Dubai, renamed ONE swiss private wealth Ltd.

Total assets of subsidiaries is less than CHF 3.2 million. Therefore, participations are not material to the financial reporting and in terms of risk position, so they are not consolidated as of 31 December 2021 (refer to "Accounting and valuation principles" note B).

The column "deconsolidation" is due to the change of "accounting and valuation principle" as consolidated accounts as of 31 December 2021 are not required (refer to note B).

## 6. Disclosure of companies in which the banks holds a permanent direct or indirect significant participation

Company name	Activity	Company capital	Share of capital	Share of votes	Direct detention	Indirect detention
Dynamics Asset Management Company (Luxembourg) SA	Fund administrator	EUR 400'000	65%	65%	1	-
ONE swiss private wealth Ltd (Dubai)	Wealth management	USD 9'150'000	100%	100%	2'189'445	-

Previous year	Activity	Company capital	Share of capital	Share of votes	Direct detention	Indirect detention
Dynamics Asset Management Company (Luxembourg) SA	Fund administrator	EUR 400'000	65%	65%	318'264	-
ONE swiss private wealth Ltd (Dubai)	Wealth management	USD -	0%	0%	-	-

## 7. Tangible fixed assets

(in thousands of Swiss francs)	Previous year			Current year					
	Acquisition cost	Accumulated depreciation	Book value	Acquisition (merger)	Additions	Disposals	Change of affection	Depreciation	Book value
Real estate	-	-	-	271	-	-65	-	-	206
Other tangible fixed assets	11'733	-11'567	166	864	187	-7	-	-868	342
Total fixed assets	11'733	-11'567	166	1'135	187	-72	-	-868	548

The current year "Acquisition (merger)" corresponds to One Swiss Bank SA balances as of 1 January 2021.

## 8. Intangible assets

(in thousands of Swiss francs)	Previous year			Deconsolidation	Current year					
	Acquisition cost	Accumulated depreciation	Book value		Acquisition (merger)	Additions	Disposals	Depreciation	Other adjustment	Book value adjustment
Goodwill(*)	4'162	-2'643	1'519	-	3'467	13'108	-	-4'568	-669	12'857
Licences	51	-24	27	-27	-	-	-	-	-	-
Total intangible assets	4'213	-2'667	1'546	-27	3'467	13'108	-	-4'568	-669	12'857

(\*) The current year "Additions" corresponds to the goodwill resulting from the transaction between Banque Profil de Gestion SA and One Swiss Bank SA, which is amortized over 5 years, representing a book value of KCHF 10'486 as of 31.12.2021. Remaining balance is composed by pre-existing goodwill.

"Other adjustment" includes a price adjustment linked to the earn-out mechanism on a goodwill.

The column "deconsolidation" is due to the change of "accounting and valuation principle" as consolidated accounts as of 31 December 2021 are not required (refer to note B).

## 9. Other assets and other liabilities

	Other assets		Other liabilities	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Indirect taxes	121'472	103'491	286'865	230'473
Coupons received	-	-	719'195	697'933
Other assets and other liabilities	273'975	180'000	4'650'217	3'509'616
<b>Total other assets and other liabilities</b>	<b>395'447</b>	<b>283'491</b>	<b>5'656'277</b>	<b>4'438'022</b>

Other liabilities as of 31 December 2021 include an amount of CHF 2 million, deposited by parties at merger date, that the Bank can convert into equity (as Capital reserve) if regulatory equity should fall below CHF 30 million during 36 months after merger.

## 10. Assets pledged or assigned to secure own commitments and assets under reservation of ownership

	31.12.2021		31.12.2020	
	Book value	Effective commitments	Book value	Effective commitments
Assets pledged:				
- Amounts due from banks	18'212'451	17'329'445	25'958'856	178'390
- Amounts due from customers	1'489'392	-	-	-
- Other assets	180'000	-	180'000	-
<b>Total assets pledged</b>	<b>19'881'843</b>	<b>17'329'445</b>	<b>26'138'856</b>	<b>178'390</b>

The assets pledged are used as guarantee in favour of banking counterparties for the execution of current transactions of the Bank and of its clients.

## 11. Economic situation of own pension schemes

The Bank's pension fund is managed by independent entities. The aim is to protect the staff of affiliated companies against the economic consequences of retirement, invalidity and death. The retirement benefit scheme offered to members is a defined contribution scheme. The employer contributes 50% and the insured contribute 50% to the pension contributions. The contributions to cover risk and the costs are borne by the employer. There is full solidarity between those insured.

During 2021, the Bank has covered its staff for pension and social security purposes through three schemes:

- A collective scheme promoted by Allianz insurance company. As of 31.12.2021, pension commitments are covered at 100% (31.12.2020: 100%)
- A collective scheme promoted by Foundation Collective FCPE-Pension. As of 31.12.2021, pension commitments are estimated to be covered at 108% (31.12.2020: 110%)
- A collective scheme promoted by Fondation Collective Trianon. As of 31.12.2021, pension commitments are estimated to be covered at 113.7% non-audited number (31.12.2020: 112%)

Neither economic liabilities nor economic benefits towards the pension scheme did exist at the year end. The pension scheme did not have any reserve pertaining to employer's contributions.

As of 31 December 2021 (and 31 December 2020), the Bank has no pension fund reserve. From 1 January 2022, the Bank has decided to cover its staff for pension and social security purposes through one single collective scheme promoted by Foundation Collective FCPE-Pension. As 1 January 2022, the estimated non-audited cover is 108%.

Employer contribution reserves (ECR)	31.12.2021			Net amount 31.12.2021	Impact of the ECR on personnel expenses	
	Nominal value	Waiver of use	Net amount		2021	2020
Pension schemes	-	-	-	-	-	-
Economic benefits/ obligations/ expenses (*)	Overfunding/ underfunding 31.12.2021	Economic participation of the Bank 31.12.2021	Change 31.12.2020	Contributions paid in 2021	Pension expenses 2021	2020
Pension plans with excess	1'830'360	-	-	922'885	922'885	670'428
Pension plans with shortfall	-	-	-	-	-	-
<b>Total</b>	<b>1'830'360</b>	<b>-</b>	<b>-</b>	<b>922'885</b>	<b>922'885</b>	<b>670'428</b>

(\*) 2021 numbers are non-audited estimates.

## 12. Value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

(in thousands of Swiss francs)	31.12.2020	Acquisitions (merger)	Use in conformity with purpose	Currency difference	New provisions charged to the Income	Releases to income	31.12.2021
Provision for deferred tax	836	-	-	-	-	-143	693
Provisions for default risks	135	-	-135	-	-	-	-
Provisions for restructuring	-	-	-844	-	1'167	-	323
Other provisions	-	566	-249	-5	-	-20	292
<b>Total provisions</b>	<b>971</b>	<b>566</b>	<b>-1'228</b>	<b>-5</b>	<b>1'167</b>	<b>-163</b>	<b>1'308</b>
Reserves for general banking risks	5'979	-	-	-	-	-1'024	4'955
Value adjustments for default risks (impaired loans / receivables)	341	11'916	-135	-9	52	-	12'165

At merger date between Banque Profil de Gestion SA and One Swiss Bank SA a restructuring provision has been created, financed by a partial release to income of "Reserves for general banking risks".

Current year "Acquisition (merger)" corresponds to One Swiss Bank SA balances as of 1 January 2021 (KCHF 366), plus the transfer of a specific "other provisions" at merge date (KCHF 200) and a "value adjustments for impaired loan" of KCHF 11'916, including KCHF 9'641 related to a client book acquisition.

Reserves for banking risks are taxed.

### 13. Bank's capital

	Current year			Previous year		
	Total per value	Number of shares	Capital eligible for dividend	Total per value	Number of shares	Capital eligible for dividend
Registered shares	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
- of which fully paid up	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
Total Bank's capital	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
Conditional capital	1'450'000	1'450'000	1'450'000	2'150'000	2'150'000	2'150'000
Of which capital increases realised	700'000	700'000	700'000	-	-	-

During the Annual General Meeting of 20 April 2016, the shareholders agreed on the issuance of a conditional capital of CHF 2'150'000. This issue is subject to certain conditions to be met in the context of a stock-option plan.

The Bank's General Meeting held on 20 April 2021 accepted to pay a dividend of CHF 8'000'000 to shareholders

on 26 April 2021, as proposed in the 2020 audited annual financial statements.

In 2021, an employee exercised his right to the conditional capital for an amount of CHF 700'000, which resulted in a capital increase of the same amount that will be acted in the commercial register by end of March 2022.

The premium of CHF 574'000 was transferred to the capital reserve. The remaining conditional capital as of 31 December 2021 amounts to CHF 1'450'000.

**14. Number and value of equity securities or options on equity securities held by all executives and directors and by employees, and disclosures on any employee participation scheme**

Current year				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Members of the board of directors	-	-	-	-
Members of executive bodies	700'000	1'274'000	-	-
Total	700'000	1'274'000	-	-

Previous year				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Members of the board of directors	-	-	-	-
Members of executive bodies	-	-	2'150'000	-
Total	-	-	2'150'000	-

The Bank has created a stock option plan for one employee as of 31 August 2016. The options were granted free of charge to the employee on 1 November 2016.

In 2021, following the main shareholder change, the employee exercised his right to the conditional capital for an amount of CHF 700,000, which resulted in a capital increase for the same amount. The premium of CHF 574'000 was transferred to the capital reserve.

As per year end 2021, no options were granted to members of the Board of Directors, to the executive management, nor to other employees. No provision was booked to income statement at 31 December 2021.

**15. Due from /to related parties**

	Amounts due from (Asset)		Amounts due to (Liability)	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Holders of qualified participants	174'490	1'138'961	376'519	1'396'761
Governing bodies	-	-	-	-

The services offered to related parties are in conformity with market conditions.

## 16. Significant participants and groups of participants bound by voting agreements

	31.12.2021		31.12.2020	
	Number of equity securities	% (**)	Number of equity securities	%
HPF Holding de Participations de Famille SA	4'916'490	34,07%	-	-
Jean-Jacques Schraemli	1'482'939	10,28%	-	-
Cafmagil Trust	1'088'276	7,54%	-	-
Paolo del Bue	394'697	2,74%	-	-
Edoardo Sciorilli Borrelli	278'136	1,93%	-	-
Filippo Sciorilli Borrelli	278'136	1,93%	-	-
Lavinia Sciorelli Borrelli	278'136	1,93%	-	-
<b>Sub total</b>	<b>8'716'810</b>	<b>60,41%</b>		
Banca Profilo SpA, Milan	-	-	8'716'810	60.41%
Pierre Sigg (*)	1'063'644	7,37%	1'063'644	7.37%
Brice Carel Christophe Gaultier	796'745	5,52%	56'010	0.4%
Monte Leone (*)	917'479	6,36%	917'479	6.36%
Famille Tattoni (*)	737'267	5,11%	737'267	5.11%

All shareholders of the Bank are entitled to vote.

(\*) For 2021, the Bank has not been informed of a threshold crossing. Positions are in accordance with the latest information available on SIX stock exchange.

(\*\*) Percentages are based on share capital reported on the commercial register as of 31 December 2021 (CHF 14'430'000), in accordance with SIX directives.

The new share capital (CHF 15'130'000) will be registered at the commercial register in March 2022.

Indirect holders:

31.12.2021:

- HPF Holding de Participations de Famille SA : The capital is divided equally between Florence Pennone Autze, Grégoire Pennone and Antoine Pennone
- Cafmagil Trust: beneficial owners are : Maria Cristina Manuela Del Bue (50%); Giulia Laura Del Bue (8.33%); Livia Laura Del Bue (8.33%); Flavia Emanuela Cristina Del Bue (8.33%); Maria Carolina Del Bue (8.33%); Andrea Annibale Del Bue (8.33%) ; Marco Ottavio Matteo Del Bue (8.33%).

31.12.2020:

- Banca Profilo SpA, Milan: owned by: AREPO BP SpA at 62.40% and Market at 37.60%.

**17. Disclosure of own shares and composition of equity capital**

Bank's capital	14'430'600
Capital reserve	840'237
Retained earnings reserve	37'612'544
Own shares	-424'308
Reserves for general banking risks	5'979'000
Currency translation difference	-76'738
Minority interests in own capital	67'049
Accumulated (loss) brought forward	-2'557'060
<b>Total shareholders' equity at 01.01.2021</b>	<b>55'871'324</b>
Capital increase (employee participations schemes)	1'274'000
Dividends and other distributions	-8'000'000
Dividends on own shares	57'330
Release of reserves for general banking risks	-1'023'774
Deconsolidation	124'873
Loss for the financial year	-4'771'935
<b>Total shareholders' equity at 31.12.2021</b>	<b>43'531'818</b>
<b>Of which:</b>	
Paid-up capital	15'130'600
Capital reserve	1'414'237
Retained earnings reserve	27'227'998
Own shares	-424'308
Reserves for general banking risks	4'955'226
Loss for the financial year	-4'771'935
<b>Own shares / number</b>	
Own shares at 01.01.2021	103'997
Purchases	-
Sales	-
<b>Own shares at 31.12.2021</b>	<b>103'997</b>

The capital reserve and the retained earnings reserves can only be used – for the part below 50% of share capital – to cover losses or support the Bank in times of difficulty.





**19. Assets and liabilities allocated between Switzerland and abroad**  
(in accordance with the domicile principle)

(in thousands of Swiss francs)	31.12.2021			31.12.2020		
	Switzerland	Abroad	Total	Switzerland	Abroad	Total
<b>Assets</b>						
Liquid assets	325'825	-	325'825	50'089	-	50'089
Amounts due from banks	181'230	64'852	246'082	8'694	176'699	185'393
Amounts due from customers	32'559	155'863	188'422	16'274	30'355	46'629
Mortgage loans	16'738	-	16'738	16'763	-	16'763
Trading portfolio assets	110	-	110	-	-	-
Positive replacement values of derivative financial instruments	657	553	1'210	234	1'610	1'844
Financial investments	-	73'458	73'458	-	13'352	13'352
Accrued income and prepaid expenses	2'015	228	2'243	1'371	276	1'647
Participations	-	2'189	2'189	-	-	-
Tangible fixed assets	548	-	548	139	27	166
Intangible assets	12'857	-	12'857	1'546	-	1'546
Other assets	395	-	395	283	-	283
<b>Total assets</b>	<b>572'934</b>	<b>297'143</b>	<b>870'077</b>	<b>95'393</b>	<b>222'319</b>	<b>317'712</b>
<b>Liabilities and equity</b>						
Amounts due to banks	8'786	2'009	10'795	-	258	258
Amounts due in respect of customer deposits	95'693	702'815	798'508	40'333	212'534	252'867
Negative replacement values of derivative financial instruments	3'690	1'556	5'246	448	1'629	2'077
Accrued expenses and deferred income	5'032	-	5'032	1'151	78	1'229
Other liabilities	5'645	11	5'656	2'457	1'981	4'438
Provisions	1'308	-	1'308	971	-	971
Reserves for general banking risks	4'955	-	4'955	5'979	-	5'979
Bank's capital	15'131	-	15'131	14'431	-	14'431
Capital reserve	1'414	-	1'414	840	-	840
Retained earnings reserves	27'228	-	27'228	37'613	-	37'613
Currency translation difference	-	-	-	-77	-	-77
Own shares	-424	-	-424	-424	-	-424
Minority interests in own capital	-	-	-	67	-	67
Loss carried forward	-	-	-	-	-	-
Result of the period (gain/-loss)	-4'772	-	-4'772	-2'557	-	-2'557
<b>Total liabilities and equity</b>	<b>163'686</b>	<b>706'391</b>	<b>870'077</b>	<b>101'232</b>	<b>216'480</b>	<b>317'712</b>

**20. Assets by country or by group of countries**

(in accordance with the principle of domicile)

(in thousands of Swiss francs)	31.12.2021		31.12.2020	
	Absolute value	Share as %	Absolute value	Share as %
Assets				
Switzerland	572'934	65.9%	95'393	30.2%
Europe:				
- Germany	3'321	0.4%	9'404	2.9%
- Belgium	14'066	1.6%	54'927	17.3%
- United Kingdom	10'438	1.2%	56'991	17.8%
- Luxembourg	23'165	2.7%	22'967	7.2%
- Netherlands	901	0.1%	16'781	5.3%
- Italy	29'177	3.3%	12'600	4.0%
- Other European countries	32'454	3.7%	9'177	2.9%
North America	66'771	7.7%	33'827	10.6%
British Virgin Islands	8'700	1.0%	1'246	0.4%
Central America	10'891	1.2%	3'418	1.1%
Other countries	97'259	11.2%	981	0.3%
<b>Total assets</b>	<b>870'077</b>	<b>100%</b>	<b>317'712</b>	<b>100%</b>

The breakdown of assets by country was defined according to the principal of domicile, with the exception of mortgage loans for which the location of the object is decisive.

**21. Breakdown of total assets by credit rating of country groups**

(in accordance with risk domicile principle)

(in thousands of Swiss francs)	31.12.2021		31.12.2020	
	Amount	in %	Amount	in %
Net foreign exposure (Internal rating of countries)				
First quality (group 1)	198'707	80%	197'005	89%
Average (group 2)	13'941	6%	15'448	7%
Speculative and risk (group 3)	33'792	14%	9'866	4%
<b>Total</b>	<b>246'440</b>	<b>100%</b>	<b>222'319</b>	<b>100%</b>

The breakdown of assets by country was defined according to the principle of domicile, with the exception of mortgage loans for which the location of the object is decisive.

For countries that are not rated with a Standard and Poor's rating, an equivalent rating by another agency can be used.

## 22. Presentation of assets and liabilities broken down by the most significant currencies for the Bank

<b>Assets</b>	CHF	EUR	USD	GBP	JPY	Other	Total 31.12.2021
Liquid assets	324'863	739	125	93	1	4	325'825
Amounts due from banks	38'867	76'406	89'265	5'858	3'059	32'627	246'082
Amounts due from customers	20'426	77'293	83'696	6'353	90	564	188'422
Mortgage loans	16'738	-	-	-	-	-	16'738
Trading portfolio assets	-	-	110	-	-	-	110
Positive replacement values of derivative financial instruments	1'210	-	-	-	-	-	1'210
Financial investments	-	38'943	34'515	-	-	-	73'458
Accrued income and prepaid expenses	1'547	522	156	18	-	1	2'244
Participations	2'189	-	-	-	-	-	2'189
Tangible fixed assets	342	206	-	-	-	-	548
Intangible assets	12'857	-	-	-	-	-	12'857
Other assets	394	-	-	-	-	1	395
<b>Total assets shown in the balance sheet</b>	<b>419'433</b>	<b>194'109</b>	<b>207'867</b>	<b>12'321</b>	<b>3'151</b>	<b>33'197</b>	<b>870'077</b>
Delivery entitlements from spot exchange, forward forex and forex options transactions	28'037	94'007	283'819	8'223	25'014	12'699	451'799
<b>Total assets</b>	<b>447'470</b>	<b>288'116</b>	<b>491'686</b>	<b>20'544</b>	<b>28'165</b>	<b>45'896</b>	<b>1'321'876</b>
<b>Liabilities</b>							
Amounts due to banks	5	2'332	8'298	17	-	143	10'795
Amounts due in respect of customers deposits	49'920	241'717	435'881	17'428	10'292	43'270	798'508
Negative replacement values of derivative financial instruments	5'246	-	-	-	-	-	5'246
Accrued expenses and deferred income	2'649	1'507	464	412	-	-	5'033
Other liabilities	5'323	1	332	-	-	-	5'656
Provisions	1'203	103	1	-	-	1	1'308
Reserves for general banking risks	4'955	-	-	-	-	-	4'955
Bank's capital	15'131	-	-	-	-	-	15'131
Capital reserve	1'414	-	-	-	-	-	1'414
Retained earnings reserves	27'228	-	-	-	-	-	27'228
Own shares	-424	-	-	-	-	-	-424
Result of the period (gain/-loss)	-4'772	-	-	-	-	-	-4'772
<b>Total liabilities shown in the balance sheet</b>	<b>107'879</b>	<b>245'660</b>	<b>444'976</b>	<b>17'857</b>	<b>10'292</b>	<b>43'414</b>	<b>870'077</b>
Delivery obligations from spot exchange, forward forex and forex options transactions	344'618	41'954	45'961	2'672	17'867	2'420	455'492
<b>Total liabilities</b>	<b>452'497</b>	<b>287'614</b>	<b>490'937</b>	<b>20'529</b>	<b>28'159</b>	<b>45'834</b>	<b>1'325'570</b>
<b>Net position per currency</b>	<b>-5'027</b>	<b>502</b>	<b>749</b>	<b>15</b>	<b>6</b>	<b>62</b>	<b>-3'693</b>

## H. INFORMATION RELATING TO OFF-BALANCE SHEET TRANSACTIONS

### 23. Contingent assets and liabilities

	31.12.2021	31.12.2020
Guarantees to secure credits and similar	11'570'305	1'508'395
<b>Total contingent liabilities</b>	<b>11'570'305</b>	<b>1'508'395</b>

### 24. Fiduciary transactions

(in Swiss francs)	31.12.2021	31.12.2020
Fiduciary investments with third party banks	20'370'384	24'300'365
Other fiduciary transactions	19'907'486	-
<b>Total</b>	<b>40'277'870</b>	<b>24'300'365</b>

### 25. Assets under management and presentation of their development

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Types of managed assets:		
Assets in collective investment schemes managed by the Bank	128'819	1'689'134
Assets under discretionary asset management agreements	987'841	62'889
Other managed assets	3'937'781	1'022'357
<b>Total managed assets (incl. double counting)</b>	<b>5'054'441</b>	<b>2'774'380</b>
<i>of which: double counting</i>	<i>128'352</i>	<i>159'985</i>
Development of managed assets	31.12.2021	31.12.2020
Total managed assets (incl. double counting) beginning of the year	2'774'380	2'890'129
+/- Net new asset inflows / outflows	-147'308	-68'222
+/- Price gains/losses, interest, dividends & currency gains/losses	114'687	-47'527
+/- Other effects	2'312'682	-
<b>Total managed assets (incl. double counting) at end of the year</b>	<b>5'054'441</b>	<b>2'774'380</b>

Positive development of managed assets in 2021 relates mainly to the merger with One Swiss Bank SA presented under "Other effects", composed by managed assets on 1 January 2021 (KCHF 1'345'095) and the acquisition of an entire client portfolio in February 2021 (KCHF 967'587). Managed assets presented in above table are held for investment, linked to the advisory and discretionary management services the Bank offers its clients, for private clients and institutional clients. This amount does not include custody assets for which the bank does not execute asset management, administration or investment advisory. These managed assets do not include Lombard loans. Net new asset consists of new client acquisitions, client departures and inflows or outflows attributable to existing clients (whether in cash or securities). New or repaid client loans and overdrafts are not included in the net new money. Interest and dividend income from assets under management, market or currency movements as well as fees and commissions are not included in net new money. Effects resulting from any acquisition or disposal companies are not included in the net new money. The net asset inflow amounts to KCHF 1'105'851 and the net asset outflow amounts to KCHF -1'253'159.

## I. INFORMATION RELATING TO THE INCOME STATEMENT

### 26. Breakdown of the result from trading income activities and their fair value option

	2021	2020
Interest rate instruments (including funds)	526'413	136'721
Equity securities (including funds)	67'972	-
Foreign currencies and commodities / precious metals	3'150'740	1'679'878
<b>Total</b>	<b>3'745'125</b>	<b>1'816'599</b>

### 27. Material refinancing income in the item interest and discount income as well as material negative interest

#### Material refinancing income

There are no refinancing costs for trading portfolios.

	2021	2020
Material negative interest		
Negative interest costs (in reduction of interest and discount income)	314'715	441'906
Negative interest recharged (in reduction of interest expenses)	1'164'552	407'405

### 28. Personnel expenses

	2021	2020
Salaries (salaries and allowances)	12'576'828	5'890'632
Attendance fees and fixed remuneration for the Bank's governing bodies	356'613	189'184
Contribution to pension plan	922'885	670'428
Social security expenses	1'151'923	549'968
Other personnel expenses	257'278	2'970
<b>Total personnel expenses</b>	<b>15'265'527</b>	<b>7'303'182</b>

"Other personnel expenses" for 2021 include an amount of CHF 185K for severance pay after the merger.

### 29. General and administrative expenses

	2021	2020
Office space expenses	2'140'336	721'139
Expenses for information and communications technology	6'657'021	1'911'917
<i>of which IT system &amp; BPO (*)</i>	4'645'163	888'737
Fees of audit firms	344'483	554'180
<i>of which for financial and regulatory audit services</i>	328'328	240'000
<i>of which for other services</i>	16'155	314'180
Lawyers and other fees	1'769'319	910'148
Other operating expenses	950'426	476'727
<b>Total general and administrative expenses</b>	<b>11'861'585</b>	<b>4'574'111</b>

(\*) The Bank outsources to a Swiss subsidiary of a major international banking group, its information technology and the administrative processing of its operations.

### 30. Material losses, extraordinary income and expenses, as well as material release of value adjustments and provisions no longer required

	2021	2020
Changes in reserves for general banking risks	1'023'774	-
Extraordinary income	30'397	-
Extraordinary expenses	-	-

The release of reserves for general banking risks have been used to finance the "Provisions for restructuring" (refer to note 12) and severance pay (refer to note 28).

2021 extraordinary income corresponds to a gain on sale of tangible fixed assets for an amount of KCHF 30.

### 31. Operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

The Bank had no offices abroad during the financial year.

### 32. Taxes

	Current year	Previous year
Current income tax and capital tax expenses	145'113	164'393
Constitution of provisions for deferred taxes	-169'318	-
<b>Total taxes</b>	<b>-24'205</b>	<b>164'393</b>
Weighted average tax rate, on the basis of the operating income	-2.48%	-6.80%

As of 31 December 2021, tax loss carried forward is amounting KCHF 33'764 (2020 KCHF 17'845). Therefore, tax expenses in 2021 and 2020 are composed by equity tax only.

### 33. Disclosures and explanations of the earnings per equity security in the case of listed banks

Diluted yield is CHF -0.32 per share in 2021 and CHF -0.18 in 2020 and the undiluted performance of CHF -0.32 per share in 2021 and CHF -0.18 per share in 2020.

The undiluted profit per share is calculated from the net result for the financial year divided by the weighted average number of outstanding shares. All registered shares have the same nominal value.

# Report of the statutory auditor

to the General Meeting of ONE swiss bank SA

Geneva

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of ONE swiss bank SA, which comprise the balance sheet as at 31 December 2021, income statement, cash flow statement, statement of changes in equity and notes for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 15 to 47) as at 31 December 2021 give a true and fair view of the financial position, the results of operations and the cash flow in accordance with accounting requirements for banks (BankO, FINMA Accounting Ordinance, FINMA circ. 20/1) and comply with Swiss law as well as with valuation principles described in the notes.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. 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 entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have 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.

### Our audit approach

#### Overview



Overall materiality: CHF 326'480

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matter the following area of focus has been identified:

- Risk of overvaluation of intangible assets



### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

<b>Overall materiality</b>	CHF 326'480
<b>Benchmark applied</b>	Total equity at the end of the current period
<b>Rationale for the materiality benchmark applied</b>	We chose equity as a benchmark because, in our view, it is the benchmark that best represents the financial solidity and solvency of the Bank, which is of great importance to the business decisions of its shareholders, its clients and the supervisory authority.

We agreed with the Audit Committee that we would report to them misstatements above CHF 16'320 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

### Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, 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.

### Risk of overvaluation of intangible assets

Key audit matter	How our audit addressed the key audit matter
<p>As of 31 December 2021, the Bank reports goodwill balances amounting to MCHF 12.9. This balance is composed of three goodwill:</p> <ul style="list-style-type: none"> <li>MCHF 10.5 as a result of the acquisition and subsequent merger between ONE swiss bank SA (previously named Banque Profil de Gestion SA) and One Swiss Bank SA which occurred on 1 June 2021, with retroactive effect to 1 January 2021.</li> <li>MCHF 2.0 as a result of the acquisition and merger between One Swiss Bank SA and Banca Arner SA which occurred on 4 February 2019.</li> <li>MCHF 0.4 as a result of the merger between ONE swiss bank SA (formerly Banque Profil de Gestion SA) and Dynagest SA which occurred on 28</li> </ul>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>We critically assessed the methodology applied by Management for the determination of the recoverable amounts, the composition of cash flow forecasts and the calculation of discount rate. We concluded that the methodology used by Management was adequate;</li> <li>We evaluated the cash flow forecasts included in the models and the process by which they were developed (including verifying the mathematical accuracy of the underlying calculations). We also compared the forecasts to the latest budget approved by the Board of Directors for the goodwill on One swiss bank SA. We found that the</li> </ul>

September 2018, with retroactive effect to 1 April 2018.

Goodwill is to be tested for impairment at each balance sheet date to ensure that the carrying value of the intangible assets is at least equal to the recoverable amount. In the context of the three goodwill positions mentioned above, the Bank has performed individual goodwill impairment testing considerations as of 31 December 2021.

The goodwill impairment assessment is considered a key audit matter due to the size of goodwill balance as well as considerable judgement with respect to the assumptions used in calculation of the value in use (Discounted Cash Flow method), including the future results of the business and the discount rate applied to future cash flow forecasts.

We refer to section "Intangible assets" in the "Accounting and valuation principles" on page 23 and note 8 of the financial statements for further information on goodwill.

forecasts used in the Bank's calculations were consistent with the Board of Directors approved budget;

- With the assistance of specialists in the area of valuation, we challenged the reasonableness of Management's assumptions on the revenue and expense projections and found the assumptions on the revenue and expense projections to be consistent and in line with our expectations. Similarly, we found the discount rate used by Management consistent with market data and comparable businesses.

As a result of our procedures, we concluded that the assumptions used by Management in their impairment testing are within reasonable range. We determined that the conclusions reached by Management with regard to the carrying value of goodwill were reasonable and supportable.

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### Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view of the financial position, the results of operations and the cash flow in accordance with accounting requirements for banks (BankO, FINMA Accounting Ordinance, FINMA circ. 20/1), 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 entity'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 entity 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 Swiss Auditing Standards 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.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

## Report on other legal and regulatory requirements

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

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

PricewaterhouseCoopers SA



Christophe Kratzer  
Audit expert  
Auditor in charge



Adrien Meyrat  
Audit expert

Geneva, 11 March 2022



**IN 2021 CLIENT ASSETS  
JUMPED TO CHF 5.05 BILLION  
(+82% VS YEAR-END 2020)**

# Statutory Financial statements 2021

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**Balance sheet**

(CHF)	Note	31.12.2021	31.12.2020
<b>Assets</b>			
Liquid assets		325'825'284	50'088'576
Amounts due from banks		246'081'730	185'185'347
Amounts due from customers	1	188'422'076	46'629'099
Mortgage loans	1	16'737'667	16'762'600
Trading portfolio assets	2	109'796	-
Positive replacement values of derivative financial instruments	3	1'209'561	1'844'169
Financial investments	4	73'458'393	13'351'903
Accrued income and prepaid expenses		2'243'177	1'510'423
Participations	5-6	2'189'446	318'264
Tangible fixed assets	7	547'776	165'724
Intangible assets	8	12'857'054	2'123'148
Other assets	9	395'447	283'492
<b>Total assets</b>		<b>870'077'407</b>	<b>318'262'745</b>
<b>Liabilities</b>			
Amounts due to banks		10'795'245	257'823
Amounts due in respect of customer deposits		798'507'654	252'867'465
Negative replacement values of derivative financial instruments	3	5'246'506	2'076'716
Accrued expenses and deferred income		5'032'385	1'151'379
Other liabilities	9	5'656'065	4'337'217
Provisions	12	2'387'089	3'100'592
<b>Total liabilities</b>		<b>827'624'944</b>	<b>263'791'192</b>
Reserves for general banking risks	12	3'400'000	3'400'000
Bank's capital	13-17	15'130'600	14'430'600
Statutory capital reserve		1'414'237	840'237
Statutory retained earnings reserve		28'109'719	38'389'056
Own shares		-311'991	-251'673
Result of the period (profit/-loss)		-5'290'102	-2'336'667
<b>Total equity</b>		<b>42'452'463</b>	<b>54'471'553</b>
<b>Total liabilities and equity</b>		<b>870'077'407</b>	<b>318'262'745</b>
<b>Subordinated liabilities</b>		-	-
<i>Of which subject to debt waiver</i>		-	-
<b>Off-balance sheet transactions</b>			
Contingent liabilities	1 & 23	11'570'305	1'508'395
Irrevocable commitments	1	1'370'000	306'000

**Income Statement**

(CHF)	Note	01.01.2021 – 31.12.2021	01.01.2020 – 31.12.2020
Interest and discount income		2'813'457	1'139'877
Interest and dividend income from trading operations		17'593	–
Interest and dividend income from financial investments		1'166'542	794'647
Interest expense	27	849'837	–34'501
<b>Gross result from interest operations</b>		<b>4'847'429</b>	<b>1'900'023</b>
Changes in value adjustments for default risks and losses from interest operations		83'779	236'241
<b>Sub-total net result from interest operations</b>		<b>4'931'208</b>	<b>2'136'264</b>
Commission income from securities trading and investment activities		22'189'355	6'538'611
Commission income from lending activities		137'044	121'373
Commission income from other services		3'931'519	1'082'297
Commission expense		–7'628'900	–1'836'513
<b>Sub-total result from commission business and services</b>		<b>18'629'018</b>	<b>5'905'768</b>
<b>Result from trading activities and the fair value option</b>	26	<b>3'745'125</b>	<b>1'816'599</b>
Result from the disposal of financial investments		282'076	–
Other ordinary income		49'019	29'624
Other ordinary expenses		–	–
<b>Sub-total other result from ordinary activities</b>		<b>331'095</b>	<b>29'624</b>
Personnel expenses	28	–15'265'527	–7'049'188
General and administrative expenses	29	–11'861'585	–4'415'272
<b>Sub-total operating expenses</b>		<b>–27'127'112</b>	<b>–11'464'460</b>
Value adjustments on participations, amortisation of tangible fixed assets and intangible assets		–6'040'549	–597'788
Changes to provisions and other value adjustments, and losses		–694'263	–
<b>Operating result</b>		<b>–6'225'478</b>	<b>–2'173'993</b>
Extraordinary income	30	1'054'171	–
Extraordinary expenses		–	–
Taxes	32	–118'795	–162'674
<b>Result of the period (gain/–loss)</b>		<b>–5'290'102</b>	<b>–2'336'667</b>

**Loss coverage and distribution**

	31.12.2021	31.12.2020
Loss	-5'290'102	-2'336'667
Accumulated loss carried forward	-	-
Balance sheet loss	-5'290'102	-2'336'667
Amount withdrawn from the item statutory retained earnings reserve	-	2'336'667
Accumulated loss carried forward	-5'290'102	-

**Proposal to the Board of director's – Distribution from the item statutory retained earnings reserve**

	2021	2020
Last year statutory retained earnings reserve	28'052'389	38'389'056
Dividends on own shares	57'330	-
Statutory retained earnings reserve at year end	28'109'719	38'389'056
Amount drawn to cover balance sheet loss	-	-2'336'667
Statutory retained earnings reserve after covering the loss in the balance sheet	28'109'719	36'052'389
Distribution of free reserves in the form of dividends	-	-8'000'000
Statutory retained earnings reserve (after distribution)	28'109'719	28'052'389

**Statement of changes in equity**

(CHF)	Bank's capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Own shares (negative item)	Result of the period	Total
Equity at start of current period	14'430'600	840'237	38'389'056	3'400'000	-251'673	-2'336'667	54'471'553
Capital increase (employee participations schemes)	700'000	574'000	-	-	-	-	1'274'000
Effect of subsequent valuation of own shares	-	-	-	-	-60'318	-	-60'318
Dividends and other distributions	-	-	-8'000'000	-	-	-	-8'000'000
Dividends on own shares	-	-	57'330	-	-	-	57'330
Other allocations to (transfers from) the other reserves	-	-	-2'336'667	-	-	2'336'667	-
Result for the period (profit/-loss)	-	-	-	-	-	-5'290'102	-5'290'102
Equity at 31.12.2021	15'130'600	1'414'237	28'109'719	3'400'000	-311'991	-5'290'102	42'452'463



## NOTES TO THE STATUTORY FINANCIAL STATEMENTS OF THE YEAR ENDING 31 DECEMBER 2021

### A. GENERAL INFORMATION

ONE swiss bank SA (previously Banque Profil de Gestion SA) changed its controlling shareholder and merged with One Swiss Bank SA on 1 June 2021 (with retroactive effect from 1 January 2021). As a result of the merger, the Bank's name, governance and corporate bodies have changed (refer to Governance publication on the Bank's website: [www.oneswiss.com](http://www.oneswiss.com)).

ONE swiss bank SA (hereafter "ONE" or "the Bank") is a corporation under Swiss law, listed on the Swiss Stock.

Exchange and member of the Swiss Stock Exchange, with registered headquarters in Geneva.

The Bank's field of activity extends primarily to the management of private assets, as well as the operation of a depositary bank for private and institutional clients. Mortgages are also granted to clients holding substantial deposits. The Bank also relies on the quantitative management and insurance skills of portfolio of the asset management teams of the Dynagest by ONE unit. Their expertise is oriented towards institutional investors and private customers.

The Bank operates its activities from Geneva, Lugano and Zurich. On 4 November 2021, ONE swiss bank SA signed an agreement acquiring a management company based in Dubai, and will enable it to develop its client base in the Middle East.

On 31 December 2021, the number of full-time equivalent staff at the Bank was 75.73 employees (31 December 2020: 30.3 employees). The Bank outsources to a Swiss subsidiary of a major international banking group, its information technology and the administrative processing of its operations. In accordance with the requirements of FINMA, this outsourcing operates under a contractual and organisational framework which guarantees the quality of performance of client transactions, as well as the security and confidentiality of data and information handled by the outsourcing partner.

### B. ACCOUNTING AND VALUATION PRINCIPLES

The accounting principles adopted for the preparation and valuation of the statutory financial statements of the Bank comply with the Swiss Code of Obligations, the Swiss Banking Act and its Ordinance, accounting rules for banks, securities dealers and financial groups and conglomerates defined by the Swiss Financial Market Supervisory Authority Circular 20/1 and FINMA Accounting Ordinance.

#### General valuation principles

Statutory financial statements are established under reliable assessment principle which presents the economic situation of the Bank in such a way that a third party can form a reliable opinion. The annual accounts may include hidden reserves. Unless otherwise specified, the figures in the notes are recorded in CHF monetary units.

The accounts have been prepared under the assumption that activity will continue. The entries in the balance sheet are based on going-concern valuations.

The items presented in the balance sheet captions are valued individually.

### Recording of transactions

All transactions are recorded in the books on the trade date and evaluated with the aim of determining profit. Currency spot transactions are recorded in the balance sheet on the trade date.

Income is recorded as and when it is earned or accrued. Expenses are recorded as they are incurred.

### Conversion of transactions and balances in foreign currency

Transactions in foreign currency are recorded at the exchange rate prevailing on the day of the transaction. Assets and liabilities denominated in foreign currencies both on and off the balance sheet, are converted at the spot exchange rate prevailing at the closing date.

Gains and losses resulting from the conversion of positions in foreign currency are recorded under the item "Result from trading activities and the fair value option".

The main exchange rates used for translating foreign currencies to Swiss francs are the following:

Currency	Closing rate on 31.12.2021	Average annual rate in 2021	Closing rate on 31.12.2020	Average annual rate in 2020
Euro	1.0350	1.0793	1.0850	1.0709
US dollar	0.9148	0.9156	0.8832	0.9347
GBP	1.2334	1.2577	1.2016	1.2056

### Liquid assets

Liquid assets are recorded at nominal value.

### Amounts due from banks, amounts due from customers

Amounts due from banks, amounts due from customers are recorded at nominal value, less necessary value adjustments.

Precious metal assets recorded in metal accounts are evaluated at fair value, on condition that the specific asset is traded in a price efficient and liquid market.

Amounts due from customers are composed by Lombard credits backed by securities and therefore no value adjustments for impaired loans are considered.

Impaired loans, which are the result of situations where it is improbable that the debtor will be in a position to meet future obligations, are evaluated individually and the depreciation of value is subject to individual value adjustments. The depreciation corresponds to the difference between the carrying value of the amount due and its probable realisable value. The probable realisable value of the collateral is the liquidation value (estimated sale value, from which are subtracted the holding costs and the liquidation expenses). In these cases, the Bank always examines the entirety of the client's or the economic entity's commitment with respect to the counterparty risk they could represent.

A loan is considered as non-performing when appropriate indicators provide evidence that future contractual repayments of capital and/or interests are unlikely, or at the latest, when such payments are overdue by 90 days. Interest unpaid after 90 days is considered overdue. In this case, the Bank ceases to record the interest income in the income statement. Value adjustments for non-performing loans are booked in the income statement "Changes in value adjustments for default risks and losses from interest operations".

Given that the Bank only grants loans covered by readily realisable assets, the Bank has not set up an internal rating system of its debtors. The Bank proceeds with regular and individual

risk evaluations on its loan portfolio and decides on a case by case basis whether any value adjustments are necessary. The Bank does not apply a policy of collective value adjustments. The individual valuation adjustment is deducted from the corresponding asset item in the balance sheet.

Impaired amounts due are recorded in the balance sheet at nominal value as soon as the capital and interest due are paid again under the contractual provisions and the solvency requirements are met. The value adjustments are released with effect on the income under the item "Changes in value adjustments for default risk and losses from interest operations".

### **Mortgage loans**

In the context of large customer relationships, the Bank grants mortgage loans secured by residential properties in Switzerland and abroad. The Bank applies loan to values in line with market practice. The Bank mandates an independent expert to carry out a full assessment of the property on the premises on behalf of the Bank. The value retained is the market value of the property calculated by the expert in his report submitted on behalf of the Bank. Principle of lowest value: In the case of a discrepancy between the purchase price of the asset and the market value confirmed by the expert, the Bank retains the lowest value. This principle applies in the majority of cases for a period of 24 months after the acquisition of the property.

### **Amounts due to banks and amounts due in respect of customer deposits**

These positions are recorded at nominal value. Precious metal assets recorded in metal accounts are evaluated at fair value, on condition that the specific asset is traded in a price efficient and liquid market.

### **Trading portfolio assets, trading portfolio liabilities**

Trading positions are positions actively managed with the aim of making a profit from changes in market prices or arbitrage transaction gains.

The trading portfolio positions are evaluated and recorded in the balance sheet at fair value. Fair value derives either from the price given on a liquid market efficient at the price forming level, or from the price established by a valuation model.

When, exceptionally, it is not possible to establish the fair value, the valuation and recording in the balance sheet is based on the lower of cost or market principle.

The gain or loss resulting from the change in valuation is recorded in the income statement "Result from trading activities and the fair value option". Interest and dividend income from trading operations are recorded in the income statement "Interest and dividend income from trading operations. The item "Interest and discount income" is not credited with the cost of refinancing trading transactions.

### **Positive and negative replacement values of derivative financial instruments**

The Bank may conclude contracts for derivative financial instruments in order to cover foreign exchange risk. These transactions are handled as trading transactions. The Bank does not use hedge accounting. The major portion of derivative financial instrument transactions is concluded at the clients' request.

All derivative financial instruments are evaluated at fair value and their positive or negative replacement values are recorded in the corresponding items in the balance sheet.

Fair values are obtained from quoted market prices, including recent market transactions, discounted cash flow models and options pricing models, as appropriate. All derivatives

are carried as assets when fair value is positive and as liabilities when fair value is negative. The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is derived from its comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging), or based on a valuation technique whose variables include only data from observable markets.

Realised income from trading transactions and unrealised income from the valuation of open trading transactions are recorded in the "Result from trading activities and the fair value option".

### **Financial investments**

The Bank's financial investments portfolio comprises interest bearing securities, equity securities, as well as mutual fund shares, acquired with the aim of obtaining long term capital gains. Financial investments are evaluated individually.

- Equity securities and mutual fund shares.

Valuation is based on the lower value between the acquisition cost and the market value. Value adjustments are recorded in "Other ordinary expenses" or "Other ordinary income".

- Debt securities to be held until maturity

Valuation is based on the acquisition cost with the agio/disagio accrued/deferred over the residual term to maturity ("accrual method"). The agio/disagio is accrued/deferred over the residual term to maturity via the item "Accrued income and prepaid expenses" or "Accrued expenses and deferred income". Changes in value linked to the default risk are immediately registered in the item "Changes in value adjustments for default risk and losses from interest operations".

When debt securities to be held until maturity are sold before their maturity date or repaid early, the gains and losses corresponding to the interest rate component are accrued/deferred over the transaction's residual duration in the items "Accrued income and prepaid expenses" or "Accrued expenses and deferred income".

- Debt securities not to be held until maturity

Valuation is based on the principle of the lower of cost or market value. Value adjustments resulting from a later valuation are recorded globally in "Other ordinary expenses" or "Other ordinary income". Changes in value linked to the default risk are recorded in the item "Changes in value adjustments for default risk and losses from interest operations".

For investments evaluated at the lowest value, any re-evaluation to, at most, historical cost or purchase cost must be recorded when the fair value, which had fallen below the purchase value, has recovered meanwhile. The balance of adjustment of values is recorded in the items "Other ordinary expenses" or "Other ordinary income".

## Participations

These are valued at historical cost less any permanent impairment.

Each participation is tested for impairment as of the balance sheet date. This test is based on indicators reflecting a possible impairment of individual assets. If any such indicators exist, the recoverable amount is calculated. The recoverable amount is the higher amount of the net selling price and the value in use. An asset is impaired if its carrying amount exceeds its recoverable amount. If the asset is impaired, the book value is reduced to match the recoverable value and the impairment is charged via "Value adjustments on participations and amortisation of tangible assets and intangible assets".

Realised gains from the sale of participations are recorded via "Extraordinary income" and realised losses are recorded via the item "Extraordinary expense".

## Tangible fixed assets

Investments made in tangible fixed assets used for more than one financial year and which exceed the CHF 1'500.– activation threshold are activated.

Tangible fixed assets are recorded in the balance sheet at their purchase value minus planned depreciation accumulated over their estimated useful life. Piece of art is not depreciated unless its carrying amount is higher than its estimated value.

Tangible fixed assets are depreciated according to the straight-line method in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets" over their estimated useful life. The estimated depreciation periods for tangible fixed assets are as follows:

- Leasehold improvements: 10 years
- Fixtures: 8 years
- Other equipment: 5 years
- IT, telecommunications: 3 years

The Bank examines, on the date of the balance sheet, if the value of each tangible fixed asset is impaired. This examination is made on the basis of signs suggesting that some assets may have suffered loss of value. If the Bank observes such signs, the Bank determines the realisable value of each asset. An asset's value is depreciated if its carrying amount is higher than its realisable value.

If there is depreciation, the carrying amount is reduced to the realisable value and the value depreciation is debited in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets".

If the examination of the preservation of the value of a tangible fixed asset shows a change in its useful life, the residual carrying amount is amortised following a plan corresponding to the new useful life estimated by the Bank.

Any gains realised on the disposal of tangible fixed assets are recorded in the item "Extraordinary income"; any losses in the item "Extraordinary expenses".

## Intangible assets

Intangible assets are recognised as assets in the balance sheet when they will provide economic benefits to the Bank over a period of several years. It is composed of Goodwill resulting from the acquisition of customer portfolios and from the merger result.

Intangible assets are depreciated according to the straight-line method in the item "Value adjustments on participations, amortisation of tangible fixed assets and intangible assets" over their estimated useful life.

The estimated depreciation periods for Goodwill is 5 years.

**Provisions**

Legal or de facto obligations are evaluated at regular intervals. A provision is set up if an outflow of funds appears likely and can be reliably estimated.

Existing provisions are re-evaluated on each balance sheet date. They are increased, maintained or released on the basis of the new assessment.

Provisions that are no longer economically necessary and that are not reused immediately for other purposes of similar nature are released in the Income statement.

**Taxes**

Current taxes include income and capital taxes. Taxes on transactions are not included.

Current taxes on income are determined in accordance with the applicable legal provisions and recorded as an expense in the accounting period in which the income has been realised.

Amounts due for current taxes concerning income and capital are recorded under Liabilities in the item "Accrued expenses and deferred income". Amounts due from tax authorities are recorded under Assets in the item "Accrued income and prepaid expenses". The current tax charge is recorded in the item "Taxes" under the income statement.

The Bank does record deferred tax assets or liabilities, but no deferred tax assets are recorded on losses carried forward.

**Retirement benefit obligations**

The employees of the Bank are insured through the Bank's pension fund. There is, furthermore, a retirement benefit plan for the executive employees. The retirement benefit obligations, as well as the assets covering them, have been transferred to a legally independent fund. The organisation, management and financing of the retirement schemes comply with the law, the fund statutes, as well as the retirement benefit regulations in force. All the Bank's retirement schemes are constituted as defined contribution plans.

The Bank bears the costs of the employees' and their survivors' retirement benefits in accordance with the law. Employer's contributions corresponding to the retirement schemes are recorded in the item "Personnel expenses".

On the date of the balance sheet, the Bank examines whether there is any economic benefit or obligation in the pension funds. This examination is based on the contracts, the annual financial statements of the pension funds established in Switzerland under the Swiss GAAP RPC 26, as well as other calculations presenting the financial situation and the excess coverage or overdraft existing in each pension fund in the light of the actual circumstances. The economic benefits of the retirement schemes (including the reserve of employer's contributions without waiver of use) are not recorded in the balance sheet. However, the economic obligations are recorded in the item "Provisions" and the difference with the corresponding value of the previous period is recorded in the item "Personnel expenses" in the Income statement.

**Reserves for general banking risks**

When a reserve for general banking risks is constituted, it is subject to deferred taxes.

**Transactions with related parties**

The Bank is involved in transactions with related parties in the normal course of its business. These transactions include advances, deposits and transactions on financial instruments. All transactions are performed at the market terms and conditions prevailing at the date when they were concluded.

**Own shares**

Own shares are deducted from shareholders' equity, up to the purchase price, under a separate heading. Payments of dividends and the results on sale of own shares are recorded to "Retained earning reserve".

**Off-balance sheet transactions**

Off-balance sheet transactions are recorded at nominal value. Provisions for foreseeable risks are recorded under Provisions in the Balance sheet.

**Changes to accounting and evaluation principles.**

There were no changes in the recognition and measurement principles compared to the previous year, except for pre-existing goodwill depreciation periods which has been modified from 7 to 5 years, to be aligned with accounting and valuation principles.

**Handling of past due interests**

Past due interests and corresponding commissions are not recorded as interest income. Are considered as such, interest and commissions due for over 90 days and unpaid. With respect to current account credit facilities, interests and commissions are considered past due when the credit limit has been exceeded for over 90 days. From then on, and until the time no interest due since 90 days is outstanding, future accrued interest and commissions are not recorded in the item "Interest and discount income".,

Past due interests are not retroactively reversed. Amounts due resulting from interest accumulated until the expiry of the 90 days' time-limit (past due and unpaid interest as well as accumulated accrued interest) are amortised in the item "Changes of value adjustments for default risks and losses from interest operations".

**Derivative financial instruments**

Derivative financial instruments include options, futures and swaps on equities, stock indexes, foreign exchange, commodities and interest rates, together with forward contracts on currencies, securities and commodities.

Derivatives instruments are mark-to-market. For trading balances, realized and unrealized profits and losses are recognized under "trading income". Hedging transactions related to interest-rate and currency risk management are valued according to the rules applicable to the underlying position and reported accordingly in the income statement. Positive and negative replacement values on transactions carried out for the clients and for own account are reported under "positive value of derivative financial instruments" or "negative value of derivative financial instruments", as are those entered into for clients account on OTC contracts.

**Restatement of previous year's figures**

Some figures relating to the previous year have been restated from "Accrued expenses and deferred income" to "Other liabilities" to make them comparable to the 2021 balances.

## C. RISK MANAGEMENT

The Audit & Risk Committee, as delegated by the Board of Directors, proceeds at least once a year with an evaluation of the major risks to which the Bank is exposed and reviews, with the Executive Committee, the quality and efficiency of the internal control system (including the internal directives) and of the measures for reducing risks. The main identified risks cover reputational risk, credit risk, liquidity risk, market risk and operational risk. In its meeting held on 6 December 2021, the Audit & Risk Committee determined, on the basis of information received from the Executive committee, that the main risks were under control and the internal control system was operational. Following this evaluation, the Board of Directors approved the risk policy.

### **Reputational risk**

Reputation is a critical element shaping stakeholders' perception of the Bank's public standing, professionalism, integrity and reliability. Reputational risk can be defined as the existing or potential threat of negative commercial impacts on the Bank created by stakeholders' negative perception of the Bank. It is most often an event which has occurred as a direct consequence of another risk materialising. To identify potential reputational risks at an early stage and take appropriate preventive measures, the Bank strives to instil an intrinsic risk culture in its staff, structures and processes.

### **Legal and compliance risk**

Legal risks relate to potential financial loss as a result of the deficient drafting or implementation of contractual agreements or as a consequence of contractual infringements or illegal and/or culpable actions. It also covers the deficient implementations of changes in the legal and regulatory environment. The legal department is involved as soon as a potential risk has been identified. It assesses the situation and, if appropriate, retains an external lawyer with whom it works to resolve the issue. Such risks have been assessed and provisions have been set aside on a case-by-case basis. Compliance risk is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Bank may suffer as a result of its failure to comply with applicable laws, its own regulations, code of conduct, and standards of best/good practice.

Compliance risk relates to many areas, such as anti-money laundering and combating the financing of terrorism, regulatory tax compliance, breaches of the cross-border rules, conduct risks including suitability and appropriateness of products and investments, or market conduct rules.

### **Credit risk**

#### *Loans to clients*

Credit risk management and control are based on the Bank's credit policy, which determines in particular the conditions for granting and the principles for supervising credit. In principle, the Bank only grants facilities covered by easily marketable securities. The Bank fixes appropriate margins per asset category, following objective and verifiable criteria, which are essentially based upon external credit rating systems of issuers of securities. The credit limits are granted under delegations of competence stipulated in internal regulations and their implementation directives.

The purpose of the credit, the client's integrity as well as the borrower's financial capacity and the proportionate aspect of the transaction constitute important elements. The credit policy is re-examined annually and completed by detailed internal directives.



The Board of Directors approves important credits and credits for governing bodies. The Executive Committee is competent for the other credits. Credits are handled by the credit administration, independently from the client advisors.

Because of the nature of the credit transactions that the Bank offers (secured Loans), the Bank has decided not to put in place an internal credit rating system concerning its debtors. The obligations towards counterparties are defined by credit limits. The loan-to-value ratios of collateral are established on the basis of customary banking standards. The other pledges will be the object of a valuation which considers their fair value. When solvency is insufficient, the Bank uses as criteria the pledge's liquidation value. The maximum financing depends on the Bank's internal loan-to-value ratios as well as the borrower's financial capacity to meet the obligations. Depending on the risk, amortisations can be required.

Credit positions and collateral are re-examined, eventually with value adjustment, with an internally fixed periodicity, pursuant to procedures described under "Methods applied for identifying default risks and for determining the need for value adjustments".

#### *Counterparty risks in interbank business*

In interbank transactions and trading activities, the Bank only works with first-class counterparties and never enters into a business relationship without first proceeding with a detailed evaluation of the default risk. For counterparty risk management, the Bank uses a system of multilevel limits, which is essentially based on counterparty rating and their equity base. Determination of each counterparty's individual limit amount is also dependent on prudential constraints on large exposures. Compliance with the limits is ensured daily by an independent treasury unit.

Supervision of counterparty rating, re-examination of their classification, and correspondingly, of the level of the exposure limits, will take place at least once quarterly. In the event of extreme market situations, the Bank will examine the situation continuously in order to be able to react instantaneously to any aggravation of risk.

#### **Interest-rate variation risk**

The Bank applies an extremely conservative approach in its balance sheet and treasury management, based on compliance without exceptions with the principle of matching the maturity dates of liabilities and assets. Therefore, the Bank is not or is hardly exposed to any rate variation risk caused by an eventual imbalance between the maturity dates of assets and liabilities. Supervision of the implementation of an optimum degree of harmony between applications and resources is the task of an internal unit independent of the treasury. A report is presented every semester to the Board of Directors.

#### **Other market risks**

##### *Foreign exchange risk*

The Bank manages foreign exchange risk in order to minimise the impact that monetary fluctuations could have on its results. Its strategy fundamentally consists in balancing the assets in foreign currencies with the liabilities in foreign currencies. The Board of Directors has determined maximum limits for intraday and overnight exposure, which are calibrated in relation to the amount of its equity. Compliance with these limits is controlled daily by the accounting department.



### *Trading transactions*

Trading transactions for own account are minor and limited by the existence of position and loss limits, the amounts of which are fixed by the Board of Directors. Furthermore, the Bank has no market making activity. The supervision of compliance with these limits is ensured by a unit independent of the treasury and foreign exchange departments. The instruments used by the Bank for trading are standard instruments as well as instruments traded on an individual basis.

### **Liquidity**

The policy concerning liquidity is determined by the Executive Committee as well as the Board of Directors. The treasury department complies with the limits and objectives it is given. The liquid assets, the financial situation and the concentration risks are communicated at least once a month to the Bank's Executive Committee. The evaluation of the liquidity risk is reviewed at least once a year by the Board of Directors, which sets liquidity and financing limits which consider the business strategy as well as the appetite for risk.

Liquidity management aims at creating a solid liquidity position, allowing the Bank to fulfil at all times its payment obligations. The emergency plan relating to liquidity is an important element of the concept of crisis management. It comprises an evaluation of financing sources, when tensions on the market appear, and defines emergency procedures. Important cash flows as well as the availability of first-class security which could be used for obtaining additional liquidities are regularly checked.

### **Operational risk**

Operational risk means the risk of losses caused by the inadequacy or default of internal procedures, of people and of systems or resulting from outside events. The evaluation of operational and compliance risks covers direct financial losses as well as the consequences of a loss of confidence of clients. The first objective of operational risk management is to reinforce the reputation of the institution with clients, shareholders and the regulator.

Operational risk is measured on the basis of damages resulting from normal and extreme situations. A data base of incidents having caused losses is kept up to date within the context of monitoring operational risks. In order to control the risk, it distributes the cases of loss amongst different groups of risk and defines measures for reducing the loss potential. The Audit & Risk Committee reviews the operational risk management policy every year. As for the procedures, the security of information, the control systems and training, measures are taken in order to mitigate the occurrence of a damage. The business continuity plan also contributes to ensure operational security in the event of internal as well as external disasters.

The key controls are documented under uniform principles. All the Bank's departments proceed on an annual basis with evaluations of the internal control procedures in order to measure their operational efficiency. The Business Continuity Management plan is tested every year. Observations made on such occasions are consigned in an operational risk report submitted to the Executive Committee and the Audit & Risk Committee. The improvements proposed in the report are validated by the Bank's corporate bodies. When significant weaknesses are noted, they have an effect on the evaluation of the performance of the heads of the departments involved.

## **D. METHODS APPLIED FOR IDENTIFYING DEFAULT RISKS AND FOR DETERMINING THE NEED FOR VALUE ADJUSTMENTS**

### **Credits backed by securities**

The amounts due, as well as the value of the pledged securities, are checked daily. If the pledge value of the security should be inferior to the amount of the credit, the Bank requires either a partial repayment, or additional security. If the insufficient coverage grows or if there are exceptional market conditions, the Bank liquidates the security.

### **Credits without coverage**

The Bank does not grant commercial credit. Unsecured credits are generally temporary overdrafts on clients' current accounts. If the positions are not rectified in the near future, the Bank takes the necessary measures.

### **Procedure for determining value adjustments and provisions**

New needs for value adjustments and provisions are identified under the procedure described under "Credit risk". Risk positions are re-evaluated regularly, at least once quarterly, and in all cases at the closing of the financial year, and value adjustments are consequently made if necessary. Value adjustments on risk positions are examined and determined by the Credit Committee. The Credit Committee decisions are submitted for ratification to the Executive Committee and the Board of Directors.

## **E. VALUATION OF CREDIT COLLATERAL**

### **Credits backed by securities**

For Lombard credits and other credits backed by securities, only easily negotiable securities (bonds, shares) are accepted. The Bank accepts structured products if the investments are regularly quoted. In order to cover market risk, the Bank writes down the market price of pledged securities. Concerning structured products, the write-downs are greater than for liquid products. For Mortgage backed by real estate properties, the Bank assesses on an annual basis the value of the underling.

## **F. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

None.

## G. INFORMATION ON THE BALANCE SHEET

Unless otherwise indicated, all figures are stated in monetary units – in Swiss francs (CHF).

### 1. Collateral for loans and off-balance sheet transactions as well as impaired loans

(in thousands of Swiss francs)	Mortgage security	Other collateral	Unsecured	Total
Loans (before netting with value adjustments):				
- Amounts due from customers *	19	188'993	11'575	200'587
- Mortgage loans	16'738	-	-	16'738
- Residential property	16'738	-	-	16'738
<b>Total of Loans before netting with value adjustments</b>	<b>16'757</b>	<b>188'993</b>	<b>11'575</b>	<b>217'325</b>
<i>Previous year</i>	16'763	44'317	2'653	63'733
<b>Total of Loans (after netting with value adjustments) **</b>	<b>16'757</b>	<b>176'828</b>	<b>11'575</b>	<b>205'160</b>
<i>Previous year</i>	16'763	44'317	2'312	63'392
<b>Off-balance sheet:</b>				
- Contingent liabilities	-	9'288	2'282	11'570
- Irrevocable commitments	-	-	1'370	1'370
<b>Total</b>	<b>-</b>	<b>9'288</b>	<b>3'652</b>	<b>12'940</b>
<i>Previous year</i>	-	1'508	306	1'814

\* Part of the unsecured amount due from customers is composed by the deposit with SIX SIS SA of KCHF 2'345 (31.12.2020: KCHF 2'653).

Impaired loans / receivables	Gross debt amount value	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Current year **	13'806	1'641	12'165	12'165
<i>Previous year</i>	341	-	341	341

\*\* Impaired loans include a gross exposure of KCHF 3'876 related to a civil real estate company in liquidation and an impaired loan of KCHF 9'641 transferred from a client book acquisition (fully provisioned).

### 2. Breakdown of trading portfolios assets

	31.12.2021	31.12.2020
Equity securities	109'796	-
<b>Total trading portfolio assets</b>	<b>109'796</b>	<b>-</b>

### 3. Derivative financial instruments (assets and liabilities)

Trading instruments				Hedging instruments		
(in thousands of Swiss francs) (RV: replacement values)	Positive RV	Negative RV	Volume of contracts	Positive RV	Negative RV	Volume of contracts
Currencies / Precious Metals:						
-Forward contracts	1'205	5'242	451'184	-	-	-
-Options (OTC)	5	5	615	-	-	-
Total before impact of netting agreements	1'210	5'247	451'799			
Of which, determined using a valuations model	1'210	5'247	451'799			
<i>Previous year</i>	<i>1'844</i>	<i>2'077</i>	<i>445'576</i>	-	-	-
Total after impact of netting agreements	Positive replacement values (cumulative)		Negative replacement values (cumulative)			
Current year	1'210		5'247			
<i>Previous year</i>	<i>1'844</i>		<i>2'077</i>			
Distribution according to counterparties	Central clearing authorities		Banks	Other clients		
Positive replacement values (after netting agreements)			628	582		

### 4. Financial investment

	Book value		Fair value			
	31.12.2021	31.12.2020	31.12.2021	31.12.2020		
Debt securities:						
- intended to be held to maturity	67'726'462	13'351'903	67'946'069	13'631'235		
- available for sale	1'688'830	-	1'720'134	-		
Equity securities	4'043'101	-	4'110'793	74'318		
Total financial investments	73'458'393	13'351'903	73'776'996	13'705'553		
Thereof securities eligible for repo transactions in accordance with liquidity requirements	69'415'292	13'351'903	69'666'203	13'631'235		
Breakdown of counterparties by rating	From AAA to AA-	From A1 to A-	From BBB+ to BBB-	From BB+ to BB-	Inferior to B-	Without notation
Book value of debt securities	31'537'546	11'130'525	18'269'527	-	-	8'477'694

The Bank is mainly using Standard & Poor's rating classes, and if necessary Moody's, for determining the rating of counterparties.

## 5. Presentation of participations

Participations without market value		Acquisition cost	Accumulated depreciation	Book value 31.12.2020	Additions	Depreciation	Book value 31.12.2021
Dynamic Asset Management Company (Luxembourg) SA	Fund administrator	318'264	-	318'264	-	-318'263	1
ONE swiss private wealth Ltd (Dubai)	Wealth management	-	-	-	2'189'445	-	2'189'445
<b>Total participations</b>		<b>318'264</b>	<b>-</b>	<b>318'264</b>	<b>2'189'445</b>	<b>-318'263</b>	<b>2'189'446</b>

Dynamic Asset management Company (Luxembourg) SA is in winddown process and has been fully depreciated in 2021.

On 4 November 2021, the Bank acquired a management company based in Dubai, renamed ONE swiss private wealth Ltd.

Total assets of subsidiaries is less than CHF 3.2 million. Therefore, participations are not material to the financial reporting and in terms of risk position, so they are not consolidated as of 31 December 2021 (refer to "Accounting and valuation principles", note B).

## 6. Disclosure of companies in which the banks holds a permanent direct or indirect significant participation

Company name	Activity	Company capital	Share of capital	Share of votes	Direct detention	Indirect detention
Dynamics Asset Management Company (Luxembourg) SA	Fund administrator	EUR 400'000	65%	65%	1	-
ONE swiss private wealth Ltd (Dubai)	Wealth management	USD 9'150'000	100%	100%	2'189'445	-

Previous year	Activity	Company capital	Share of capital	Share of votes	Direct detention	Indirect detention
Dynamics Asset Management Company (Luxembourg) SA	Fund administrator	EUR 400'000	65%	65%	318'264	-
ONE swiss private wealth Ltd (Dubai)	Wealth management	USD -	0%	0%	-	-

## 7. Tangible fixed assets

(in thousands of Swiss francs)	Previous year			Current year					
	Acquisition cost	Accumulated depreciation	Book value	Acquisition (merger)	Additions	Disposals	Change of affectation	Depreciation	Book value
Real estate	-	-	-	271	-	-65	-	-	206
Other tangible fixed assets	11'733	-11'567	166	864	187	-7	-	-868	342
Total fixed assets	11'733	-11'567	166	1'135	187	-72	-	-868	548

The current year "Acquisition (merger)" corresponds to One Swiss Bank SA balances as of 1 January 2021.

## 8. Intangible assets

(in thousands of Swiss francs)	Previous year			Current year					
	Acquisition cost	Accumulated depreciation	Book value	Acquisition (merger)	Additions	Disposals	Depreciation	Other adjustment	Book value
Goodwill (*)	4'162	-2'039	2'123	3'467	13'108	-	-5'173	-668	12'857
Total intangible assets	4'162	-2'039	2'123	3'467	13'108	-	-5'173	-668	12'857

(\*) The current year "Additions" corresponds to the goodwill resulting from the transaction between Banque Profil de Gestion SA and One Swiss Bank SA which is amortized over 5 years, representing a book value of KCHF 10'486 as of 31.12.2021. Remaining balance is composed by pre-existing goodwill.

"Other adjustment" includes a price adjustment linked to the earn-out mechanism on a goodwill.

## 9. Other assets and other liabilities

	Other assets		Other liabilities	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Indirect taxes	121'472	103'492	286'865	230'473
Coupons received	-	-	719'195	697'933
Other assets and other liabilities	273'975	180'000	4'650'005	3'408'811
<b>Total other assets and other liabilities</b>	<b>395'447</b>	<b>283'492</b>	<b>5'656'065</b>	<b>4'337'217</b>

Other liabilities as of 31 December 2021 include an amount of CHF 2 million, deposited by parties at merger date, that the Bank can convert into equity (as Capital reserve) if regulatory equity should fall below CHF 30 million during 36 months after merger.

## 10. Assets pledged or assigned to secure own commitments and assets under reservation of ownership

	31.12.2021		31.12.2020	
	Book value	Effective commitments	Book value	Effective commitments
Assets pledged:				
- Amounts due from banks	18'212'451	17'329'445	25'958'856	178'390
- Amounts due from customers	1'489'392	-	-	-
- Other assets	180'000	-	180'000	-
<b>Total assets pledged</b>	<b>19'881'843</b>	<b>17'329'445</b>	<b>26'138'856</b>	<b>178'390</b>

The assets pledged are used as guarantee in favour of banking counterparties for the execution of current transactions of the Bank and of its clients.

## 11. Economic situation of own pension schemes

The Bank's pension fund is managed by independent entities. The aim is to protect the staff of affiliated companies against the economic consequences of retirement, invalidity and death. The retirement benefit scheme offered to members is a defined contribution scheme. The employer contributes 50% and the insured contribute 50% to the pension contributions. The contributions to cover risk and the costs are borne by the employer. There is full solidarity between those insured.

During 2021, the Bank has covered its staff for pension and social security purposes through three schemes:

- A collective scheme promoted by Allianz insurance company. As of 31.12.2021, pension commitments are covered at 100% (31.12.2021: 100%)
- A collective scheme promoted by Foundation Collective FCPE-Pension. As of 31.12.2021, pension commitments are estimated to be covered at 108% (31.12.2020: 110%)
- A collective scheme promoted by Fondation Collective Trianon. As of 31.12.2021, pension commitments are estimated to be covered at 113.7% non-audited number (31.12.2020: 112%)

Neither economic liabilities nor economic benefits towards the pension scheme did exist at the year end. The pension scheme did not have any reserve pertaining to employer's contributions.

As of 31 December 2021 (and 31 December 2020), the Bank has no pension fund reserve.

From 1 January 2022, the Bank has decided to cover its staff for pension and social security purposes through one single collective scheme promoted by Foundation Collective FCPE-Pension. As 1 January 2022, the estimated non-audited cover is 108%.



Employer contribution reserves (ECR)	31.12.2021			Net amount 31.12.2021	Impact of the ECR on personnel expenses	
	Nominal value	Waiver of use	Net amount		2021	2020
Pension schemes	-	-	-	-	-	-
Economic benefits/ obligations/ expenses	Overfunding/ underfunding	Economic participation of the Bank	Change	Contributions paid in 2021	Pension expenses 2021	2020
	(*) 31.12.2021	31.12.2021	31.12.2020		2021	2020
Pension plans with excess	1'830'360	-	-	-	922'885	670'428
Pension plans with shortfall	-	-	-	-	-	-
<b>Total</b>	<b>1'830'360</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>922'885</b>	<b>670'428</b>

(\*) 2021 numbers are non-audited estimates.

## 12. Value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

(in thousands of Swiss francs)	31.12.2020	Acquisitions (merger)	Use in conformity with purpose	Currency difference	New provisions charged to the Income	Releases to income	31.12.2021
Provision for deferred tax	387	-	-	-	-	-170	217
Provisions for default risks	135	-	-135	-	-	-	-
Provisions for restructuring	-	-	-844	-	1'167	-	323
Other provisions	2'579	566	-249	-5	-	-1'044	1'847
<b>Total provisions</b>	<b>3'101</b>	<b>566</b>	<b>-1'228</b>	<b>-5</b>	<b>1'167</b>	<b>-1214</b>	<b>2'387</b>
<b>Reserves for general banking risks</b>	<b>3'400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3'400</b>
<b>Value adjustments for default risks (impaired loans / receivables)</b>	<b>341</b>	<b>11'916</b>	<b>-135</b>	<b>-9</b>	<b>52</b>	<b>-</b>	<b>12'165</b>

At merger date between Banque Profil de Gestion SA and One Swiss Bank SA a restructuring provision has been created, financed by "Other provisions" released as extraordinary income. Current year "Acquisition (merger)" corresponds to One Swiss Bank SA balances as of 1 January 2021 (KCHF 366), plus the transfer of a specific "other provisions" at merge date (KCHF 200) and a "value adjustments for impaired loan" of KCHF 9'641 related to a client book acquisition. Reserves for banking risks are taxed.

**13. Bank's capital**

	Current year			Previous year		
	Total per value	Number of shares	Capital eligible for dividend	Total per value	Number of shares	Capital eligible for dividend
Registered shares	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
- of which fully paid up	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
Total Bank's capital	15'130'600	15'130'600	15'130'600	14'430'600	14'430'600	14'430'600
Conditional capital	1'450'000	1'450'000	1'450'000	2'150'000	2'150'000	2'150'000
Of which capital increases realised	700'000	700'000	700'000	-	-	-

During the Annual General Meeting of 20 April 2016, the shareholders agreed on the issuance of a conditional capital of CHF 2'150'000. This issue is subject to certain conditions to be met in the context of a stock-option plan.

The Bank's General Meeting held on 20 April 2021 accepted to pay a dividend of CHF 8'000'000 to shareholders on 26 April 2021, as proposed in the 2020 audited annual financial statements.

In 2021, an employee exercised his right to the conditional capital for an amount of CHF 700'000, which resulted in a capital increase of the same amount that will be acted in the commercial register by end of March 2022.

The premium of CHF 574'000 was transferred to the capital reserve. The remaining conditional capital as of 31 December 2021 amounts to CHF 1'450'000.

**14. Number and value of equity securities or options on equity securities held by all executives and directors and by employees, and disclosures on any employee participation scheme**

Current year				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Members of the board of directors	-	-	-	-
Members of executive bodies	700'000	1'274'000	-	-
Total	700'000	1'274'000	-	-
Previous year				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Members of the board of directors	-	-	-	-
Members of executive bodies	-	-	2'150'000	-
Total	-	-	2'150'000	-

The Bank has created agreed a stock option plan for one employee as of 31 August 2016. The options were granted free of charge to the employee on 1 November 2016.

In 2021, following the main shareholder change, the employee exercised his right to the conditional capital for an amount of CHF 700,000, which resulted in a capital increase for the same amount. The premium of CHF 574'000 was transferred to the capital reserve.

As per year end 2021, no options were granted to members of the Board of Directors, to the executive management, nor to other employees. No provision was booked to income account statement at 31 December 2021.

## 15. Due from /to related parties

	Amounts due from (Asset)		Amounts due to (Liability)	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Holders of qualified participants	174'490	1'138'961	376'519	1'396'761
Governing bodies	-	-	-	-

The services offered to related parties are in conformity with market conditions.

## 16. Significant participants and groups of participants bound by voting agreements

	31.12.2021		31.12.2020	
	Number of equity securities	% (**)	Number of equity securities	%
HPF Holding de Participations de Famille SA	4'916'490	34,07%	-	-
Jean-Jacques Schraemli	1'482'939	10,28%	-	-
Cafmagil Trust	1'088'276	7,54%	-	-
Paolo del Bue	394'697	2,74%	-	-
Edoardo Sciorilli Borrelli	278'136	1,93%	-	-
Filippo Sciorilli Borrelli	278'136	1,93%	-	-
Lavinia Sciorelli Borrelli	278'136	1,93%	-	-
<b>Sub total</b>	<b>8'716'810</b>	<b>60,41%</b>		
Banca Profilo SpA, Milan	-	-	8'716'810	60.41%
Pierre Sigg (*)	1'063'644	7,37%	1'063'644	7.37%
Brice Carel Christophe Gaultier	796'745	5,52%	56'010	0.4%
Monte Leone (*)	917'479	6,36%	917'479	6.36%
Famille Tattoni (*)	737'267	5,11%	737'267	5.11%

All shareholders of the Bank are entitled to vote.

(\*) For 2021, the Bank has not been informed of a threshold crossing. Positions are in accordance with the latest information available on SIX stock exchange.

(\*\*) Percentages are based on share capital reported on the commercial register as of 31 December 2021 (CHF 14'430'000), in accordance with SIX directives.

The new share capital (CHF 15'130'000) will be registered at the commercial register in March 2022.

*Indirect holders*

31.12.2021

- HPF Holding de Participations de Famille SA: The capital is divided equally between Florence Pennone Autze, Grégoire Pennone and Antoine Pennone.
- Cafmagil Trust: beneficial owners are: Maria Cristina Manuela Del Bue (50%); Giulia Laura Del Bue (8.33%); Livia Laura Del Bue (8.33%); Flavia Emanuela Cristina Del Bue (8.33%); Maria Carolina Del Bue (8.33%); Andrea Annibale Del Bue (8.33%); Marco Ottavio Matteo Del Bue (8.33%).

31.12.2020

- Banca Profilo SpA, Milan: owned by: AREPO BP SpA at 62.40% and Market at 37.60%.

**17. Disclosure of own shares and composition of equity capital**

Bank's capital	14'430'600
Statutory capital reserve	840'237
Statutory retained earnings reserve	38'389'056
Own shares	-251'673
Reserves for general banking risks	3'400'000
Accumulated (loss) brought forward	-2'336'667
<b>Total shareholders' equity at 01.01.2021</b>	<b>54'471'553</b>
Capital increase (employee participations schemes)	1'274'000
Dividends and other distributions	-8'000'000
Valuation for own shares	-60'318
Dividends on own shares	57'330
Loss for the financial year	-5'290'102
<b>Total shareholders' equity at 31.12.2021</b>	<b>42'452'463</b>
<b>Of which:</b>	
Paid-up capital	15'130'600
Statutory capital reserve	1'414'237
Statutory retained earnings reserve	28'109'719
Own shares	-311'991
Reserves for general banking risks	3'400'000
Loss for the financial year	-5'290'102
<b>Own shares / number</b>	
Own shares at 01.01.2021	103'997
Purchases	-
Sales	-
<b>Own shares at 31.12.2021</b>	<b>103'997</b>



**19. Assets and liabilities allocated between Switzerland and abroad**  
(in accordance with the domicile principle)

(in thousands of Swiss francs)	31.12.2021			31.12.2020		
	Switzerland	Abroad	Total	Switzerland	Abroad	Total
<b>Assets</b>						
Liquid assets	325'825	-	325'825	50'089	-	50'089
Amounts due from banks	181'230	64'852	246'082	8'694	176'491	185'185
Amounts due from customers	32'559	155'863	188'421	16'274	30'355	46'629
Mortgage loans	16'738	-	16'738	16'763	-	16'763
Trading portfolio assets	110	-	110	-	-	-
Positive replacement values of derivative financial instruments	657	553	1'210	234	1'610	1'844
Financial investments	-	73'458	73'458	-	13'352	13'352
Accrued income and prepaid expenses	2'105	228	2'243	1'371	139	1'510
Participations	-	2'189	2'189	-	318	318
Tangible fixed assets	548	-	548	166	-	166
Intangible assets	12'857	-	12'857	2'123	-	2'123
Other assets	395	-	395	284	-	284
<b>Total assets</b>	<b>572'934</b>	<b>297'143</b>	<b>870'077</b>	<b>95'998</b>	<b>222'265</b>	<b>318'263</b>
<b>Liabilities and equity</b>						
Amounts due to banks	8'786	2'009	10'795	-	258	258
Amounts due in respect of customer deposits	95'693	702'815	798'508	40'333	212'534	252'867
Negative replacement values of derivative financial instruments	3'690	1'556	5'246	448	1'629	2'077
Accrued expenses and deferred income	5'032	-	5'033	1'151	-	1'151
Other liabilities	5'645	11	5'656	2'457	1'881	4'338
Provisions	2'387	-	2'387	3'101	-	3'101
Reserves for general banking risks	3'400	-	3'400	3'400	-	3'400
Bank's capital	15'131	-	15'131	14'431	-	14'431
Statutory capital reserve	1'414	-	1'414	840	-	840
Statutory retained earnings reserves	28'110	-	28'110	38'389	-	38'389
Own shares	-312	-	-312	-252	-	-252
Result of the period (gain/-loss)	-5'290	-	-5'290	-2'337	-	-2'337
<b>Total liabilities and equity</b>	<b>163'686</b>	<b>706'391</b>	<b>870'077</b>	<b>101'961</b>	<b>216'302</b>	<b>318'263</b>

**20. Assets by country or by group of countries**

(in accordance with the principle of domicile)

(in thousands of Swiss francs)	31.12.2021		31.12.2020	
	Absolute value	Share as %	Absolute value	Share as %
Assets				
Switzerland	572'934	65.9%	95'998	30.2%
Europe:				
- Germany	3'321	0.4%	9'404	3.0%
- Belgium	14'066	1.6%	54'927	17.3%
- United Kingdom	10'438	1.2%	56'991	17.9%
- Luxembourg	23'165	2.7%	22'913	7.2%
- Netherlands	901	0.1%	16'781	5.3%
- Italy	29'177	3.3%	12'600	4.0%
- Other European countries	32'454	3.7%	9'177	2.9%
North America	66'771	7.7%	33'827	10.6%
British Virgin Islands	8'700	1.0%	1'246	0.4%
Central America	10'891	1.2%	3'418	1.1%
Other countries	92'259	11.2%	981	0.3%
<b>Total assets</b>	<b>870'077</b>	<b>100%</b>	<b>318'263</b>	<b>100%</b>

The breakdown of assets by country was defined according to the principal of domicile, with the exception of mortgage loans for which the location of the object is decisive.

**21. Breakdown of total assets by credit rating of country groups**

(in accordance with risk domicile principle)

(in thousands of Swiss francs)	31.12.2021		31.12.2020	
	Amount	in %	Amount	in %
Net foreign exposure (Internal rating of countries)				
First quality ( AAA to AA-)	198'707	80%	196'951	89%
Average ( A+ to BBB-)	13'941	6%	15'448	7%
Speculative and risk ( BB+ to no rating)	33'792	14%	9'866	4%
<b>Total</b>	<b>246'440</b>	<b>100%</b>	<b>222'265</b>	<b>100%</b>

The breakdown of assets by country was defined according to the principle of domicile, with the exception of mortgage loans for which the location of the object is decisive.

For countries that are not rated with a Standard and Poor's rating, an equivalent rating by another agency can be used.

## 22. Presentation of assets and liabilities broken down by the most significant currencies for the Bank

<b>Assets</b>	CHF	EUR	USD	GBP	JPY	Other	Total 31.12.2021
Liquid assets	324'863	739	125	93	1	4	325'825
Amounts due from banks	38'867	76'406	89'265	5'858	3'059	32'627	246'082
Amounts due from customers	20'426	77'293	83'696	6'353	90	564	188'422
Mortgage loans	16'738	-	-	-	-	-	16'738
Trading portfolio assets	-	-	110	-	-	-	110
Positive replacement values of derivative financial instruments	1'210	-	-	-	-	-	1'210
Financial investments	-	38'943	34'515	-	-	-	73'458
Accrued income and prepaid expenses	1'547	522	156	18	-	1	2'244
Participations	2'189	-	-	-	-	-	2'189
Tangible fixed assets	342	206	-	-	-	-	548
Intangible assets	12'857	-	-	-	-	-	12'857
Other assets	394	-	-	-	-	1	395
<b>Total assets shown in the balance sheet</b>	<b>419'433</b>	<b>194'109</b>	<b>207'867</b>	<b>12'321</b>	<b>3'151</b>	<b>33'197</b>	<b>870'077</b>
Delivery entitlements from spot exchange, forward forex and forex options transactions	28'037	94'007	283'819	8'223	25'014	12'699	451'799
<b>Total assets</b>	<b>447'470</b>	<b>288'116</b>	<b>491'686</b>	<b>20'544</b>	<b>28'165</b>	<b>45'896</b>	<b>1'321'877</b>
<b>Liabilities</b>							
Amounts due to banks	5	2'332	8'298	17	-	143	10'795
Amounts due in respect of customers deposits	49'920	241'717	435'881	17'428	10'292	43'270	798'508
Negative replacement values of derivative financial instruments	5'246	-	-	-	-	-	5'246
Accrued expenses and deferred income	2'649	1'507	464	412	-	-	5'033
Other liabilities	5'323	1	332	-	-	-	5'656
Provisions	2'282	103	1	-	-	1	2'387
Reserves for general banking risks	3'400	-	-	-	-	-	3'400
Bank's capital	15'131	-	-	-	-	-	15'131
Capital reserve	1'414	-	-	-	-	-	1'414
Retained earnings reserves	28'110	-	-	-	-	-	28'110
Own shares	-312	-	-	-	-	-	-312
Result of the period (gain/-loss)	-5'290	-	-	-	-	-	-5'290
<b>Total liabilities shown in the balance sheet</b>	<b>107'879</b>	<b>245'660</b>	<b>444'976</b>	<b>17'857</b>	<b>10'292</b>	<b>43'414</b>	<b>870'077</b>
Delivery obligations from spot exchange, forward forex and forex options transactions	344'618	41'954	45'961	2'672	17'867	2'420	455'492
<b>Total liabilities</b>	<b>452'496</b>	<b>287'614</b>	<b>490'937</b>	<b>20'529</b>	<b>28'159</b>	<b>45'834</b>	<b>1'325'569</b>
<b>Net position per currency</b>	<b>-5'027</b>	<b>502</b>	<b>749</b>	<b>15</b>	<b>6</b>	<b>62</b>	<b>-3'693</b>



## F. INFORMATION RELATING TO OFF-BALANCE SHEET TRANSACTIONS

### 23. Contingent assets and liabilities

	31.12.2021	31.12.2020
Guarantees to secure credits and similar	11'570'305	1'508'395
<b>Total contingent liabilities</b>	<b>11'570'305</b>	<b>1'508'395</b>

### 24. Fiduciary transactions

	31.12.2021	31.12.2020
Fiduciary investments with third party banks	20'370'384	24'300'365
Other fiduciary transactions	19'907'486	-
<b>Total</b>	<b>40'277'870</b>	<b>24'300'365</b>

### 25. Assets under management and presentation of their development

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Types of managed assets:		
Assets in collective investment schemes managed by the Bank	128'819	1'689'134
Assets under discretionary asset management agreements	987'841	62'889
Other managed assets	3'937'781	1'022'357
<b>Total managed assets (incl. double counting)</b>	<b>5'054'441</b>	<b>2'774'380</b>
<i>of which: double counting</i>	<i>128'352</i>	<i>159'985</i>
Development of managed assets	31.12.2021	31.12.2020
Total managed assets (incl. double counting) beginning of the year	2'774'380	2'890'129
+/- Net new asset inflows / outflows	-147'308	-68'222
+/- Price gains/losses, interest, dividends & currency gains/losses	114'687	-47'527
+/- Other effects	2'312'682	-
<b>Total managed assets (incl. double counting) at end of the year</b>	<b>5'054'441</b>	<b>2'774'380</b>

Positive development of managed assets in 2021 relates mainly to the merger with One Swiss Bank SA presented under "Other effects" composed by managed assets on 1 January 2021 (KCHF 1'345'095) and the acquisition of an entire client portfolio in February 2021 (KCHF 967'587).

Managed assets presented in above table are held for investment, linked to the advisory and discretionary management services the Bank offers its clients, for private clients and institutional clients. This amount does not include custody assets for which the bank does not execute asset management, administration or investment advisory. These managed assets do not include Lombard loans.

Net new asset consists of new client acquisitions, client departures and inflows or outflows attributable to existing clients (whether in cash or securities). New or repaid client loans and overdrafts are not included in the net new money. Interest and dividend income from assets under management, market or currency movements as well as fees and commissions are not

included in net new money. Effects resulting from any acquisition or disposal companies are not included in the net new money. The net asset inflow amounts to KCHF 1'105'851 and the net asset outflow amounts to KCHF -1'253'159.

## G. INFORMATION RELATING TO THE INCOME STATEMENT

### 26. Breakdown of the result from trading income activities and their fair value option

	2021	2020
Interest rate instruments (including funds)	526'413	136'721
Equity securities (including funds)	67'972	-
Foreign currencies and commodities / precious metals	3'150'740	1'679'878
<b>Total</b>	<b>3'745'125</b>	<b>1'816'599</b>

### 27. Material refinancing income in the item interest and discount income as well as material negative interest

#### Material refinancing income

There are no refinancing costs for trading portfolios.

	2021	2020
Material negative interest		
Negative interest costs (in reduction of interest and discount income)	314'715	441'906
Negative interest recharged (in reduction of interest expenses)	1'164'552	407'405

### 28. Personnel expenses

	2021	2020
Salaries (salaries and allowances)	12'576'828	5'665'931
Attendance fees and fixed remuneration for the Bank's governing bodies	356'613	189'184
Contribution to pension plan	922'885	670'428
Social security expenses	1'151'923	520'675
Other personnel expenses	257'278	2'970
<b>Total personnel expenses</b>	<b>15'265'527</b>	<b>7'049'188</b>

"Other personnel expenses" for 2021 include an amount of CHF 185K for severance pay after the merger.

**29. General and administrative expenses**

	2021	2020
Office space expenses	2'140'336	672'689
Expenses for information and communications technology	6'657'021	1'906'720
<i>of which IT system &amp; BPO (*)</i>	4'645'163	888'737
Fees of audit firms	344'483	493'559
<i>of which for financial and regulatory audit services</i>	328'328	240'000
<i>of which for other services</i>	16'155	253'559
Lawyers and other fees	1'769'319	909'047
Other operating expenses	950'426	433'257
<b>Total general and administrative expenses</b>	<b>11'861'585</b>	<b>4'415'272</b>

(\*) The Bank outsources to a Swiss subsidiary of a major international banking group, its information technology and the administrative processing of its operations.

**30. Material losses, extraordinary income and expenses, as well as material release of value adjustments and provisions no longer required**

	2021	2020
Extraordinary income	1'054'171	-
Extraordinary expenses	-	-

2021 extraordinary income corresponds to:

- a release of "Other provisions" for an amount of KCHF 1'024, used to finance the "Provisions for restructuring" (refer to note 12) and severance pay (refer to note 28);
- and to the gain on sale of tangible fixed assets for an amount of KCHF 30.

**31. Operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment**

The Bank had no offices abroad during the financial year.

**32. Taxes**

	Current year	Previous year
Current income tax and capital tax expenses	145'113	162'674
Constitution of provisions for deferred taxes	-26'318	-
<b>Total taxes</b>	<b>118'795</b>	<b>162'674</b>
Weighted average tax rate, on the basis of the operating income	-2.33%	-7.48%

As of 31 December 2021, tax loss carried forward is amounting KCHF 33'764 (2020: KCHF 17'845). Therefore, tax expenses in 2021 and 2020 are composed by equity tax only.

**33. Disclosures and explanations of the earnings per equity security in the case of listed banks**

Diluted yield is CHF -0.32 per share in 2021 and CHF -0.18 in 2020 and the undiluted performance of CHF -0.32 per share in 2021 and CHF -0.18 per share in 2020, based on true and fair view financial statements.

The undiluted profit per share is calculated from the profit for the financial year divided by the weighted average number of outstanding shares. All registered shares have the same nominal value. The calculation method is to divide the statutory result by the number of capital shares.

# Report of the statutory auditor

to the General Meeting of ONE swiss bank SA

Geneva

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of ONE swiss bank SA, which comprise the balance sheet as at 31 December 2021, income statement, statement of changes in equity and notes for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 53 to 84) as at 31 December 2021 present the economic position in such a way that a third party can make a reliable assessment in accordance with accounting requirements for banks (BankO, FINMA Accounting Ordinance, FINMA circ. 20/1) and comply with Swiss law as well as with valuation principles described in the notes.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. 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 entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have 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.

### Our audit approach

#### Overview



Overall materiality: CHF 318'390

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matter the following area of focus has been identified:

- Risk of overvaluation of intangible assets

### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

<b>Overall materiality</b>	CHF 318'390
<b>Benchmark applied</b>	Total equity at the end of the current period
<b>Rationale for the materiality benchmark applied</b>	We chose equity as a benchmark because, in our view, it is the benchmark that best represents the financial solidity and solvency of the Bank, which is of great importance to the business decisions of its shareholders, its clients and the supervisory authority.

We agreed with the Audit Committee that we would report to them misstatements above CHF 15'910 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

### Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

### Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, 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.

### Risk of overvaluation of intangible assets

Key audit matter	How our audit addressed the key audit matter
<p>As of 31 December 2021, the Bank reports goodwill balances amounting to MCHF 12.9. This balance is composed of three goodwill:</p> <ul style="list-style-type: none"> <li>MCHF 10.5 as a result of the acquisition and subsequent merger between ONE swiss bank SA (previously named Banque Profil de Gestion SA) and One Swiss Bank SA which occurred on 1 June 2021, with retroactive effect to 1 January 2021.</li> <li>MCHF 2.0 as a result of the acquisition and merger between One Swiss Bank SA and Banca Arner SA which occurred on 4 February 2019.</li> <li>MCHF 0.4 as a result of the merger between ONE swiss bank SA (formerly Banque Profil de Gestion</li> </ul>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>We critically assessed the methodology applied by Management for the determination of the recoverable amounts, the composition of cash flow forecasts and the calculation of discount rate. We concluded that the methodology used by Management was adequate;</li> <li>We evaluated the cash flow forecasts included in the models and the process by which they were developed (including verifying the mathematical accuracy of the underlying calculations). We also compared the forecasts to the latest budget approved by the Board of Directors for the goodwill on One swiss bank SA. We found that the</li> </ul>

SA) and Dynagest SA which occurred on 28 September 2018, with retroactive effect to 1 April 2018.

Goodwill is to be tested for impairment at each balance sheet date to ensure that the carrying value of the intangible assets is at least equal to the recoverable amount. In the context of the three goodwill positions mentioned above, the Bank has performed individual goodwill impairment testing considerations as of 31 December 2021.

The goodwill impairment assessment is considered a key audit matter due to the size of goodwill balance as well as considerable judgement with respect to the assumptions used in calculation of the value in use (Discounted Cash Flow method), including the future results of the business and the discount rate applied to future cash flow forecasts.

We refer to section "Intangible assets" in the "Accounting and valuation principles" on page 61 and note 8 of the financial statements for further information on goodwill.

forecasts used in the Bank's calculations were consistent with the Board of Directors approved budget;

- With the assistance of specialists in the area of valuation, we challenged the reasonableness of Management's assumptions on the revenue and expense projections and found the assumptions on the revenue and expense projections to be consistent and in line with our expectations. Similarly, we found the discount rate used by Management consistent with market data and comparable businesses.

As a result of our procedures, we concluded that the assumptions used by Management in their impairment testing are within reasonable range. We determined that the conclusions reached by Management with regard to the carrying value of goodwill were reasonable and supportable.

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### Responsibilities of the Board of Directors for the financial statements

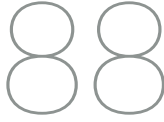
The Board of Directors is responsible for the preparation of the financial statements that present the economic position in such a way that a third party can make a reliable assessment in accordance with accounting requirements for banks (BankO, FINMA Accounting Ordinance, FINMA circ. 20/1), with the 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 entity'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 entity 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 Swiss Auditing Standards 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.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.



## Report on other legal and regulatory requirements

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

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Christophe Kratzer  
Audit expert  
Auditor in charge

Adrien Meyrat  
Audit expert

Geneva, 11 March 2022





## DISCLOSURE ON CAPITAL ADEQUACY AND LIQUIDITY FOR THE YEAR ENDING 31 DECEMBER 2021

### Information on capital adequacy

#### Eligible capital

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Gross common equity Tier 1 capital (after mandatory deduction of own participating instruments)	48'055	56'741
of which non-controlling interests	-	-
of which innovative capital instruments	-	-
./. regulatory deduction	-	-
./. other elements to be deducted from common equity Tier 1 capital	-18'459	-4'711
of own shares	-312	-251
of which result of the period	-5'290	-2'337
of which Goodwill	-12'857	-2'123
Eligible common equity Tier 1 capital (net CET1)	29'596	52'030
+ complementary and additional equity (Tier 2)	1'555	2'579
./. other deductions from complementary and additional equity and other deductions from capital	-	-
<b>Total eligible capital</b>	<b>31'151</b>	<b>54'609</b>

#### Capital required

(in thousands of Swiss francs)	Approach used	31.12.2021 Equity requirement
Credit risk	AS-BRI	9'440
• of which price-related risk related to investments in the Bank's portfolio	-	-
Risk not related to counterparties	AS-BRI	62
Market risk	Min.	290
• of which on interest-rate instruments (general and specific market risk)	-	-
• of which on equity securities	-	-
• of which on currencies and precious metals	-	-
• of which on commodities	290	290
Operational risks	Base indicator	4'206
Participation risks	Base indicator	701
<b>Total</b>		<b>14'699</b>
<b>Ratio of eligible capital to capital required under Swiss law</b>		<b>201%</b>

**Capital ratios**

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Common equity Tier-one capital (net CET1)	29'596	52'030
Total regulatory capital (net T1 & T2)	31'151	54'609
Minimum capital required	14'699	7'146
Sum of risk weighted positions	183'738	89'325
Capital ratios (in % of risk weighted positions)		
Ratio CET1	16.1%	58.3%
Ratio T1	16.1%	58.3%
Ratio T2	0.9%	2.9%
<b>Total regulatory capital ratio</b>	<b>17.0%</b>	<b>61.1%</b>
Countercyclical capital buffers	0.0%	0.0%
CET1 objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	7.0%	7.0%
T1 objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	9.0%	9.0%
Regulatory capital objective under Circ.-FINMA 11/2 increased by countercyclical capital buffers	10.5%	10.5%

**Information on leverage ratio**

(in thousands of Swiss francs)	31.12.2021	31.12.2020
Tier-one equity (Tier 1)	29'596	52'031
Global exposure	872'783	321'615
Leverage ratio	3.4%	16.2%

**Information on short term liquidity coverage ratio (LCR)**

(in thousands of Swiss francs)	Average Q1.2021	Average Q2.2021	Average Q3.2021	Average Q4.2021
Sum of high-quality liquid assets (HQLA)	265'560	299'555	367'184	338'080
Sum of net cash outflows	42'541	74'183	66'963	64'759
Short term liquidity coverage ratio LCR (in %)	509%	404%	548%	522%
LCR ratio objective for the Bank (in %)	100%	100%	100%	100%





**AS AT 31 DECEMBER 2021,  
THE BOARD OF DIRECTORS  
CONSISTED OF FIVE  
NON-EXECUTIVE AND  
INDEPENDENT MEMBERS**

# 2021 Corporate governance report

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The numbering used in this report follows the guidelines in the Directive on Information relating to Corporate Governance published by SIX Swiss Exchange.

ONE swiss bank SA (previously Banque Profil de Gestion SA) changed its controlling shareholder and merged with One Swiss Bank SA on 1 June 2021 (with retroactive effect from 1 January 2021). As a result of the merger, the Bank's name, governance and corporate bodies have changed (refer to Governance publication on the Bank's website: [www.oneswiss.com](http://www.oneswiss.com)).

## **1 GROUP STRUCTURE AND SHAREHOLDERS**

### **1.1 GROUP STRUCTURE**

#### **A. 1.1.1 Description of the issuer's operational Group structure**

ONE swiss bank SA (the "Bank") operates its activities from Geneva (head office), Lugano and Zurich.

The Bank owns a 65% interest in Dynamic Asset Management Company (Luxembourg) SA, a non-listed company, and a 100% interest in ONE swiss private wealth Ltd., Dubai.

#### **B. 1.1.2 Share listing**

The Bank's registered shares are listed in the main segment of the SIX Swiss Exchange in Zurich.

On 17 June 2021, the ticker symbol has been changed to "ONE" (previously "BPDG").

The registered shares have been dematerialised and placed into a global certificate deposited with SIX.

The VALOR number of the share is 047324350 and the ISIN is CH0473243506.

As at 31 December 2021, the market capitalisation was CHF 45'391'800 (15'130'600 (shares in circulation) x CHF 3.00 (the market price)).

### **1.2 SIGNIFICANT SHAREHOLDERS**

The information disclosed during the financial year relating to significant shareholders is available on the SIX website:

[http://www.six-swiss-exchange.com/shares/companies/major\\_shareholders\\_en.html](http://www.six-swiss-exchange.com/shares/companies/major_shareholders_en.html)

Significant shareholders are mentioned in Financial Statements under notes 16.

### **1.3 Cross-shareholdings**

ONE swiss bank SA has not been informed of any cross-shareholdings exceeding 5% of the share capital or voting rights during 2021.

## 2 CAPITAL STRUCTURE

### 2.1 Capital

Refer to the Financial statements under note 13.

### 2.2 Authorized and conditional capital in particular

On 20 April 2016, the Annual General Meeting approved a conditional capital increase for an amount of CHF 2'150'000 bearer shares with a par value of CHF 1.00, covering the exercising of options granted to employees of the Bank.

On 20 April 2016, the Annual General Meeting also approved the conversion of bearer shares into registered shares.

Following the exercising of 700'000 options by Brice Carel Gaultier on 21 May 2021, CHF 700'000 registered shares were issued.

As at 31 December 2021, the amount of the conditional capital amounted to CHF 1'450'000.

The Board of Directors will update in 2022 the stock options plan and will grant options to selected key employees including members of the Executive Committee.

### 2.3 Changes in capital (reserves and results, based on statutory financial statements)

(CHF)	Bank's capital	Number of registered shares (Par value CHF 1.00)	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Own shares (negative item)	Result of the period	Total
Equity at 31.12 2020	14'430'600	14'430'600	840'237	38'389'056	3'400'000	-251'673	-2'336'667	54'471'553
Equity at 31.12.2021	15'130'600	15'130'600	1'414'237	28'109'719	3'400'000	-311'991	-5'290'102	42'452'463

On 21 May 2021, 700'000 options have been exercised, explaining the increase of share capital to CHF 15'130'600.

### 2.4 Shares and participation certificates

Each shareholder has one voting right and the right to a share of the earnings carried on the balance sheet proportional to the share capital contributed.

The Bank has no participation capital.

### 2.5 Dividend rights certificates

ONE swiss bank SA has not issued any dividend rights certificates.

### 2.6 Limitations on transferability and nominee's registration

Nominee registrations do not apply to the Bank.

There is no statutory privilege, nor limitations on transferability.

### 2.7 Convertible bonds and options

As of 31 December 2021, no convertible bonds nor options have been issued.

### 3 BOARD OF DIRECTORS

Following the change of controlling shareholders in June 2021, corporate bodies have changed. From 1 January until 3 June 2021, the Board of Directors consisted of four non-executive members.

As at 31 December 2021, the Board of Directors consisted of five non-executive and independent members.

#### 3.1 Members of the Board of Directors

##### From 1 January to 3 June 2021      From 4 June to 31 December 2021

Geneviève Berclaz\*

Fulvio Pelli\*

Fabio Candeli

Mario Aragnetti

Geneviève Berclaz\*

Alessandro Bizzozero\*

Frédéric Binder\*

Jean-Claude Favre\*

Roland Mueller-Ineichen\*

\* independent member according to FINMA definition

#### 3.1.1 Biographies of current Directors

##### **Geneviève Berclaz\***

Chair of the Board  
Chair of the Remuneration  
Committee  
Nationality: Swiss

Geneviève is a seasoned professional, trained and experienced in corporate governance and identifying and managing regulatory risk, with more than 20 years' experience. She has worked with regulators, audit firms, and the Federal Finance Administration. Geneviève sits on the boards of other financial intermediaries. She is licensed to practice law.

##### **Frédéric Binder\***

Board Member  
Member of the Audit  
& Risk Committee  
Nationality: Swiss

Frederic is a lawyer and independent non-executive director. Previously he held senior positions in 2 private banking institutions both in Switzerland and abroad. With over 25 years of experience he brings a pragmatic and solution-oriented expertise in legal, regulatory and business matters. He holds a law degree from University of Geneva and a Master in European law from Université Libre de Bruxelles.

##### **Alessandro Bizzozero\***

Board Member  
Chair of the Audit &  
Risk Committee  
Nationality: Swiss

Alessandro has over 30 years' experience in banking and regulatory fields. Amongst other distinguished positions, he is the former Director of the CAS in Compliance Management and Lecturer at the University of Geneva, as well as a Lecturer at the University of Applied Sciences (HEG ARC) in Neuchâtel and at the Centro Studi Villa Negroni in Lugano. Alessandro holds a doctorate in law and is licensed to practice.



**Jean-Claude Favre\***

Board Member  
Member of the  
Remuneration Committee  
Nationality: Swiss

Jean-Claude has held senior positions across several international banking institutions for 25 years, where he has brought to bear his expertise in the areas of corporate strategy and corporate organisational models. He holds a Master's degree in Mathematics from the Swiss Federal Institute of Technology Lausanne (EPFL) and a Master's degree from Lausanne University's Faculty of Business and Economics (HEC).

**Roland Müller-Ineichen\***

Board Member  
Member of the Audit  
& Risk Committee  
Nationality: Swiss

Since 2009, Roland has served as an independent director on the boards of several Swiss and foreign financial companies, which has reinforced his already thorough understanding of corporate governance and the banking industry. Before that, Roland worked for 12 years as lead partner in charge of financial and regulatory audits for several national and international banks, securities dealers and fund management companies in the audit department of KPMG in Zurich. He is a Swiss Certified Public Accountant, an expert auditor (Federal Audit Oversight Authority) and a qualified financial expert.

\* independent member according to FINMA definition

**3.1.2 Biographies of former Directors**

**Fulvio Pelli**

(until 20 April 2021)\*  
Chair of the Board  
Chair of the Remuneration  
Committee  
Nationality: Swiss

Doctor of Laws, University of Zurich, Fulvio Pelli was admitted to Swiss bar, Swiss notary public diploma and did an LLM, universities of Bern & Zurich

He first started his career as Deputy Attorney General – Canton of Ticino from 1977 until 1981, before working at Dr Ferruccio Pelli & Fulvio Pelli in Lugano. Since 1995, he works at Pelli & Partners – Lugano

In parallel, Fulvio Pelli has also a political experience:

1995 – 2014 Member of Swiss Parliament (National Councillor)

2005 – 2012 President of Swiss Liberal Party

2002 – 2005 President of the Liberal Parliamentary Group



**Fabio Candeli**

(until 3 June 2021)

Board Member

Member of the

Remuneration Committee

Nationality: Italian

Fabio Candeli owns a Bachelor of Economics and Business Administration, from the University of Turin.

He started his career in 1997 at BZW as Financial Analyst – Equities, in London. From 1998 until 2003, he was, Vice-President – Equity Research at Credit Suisse First Boston in London. In 2003 he became Director of Strategic Planning and Head of Planning and Control of Capitalia Holding. In 2005, he was appointed Head of Commercial Banking at Capitalia Banking Group in Rome and was Member of the Executive Committee as well as Member of the Board of Directors of Banca di Roma, Banco di Sicilia, Bipop-Carire, Capitalia Solution and Capitalia Informatica.

On 2008 he was one of Sator' Group founding partner in Rome and Member of the Investment Committee of Sator Capital Limited.

Since 2009, Fabio Candeli is Chief Executive Officer, Banca Profilo SpA, Milan

**Mario Giuseppe Aragnetti Bellardi**

(until 3 June 2021)

Board Member

Nationality: Italian

Mario Giuseppe Aragnetti Bellardi owns a Master in Political Sciences, University of Milan.

He started his career in 1996 as Analyst at Banca del Ceresio in Lugano and then came back in Italy to work as Analyst – Asset Management – Gruppo Antonveneta ABN Bank, Milan until 1999. From 1999 until 2003, he worked in the Private Banking as Head of Advisory Desk – Gruppo Antonveneta ABN Bank, Milan. As at 2003 until 2009, he was

Director Clients of Management at Banca Esperia, Milan. Since 2009, he is Deputy CEO – Head of Private Banking – Banca Profilo SpA, Milan.

**3.2 Other activities and vested interests**

Over the reporting periods, the Board members had following other activities:

**FULVIO PELLI**

Member of the Board of Directors Aevis Group, Fribourg: GSMN Suisse SA, G nolier

Member of the Board of Directors, Franklin College Inc., New York

Member of the Board of Directors, Foundation Franklin University, Sorengo

Vice president, Fondazione Aldo e Cele Dacc , Lugano

Member of the Board of Directors, Fondazione Istituto Ricerche Solari, Locarno Monti

Member of the Board of Directors, ProFonds, Basel

Member of the Board of Directors, Mus e National Suisse, Zurich



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**FABIO CANDELI**

Chief Executive Officer, Banca Profilo SpA, Milan  
Member of the Board of Directors, Profilo Real Estate Srl, Milan  
Member of the Board of Directors, Arepo BP SpA  
Member of the Board of Directors, Sator Investments Sàrl, Luxembourg  
Member of the Board of Directors, Holding 99 Sàrl

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**GENEVIEVE BERCLAZ**

Member of the Board of Directors, Arcora Gestion SA, Geneva  
Member of the Board of Directors, Bridport & Cie SA, Geneva  
Managing partner, Compliance Angels Sàrl, Lully (VD)  
Member of the Board of Directors, Hinduja Bank (Suisse) SA, Geneva till April 2021  
Member of the Board of Directors, Hinduja Swiss Holding SA, Lucerne till April 2021

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**FREDERIC BINDER**

Member of the Board of Directors, Alias Partners SA, Geneva  
Member of the Board of Directors, Aloha Transports Services SA, Geneva  
Member of the Board of Directors, Auris Wealth Management SA, Geneva  
Member of the Board of Directors, Bondpartners SA, Lausanne  
Member of the Board of Directors, Carigest SA, Geneva  
Member of the Board of Directors, EMC Gestion SA, Geneva (till 31 December 2021)  
Member of the Board of Directors, Prime Partners SA, Geneva  
Member of the Board of Directors, Sanosa Gestion SA, Geneva

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**ALESSANDRO BIZZOZERO**

Chair of the Board of Directors, BRP Bizzozero & Partners SA, Geneva  
Member of the Board of Directors, Indigita SA, Geneva  
Member of the Board of Directors, Banca Corner SA, Lugano  
Member of the Board of Directors, Arab Bank (Switzerland) SA, Geneva  
Member of the Board of Directors, Arab Bank (Switzerland) Lebanon S.A.L., Beyrut  
Member of the Board of Directors, Crossinvest SA, Lugano  
Member of the Board of Directors, AZEK AG, Bülach  
Member of the Board of Directors, SFAA Swiss Financial Analysts Association, Bülach

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**JEAN-CLAUDE FAVRE**

CEO founder, Belmont Consulting Services SA, Morges  
Member of the Board of Directors, Premyss SA, Geneva  
Member of the Board of Directors, Transports Publics de la Région Lausannoise SA, Lausanne  
Member of the Executive Board (City Councillor), City of Belmont-sur-Lausanne

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**ROLAND MUELLER-INEICHEN**

Member of the Board of Directors, Chair of Audit Committee, Altisource SA, Luxembourg  
Member of the Board of Directors, Chair of Audit & Risk Committee, Citibank (Switzerland) AG, Zurich  
Member of the Board of Directors, Chair of Audit Committee, Habib Bank Zurich AG, Zurich  
Member of the Board of Directors, Chair of Audit & Risk Committee, Sberbank (Schweiz) AG, Zurich  
Member of the Board of Directors, SWA Swiss Auditors AG, Pfäffikon (SZ)



### 3.3 Election and terms of office

#### 3.3.1 Principles of the election procedure and limits on the terms of office

The term of office for the members of the Board of Directors is one year. It ends at the Annual General Meeting following their appointment. The members of the Board of Directors are eligible for reappointment. If a member of the Board of Directors passes away or resigns during their term of office, the newly designated member remains in office for the remainder of the predecessor's term of office.

Since the Ordinance against Excessive Compensation with respect to Listed Stock Companies (OaEC) of 20 November 2013 came into force in 2014, the Annual General Meeting appoints individual members of the Board of Directors.

#### 3.3.2 Time of first appointment and remaining term of office for each board member

Board members	1 <sup>st</sup> appointment	In office until AGM of
Geneviève Berclaz	April 2014	April 2022
Frédéric Binder	April 2020	April 2022
Alessandro Bizzozero	June 2021	April 2022
Jean-Claude Favre	June 2021	April 2022
Roland Mueller-Ineichen	June 2021	April 2022

### 3.4 Internal organizational structure

#### 3.4.1 Allocation of tasks within the board of directors

The roles of the board members are cited in section 3.1 of this report.

The Chair of the Board of Directors cannot participate in any other capacity in the day-to-day management of the Bank.

The Chair must be informed regularly by the Executive Committee on the course of business and the situation of the Bank. He must also be informed promptly of any special event that does not fall within the scope of ordinary business.

If the Executive Committee is unsure whether a matter falls within its area of responsibility, it should submit the question to the Chair, who will then decide whether the matter falls within its remit or that of the Board of Directors.

If the Chair is not available for any reason, his duties are dispensed by the most senior Director.

#### 3.4.2 Members list, tasks and areas of responsibility for each board of directors

The Board of Directors has two committees: an Audit and Risk Committee and a Remuneration Committee.

### The Audit and Risk Committee

The Board of Directors appoints at least two board members to serve on the Audit and Risk Committee.

The Audit and Risk Committee has the following duties:

- Supervising and assessing the integrity of the financial closing process;
- Supervising and assessing internal control in relation to the preparation of financial reports;
- Supervising and assessing the effectiveness of external auditors and their degree of cooperation with internal audit;
- Assessing internal control where this does not relate to the preparation of financial reports and internal audit;
- Giving notice to the Board on the appointment and dismissal of the external auditors;
- Giving notice to the Board on the appointment and dismissal of the internal auditor;
- Defining and adopting, in conjunction with the internal auditor and in cooperation with the external auditors, the annual activity programme of the internal auditor;
- Discussing with the external auditors the audit strategy and reporting to ascertain their opinion on changes to be made to the organisation of the Bank, the duties of internal audit, and cooperation with the Bank's different departments in the performance of the relevant tasks;
- Reading internal audit reports and making sure that the Chief Executive Officer takes the necessary measures in response to the internal auditor's remarks;
- Reviewing the Audit and Risk Committee by-laws on an annual basis;
- Providing a quarterly report to the Board of Directors containing a summary of its business, decisions and recommendations within the framework of the internal control system.

### The Remuneration Committee

The Board of Directors appoints at least two of its members to the Remuneration Committee, one of whom is the Chair. The Chief Executive Officer is invited to attend meetings in an advisory capacity.

The remuneration for members of the Board of Directors and the Executive Committee is left to the judgement of the Board of Directors, on the recommendation of the Remuneration Committee.

### 3.4.3 Business of the board of directors and its committees

Corporate body	Number of meetings, 2021	Average length of meetings	Number of members
Board of Directors	15	2 3/4 hours	5
Audit and Risk Committee	6	1 1/4 hours	3
Remuneration Committee	4	1 hour	2

In 2021, the members of the Board of Directors and of its committees consulted the members of the Executive Committee on a regular basis.

### 3.5 Areas of responsibility of the Board of Directors

The Board of Directors exercises the functions and authority assigned to it by the law, the Articles of Association and the Bank's internal regulations – in addition to the non-transferable and inalienable attributes set forth in Article 27 of the Articles of Association:

- Exercising senior management of the Bank and establishing the necessary instructions;
- Defining the general policy and the strategic orientations of the Bank;
- Setting up the organisation and adopting internal regulations;
- Appointing and dismissing the members the Executive Committee;
- Preparing all the recommendations intended for the Annual General Meeting, giving its opinion, drawing up the agenda, calling General Meetings of Shareholders and executing its decisions;
- Preparing the Annual Report and submitting the annual financial statements, including the balance sheet and the profit and loss account, to the Annual General Meeting, together with its recommendation on the use of retained earnings and the constitution of special reserves;
- Appointing the auditors provided for in the Federal Law on Banks and Savings Banks and examining their reports;
- Appointing and dismissing the internal auditor;
- Designating the authorised persons to represent the Bank in dealings with third parties and determining their mode of signature, it being specified that only the collective signature of two persons may be granted;
- Approving the risk policy and periodically reviewing its appropriateness;
- Determining the principles of accounting and financial control as well as the financial plan insofar as this is necessary for the Executive Committee of the Bank;
- Exercising internal control and monitoring the development of major risks within the meaning of the Swiss Federal Banking Ordinance on the basis of quarterly reports drawn up by the Executive Committee;
- Exercising high-level supervision over the executive management to ensure, in particular, that they comply with the law, the Articles of Association, the regulations and the instructions given;
- Deciding on the opening and closing of subsidiaries, branches, agencies or representative offices;
- Deciding on the granting of loans to members of the Bank's corporate bodies or to natural and legal persons close to them, in accordance with the internal regulations;
- Approving the annual bank's budget;
- Approving semi-annual and annual bank's financial statements;
- Dealing with skills in correspondent banking large risks/skills for certain credits;
- Exercising supervision over capital planning/liquidity/regulatory reporting;
- Making all the decisions relating to the acquisition, sale or exchange of permanent holdings;
- Taking any decision relating to the purchase, sale or transfer of any real estate, the creation of real estate pledges on the Bank's buildings, as well as the creation and renovation of the Bank's real estate;
- Informing FINMA in case of excessive debts;
- Drawing up the Remuneration Report.

Generally speaking, the Board of Directors decides on all the matters that do not fall within the remit of the General Meeting of Shareholders according to the law and Articles of Association.

The limits of attributes assigned to the Bank's governing bodies stand as follows:

The internal competence thresholds for loans to non-bank customers are expressed as follows (nominal values):

<b>Type of guarantees</b>	<b>Board of Directors</b> CHF	<b>Executive Committee</b> CHF
a) Diversified securities portfolio	> 3'000'000	≤ 3'000'000
b) Non-diversified securities portfolio + other guarantees	> 500'000	≤ 500'000
c) Blank (overruns)	> 200'000	≤ 200'000
d) Total cumulative competence	> 3'000'000	≤ 3'000'000

The internal competence thresholds for interbank loans are as follows (nominal values):

	<b>Board of Directors</b> CHF	<b>Executive Committee</b> CHF
Non-systemic banks (minimum rating A1 S&P)	> 10'000'000	≤ 10'000'000
Other banks (minimum rating A2 S&P)	> 3'000'000	≤ 3'000'000

Details relating to risk positions, the calculation of shareholders' equity that may be considered and the permitted loan rates are set out in the Bank's internal directive.

### **3.6 Information and control instruments vis-à-vis Executive Committee**

#### **3.6.1 Description of the internal audit system**

The Board of Directors exercises its supervisory authority through an internal audit service.

For the year under review, the internal audit contract was entrusted to the Geneva branch of BDO SA.

Internal audit prepares an annual audit plan, which is discussed and approved by the Audit and Risk Committee. This programme is then shared with the external auditors.

A report is drafted for each audited business area. The Executive Committee's opinions about each point are included in the report, with an indication of the deadline set for implementing the recommended measures.

The internal audit reports are reviewed by the Audit and Risk Committee at its meetings. An audit track detailing the progress of the work is also presented to the Board of Directors at its meetings.

#### **3.6.2 Description of management reporting**

At each Board of Directors meeting, the Chief Executive Officer (CEO) reports on the major decisions taken by the Executive Committee, as well as the transactions handled. He also presents those decisions that fall within the remit of the Board.

In order to perform their supervisory duty, board members regularly receive reports from the Executive Committee on the overall business position (reporting to supervisory authorities, financial information, credit position, budget follow-up) plus a capital adequacy report. Any major market, interest rate and counterparty default risks are also announced. Reports are also provided on liquid assets and legal or reputational risks.

## 4 EXECUTIVE COMMITTEE

### 4.1 Members of the Executive Committee

The Executive Committee is the Bank's executive body. Following the change of controlling shareholders in June 2021, the Executive Committee has changed.

#### Members until May 2021

Silvana Cavanna  
Alessandro Kuhn  
Lorenzo Trentini

#### Members from June 2021

Grégoire Pennone  
Xavier Clavel  
Brice Carel Gaultier  
Yves Keller  
Alessandro Kuhn  
Jean-Jacques Schraemli

### 4.1.2 Biographies of current members of the Executive Committee

The Executive Committee composition as well as the professional background and training of its various members is as follows:

#### Grégoire Pennone

Chief Executive Officer  
Nationality: Swiss

Grégoire's expertise spans the tax, fiduciary, marketing and banking fields. He was Company first held the position of General Secretary at Banque Bénédict Hentsch & Cie SA from 2011 to 2013, before returning at the end of 2015 as GS Banque SA's Chief Executive Officer. Grégoire holds a law degree, a certificate in tax law, an MBA in Marketing and Communication, as well as a CAS in Public Health Management.

#### Xavier Clavel

Head of Asset Services  
Nationality: Swiss

Xavier has 20 years' experience in the private banking and asset management industry. He served as Global Head of Private Banking and was a member of the Executive Committee at Banque Cramer & Cie SA from 2015 to 2017. Prior to that, he worked for HSBC Private Bank (Schweiz) as Head of the Alternative Investment Group. From 2001 to 2013, Xavier was Head of Private Clients Continental Europe at GAM (Schweiz). He joined Falcon Private Bank in 2019 as Head of Private Banking, Products & Investments. Xavier holds a MBA from the University of St Gallen (HSG), with a specialisation in financial and capital markets.

#### Brice Carel Gaultier

Head of Wealth Management  
Nationality: French

Brice Carel has been working in finance since 1999. As an entrepreneur, he founded Ukan, a company specialising in investment, before joining Priscus Finance in 2003, an M&A boutique, as a Partner. Between 2007 and 2016, he managed several asset management teams for UBS, Mirabaud and EFG, dedicated to high-net-worth clients. He joined Banque Profil de Gestion in 2016, in charge of client development and the management of selected private banking activities.

**Yves Keller**

Chief Finance Officer  
 Chief Risk Officer  
 Nationality: Swiss

Yves stayed with Deloitte for 17 years, where his last position was overseeing Audit and Advisory in the banking and financial institutions sector. He then joined GS Banque SA in early 2017. A FINMA-accredited auditor, he has audited medium- and large Swiss-based banks, participated in M&A transactions as a financial and regulatory specialist, and has experience of bank resolutions. He is a Swiss Certified Accountant and holds an MBA from Geneva School of Economics and Management (GSEM).

**Alexandre Kuhn**

Head of Asset Management  
 Nationality: Swiss

After graduating and following extensive training in the banking profession at UBS in Geneva, Alessandro began his career in 1986 at the banking group ANZ Grindlays. In 1993, he co-founded the asset management firm Dynagest SA, where he oversaw operations and acted as Chair of the Board. In 2018, his structure joined Banque Profil de Gestion, leading him to become Head of Asset Management, while continuing to manage portfolio insurance products. Alessandro holds a bachelor's degree in Politics (Institut des Hautes Études Internationales and University of Geneva) and a Federal Diploma of vocational Education and Training (VET) in Banking.

**Jean-Jacques Schraemli**

Chief Operating Officer  
 Nationality: Swiss

Jean-Jacques holds a bachelor's degree in Mathematics from ETH Zurich and a master's degree in Statistical Science from Cambridge University. Following his studies, he spent seven years trading FX options in London and New York for a global investment bank. Before joining Banca Arner SA in 2018, he helped found a Fintech company, based on his belief that technology and asset management should go hand in hand.

**4.1.3 Biographies of former members of the Executive Committee****Silvana Cavanna**

(until 31 May 2021)  
 Chief Executive Officer  
 Nationality: Italian

Silvana owns a Bachelor of Political Science from Milan's University. Silvana Cavanna was in charge of private clients for more than 10 years at Euromobiliare S.p.A. She then held senior management positions at several banking institutions in Milan: Head of Asset Management at Banque Manusardi, Head of Advisory for private clients at Banque Rasini, and then Director of Client Relations at Banca Profilo. She joined its Board of Directors, then the Board of Directors and the Management Board of Profilo Asset Management SGR (2003). In 2008, she was appointed Head of Private Banking and member of the Executive Committee of what will become Banque Profil de Gestion in Geneva. In 2009, she was entrusted with the management of the establishment and became President of the General Management and the Executive Committee in November 2018.



**Lorenzo Trentini**

(until 6 June 2021)

Member of the  
Executive Committee

Nationality: Swiss

Lorenzo owns a Bachelor of Political Science and a Bachelor of Business from University of Geneva. He started his career in 2000 as Credit Risk Officer at HSBC Private Bank (Suisse) SA in Geneva before joining Barclays Bank (Suisse) SA – Barclays Wealth as Director in Geneva in 2004. In 2008, he became Financial Advisor at Key Search Partners in Geneva where he stayed until 2010. He then joined Banque Profil de Gestion SA, where he became Head of administration – Finance and Credit as Deputy CEO and member of the General Management and Executive Committee.

**4.2 Other activities and vested interests****GREGOIRE PENNONNE**

Member of the Board of Directors, Oxial SA Geneva

**XAVIER CLAVEL**

No office held

**BRICE CAREL GAULTIER**

No office held

**YVES KELLER**

No office held

**ALESSANDRO KUHN**

Member of the Board of directors,  
Dynamic Asset Management Company SA, Luxembourg  
Member of the FCPE Pensio Foundation Board, Lausanne

**JEAN-JACQUES SCHRAEMLI** No office held

**SILVANA CAVANNA**

No office held

**LORENZO TRENTINI**

No office held

**4.3 Management contracts**

ONE swiss bank SA has no management contract.

## 5 REMUNERATION, SHAREHOLDINGS AND LOANS

### 5.1 Content and method of determining remuneration and shareholding programmes

#### 5.1.1 Principles and elements

The Remuneration Committee meets at least once a year or whenever necessary. Determination of remuneration for members of the Board of Directors and the Executive Committee is left to the judgement of the Board of Directors, following the recommendations of the Remuneration Committee. The Bank does not use benchmarks or salary comparators. Members of the Board of Directors receive only a fixed annual salary. They do not receive variable remuneration and are not enlisted in any stock option schemes. Members of Executive Committee receive a fixed annual salary and variable remuneration. The Bank does not allow any services or benefits to be received by the members of the Board of Directors and/or the Executive Committee in the event of departure from the company.

#### 5.1.2 Responsibilities and procedures

The Board of Directors, following the recommendations of the Remuneration Committee, is responsible for recommending, for the approval of the Annual General Meeting, the remuneration and the specifics of stock option schemes for the benefit of members of the Board of Directors, member of the Executive committee and employees. The Remuneration Committee submits such a recommendation to the Board of Directors once a year or more often if necessary.

In 2021, the Remuneration Committee comprised the following Directors:

- Fulvio Pelli and Fabio Candeli from 1 January until 19 April 2021
- Geneviève Berclaz and Fabio Candeli from 20 April until 3 June 2021
- Geneviève Berclaz and Jean-Claude Favre from 4 June 2021 onwards

The Bank does not employ external consultants to set salaries or stock option schemes.

#### 5.1.3 Remuneration in 2021

<b>Board of Directors</b>		<b>Total remuneration</b>
Fixed salary: (social security contributions deducted)	Chair of the Board of Directors (F. Pelli 5 mth /G. Berclaz 7 mth)	CHF 95'900.–
	Chair of the Audit and Risk Committee	CHF 28'000.–
	Board members	CHF 80'600.–

Members of the Board of Directors, whose remuneration is recommended by the Remuneration Committee, do not benefit from performance-related stock option schemes. They receive only fixed salaries.

**Executive Committee**

The Remuneration Committee is responsible for recommending the remuneration of the Executive Committee. As at 31 December 2021 Brice Carel Gaultier had a notional profit between strike price (CHF 1.82) and market value (CHF 2.24) for the 700'000 shares amounted to CHF 294'000. Others members of the Executive Committee did not receive any benefits in kind during the reporting period.

**5.1.4 Remuneration granted to serving members of the governing bodies**

<b>Governing body</b>	<b>Total remuneration</b>
Board of Directors	CHF 204'500.–
Executive Committee	CHF 1'840'900.–

For details, refer to the Remuneration report.

**5.1.5 Highest overall remuneration**

For details refer to the Remuneration report.

**5.2 Transparency of remuneration, shareholdings and loans pertaining to listed companies with registered offices outside Switzerland**

This does not apply to ONE swiss bank SA.

## **6 SHAREHOLDERS' PARTICIPATION RIGHTS**

### **6.1 Voting rights restrictions and representation**

Because of the pandemic, the Board of Directors decided to hold both the Annual General Meeting of 20 April 2021 as well as the Extraordinary General Meeting of 4 June 2021 without shareholders physically present, in accordance with Article 27 of the Federal Council's Ordinance 3 on Measures to Combat the Coronavirus (COVID-19). They were therefore not able to attend the meetings in person and had to exercise their voting rights through the Independent Representative.

In accordance with Article 16 of the Bank's Articles of Association, every share recorded in the share register as a share with voting rights confers one vote on its holder.

Each shareholder recorded in the share register with voting rights may be represented at the General Meeting of Shareholders by the Independent Representative or a third party.

A share encumbered by a right of beneficial ownership is represented by the beneficial owner. The latter is responsible towards the holder if he or she does not take his or her interests into consideration.

### **6.2 Statutory quorums**

The General Meeting of Shareholders is validly constituted independent of the number of shareholders attending or represented.

It makes its decisions and proceeds with appointments according to the majority of the voting rights allotted.

A decision by the General Meeting of Shareholders representing at least two-thirds of the represented voting rights attached to the shares, and an absolute majority of the nominal values represented, is required to:

- Change the Bank's purpose
- Issue shares with voting privileges
- Restrict the transfer of shares
- Increase conditional or authorized capital
- Increase the share capital using existing shareholders' equity, with contributions in kind or for a resumption of assets and the granting of particular advantages
- Limit or revoke preferred subscription rights
- Change the location of the Bank headquarters
- Wind up the Bank without liquidation

### **6.3 Calling the Annual General Meeting**

The Annual General Meeting is held within the first four months after the end of the previous financial year. It is convened in accordance with the Code of Obligations. One or more shareholders, representing together at least 10% of the share capital, may request the convening of an Extraordinary General Meeting.

The Annual General Meeting must be convened at least 20 days before the scheduled date through a notice published in the Swiss Official Gazette of Commerce (FOSC). Notice to attend must be sent in writing, stating the items on the agenda and the resolutions submitted.

#### **6.4 Inclusion of items on the agenda**

One or more shareholders, representing together at least 10% of the share capital, may request the inclusion of an item on the agenda. Shareholders whose shares amount to a total par value of at least 1 million Swiss francs may also request the inclusion of an item on the agenda.

Such convening or inclusion of items on the agenda shall be requested in writing, indicating the items to be discussed and any motions. No specific prior notice period is mentioned in the Bank's Articles of Association. Notwithstanding, any motion must be announced reasonably in advance to allow the Board of Directors to include it in the notice calling the General Meeting of Shareholders.

The items on the agenda, as well as any recommendations from the Board of Directors or the shareholders who requested the convening of the meeting, or the inclusion of an item on the agenda, are to be stated in the notice of meeting.

#### **6.5 Entries in the share register**

Each shareholder recorded in the share register with voting rights is entitled to at least one vote, even if he or she holds only one share.

## **7 CHANGES OF CONTROL AND DEFENCE MEASURES**

### **7.1 Duty to make an offer**

In application of Article 53 of the Federal Act on Stock Exchanges and Securities Trading, the Bank has removed from the Articles of Association the requirement to submit a public takeover for the entire remaining capital in the event of a change of control ("opting-out").

### **7.2 Clauses on changes of control**

The Bank's management (Board of Directors, Executive Committee and other officers) has not concluded any special agreement shielding against a takeover.

## 8 AUDITORS

### 8.1 Duration of the mandate and term of office of the lead auditor

The 2021 financial statements were audited between November 2021 and March 2022. The 2020 financial statements were audited between November 2020 and March 2021.

The statutory auditors are PricewaterhouseCoopers SA, Geneva, which took up this position in 2010. The term of office is one calendar year and is renewable.

The lead auditor is Christophe Kratzer, who took over from Beresford Caloia in June 2021.

Mr Caloia had previously been lead auditor since 2017.

The Bank applies the maximum legal limit of seven years to the rotation of the lead auditor (article 730a, paragraph 2 of the Code of Obligations).

### 8.2 Auditing fees

#### *Auditing fees*

PwC received fees totalling KCHF 328 for the 2021 financial and regulatory audits of the Bank.

#### *Additional fees*

For additional audit-related services covering topics such as accounting and compliance, the Bank paid PwC fees totalling KCHF 16 during the 2021 financial year.

### 8.3 Informational instruments pertaining to an external audit

Each year, the external auditors draw up an audit plan and formulate a report on the basic regulatory audit. The external audit reports are examined in detail at meetings of the Audit and Risk Committee and the findings are presented regularly to the Board of Directors. The financial and regulatory audit plans were presented to the Board of Directors of 7 October 2021. The basic regulatory audit report 2020 was presented to the Board of Directors on 4 May 2021.

Under banking law, the Board of Directors sets the necessary time aside at one of its meetings to deal in detail with the content of the basic audit report for the financial year, adopted on the closing date.

In 2021, the external auditors were invited to attend specific meetings of the Audit and Risk Committee, attending two such meetings. Discussions focused on the review of the detailed auditor's report for 2020 as well as planning for the Bank's audits for the rest of the year.

The members of the Board of Directors and the Executive Committee are in regular contact with the external auditors.



## 9 INFORMATION POLICY

The Bank keeps shareholders, potential investors, employees and clients up to date about the state of its business, in particular through the publication of interim reports, the Annual Report and the Remuneration Report. Information relating to the Bank and to the value of shares is published on Telekurs, Bloomberg and Reuters.

General information about the Bank, together with financial data and reporting requirements can also be found on the Bank's website, [www.oneswissbank.com](http://www.oneswissbank.com), under Investor relations.

Furthermore, any request for permanent published information (press releases, annual reports, etc.) can be obtained by submitting a completed application form available on the website <https://oneswissbank.com> under Investor relations.

Any market news that may materially influence the Bank's share price on the stock exchange (ad hoc publicity) are published and accessible on the website:

<https://oneswissbank.com> under Investor relations.

### **Investor relations**

Tel. +41 58 300 78 00

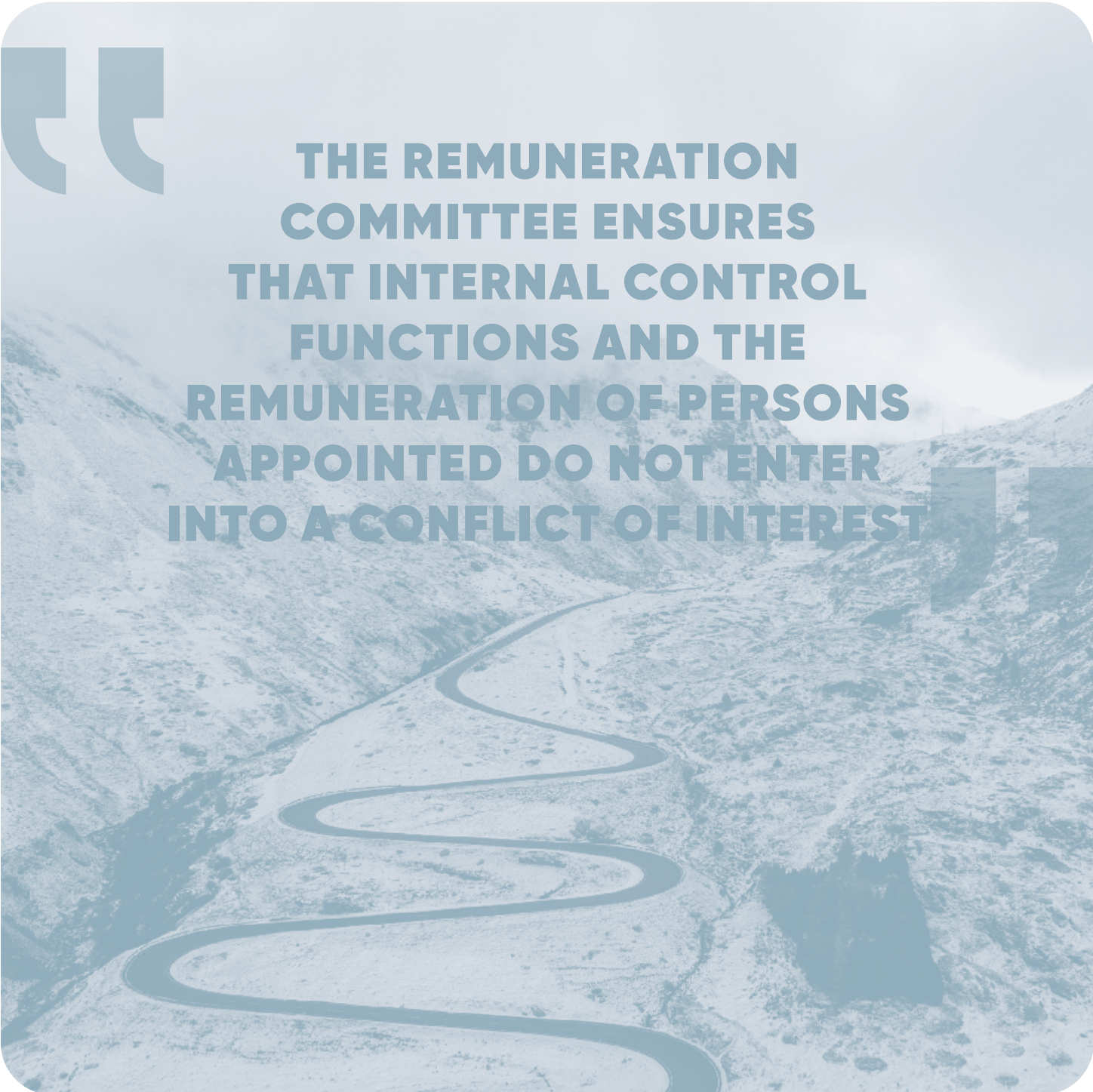
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SBA Member

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**THE REMUNERATION  
COMMITTEE ENSURES  
THAT INTERNAL CONTROL  
FUNCTIONS AND THE  
REMUNERATION OF PERSONS  
APPOINTED DO NOT ENTER  
INTO A CONFLICT OF INTEREST**

# 2021 Remuneration report

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2021 REMUNERATION REPORT





ONE swiss bank SA publishes this Remuneration Report in compliance with the company's articles of association, the Ordinance against Excessive Remuneration with respect to Listed Stock Corporations (OaEC) of 20 November 2013 (effective 1 January 2014), the Swiss Code of Obligations, the Swiss Code of Best Practice and the provisions contained in SIX Exchange Regulations.

## **1 RESPONSABILITIES AND PRINCIPLES**

### **1.1 Responsibilities**

Determination of remuneration for members of the Board of Directors and Executive Committee is left to the judgement of the Board of Directors, on the recommendation of the Remuneration Committee.

The Annual General Meeting appoints the Remuneration Committee members. The Committee comprises at least two members from the Board of Directors, one of whom is the Chair. The Chief Executive Officer is invited to attend meetings in an advisory capacity, however he is not part of those meetings where his compensation is discussed.

The Remuneration Committee submits, the principles governing the remuneration of the members of the Board of Directors and the Executive Committee to the Board of Directors for approval.

### **1.2 Principles**

The Remuneration Committee and the Board of Directors shall ensure that the Bank offers a pay-scale in line with market and personal performance to attract and retain people with the appropriate skills and credentials. Together, they ensure that internal control functions and the remuneration of persons appointed do not enter into a conflict of interest.

The members of the Board of Directors receive only a fixed annual salary. They do not receive variable remuneration, and are not enlisted in any stock option schemes.

The members of the Executive Committee receive a fixed annual salary and variable remuneration.

The Bank makes no provision for and pays no benefits to members of the Board of Directors or the Executive Committee when leaving the Bank. According to Article 12 OaEC, the notice period of members of the Board of Directors and the Executive Committee is prohibited to exceed 1 year. At 31 December 2021, Grégoire Pennone (CEO) was entitled to a severance payment of two (2) years related to the employment contract agreed with GS Banque SA in 2015. This clause will be discussed at the Remuneration Committee and removed in 2022 as part of the post-acquisition integration.

## 2 INDEMNITIES AND REMUNERATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Remuneration paid to the governing bodies (audited information)

In CHF 000	Total		Fixed		Variable		Other		Stock-options	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Indemnities and remuneration paid directly or indirectly to the members of the Board of Directors</b>	204,5	177	209	177	-	-	-	-	-	-
<b>Fulvio Pelli</b> , Chair, until May 2021 Member of the Board	33,3 (5 mth)	100 (1 year)	41,6	100	-	-	-	-	-	-
<b>Fabio Candeli</b> , Member of the Board until May 2021	- (5 mth)	- (1 year)	-	-	-	-	-	-	-	-
<b>Mario Aragnetti</b> , Member of the Board until May 2021	- (5 mth)	- (1 year)	-	-	-	-	-	-	-	-
<b>Geneviève Berclaz</b> , Member of the Board and Chair from May 2021 onwards	62,6 (1 year)	60 (1 year)	62,6	60	-	-	-	-	-	-
<b>Frédéric Binder</b> , Member of the Board	36,3 (1 year)	17 (8 mth)	36,3	17	-	-	-	-	-	-
<b>Alessandro Bizzozero</b> , Member of the Board	28 (7 mth)	-	28	-	-	-	-	-	-	-
<b>Jean-Claude Favre</b> , Member of the Board	19,8 (7 mth)	-	18,1	-	-	-	-	-	-	-
<b>Roland Mueller-Ineichen</b> , Member of the Board	24,5 (7mth)	-	22,4	-	-	-	-	-	-	-
<b>Indemnities and remuneration paid directly or indirectly to the Executive Committee</b>	1'840,9	909,8	1'286,9	909,8	260	-	-	-	294	-
<b>Ms. Silvana Cavanna</b> , Chief Executive Officer (untill May 2021)	161,5 (5 mth)	389	161,5 (5 mth)	389	-	-	-	-	-	-
<b>Lorenzo Trentini</b> , <sup>(1)</sup> Deputy Chief Executive Officer (until 6 June 2021)	100,8 (5 mth)	255,8 (1 year)	100,8 (5 mth)	255,8 (1 year)	-	-	-	-	-	-
<b>Gregoire Pennone</b> , Chief Executive Officer (from June 2021)	195,3 (7 mth)	-	155,3 (7 mth)	-	40	-	-	-	-	-
<b>Xavier Clavel</b> , Member of Executive Committee (from June 2021)	210,1 (7 mth)	-	170,1 (7 mth)	-	40	-	-	-	-	-
<b>Brice Carel Gaultier</b> , Member of Executive Committee <sup>(1)</sup> The highest remuneration for 2021	549 (7 mth)	-	195 (7 mth)	-	60	-	-	-	294	-
<b>Yves Keller</b> , CFO <sup>(1)</sup> (from June 2021)	210,6 (7 mth)	-	170,6 (7 mth)	-	40	-	-	-	-	-
<b>Alessandro Kuhn</b> , Member of Executive Committee <sup>(1)</sup>	255 (1 year)	265 (1 year)	215 (1 year)	265 (1 year)	40	-	-	-	-	-
<b>Jean-Jacques Schraemli</b> , Member of Executive Committee (from June 2021)	158,6 (7 mth)	-	118,6 (7 mth)	-	40	-	-	-	-	-

Social security contributions are deducted from the indemnities and remuneration paid to the members of the Board of Directors. In contrast, for the Executive Committee, the amounts shown are before deduction of social security contributions.

(1) Part-time activity over the reporting period

## NOTES

No indemnity was paid directly or indirectly, in 2021, to former members of the Board of Directors or to any person in close relationship with the Board of Directors or the Executive Committee.

The remuneration of the Executive Committee is mainly linked to qualitative and non-quantitative aspects.

Since 2016, the remuneration of the Executive Committee is approved by the Annual General Meeting, on the recommendation of the Board of Directors, after consultation with the Remuneration Committee. Starting in June 2021, the remuneration of the Executive Committee has followed the same process.

As at 31 December 2021, no indemnities not complying with market practices were awarded to any person in close relationship with the Board of Directors or the Executive Committee.

As at 31 December 2021, no outstanding credits or loans not complying with market practices were awarded to any person in close relationship with the Board of Directors or the Executive Committee.

Fabio Candeli, member of the Board of Directors, and Mario Aragnetti, member of the Board of Directors did not receive any remuneration for the year 2021 nor for the year 2020. The Annual General Meeting of 20 April 2021 appointed Geneviève Berclaz as Chairwoman of the Board of Directors. Therefore, in 2021, there were two different chair persons, one serving from January until April and one from that time onwards. In order, their remuneration was as follows:

- CHF 33'300 (Chair: Fulvio Pelli)
- CHF 62'600 (Chair: Geneviève Berclaz)

In 2020, the remuneration of the Chair amounted to CHF 100'000.

Following completion of the merger between Banque Profil de Gestion SA and One Swiss Bank SA on 1 June 2021, the Extraordinary General Meeting of 4 June 2021 elected three new members of the Board: Alessandro Bizzozzero, Jean-Claude Favre and Roland Mueller-Ineichen.

The new Executive Committee is composed of five individuals in addition to Grégoire Pennone (CEO): Xavier Clavel, Brice Carel Gaultier, Yves Keller, Alessandro Kuhn, and Jean-Jacques Schraemli.

Xavier Clavel joined the Bank on 8 February 2021.

The remuneration of two of the three members of the former General Management of Banque Profil de Gestion SA (Silvana Cavanna and Lorenzo Trentini) was effective until the end of May, Alessandro Kuhn's remuneration corresponds to the full 12 months of 2021 as he remained on the new Executive Committee following the merger.

Brice Carel Gaultier, Jean-Jacques Schraemli and Yves Keller's wife own shares in the Bank. Grégoire Pennone, his sister and brother are also shareholders of the Bank through a family-owned holding company (HPF). See details in the financial statements note 16.

Brice Carel Gaultier benefitted from a stock option scheme. On 21 May 2021 he exercised 700'000 options in accordance with Article 5bis of the Bank's Articles of Association. The strike price was at CHF 1.82, resulting in an outgoing payment of CHF 1'274'000. The notional profit between strike price (CHF 1.82) and market value (CHF 2.24) at exercise date, for the 700'000 shares amounted to CHF 294'000.

# Report of the statutory auditor

to the General Meeting of ONE swiss bank SA

Geneva

We have audited the Remuneration report of ONE swiss bank SA for the year ended 31 December 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the table labelled 'audited' on page 114 of the Remuneration report.

## Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the Remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

## Auditor's responsibility

Our responsibility is to express an opinion on the Remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the Remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the Remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the Remuneration report.

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

## Opinion

In our opinion, the Remuneration report of ONE swiss bank SA for the year ended 31 December 2021 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers SA



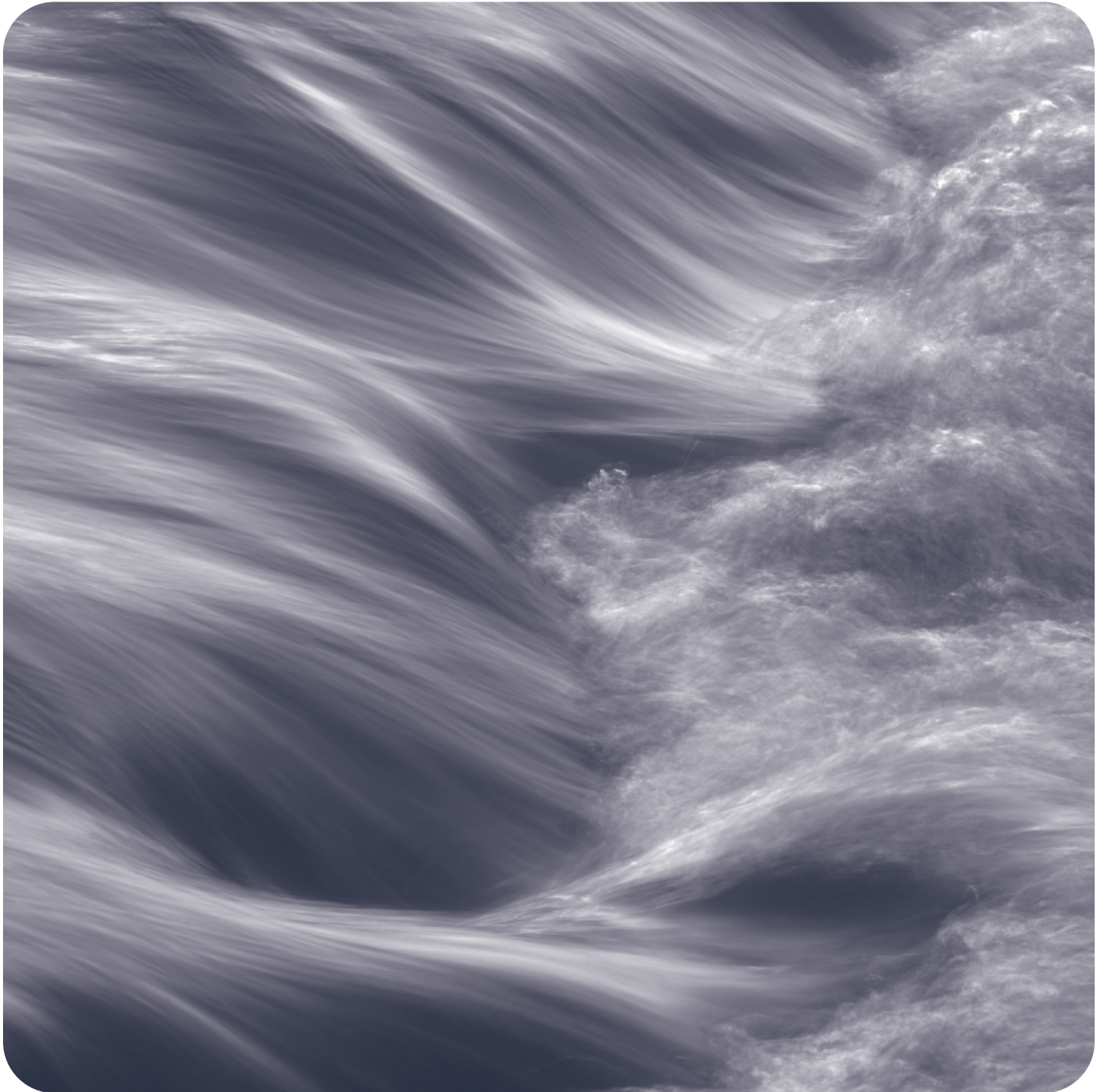
Christophe Kratzer  
Audit expert  
Auditor in charge



Adrien Meyrat  
Audit expert

Geneva, 11 March 2022

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