

annual report

2022

swiss bank

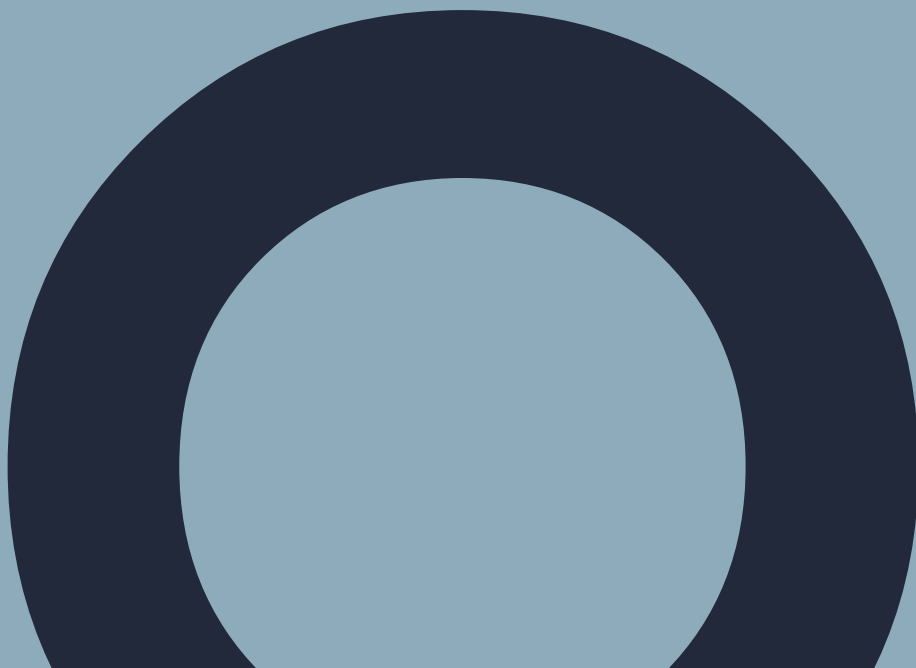
one

financial

corporate information



LETTER TO SHAREHOLDERS	3
2022 HIGHLIGHTS & SELECTED FINANCIALS	7
ONE INSPIRATION – BAUHAUS	13
TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022	17
STATUTORY FINANCIAL STATEMENTS 2022	47
CORPORATE GOVERNANCE REPORT	77
COMPENSATION REPORT	93



MESSAGE FROM THE CHAIR AND THE CEO

[LETTER TO SHAREHOLDERS](#)

[2022 HIGHLIGHTS & SELECTED FINANCIALS](#)

[ONE INSPIRATION - BAUHAUS](#)

[TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022](#)

[STATUTORY FINANCIAL STATEMENTS 2022](#)

[CORPORATE GOVERNANCE REPORT](#)

[COMPENSATION REPORT](#)



NAVIGATING THE DEEPENING UNCERTAINTY

In the opening message of our 2021 Annual Report, we expressed concern about persistently high inflation and the deplorable invasion of Ukraine. No need to be Nostradamus to have concluded our message with the following statement: “For sure, the world we have known for more than three decades will profoundly change and not for the better”. As a picture is worth a thousand words¹, we would like to illustrate our point with three images:

Photograph: Denis Balibouse, Reuters
Prize: Swiss Press Photographer of the Year, 2022



This picture was taken during the Geneva summit between US President Joe Biden and Russian President Vladimir Putin in June 2021, in the middle of another wave of the pandemic. Almost two years on, relations between the two have deteriorated massively.

Joe Biden in Warsaw, Poland, 21 February 2023
Photograph: Piotr Molecki, East News, REX, Shutterstock



Vladimir Putin in Moscow, Russia, 21 February 2023
Photograph: Sergei Savostyanov, TASS



The two images above illustrate how the world has been reshaped into two geopolitical blocs. On the one hand, Biden leads the West as a defender of

¹Watch our year-end video, which neatly summarises the main events of 2022.

democracy and freedom; on the other hand, Putin blames Western elites for starting and fuelling the conflict in Ukraine. In 2022, the rift between democracies and autocracies widened dramatically, hastening the world towards a very uncertain and dangerous future. Tellingly, Putin recently suspended Russia's participation in the last remaining treaty regulating US and Russian nuclear arsenals. From a macroeconomic perspective, 2022 was also one of the worst years for investment performance, with safe havens almost non-existent and massive shortfalls in the major asset classes. It is at times like these that economist Nouriel Roubini gets media coverage to share his gloomy predictions. The local Swiss newspaper *Le Temps* interviewed him during his visit to the World Economic Forum in January. In his latest book, he identifies ten mega-threats. According to Roubini, the current situation combines the worst of the crises in the early 1930s, the 1970s and the 2008 meltdown, given the level of debt, inflation, the impending recession and the current geopolitical instability and tensions. We didn't expect anything other than more despondency from Dr Doom himself, who is well in tune with the Doomsday Clock – currently set to “90 seconds to midnight”.

ON BEING A REALIST OPTIMIST, OR AN OPTIMIST REALIST

An optimist is “a person who tends to be hopeful and confident about the future or the success of something” while a realist is “a person who accepts a situation as it is and is prepared to deal with it accordingly”. Both describe our mindset at ONE swiss bank.

The good thing about being an optimist is that pessimists cannot convince you of their views, try though they might. Although there are considerable current and future uncertainties, challenges and turbulences, we believe that favourable investment opportunities will re-emerge within a reasonable timeframe.

Our role as private bankers is to help our clients strike the right balance between risk and opportunity, and to guide them in looking after their wealth in troubled times. Diversification and a calm attitude remain the best policy when markets are tumbling.

Being realistic, we foresee the following five main interconnected trends for the global economy – trends that will shape our world in the coming years and which can be viewed as opportunities or risks from an investment standpoint.



Interestingly, if we look at Google Trends and what their search data for 2022 shows us, people's day-to-day concerns are very different, so our predicted trends may be wrong. However, we remain confident that these five main trends will accompany us over the next decade.

No doubt that 2023 will remain full of uncertainty, which we will navigate with our clients and partners, and sadly without Queen Elizabeth, and without our very own Swiss monarch, Roger Federer, on the tennis court.


AND AT MICRO LEVEL, WHAT'S GOING ON?

Falling asset prices across the board in 2022 combined with the strong Swiss franc to negatively impact our assets under management (AuM), which decreased by 11% to CHF 4.5 billion. Clients were hardly hit by these shortfalls and should therefore remain patient and calm. The loss in AuM was entirely due to poor market performance and currency effects, as the net effect of new inflows and outflows was close to zero, and was in line with what we have observed among our direct competitors. We believe that the scenario could well be reversed in 2023.

Despite the turmoil in global financial markets, we were able to complete our turnaround 6 months ahead of our baseline scenario. Full-year earnings before interest, taxes, depreciation and amortisation (EBITDA) totalled CHF 5.3 million, resulting in a sustainable EBITDA margin of 18.7%, as higher official interest rates helped our treasury activities. Our cost/income ratio, excluding depreciation and amortisation, similarly improved. The amortisation of intangibles continued to impact our net profit, reducing it by CHF 4.3 million. All in all, we reported a full-year net profit of CHF 0.657 million, after four consecutive years of losses. At the same time, our regulatory capital strengthened by CHF 4.7 million to CHF 35.8 million, with a comfortable total capital ratio of 18.5%. Last year we also consolidated our position among

the leading players in the M&A field by completing two minor transactions, which helped us to maintain our reputation as a reliable and pragmatic partner for the timely execution of various types of deal structures. Last but not least, we also became a signatory of the UN PRI (Principles for Responsible Investment) and published our first Sustainability Report. We remain committed to being a responsible corporate citizen for all our stakeholders.

With the post-merger turnaround and integration complete, this year marks a new phase for ONE as we soon move into our new headquarters in Geneva. Despite a geopolitical and macroeconomic environment that remains unpredictable and calls for caution, as an optimistic realist (or vice versa), we believe that 2023 will bring exciting opportunities that will accelerate our development.

The design of this 2022 Annual Report is inspired by the Bauhaus (see page 13)  and pays tribute to the bold business ventures that developed Geneva's manufacturing base in the early part of the 20th century.

We look forward to sharing our views with you in our new offices.



Geneviève Berclaz
Chair



Grégoire Pennone
CEO

2022 HIGHLIGHTS

Employee count:
68.7 full-time equivalents
at 31 December 2022
[75.7 as at 31 December 2021]

LETTER TO SHAREHOLDERS

2022 HIGHLIGHTS & SELECTED FINANCIALS

ONE INSPIRATION - BAUHAUS

TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022

STATUTORY FINANCIAL STATEMENTS 2022

CORPORATE GOVERNANCE REPORT

COMPENSATION REPORT





**Successful execution
of cost savings**



**Improved regulatory
capital**



**Opening of subsidiary in Dubai
and integration of local team**



**Leading position in
M&A consolidated**



Improved cost/income ratio



**First Sustainability Report
published and UN PRI signed**

2022 SELECTED FINANCIALS

NET PROFIT OF CHF 657.876 IN 2022 EXPLAINED BY:

- **A 4% increase in revenue to CHF 28.6 million [vs. CHF 27.5 million in 2021] despite lower AuM [11%].**
- **A decrease in AuM due mainly to market effects across all business lines: Wealth Management -9.49%, Asset Management -15.15% and Asset Services -9.45%. The net effect of new inflows and outflows was close to zero.**
- **An increase in interest transactions in H2 2022 resulting from the positive rate environment. This was despite an unrealised loss of CHF -0.825 million on funds held by the Bank and negative interest costs supported by the Bank amounting to CHF -0.679 million.**
- **A positive trend in the cost/income ratio throughout 2022, whereby it improved to 75.2% in H2 and 81.3% in 2022 as a whole [vs. 98.4% in 2021].**
- **A strong operating profit (EBITDA) of CHF 5.3 million, covering depreciation and amortisation costs of CHF 4.5 million, of which CHF 4.3 million related to goodwill.**

STRONG BALANCE SHEET WITH:

- **Equity of CHF 44.3 million, up 2% relative to 2021.**
- **A 23% decrease in liabilities to CHF 638 million [vs. 826 at end-2021], mainly arising from reduced cash deposits following client investments.**

ROBUST REGULATORY RATIOS WITH:

- **A total capital ratio of 18.5% [vs 17.0% FY2021], reflecting a 15% increase in regulatory capital to CHF 35.8 million at end-2022.**
- **A liquidity coverage ratio (LCR) of 354%, versus the minimum requirement of 100%.**



5.3

MCHF
EBITDA
x13 versus 2021



+

5.5

KCHF
Net profit



5.8

MCHF
Regulatory capital



6.2

MCHF
Total balance sheet



11.5%

Total capital ratio
[min. required 10.5%]



6-12 MONTH OUTLOOK



Further strengthening our footprint in the Middle East



Expanding financing options for our clients



Moving into our new headquarters



Continuing to leverage our M&A expertise



Improving cost/income ratio



Expanding our sustainable investing offering

INSPIRATION

[LETTER TO SHAREHOLDERS](#)

[2022 HIGHLIGHTS & SELECTED FINANCIALS](#)

[ONE INSPIRATION - BAUHAUS](#)

[TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022](#)

[STATUTORY FINANCIAL STATEMENTS 2022](#)

[CORPORATE GOVERNANCE REPORT](#)

[COMPENSATION REPORT](#)



In this section we would like to share with you our design inspiration for this year's Annual Report and why it was a natural step for us to look back to the Bauhaus, one of the major art movements of the 1920s.

The Bauhaus style is distinctive and powerful. By adopting it, we intend to convey a sense of innovation and fashion a document that enables us to communicate about achievements, goals and strategies in a clear, effective and visually engaging way, without clutter or confusion.

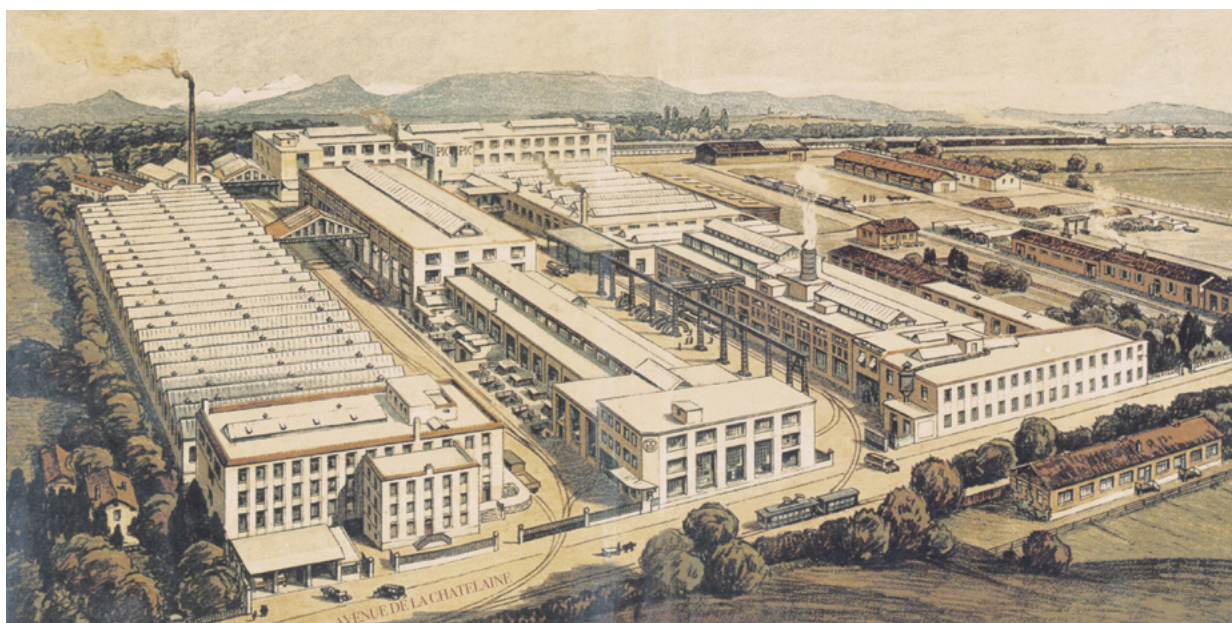
But more than that, the building that will become our new headquarters in April 2023, at 78 rue de Lausanne in Geneva, was built in 1920. Its industrial architectural style, typical of the period, and its history quickly led us to realise that there was a clear link with some of our past and present locations, which all bear witness to Geneva's industrial development and bold business ventures at the time.

ELNA

The ELNA building, occupied by the Bank from 2005 to 2013, was built in 1958 in the Charmilles district on the Avenue de Châtelaine by the Swiss architect Georges Ador. It was located in the Tavano industrial complex, then the headquarters for the world-renowned ELNA sewing machines.

The building was erected on the site of the former Société Anonyme des Ateliers Piccard & Pictet (aka Pic-Pic), which produced a Swiss-made car from 1906 to 1921. During the First World War, however, it was difficult to continue the production of car parts and the factory had to be converted to the manufacture of weapons for the Allied troops. The only Swiss car manufacturer in history then went bankrupt in 1921. The Pic-Pic factory was replaced by Ateliers des Charmilles SA, which was active in the machining and sale of hydraulic turbines, before the Tavano company took over the site in 1934.

QUARTIER DES CHARMILLES en 1914



PIC-PIC MON AMOUR



Sécheron

Our second location was in the Sécheron district, now home to Campus Biotech, where we have been based since 2013.

The site has its origins in the redbrick buildings of the 19th century engineering company, Sécheron, one of the jewels of Swiss industry. The history of the site dates back to 1891, when the Electrical Equipment Company merged with a company that manufactured dynamos, power lines for electrochemistry, and arc and incandescent lighting. A novelty at the time, the Electrical Industry Company's factory was connected to the nascent power grid, a true technological revolution. The company then acquired land in Sécheron, close to the railway. From then on, its activities grew steadily and it quickly became an internationally-renowned electrical engineering manufacturer, employing nearly 1,600 people. The factories covered almost 70,000 m², underscoring the rise of the electromechanical industry in Geneva. In 1989, however, they were sold and threatened with demolition. Their fate remained uncertain until 2003, when Serono, a catalyst in the development of the region's biotech ecosystem, bought the site so that it could bring all its activities under one roof. Heirs to over a century of manufacturing history, the 19th-century buildings were preserved and adorned with glass and steel structures.

Our new headquarters

This converted factory, built in 1920 by architect William Henssler, is today a listed building. In its early days, it was not strictly a production site but rather sold and repaired Bosch-branded electrical accessories (starters, spark plugs, magnetos, lighting systems and lubricators) for motor vehicles. It should be remembered that in the 1920s, the electrical equipment in motor vehicles was still at an early stage of development.

The ground floor of Robert Bosch SA (later Auto-Magneto SA Genève) was mainly used for parts storage, while the first floor housed the mechanical workshops (adjustment and rectification, parts repair and system design). At the rear of the building was the garage, where the parts were assembled. There were several pits for this purpose, as car lifts were not yet in widespread use.

Architecturally, the building borrows many elements from the functionalist vocabulary: a flat roof, large windows, rounded corners and a reinforced concrete structure with free plan. The decorative elements, such as the pilasters and the cornice, are of Art Deco inspiration.



About the Bauhaus

The Bauhaus was a school of design founded in 1919 in Weimar, Germany, by the architect Walter Gropius. Its philosophy was based on the idea of creating a new style that would be both functional and aesthetic, combining art, craft and technology.

Often referred to as a minimalist aesthetic, the Bauhaus style is known for its clean, simple lines and geometric forms. It repeatedly used steel, glass and concrete as its raw materials.

The school brought together artists, designers and craftspeople to work together in a collaborative environment. Key figures at various points included prominent artists such as Paul Klee, Wassily Kandinsky and László Moholy-Nagy. The Bauhaus movement has had a profound impact on modern design. Its influence can be seen in architecture, industrial design graphic design and art. The school was forced to close in 1933 due to political pressure, but its ideas and principles continue to influence designers and artists around the world.

Client experience

The Bauhaus style also had a significant impact on typography and graphic design, with a focus on sans serif typefaces and bold, simple lettering. We wanted to incorporate these design elements into our signage and other visual communications.

By emphasising the industrial and functional elements of our building, and using design choices that reflect the principles of the Bauhaus and Art Deco movements in our interior design elements and lighting, we aim to create a cohesive and visually appealing experience for our visitors and employees, and to highlight the historical and cultural significance of our headquarters.

We look forward to welcoming you there.



True & Fair View

Financial Statements 2022

LETTER TO SHAREHOLDERS

2022 HIGHLIGHTS & SELECTED FINANCIALS

ONE INSPIRATION - BAUHAUS

TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022

STATUTORY FINANCIAL STATEMENTS 2022

CORPORATE GOVERNANCE REPORT

COMPENSATION REPORT



Balance sheet

(CHF)	Note	31.12.2022	31.12.2021
Assets			
Liquid assets		176'058'577	325'825'284
Amounts due from banks		160'957'285	246'081'730
Amounts due from customers	1	172'627'072	188'422'076
Mortgage loans	1	16'712'734	16'737'667
Trading portfolio assets	2	-	109'796
Positive replacement values of derivative financial instruments	3	2'787'653	1'209'561
Financial investments	4	138'470'257	73'458'393
Accrued income and prepaid expenses		2'853'304	2'243'177
Participations	5-6	2'189'446	2'189'446
Tangible fixed assets	7	346'699	547'776
Intangible assets	8	9'006'465	12'857'054
Other assets	9	222'883	395'447
Total assets		682'232'375	870'077'407
Liabilities			
Amounts due to banks		6'846'567	10'795'245
Amounts due in respect of customer deposits		614'809'288	798'507'654
Negative replacement values of derivative financial instruments	3	6'087'516	5'246'506
Accrued expenses and deferred income		4'372'629	5'032'385
Other liabilities	9	4'764'046	5'656'065
Provisions	12	973'977	1'307'522
Total liabilities		637'854'023	826'545'589
Reserves for general banking risks	12	4'955'226	4'955'226
Bank's capital	13-17	15'130'600	15'130'600
Capital reserve		1'190'578	1'414'237
Retained earnings reserve		22'456'063	27'227'998
Own shares		-11'991	-424'308
Result of the period (profit/-loss)		657'876	-4'771'935
Total equity		44'378'352	43'531'818
Total liabilities and equity		682'232'375	870'077'407
Subordinated liabilities			
		-	-
<i>Of which subject to debt waiver</i>		-	-
Off-balance sheet transactions			
Contingent liabilities	1 & 23	9'082'828	11'570'305
Irrevocable commitments	1	1'416'000	1'370'000

Income Statement

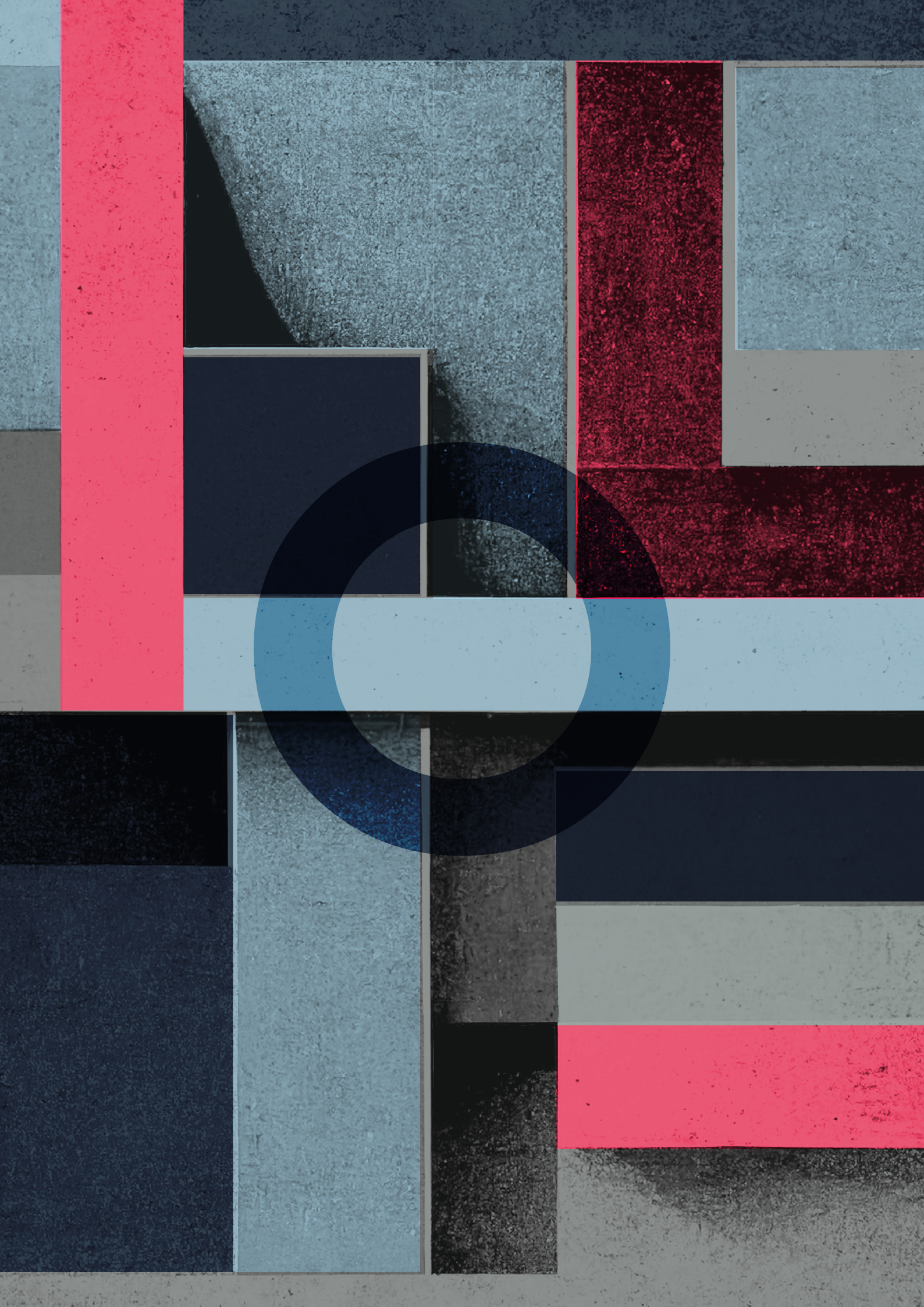
(CHF)	Note	01.01.2022	01.01.2021
		- 31.12.2022	- 31.12.2021
Interest and discount income		9'269'243	2'813'457
Interest and dividend income from trading operations		76	17'593
Interest and dividend income from financial investments		956'976	1'166'542
Interest expense	27	616'186	849'837
Gross result from interest operations		10'842'481	4'847'429
Changes in value adjustments for default risks and losses from interest operations		-231'778	83'779
Sub-total net result from interest operations		10'610'703	4'931'208
Commission income from securities trading and investment activities		18'366'837	22'189'355
Commission income from lending activities		24'665	137'044
Commission income from other services		4'261'209	3'931'519
Commission expense		-5'715'622	-7'628'900
Sub-total result from commission business and services		16'937'089	18'629'018
Result from trading activities and the fair value option	26	2'005'648	3'745'125
Result from the disposal of financial investments		-12'959	221'758
Other ordinary income		12'773	49'019
Other ordinary expenses		-906'731	-
Sub-total other result from ordinary activities		-906'917	270'777
Personnel expenses	28	-13'999'617	-15'265'527
General and administrative expenses	29	-9'301'736	-11'861'585
Sub-total operating expenses		-23'301'353	-27'127'112
Value adjustments on participations, amortization of tangible fixed assets and intangible assets		-4'491'069	-5'436'064
Changes to provisions and other value adjustments, and losses		-177'415	-863'263
Operating result		676'686	-5'850'311
Extraordinary income	30	-	1'023'774
Extraordinary expenses		-	30'397
Taxes	32	-18'810	24'205
Result of the period (profit/-loss)		657'876	-4'771'935

Cash flow statement

In CHF'000	2022		2021			Balance
	Source of funds	Use of funds	Balance	Source of funds	Use of funds	
Cash flow from operating activities (internal financing)						
Result of the period	658	-		-4'772	-	
Change of reserves for general banking risks	-	-		-	1'024	
Value adjustments on equity securities, depreciation and amortization of tangible fixed assets and intangible assets	4'491	-		5'436	-	
Provisions and other value adjustments	-	333		336	-	
Accrued income and prepaid expenses	-	610		-	596	
Accrued expenses and deferred income	-	660		3'803		
Other items	-	720		1'107	-	
Previous year's dividend	-	-		-	8'000	
Cash flow from operations activities (internal financing)	5'149	2'323	2'826	5'910	9'620	-3'710
Cash flow from shareholder's equity transactions						
Share capital / participation capital / cantonal banks' endowment capital / etc.	-	-		700	-	
Recognised in reserves	-	-		756	-	
Change in own securities	189	-		-	-	
Cash flow from shareholder's equity transactions	189	-	189	1'456	-	1'456
Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets						
Participations	-	-		-	2'189	
Other tangible fixed assets	-	9		-	1'250	
Intangible assets	-	430		-	15'880	
Cash flow from transactions in respect of equity securities, tangible fixed assets and intangible assets	-	439	-439	-	19'319	-19'319
Cash flow from banking operations. Medium and long-term business (>1 year)						
Amounts due secure by mortgages	25	-		25	-	
Financial investments	-	65'012		-	60'106	
Short-term business						
Amounts due to banks	-	3'949		10'537	-	
Amounts due in respect of customer deposits	-	183'698		545'640	-	
Negative replacement values of derivative financial instruments	841	-		3'170	-	
Amounts due from banks	85'124	-		-	60'688	
Amounts due from customers	15'795	-		-	141'793	
Trading portfolio assets	110	-		-	110	
Positive replacement values of derivative financial instruments	-	1'578		635	-	
Liquidity						
Liquid assets	149'766	-			275'737	
Cash flow from banking operations	251'661	254'237	-2'576	560'007	538'434	21'573
Total source of funds	256'999			567'373		
Total use of funds		256'999			567'373	

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	15'130'600	1'414'237	27'227'998	4'955'226	-424'308	-4'771'935	43'531'818
Disposal of own shares	-	-	-	-	300'000	-	300'000
Profit/-loss on disposal of own shares	-	-223'659	-	-	112'317	-	-111'342
Other allocations to (transfers from) the other reserves	-	-	-4'771'935	-	-	4'771'935	-
Result for the period (profit)	-	-	-	-	-	657'876	657'876
Equity at 31.12.2022	15'130'600	1'190'578	22'456'063	4'955'226	-11'991	657'876	44'378'352



**NOTES TO THE TRUE & FAIR
VIEW FINANCIAL STATEMENTS
FOR THE YEAR
ENDING
31 DECEMBER 2022**

A GENERAL INFORMATION

ONE swiss bank SA, previously Banque Profil de Gestion SA (“ONE” or “the Bank”), is a public limited company under Swiss law, listed on SIX Swiss Exchange, with its registered office in Geneva. The Bank’s main activities are the management of private assets and the operation of a custody service for private and institutional clients. Lombard loans and mortgages are also granted to clients who hold deposits. The Bank also benefits from the quantitative management and portfolio insurance expertise of asset management teams within the Dynagest by ONE unit, which serves both institutional investors and private customers.

The Bank operates from Geneva, Lugano, Zurich and its subsidiary in Dubai.

As at 31 December 2022, the number of full-time-equivalent employees in the Bank was 68.7 (31 December 2021: 75.7 employees). The Bank outsources its information technology and administrative processing to a Swiss subsidiary of a major international banking group. In accordance with FINMA requirements, this outsourcing takes place within a contractual and organisational framework that guarantees the quality of the execution of client transactions, as well as the security and confidentiality of the data and information handled by the outsourcing partner.

B ACCOUNTING AND VALUATION PRINCIPLES

The accounting principles applied to the preparation and valuation of the Bank’s additional true and fair view financial statements 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 as defined by the FINMA Circular 20/1 and the FINMA Accounting Ordinance.

General valuation principles

The additional financial statements are prepared in accordance with the true and fair view principle which presenting a true and fair view of the Bank’s assets, financial position and results. Unless otherwise stated, figures in the notes are in Swiss francs.

The financial statements have been prepared under the going-concern assumption. Balance sheet entries show going-concern values.

The items presented in balance sheet captions are measured individually.

Recording of transactions

All transactions are recorded on the trade date. Spot currency transactions are recorded on the balance sheet on the trade date. Income is recognised 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 balance sheet date.

Gains and losses resulting from the conversion of positions in foreign currency are recorded under “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 31.12.2022	Average annual rate in 2022	Closing rate on 31.12.2021	Average annual rate in 2021
Euro	0.9878	1.0016	1.0350	1.0793
US dollar	0.9226	0.9536	0.9148	0.9156
Sterling	1.1151	1.1725	1.2334	1.2577

Liquid assets

Liquid assets are recorded at nominal value.

Amounts due from banks and Amounts due from customers

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

Precious metal assets held in metal accounts are measured at fair value provided that the specific asset is traded in a price-efficient and liquid market. As Amounts due from clients are composed of Lombard loans which are backed by securities, no value adjustments for latent and/or inherent risks on non-impaired credits are considered.

Impaired loans, where it is unlikely that the debtor will ever be in a position to meet their future payment obligation, are measured individually and the impairment charge is subject to individual adjustments. Impairment corresponds to the difference between the carrying value of the amount due and its likely realisable value. The likely 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.

Specifically, a loan is considered as non-performing when appropriate indicators provide evidence that future contractual repayments of capital and/or interest are unlikely, or at the latest, whenever 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 under "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 assessments on its loan portfolio and decides on a case-by-case basis whether any value adjustments are necessary.

The individual valuation adjustment is deducted from the corresponding asset item on the balance sheet. Impaired amounts due are taken to 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 "Changes in value adjustments for default risk and losses from interest operations".

Mortgage loans

In the context of large client relationships, the Bank grants mortgage loans secured on residential properties. The Bank applies loan-to-value metrics in line with market practice. The Bank commissions an independent valuer to carry out a full appraisal of the property on its behalf. The value retained is the market value of the property as calculated by the valuer in their report submitted on behalf of the Bank.

If a discrepancy arises between the asset purchase price and the market value as confirmed by the valuer, the Bank applies the lowest-value principle. This 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 held in metal accounts are measured at fair value, provided that the specific asset is traded in a price-efficient and liquid market.

Trading portfolio assets and 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 measured and recorded on the balance sheet at fair value. Fair value derives either from the price quoted on a liquid market that is efficient at the price-forming level, or from the price established by a valuation model.

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

Positive and negative replacement values of derivative financial instruments

The Bank may enter into contracts for derivative financial instruments to hedge foreign exchange risk. These transactions are treated as trading transactions. The majority of derivative financial instrument transactions are entered into at the request of clients.

All derivative financial instruments are measured at fair value, and their positive or negative replacement values are recorded in the corresponding items on 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 under “Result from trading activities and the fair value option”.

Financial investments

The Bank’s investment portfolio comprises debt and equity securities, as well as investment fund units, acquired with the aim of generating long-term capital gains.

Financial investments are measured individually.

– Equity securities and investment fund units:

The valuation is based on the lower of acquisition cost and market value. Unrealised profits or losses are recorded under “Other ordinary expenses” or “Other ordinary income”.

– Debt securities to be held until maturity:

The valuation is based on the acquisition cost, with the premium or discount accrued/deferred over the residual term to maturity (“accrual method”). The premium or discount is accrued/deferred over the residual term to maturity via “Accrued income and prepaid expenses” or “Accrued expenses and deferred income”. Changes in value linked to the default risk are immediately booked under “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 are repaid early, the gains and losses corresponding to the interest rate component are accrued/deferred over the transaction’s residual duration under “Accrued income and prepaid expenses” or “Accrued expenses and deferred income”.

– Debt securities not to be held until maturity:

Valuation is based on the lower of cost or market value. Unrealised profits or losses resulting from a later valuation are recorded in full under “Other ordinary expenses” or “Other ordinary income”. Changes in value linked to the default risk are recorded under “Changes in value adjustments for default risk and losses from interest operations”.

In the case of investments carried at the lowest value, any revaluation (to a maximum of historical cost or purchase cost) must be recorded when the fair value, which had fallen below the purchase value, has recovered. The balance of the revaluation is recorded under “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 “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 threshold are capitalised.

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

Tangible fixed assets are depreciated according to the straight-line method and the charges recorded under “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 8-10 years
- Other equipment 5 years
- IT, telecommunications 3 years

At each balance sheet date, the Bank examines if the value of each tangible fixed asset has become impaired. This examination is carried out on the basis of indications that some assets may have suffered a loss in value. If any such indication exists, the Bank determines the realisable value of each asset.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its realisable value.

If there is depreciation, the carrying amount is reduced to the realisable value and the impairment debited

under the item “Value adjustments on participations, amortisation of tangible fixed assets and intangible assets”.

If the impairment test of a tangible fixed asset results in a change in its useful life, the residual carrying amount is depreciated according to a schedule corresponding to the new useful life estimated by the Bank. Gains realised on the disposal of tangible fixed assets are included in “Extraordinary income” and losses are included in “Extraordinary expenses”.

Intangible assets

Intangible assets are recognised whenever they will provide economic benefits to the Bank over several years. This line item comprises goodwill resulting from the acquisition of client portfolios and from mergers. Intangible assets are amortised over their estimated useful life according to the straight-line method under “Value adjustments on participations, amortisation of tangible fixed assets and intangible assets”. The amortisation period for goodwill is up to 5 years. Intangible assets are tested for impairment as of the balance sheet date.

Provisions

Legal or constructive obligations are evaluated at regular intervals. A provision is recognised when an outflow of funds is probable and can be reliably estimated. Existing provisions are reassessed at each balance sheet date. They are increased, maintained or released on the basis of the reassessment. Provisions that are no longer economically necessary and that are not reused immediately for other purposes of a similar nature are released in the Income statement.

Taxes

Current taxes include taxes on income and capital. Transaction taxes are not included. Current income taxes are determined in accordance with the applicable legal provisions and recorded as an expense in the accounting period in which the income is realised. Amounts payable in respect of current taxes on income and capital are recorded under liabilities, specifically under “Accrued expenses and deferred income”. Amounts due from tax authorities are recorded under assets, specifically under “Accrued income and prepaid expenses”. The current tax charge is included in the income statement under “Taxes”. The Bank records deferred tax assets and liabilities but does not recognise deferred tax assets on tax loss carried forwards.

Pension obligations

The employees of the Bank are covered by the Bank’s pension plan. Until 2021, there was also a pension plan reserved for senior executives. The pension obligations and the assets funding these obligations have been transferred to a legally independent fund. The organisation, management and financing of the pension schemes comply with the law, the fund statutes and the applicable pension regulations. All the Bank’s pension arrangements are defined contribution plans. The Bank bears the cost of providing retirement benefits for employees and their surviving family members in accordance with the law. The employer’s contributions to the pension schemes are included in “Personnel expenses”. At each balance sheet date, the Bank assesses whether there are any economic benefits or obligations in the pension plans. This assessment is based on the contracts, the annual financial statements of the pension funds domiciled in Switzerland under Swiss GAAP FER 26, as well as other calculations that reflect the financial situation and the overfunding or underfunding in each pension plan in light of actual circumstances. The economic benefits of the pension plans (including the reserve of employer’s contributions without waiver of use) must be recorded on the balance sheet. However, the economic obligations are recorded under “Provisions” and the difference with the corresponding value of the previous period is recorded in the income statement under “Personnel expenses”.

Reserve for general banking risks

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

Employee participation scheme

The Bank has created conditional capital. Issuance of the shares is subject to specific conditions under the stock-option plan.

Transactions with related parties

The Bank enters into transactions with related parties in the normal course of its business. These transactions include advances, deposits and transactions in financial instruments.

All transactions are conducted on an arm's length basis, measured at the date of the transaction.

Own shares

Own shares are deducted from shareholders' equity, up to the purchase price, under a separate heading. Results from the sale of own shares and dividends paid on own shares are recognized as "Capital reserve".

Off-balance sheet transactions

Off-balance sheet transactions are recorded at nominal value. Provisions for foreseeable risks are recorded under "Provisions" on the balance sheet. As contingent liabilities held off-balance sheet are related to clients who have posted collateral, no value adjustments for latent and/or inherent risks on non-impaired positions are considered.

Changes to accounting and valuation principles

There were no changes in the recognition and measurement principles compared to the previous year in the period under review.

Handling of past due interest

Past due interest and corresponding commissions, i.e. interest and commission due for over 90 days and still unpaid, are not recorded as interest income. With respect to current account credit facilities, interest and commissions are considered past due when the credit limit has been exceeded for over 90 days. From then on, and until the time when no interest due for more than 90 days is outstanding, future accrued interest and commission are not recorded under "Interest and discount income". Past due interest is not retroactively reversed. Amounts due resulting from interest accumulated until the expiry of the 90-day time-limit (past due and unpaid interest as well as accumulated accrued interest) are amortised under "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, equity indices, foreign exchange, commodities and interest rates, together with forward contracts on currencies, securities and commodities.

Derivatives instruments are marked to market. Regarding trading balances, realised and unrealised profits and losses are recognised 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 recognised in the income statement accordingly. Positive and negative replacement values on transactions carried out for the clients' or 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 the clients' account on OTC contracts.

Comparatives

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current year.

C RISK MANAGEMENT

At least once a year, the Audit & Risk Committee, as delegated by the Board of Directors, assesses the major risks to which the Bank is exposed and, together with the Executive Committee, reviews the quality and effectiveness of the internal control system (including the internal directives) and risk-mitigation measures. The main risks identified are reputational risk, credit risk, liquidity risk, market risk and operational risk. In its meeting on 15 December 2022, 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 assessment, the Board of Directors approved the risk policy.

Reputational risk

Reputation is a critical element shaping stakeholders' perceptions 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 resulting from negative stakeholder perceptions of the Bank. It is most often an event that has occurred as a direct result 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 losses as a result of the poor drafting or implementation of contractual agreements, or as a consequence of breaches of contract 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, engages an external lawyer with whom it works to resolve the issue. Such risks are assessed and provisions are set aside on a case-by-case basis. Compliance risk is defined as the risk of legal sanctions, material financial loss, or damage to reputation that the Bank may suffer as a result of its failure to comply with applicable laws, its own regulations, code of conduct or 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 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 defines in particular the conditions for granting, and the principles for monitoring, credit. As a matter of principle, the Bank only grants facilities covered by easily marketable securities. The Bank sets appropriate margins for each asset category, according to objective and verifiable criteria, which are essentially based on the external credit rating systems of the issuers of the securities. Credit limits are granted on the basis of delegations of authority stipulated in the internal regulations and their implementing directives.

The purpose of the credit, the client's integrity, as well as the borrower's financial capacity, and the proportionality of the transaction, are all important elements. The credit policy is reviewed annually and supplemented by detailed internal directives.

The Board of Directors approves important loans and loans for governing bodies. The Executive Committee has authority in the granting of other loans. Loans are handled by the credit administration, independently from the client advisors.

Due to the nature of the credit transactions that the Bank offers (secured loans), the Bank has decided not to implement an internal credit-rating system concerning its debtors. Obligations towards counterparties are defined by credit limits. The loan-to-value ratios for collateral are determined on the basis of customary banking standards. Other pledges are subject to a valuation that takes into account their fair value. When solvency is insufficient, the Bank uses the liquidation value of the pledge as a criterion. The maximum amount of financing depends on the Bank's internal loan-to-value ratios and the borrower's financial capacity to meet its obligations. Depending on the risk, repayments may be required.

Credit exposures and collateral are reviewed and, if necessary, impaired at internally determined frequency in accordance with the procedures described in "Methods applied for identifying default risks and for determining the need for value adjustments".

Counterparty risk in interbank transactions

In its interbank transactions and trading activities, the Bank only deals with first-class counterparties and never enters into a business relationship without first proceeding with a detailed evaluation of the default risk. To manage counterparty risk, the Bank uses a system of multilevel limits based mainly on the counterparty's rating and capital base. The determination of the individual limit for each counterparty is also subject to prudential requirements in regard to large exposures. Compliance with these limits is monitored daily by an independent treasury unit.

The counterparty rating and classification and, correspondingly, the level of the exposure limits are monitored at least quarterly. In the event of market stress, the Bank will monitor the situation on an ongoing basis in order to respond immediately to any deterioration in risk.

Interest rate risk

The Bank applies a conservative approach to its balance sheet and treasury management. As a result, the Bank has limited exposure to interest rate risk arising from mismatch between the maturities of its assets and liabilities. An internal unit, independent of the Treasury Department, is responsible for monitoring the implementation of an optimal match between applications and resources. A report is submitted to the Board of Directors every six months.

Other market risks

Foreign exchange risk

The Bank manages foreign exchange risk in order to minimise the impact of currency fluctuations on its profits. Its strategy is to maintain a balance between its foreign currency assets and liabilities. The Board of Directors has set maximum limits for intraday and overnight exposures, which are calibrated in relation to the Bank's capital. Compliance with these limits is monitored daily by the Accounting Department.

Trading transactions

Proprietary trading activities are minor and limited by the position and loss limits set by the Board of Directors. The Bank does not engage in market making. Compliance with these limits is monitored by a unit independent of the Treasury and Foreign Exchange Departments. The instruments used by the Bank for trading purposes are standard instruments as well as instruments traded on an individual basis.

Liquidity

The liquidity policy is determined by the Executive Committee and the Board of Directors. The Treasury Department complies with the limits and targets set for it. Liquid assets, financial position and cluster risks are reported to the Executive Committee at least once a month. The liquidity risk assessment is reviewed at least once a year by the Board of Directors, which sets liquidity and funding limits in line with business strategy and risk appetite.

The objective of liquidity management is to establish a solid liquidity position that enables the Bank to fulfil its payment obligations at all times. The emergency liquidity plan is a cornerstone of crisis management. It includes an assessment of funding sources in the event of market tensions and defines emergency procedures. Strong cash flows and the availability of high-quality collateral that could be used for obtaining additional liquidity are regularly reviewed.

Operational risk

Operational risk represents the risk of losses resulting from the inadequate or failed internal processes and procedures, connected either with people or systems, or resulting from outside events. The assessment of operational and compliance risks covers both direct financial losses and the consequences of a loss of client confidence. The primary objective of operational risk management is to reinforce the Bank's reputation vis-à-vis clients, shareholders and the regulator.

Operational risk is measured on the basis of losses resulting from normal and extreme situations. As part of the monitoring of operational risk, a database of incidents that have caused losses is kept up to date. In order to control the risk, it allocates the loss cases to different risk groups and defines measures for reducing the loss potential.

The Audit & Risk Committee reviews the operational risk management policy on an annual basis. Measures are taken in the areas of procedures, information security, control systems and training, and measures are taken in order to mitigate the occurrence of a loss. The Business Continuity Plan also helps to ensure operational security in the event of internal or external negative events.

Key controls are documented according to common principles. All the Bank's departments carry out annual evaluations of the internal control procedures in order to measure their operational effectiveness. The Business Continuity Plan is tested every year. Observations made on these occasions are added to the 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 governing bodies. Where significant weaknesses are identified, these are taken into account in the performance appraisals of the heads of the departments concerned.

D METHODS USED TO IDENTIFY DEFAULT RISK AND DETERMINE THE NEED FOR VALUE ADJUSTMENTS

Loans secured by securities

The amounts due and the value of the securities pledged are reviewed daily. If the pledge value of the security should be less than the amount of the loan, the Bank will require either a partial repayment or additional collateral. If the shortfall increases or there are exceptional market conditions, the Bank will then liquidate the security.

Unsecured loans

The Bank does not grant commercial loans. Unsecured loans are generally temporary overdrafts on clients' current accounts. If the positions are not rectified within a short period of time, the Bank takes appropriate action.

Procedure for determining value adjustments and provisions

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

E VALUATION OF LOAN COLLATERAL

Loans secured by securities

For Lombard loans and other credits secured by securities, only easily tradable securities (bonds and shares) are accepted. The Bank accepts structured products if the investments are regularly quoted. To cover market risk, the Bank writes down the market price of the pledged securities. For structured products, the write-downs are higher than for liquid products. For mortgages backed by real properties, the Bank assesses the value of the underlying assets on an annual basis.

F SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date that could have a material impact on the financial position of the Bank as of 31 December 2022.

G BALANCE SHEET INFORMATION

Unless otherwise stated, all figures are 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*	-	169'830	14'581	184'411
- Mortgage loans	16'713	-	-	16'713
- Residential property	16'713	-	-	16'713
Total of Loans before netting with value adjustments	16'713	169'830	14'581	201'124
<i>Previous year</i>	<i>16'757</i>	<i>186'058</i>	<i>14'510</i>	<i>217'325</i>
Total of Loans (after netting with value adjustments)**	16'713	169'830	2'797	189'340
<i>Previous year</i>	<i>16'757</i>	<i>186'058</i>	<i>2'345</i>	<i>205'160</i>
Off-balance sheet				
- Contingent liabilities	-	4'819	4'264	9'083
- Irrevocable commitments	-	-	1'416	1'416
Total	-	4'819	5'680	10'499
<i>Previous year</i>	<i>-</i>	<i>9'288</i>	<i>3'652</i>	<i>12'940</i>

* Part of the unsecured amount due from customers is composed of the deposit with SIX SIS SA of KCHF 2'797 (31.12.2021: KCHF 2'345).

Impaired loans/ receivables	Gross debt amount value	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Current year**	13'411	1'627	11'784	11'784
<i>Previous year</i>	<i>13'806</i>	<i>1'641</i>	<i>12'165</i>	<i>12'165</i>

** Impaired loans include a gross exposure of KCHF 2'240 related to a civil real estate company in liquidation and an impaired loan of KCHF 9'176 transferred from a client book acquisition (fully provisioned).

2 Breakdown of trading portfolios assets

	31.12.2022	31.12.2021
Equity securities	-	109'796
Total trading portfolio assets	-	109'796

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	2'592	5'892	348'843	-	-	-
-Options (OTC)	196	196	12'895	-	-	-
Total before impact of netting agreements	2'788	6'088	361'738			
Of which, determined using a valuations model	2'788	6'088	361'738			
<i>Previous year</i>	<i>1'210</i>	<i>5'247</i>	<i>451'799</i>	-	-	-
Total after impact of netting agreements						
			Positive replacement values (cumulative)		Negative replacement values (cumulative)	
Current year			2'788	6'088		
<i>Previous year</i>			<i>1'210</i>	<i>5'247</i>		
Distribution according To counterparties						
			Central clearing authorities	Banks	Other clients	
Positive replacement values (after netting agreements)			-	1'768	1'020	

4 Financial investment

	Book value		Fair value			
	31.12.2022	31.12.2021	31.12.2022	31.12.2021		
Debt securities:						
- intended to be held to maturity	132'620'146	69'415'292	130'044'388	69'666'203		
- available for sale	-	-	-	-		
Equity securities	5'850'111	4'043'101	5'921'776	4'110'793		
Total financial investments	138'470'257	73'458'393	135'966'164	73'776'996		
Securities eligible for repo transactions in accordance with liquidity requirements	129'098'918	67'726'462	126'984'744	67'946'069		
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	100'542'333	7'542'407	23'304'573	-	-	1'230'833

The Bank primarily uses Standard & Poor's and, where appropriate, Moody's rating classes to determine the rating of counterparties.

5 Presentation of participations

Participations without market value	Acquisition cost	Accumulated depreciation	Book value 31.12.2021	Additions	Depreciation	Book value 31.12.2022
Dynamic Asset Management Company (Luxembourg) SA	Fund administrator 318'264	-318'263	1	-	-	1
ONE swiss private wealth Ltd (Dubai)	Wealth management 2'189'445	-	2'189'445	-	-	2'189'445
Total participations	2'507'709	-318'263	2'189'446	-	-	2'189'446

Dynamic Asset Management Company (Luxembourg) SA is in a wind-down process and was fully depreciated in 2021.

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

Total assets of the subsidiaries is less than CHF 3.5 million. Therefore, the participations are not material in terms of the financial reporting and risk position. Therefore they were not consolidated as of 31 December 2022.

6 Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation

Company name	Activity	Company capital	Share of capital	Share of votes	Direct holding	Indirect holding
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 holding	Indirect
Dynamics Asset Management Company (Luxembourg)	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	-

7 Tangible fixed assets

(in thousands of Swiss francs)	2021			2022				
	Acquisition cost	Accumulated depreciation	Book value	Additions	Disposals	Exchange difference	Depreciation	Book value
Real estate	206	-	206	-	-	-9	-	197
Other tangible fixed assets	12'777	-12'435	342	18	-	-	-210	150
Total fixed assets	12'983	-12'435	548	18	-	-9	-210	347

8 Intangible assets

(in thousands of Swiss francs)	2021			2022				
	Acquisition cost	Accumulated depreciation	Book value	Additions (**)	Disposals	Depreciation	Other adjustment	Book value
Goodwill (*)	20'069	-7'212	12'857	430	-	-4'281	-	9'006
Total intangible assets	20'069	-7'212	12'857	430	-	-4'281	-	9'006

*Goodwill resulted mainly from the merger of Banque Profil de Gestion SA and One Swiss Bank SA in 2021 (book value of CHF 7,865 thousands as at 31 December 2022).

**In 2022, the Bank acquired a portfolio of clients' assets of KCHF 430 from another Swiss bank.

9 Other assets and other liabilities

	Other assets		Other liabilities	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Indirect taxes	116'333	121'472	260'223	286'865
Coupons received	-	-	683'499	719'195
Other assets and other liabilities	106'550	273'975	3'820'324	4'650'005
Total other assets and other liabilities	222'883	395'447	4'764'046	5'656'065

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

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

	31.12.2022		31.12.2021	
	Book value	Effective commitments	Book value	Effective commitments
Assets pledged:				
- Amounts due from banks	22'146'276	17'190'568	18'212'451	17'329'445
- Amounts due from customers	1'489'392	-	1'489'392	-
- Other assets	94'800	-	180'000	-
Total assets pledged	23'730'468	17'190'568	19'881'843	17'329'445

Pledged assets are used as a 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 financial consequences of retirement, disability and death. The scheme offered to active members is a defined contribution scheme. The employer pays 50% of the pension contributions and the active member 50%.

Contributions to cover risk and the related costs are covered by the employer. There is full solidarity between those insured.

Since 2022, the Bank has covered its staff for pension and social security purposes through one single scheme (three schemes in 2021), through a collective scheme offered by Foundation Collective FCPE-Pension. As of 31.12.2022, pension commitments are estimated to be covered at 90.9 % (31.12.2021: 106.9%) as a result of negative market effects. As a financial consolidation measure, the foundation board decided not to allocate any interest in 2022.

There were no economic liabilities or economic benefits towards the pension scheme at year-end. The pension scheme did not have any reserve pertaining to employer's contributions.

As at 31 December 2022 (and 31 December 2021), the Bank had no pension fund reserve.

Employer contribution reserves (ECR)	31.12.2022			Net amount		Impact of the ECR on personnel expenses	
	Nominal value	Waiver of use		Net amount	31.12.2022	2022	2021
Pension schemes	-	-	-	-	-	-	-
Economic benefits/ obligations/expenses	Overfunding/ underfunding	Economic participation of the Bank		Change	Contributions paid in 2022	Pension expenses	
(*)	31.12.2022	31.12.2022	31.12.2021			2022	2021
Pension plans with excess	-	-	-	-	1'051'791	1'051'791	922'885
Pension plans with shortfall	-	-	-	-	-	-	-
Total	-	-	-	-	1'051'791	1'051'791	922'885

*2022 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)	31.12.2021	Acquisitions	Use in conformity with purpose	Currency difference	New provisions charged to income	Releases to income	31.12.2022
Provisions for deferred tax	693	-	-	-	-	-	693
Provisions for restructuring	323	-	-296	-	-	-	27
Other provisions	292	50	-247	-18	189	-12	254
Total provisions	1'308	50	-543	-18	189	-12	974
Reserves for general banking risks	4'955	-	-	-	-	-	4'955
Value adjustments for default risks (impaired loans/receivable)	12'165	-	-662	50	283	-52	11'784

Reserves for banking risks are taxed.

13 Bank's capital

	2022			2021		
	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	15'130'600	15'130'600	15'130'600
- of which fully paid up	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600
Total Bank's capital	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600
Conditional capital	1'450'000	1'450'000	1'450'000	1'450'000	1'450'000	1'450'000
Of which capital increases realized	-	-	-	700'000	700'000	700'000

At the Annual General Meeting held on 20 April 2016, the shareholders agreed on the issuance of conditional capital of CHF 2,150,000. This issuance is subject to certain conditions being met in the context of a stock-option plan. 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. The premium of CHF 574,000 was transferred to the capital reserve. The remaining conditional capital as at 31 December 2022 amounted 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

2022				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Directors	-	-	-	-
Senior executives	2'409'630	3'493'963.5	-	-
Total	2'409'630	3'493'963.5	-	-

2021				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Directors	-	-	-	-
Senior executives	2'279'684	6'839'052	-	-
Total	2'279'684	6'839'052	-	-

The Bank established a stock option plan in 2016.

In 2021, an 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.

In 2022, no options were granted to directors or senior executives or to other employees. No provision had been booked to the income statement as at 31 December 2022.

For more information, refer to the Compensation Report.

15 Amounts due from / amounts due to related parties

	Amounts due from (Asset)		Amounts due to (Liability)	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Holders of qualified participants	141'896	174'490	389'473	376'519
Governing bodies	128'414	165'600	-	-
Group companies	-	-	893'701	-

The services provided to related parties comply with the arm's length principle.

16 Significant participants and groups of participants bound by voting agreements

	31.12.2022		31.12.2021	
	Number of equity securities	%	Number of equity securities	% (**)
HPF Holding de Participations de Famille SA	4'956'436	32,76%	4'916'490	34,07%
Jean-Jacques Schraemli	1'502'939	9,93%	1'482'939	10,28%
Cafmagil Trust	1'088'276	7,19%	1'088'276	7,54%
Paolo del Bue	394'697	2,61%	394'697	2,74%
Edoardo Sciorilli Borrelli	278'136	1,84%	278'136	1,93%
Filippo Sciorilli Borrelli	278'136	1,84%	278'136	1,93%
Lavinia Sciorelli Borrelli	278'136	1,84%	278'136	1,93%
Sub-total group of participants	8'776'756	58.01%	8'716'810	60,41%
Pierre Sigg (*)	1'063'644	7,03%	1'063'644	7,37%
Brice Carel Christophe Gaultier	796'745	5,27%	796'745	5,52%
Famille Tattoni (*)	737'267	4,87%	737'267	5,11%
Monte Leone (*)	707'332	4,67%	917'479	6,36%

All shareholders of the Bank are entitled to vote.

*For 2022, the Bank was not informed of any threshold being exceeded. Positions correspond to the latest information available on SIX Swiss Exchange.

**Percentages are based on share capital reported on the commercial register as of 31 December 2021 (CHF 14'130'600), in accordance with SIX directives.

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

Indirect holders

31.12.2022

- 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%).

31.12.2021

- 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%).

17 Disclosure of own shares and composition of equity capital

Bank's 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
Accumulated loss carried forward	-4'771'935
Total shareholders' equity at 01.01.2022	43'531'818

Disposal of own shares*	300'000
Profit/-loss on disposal of own shares*	-111'342
Profit of the financial year	657'876
Total shareholders' equity at 31.12.2022	44'378'352

Of which

Paid-up capital	15'130'600
Capital reserve	1'190'578
Retained earnings reserve	22'456'063
Own shares	-11'991
Reserves for general banking risks	4'955'226
Profit of the financial year	657'876

Own shares/number

Own shares at 01.01.2022	103'997
Purchases	-
Sales	-100'000
Own shares at 31.12.2022	3'997

*100'000 own shares were sold at the average price of CHF 1.89 on 22 June 2022.

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

Non-distributable capital reserve	1'191 (CHF 1000)
Non-distributable retained earnings reserves	6'373 (CHF 1000)

18 Maturity structure of financial instruments

(in thousands of Swiss francs)

Assets/financial instruments	At Sight	Cancellable	Due within 3 months	Due within 3 to 12 months	Due within 12 months to 5 years	Due after 5 years	No maturity	Total 31.12.2022
Liquid assets	176'059	-	-	-	-	-	-	176'059
Amounts due from banks	74'536	-	84'421	2'000	-	-	-	160'957
Amounts due from customers	2'731	27'864	141'345	687	-	-	-	172'627
Mortgage loans	-	-	12'213	4'500	-	-	-	16'713
Positive replacement values of derivative financial instruments	2'788	-	-	-	-	-	-	2'788
Financial investments	5'850	-	87'060	13'428	28'610	3'522	-	138'470
Total Current year	261'964	27'864	325'039	20'615	28'610	3'522	-	667'614
<i>Total Previous year</i>	<i>493'073</i>	<i>27'558</i>	<i>276'312</i>	<i>11'228</i>	<i>41'985</i>	<i>1'689</i>	<i>-</i>	<i>851'845</i>

Liabilities/financial instruments

Amounts due to banks	6'847	-	-	-	-	-	-	6'847
Amounts due in respect of customers deposits	614'809	-	-	-	-	-	-	614'809
Negative replacement values of derivative financial instruments	6'088	-	-	-	-	-	-	6'088
Total Current year	627'744	-	-	-	-	-	-	627'744
<i>Total Previous year</i>	<i>814'549</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>814'549</i>

19 Assets and liabilities allocated between Switzerland and abroad

(in accordance with the domicile principle)

(in thousands of Swiss francs)	31.12.2022			31.12.2021		
	Switzerland	Abroad	Total	Switzerland	Abroad	Total
Assets						
Liquid assets	176'059	-	176'059	325'825	-	325'825
Amounts due from banks	143'431	17'526	160'957	181'230	64'852	246'082
Amounts due from customers	28'630	143'997	172'627	32'559	155'863	188'421
Mortgage loans	16'713	-	16'713	16'738	-	16'738
Trading portfolio assets	-	-	-	110	-	110
Positive replacement values of derivative financial instruments	1'205	1'583	2'788	657	553	1'210
Financial investments	49'922	88'548	138'470	-	73'458	73'458
Accrued income and prepaid expenses	2'611	242	2'853	2'105	228	2'243
Participations	-	2'189	2'189	-	2'189	2'189
Tangible fixed assets	347	-	347	548	-	548
Intangible assets	9'006	-	9'006	12'857	-	12'857
Other assets	223	-	223	395	-	395
Total assets	428'147	254'085	682'232	572'934	297'143	870'077
Liabilities and equity						
Amounts due to banks	4'462	2'385	6'847	8'786	2'009	10'795
Amounts due in respect of customer deposits	72'763	542'046	614'809	95'693	702'815	798'508
Negative replacement values of derivative financial instruments	4'506	1'581	6'087	3'690	1'556	5'246
Accrued expenses and deferred income	4'373	-	4'373	5'032	-	5'032
Other liabilities	4'746	17	4'763	5'645	11	5'656
Provisions	974	-	974	1'308	-	1'308
Reserves for general banking risks	4'955	-	4'955	4'955	-	4'955
Bank's capital	15'131	-	15'131	15'131	-	15'131
Capital reserve	1'191	-	1'191	1'414	-	1'414
Retained earnings reserves	22'456	-	22'456	27'228	-	27'228
Own shares	-12	-	-12	-424	-	-424
Result of the period (profit/-loss)	658	-	658	-4'772	-	-4'772
Total liabilities and equity	136'203	546'029	682'232	163'686	706'391	870'077

20 Assets by country or by group of countries
(in accordance with the principle of domicile)

(in thousands of Swiss francs)	31.12.2022		31.12.2021	
	Absolute value	Share as %	Absolute value	Share as %
Assets				
Switzerland	428'147	62.8%	572'934	65.9%
Europe:				
- Germany	2'553	0.4%	3'321	0.4%
- Belgium	2'687	0.4%	14'066	1.6%
- United Kingdom	11'214	1.6%	10'438	1.2%
- Luxembourg	10'411	1.5%	23'165	2.7%
- Netherlands	6'134	0.9%	901	0.1%
- Italy	18'685	2.7%	29'177	3.3%
- Other European countries	55'523	8.1%	32'454	3.7%
North America	42'818	6.3%	66'771	7.7%
British Virgin Islands	13'677	2.0%	8'700	1.0%
Central America	13'614	2.0%	10'891	1.2%
Other countries	76'769	11.3%	92'259	11.2%
Total assets	682'232	100%	870'077	100%

The breakdown of assets by country was defined according to the principle of domicile, with the exception of mortgage loans, which are based on the location of the property.

21 Breakdown of total assets by credit rating of country groups
(in accordance with risk domicile principle)

(in thousands of Swiss francs)	31.12.2022		31.12.2021	
	Amount	in %	Amount	in %
Net foreign exposure (Internal rating of countries)				
First quality (AAA to AA-)	123'129	48%	198'707	80%
Average (A+ to BBB-)	62'247	25%	13'941	6%
Speculative and risk (BB+ to no rating)	68'709	27%	33'792	14%
Total	254'085	100%	246'440	100%

The breakdown of assets by country was defined according to the principle of domicile, with the exception of mortgage loans, which are based on the location of the property.

For countries not rated by Standard and Poor's, 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

Assets	31.12.2022						Total 31.12.2022
	CHF	EUR	USD	GBP	JPY	Other	
Liquid assets	175'195	758	66	40	-	-	176'059
Amounts due from banks	37'435	28'326	47'436	11'288	3'648	32'824	160'957
Amounts due from customers	22'532	64'179	79'319	6'440	-	157	172'627
Mortgage loans	16'713	-	-	-	-	-	16'713
Positive replacement values of derivative financial instruments	2'788	-	-	-	-	-	2'788
Financial investments	49'922	52'755	35'793	-	-	-	138'470
Accrued income and prepaid expenses	2'165	313	367	3	-	5	2'853
Participations	2'189	-	-	-	-	-	2'189
Tangible fixed assets	150	197	-	-	-	-	347
Intangible assets	9'006	-	-	-	-	-	9'006
Other assets	223	-	-	-	-	-	223
Total assets shown in the balance sheet	318'318	146'528	162'981	17'771	3'648	32'986	682'232

Delivery entitlements from spot exchange, forward forex and forex options transactions	34'787	100'648	193'922	8'602	13'714	10'065	361'738
Total assets	353'105	247'176	356'903	26'373	17'362	43'051	1'043'970
Liabilities							
Amounts due to banks	229	1'763	424	4'231	-	200	6'847
Amounts due in respect of customers deposits	64'397	202'608	289'773	15'376	3'657	38'998	614'809
Negative replacement values of derivative financial instruments	6'087	-	-	-	-	-	6'087
Accrued expenses and deferred income	4'355	-	15	3	-	-	4'373
Other liabilities	3'031	664	696	372	-	-	4'763
Provisions	931	32	9	2	-	-	974
Reserves for general banking risks	4'955	-	-	-	-	-	4'955
Bank's capital	15'131	-	-	-	-	-	15'131
Capital reserve	1'191	-	-	-	-	-	1'191
Retained earnings reserves	22'456	-	-	-	-	-	22'456
Own shares	-12	-	-	-	-	-	-12
Result of the period (profit/-loss)	658	-	-	-	-	-	658
Total liabilities shown in the balance sheet	123'409	205'067	290'917	19'984	3'657	39'198	682'232
Delivery obligations from spot exchange, forward forex and forex options transactions	233'809	41'713	64'761	6'372	13'714	3'828	364'197
Total liabilities	357'218	246'780	355'678	26'356	17'371	43'026	1'046'429
Net position per currency	-4'113	396	1'225	17	-9	25	-2'459

H INFORMATION RELATING TO OFF-BALANCE SHEET TRANSACTIONS

23 Contingent assets and liabilities

	31.12.2022	31.12.2021
Guarantees to secure credits and similar	9'082'828	11'570'305
Total contingent liabilities	9'082'828	11'570'305

24 Fiduciary transactions

	31.12.2022	31.12.2021
Fiduciary investments with third-party banks	120'637'354	20'370'384
Other fiduciary transactions	20'072'322	19'907'486
Total	140'709'676	40'277'870

25 Assets under management and presentation of their development

(in thousands of Swiss francs)	31.12.2022	31.12.2021
Types of managed assets:		
Assets in collective investment schemes managed by the Bank	114'329	128'819
Assets under discretionary asset management agreements	641'708	987'841
Other managed assets	3'757'984	3'937'781
Total managed assets (incl. double counting)	4'514'021	5'054'441
<i>of which: double counting</i>	<i>107'927</i>	<i>128'352</i>
Development of managed assets		
Total managed assets (incl. double counting) beginning of the year	5'054'441	2'774'380
+/- Net new asset inflows / outflows	-71'333	-147'308
+/- Price gains/losses, interest, dividends & currency gains/losses	-503'150	114'687
+/- Other effects	34'063	2'312'682
Total managed assets (incl. double counting) at end of the year	4'514'021	5'054'441

The negative development of assets under management in 2022 was mainly due to the negative market impact. The net effect of new inflows and outflows is close to zero when considering the portfolio of clients' assets acquired from another Swiss bank of CHF 70 million, presented under "other effects".

Managed assets shown in the above table are held for investment purposes in connection with the advisory and discretionary management services provided by the Bank to its private and institutional clients. This amount does not include custody assets for which the Bank does not provide asset management, administration or investment advisory services. These managed assets do not include Lombard loans. Net new assets consist of new client acquisition, 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. Net new money does not include the impact of acquisitions or disposals of businesses. The inflow amounted to KCHF 1'357'776 and the outflow KCHF -1'429'109. The other effects are composed of credits variations and portfolio transfers.

I INFORMATION RELATING TO THE INCOME STATEMENT

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

	2022	2021
Interest rate instruments (including funds)	-302'318	526'413
Equity securities (including funds)	57'170	67'972
Foreign currencies and commodities / precious metals	2'250'796	3'150'740
Total	2'005'648	3'745'125

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.

	2022	2021
Material negative interest		
Negative interest on lending business (in reduction of interest and discount income)	71'295	314'715
Negative interest on customers deposits (in reduction of interest expenses)	754'617	1'164'552

28 Personnel expenses

	2022	2021
Salaries (salaries and allowances)	11'128'008	12'576'828
<i>of which: expenses related to share-based remunerations and other variable salary component</i>	<i>895'115</i>	<i>994'088</i>
Attendance fees and fixed remuneration for the Bank's governing bodies (Board)	253'221	356'613
Contribution to pension plan	1'051'791	922'885
Social security expenses	1'272'745	1'151'923
Other personnel expenses	293'852	257'278
Total personnel expenses	13'999'617	15'265'527

"Other personnel expenses" for 2022 included an amount of CHF 4'500 (CHF 185'000 in 2021) for severance pay after the merger.

29 General and administrative expenses

	2022	2021
Office space expenses	1'748'886	2'140'336
Expenses for information and communications technology	5'640'298	6'657'021
<i>of which IT system & BPO (*)</i>	3'905'534	4'645'163
Fees of audit firms	326'659	344'483
<i>of which for financial and regulatory audit services</i>	299'734	328'328
<i>of which for other services</i>	26'925	16'155
Lawyers and other fees	1'019'988	1'769'319
Other operating expenses	565'905	950'426
Total general and administrative expenses	9'301'736	11'861'585

*The Bank outsources its information technology and administrative processing to a Swiss subsidiary of a large international banking group.

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

	2022	2021
Changes in reserves for general banking risks	-	1'023'774
Extraordinary income	-	30'397
Extraordinary expenses	-	-

Extraordinary income in 2021 corresponded to a release of "Other provisions" (KCHF 1'024) used to finance the provision for restructuring and a gain on sale of tangible fixed assets (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	18'810	145'113
Constitution of provisions for deferred taxes	-	-169'318
Total taxes	18'810	-24'205
Weighted average tax rate, on the basis of the operating income	2.78%	n/a

As at 31 December 2022, tax loss carried forward amounted to KCHF 21'743 (2021: KCHF 33'764). As a result, tax expense in 2022 and 2021 consisted of capital taxes only.

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

Diluted yield was CHF 0.04 per share in 2022 and CHF -0.32 in 2021, and the undiluted performance of CHF 0.04 per share in 2022 and CHF -0.32 per share in 2021, based on 'true and fair view' financial statements.

The undiluted profit per share is calculated by dividing the net profit for the year 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 2022, 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 18 to 42) as at 31 December 2022 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 332'800

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.

Overall materiality	CHF 332'800
Benchmark applied	Total equity at the end of the current period
Rationale for the materiality benchmark applied	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 16'640 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.

Key audit matters

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 2022, the Bank reports goodwill balances amounting to MCHF 9.01 This balance is composed of four goodwill:</p> <ul style="list-style-type: none">MCHF 7.87 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.MCHF 0.66 as a result of the acquisition and merger between One Swiss Bank SA and Banca Amer SA which occurred on 4 February 2019.MCHF 0.09 as a result of the merger between ONE swiss bank SA (formerly Banque Profil de Gestion SA) and Dynagest SA which occurred on	<p>We performed the following procedures:</p> <ul style="list-style-type: none">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;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

28 September 2018, with retroactive effect to 1 April 2018.

- MCHF 0.39 as a result of the acquisition of a portfolio of clients' assets from another Swiss bank which occurred on 25 August 2022.

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 four goodwill positions mentioned above, and except for the one related to the recently acquired portfolio of assets, the Bank has performed individual goodwill impairment testing considerations as of 31 December 2022.

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 27 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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



Alan Quéguiner

Geneva, 8 March 2023



- LETTER TO SHAREHOLDERS
- 2022 HIGHLIGHTS & SELECTED FINANCIALS
- ONE INSPIRATION - BAUHAUS
- TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022
- STATUTORY FINANCIAL STATEMENTS 2022
- CORPORATE GOVERNANCE REPORT
- COMPENSATION REPORT



Statutory Financial Statements — 2022

Balance sheet

(CHF)	Note	31.12.2022	31.12.2021
Assets			
Liquid assets		176'058'577	325'825'284
Amounts due from banks		160'957'285	246'081'730
Amounts due from customers	1	172'627'072	188'422'076
Mortgage loans	1	16'712'734	16'737'667
Trading portfolio assets	2	-	109'796
Positive replacement values of derivative financial instruments	3	2'787'653	1'209'561
Financial investments	4	138'470'257	73'458'393
Accrued income and prepaid expenses		2'853'304	2'243'177
Participations	5-6	2'189'446	2'189'446
Tangible fixed assets	7	346'699	547'776
Intangible assets	8	9'006'465	12'857'054
Other assets	9	222'883	395'447
Total assets		682'232'375	870'077'407
Liabilities			
Amounts due to banks		6'846'567	10'795'245
Amounts due in respect of customer deposits		614'809'288	798'507'654
Negative replacement values of derivative financial instruments	3	6'087'516	5'246'506
Accrued expenses and deferred income		4'372'629	5'032'385
Other liabilities	9	4'764'046	5'656'065
Provisions	12	2'053'332	2'387'089
Total liabilities		638'933'378	827'624'944
Reserves for general banking risks	12	3'400'000	3'400'000
Bank's capital	13-17	15'130'600	15'130'600
Statutory capital reserve		1'414'237	1'414'237
<i>of which reserve from tax-exempt capital contributions</i>		585'991	585'991
Statutory retained earnings reserve		27'998'377	28'109'719
Own shares		-11'991	-311'991
Accumulated loss carried forward		-5'290'102	-5'290'102
Result of the period (profit/-loss)		657'876	-5'290'102
Total equity		43'298'997	42'452'463
Total liabilities and equity		682'232'375	870'077'407
Subordinated liabilities		-	-
<i>of which subject to debt waiver</i>		-	-
Off-balance sheet transactions			
Contingent liabilities	1 & 23	9'082'828	11'570'305
Irrevocable commitments	1	1'416'000	1'370'000

Income Statement

(CHF)	Note	01.01.2022 - 31.12.2022	01.01.2021 - 31.12.2021
Interest and discount income		9'269'243	2'813'457
Interest and dividend income from trading operations		76	17'593
Interest and dividend income from financial investments		956'976	1'166'542
Interest expense	27	616'186	849'837
Gross result from interest operations		10'842'481	4'847'429
Changes in value adjustments for default risks and losses from interest operations		-231'778	83'779
Sub-total net result from interest operations		10'610'703	4'931'208
Commission income from securities trading and investment activities		18'366'837	22'189'355
Commission income from lending activities		24'665	137'044
Commission income from other services		4'261'209	3'931'519
Commission expense		-5'715'622	-7'628'900
Sub-total result from commission business and services		16'937'089	18'629'018
Result from trading activities and the fair value option	26	2'005'648	3'745'125
Result from the disposal of financial investments		-12'959	282'076
Other ordinary income		12'773	49'019
Other ordinary expenses		-906'731	-
Sub-total other result from ordinary activities		-906'917	331'095
Personnel expenses	28	-13'999'617	-15'265'527
General and administrative expenses	29	-9'301'736	-11'861'585
Sub-total operating expenses		-23'301'353	-27'127'112
Value adjustments on participations, amortization of tangible fixed assets and intangible assets		-4'491'069	-6'040'549
Changes to provisions and other value adjustments, and losses		-177'415	-694'263
Operating result		676'686	-6'225'478
Extraordinary income	30	-	1'054'171
Extraordinary expenses		-	-
Taxes	32	-18'810	-118'795
Result of the period (profit/-loss)		657'876	-5'290'102

Proposal of the Board of Directors

Loss coverage of the balance sheet

	31.12.2022	31.12.2021
Profit /-Loss	657'876	-5'290'102
Accumulated loss carried forward	-5'290'102	-
Balance sheet loss	-4'632'226	-5'290'102
Amount withdrawn from the statutory retained earnings reserve	-4'632'226	-
Accumulated loss carried forward	-	-5'290'102

Dividend distribution from the Statutory retained earnings reserve

	2022	2021
Last year statutory retained earnings reserve	28'109'719	28'052'389
Dividends on own shares	-	57'330
Profit/-loss on disposal of own shares	-111'342	-
Statutory retained earnings reserve at year end	27'998'377	28'109'719
Amount drawn to cover balance sheet loss	-4'632'226	-
Statutory retained earnings reserve after covering the loss in the balance sheet (*)	23'366'151	28'109'719
Distribution of free reserves in form of dividends (15 cents per share)	-2'269'590	-
Statutory retained earnings reserve (after distribution)	21'096'561	28'109'719

(*) Reserves of CHF 6'151'063, corresponding to 50% of the Bank's capital, cannot be used (refer to note 17)

Statement of changes in equity

(CHF)	Bank's capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Own shares (negative item)	Accumulated loss carried forward	Result of the period	Total
Equity at start of current period	15'130'600	1'414'237	28'109'719	3'400'000	-311'991	-5'290'102	-	42'452'463
Disposal of own shares	-	-	-	-	300'000	-	-	300'000
Profit/-loss on disposal of own shares	-	-	-111'342	-	-	-	-	-111'342
Result for the period (profit)	-	-	-	-	-	-	657'876	657'876
Equity at 31.12.2022	15'130'600	1'414'237	27'998'377	3'400'000	-11'991	-5'290'102	657'876	43'298'997

**NOTES TO THE STATUTORY
FINANCIAL STATEMENTS FOR
THE YEAR
ENDING
31 DECEMBER 2022**

A GENERAL INFORMATION

ONE swiss bank SA, previously Banque Profil de Gestion SA (“ONE” or “the Bank”), is a public limited company under Swiss law, listed on SIX Swiss Exchange, with its registered office in Geneva. The Bank’s main activities are the management of private assets and the operation of a custody service for private and institutional clients. Lombard loans and mortgages are also granted to clients who hold deposits. The Bank also benefits from the quantitative management and portfolio insurance expertise of asset management teams within the Dynagest by ONE unit, which serves both institutional investors and private customers.

The Bank operates from Geneva, Lugano, Zurich and its subsidiary in Dubai.

As at 31 December 2022, the number of full-time-equivalent employees in the Bank was 68.7 (31 December 2021: 75.7 employees). The Bank outsources its information technology and administrative processing to a Swiss subsidiary of a major international banking group. In accordance with FINMA requirements, this outsourcing takes place within a contractual and organisational framework that guarantees the quality of the execution of client transactions, as well as the security and confidentiality of the data and information handled by the outsourcing partner.

B ACCOUNTING AND VALUATION PRINCIPLES

The accounting principles applied to the preparation and valuation of the Bank’s statutory financial statements 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 as defined by the FINMA Circular 20/1 and the FINMA Accounting Ordinance.

General valuation principles

The statutory financial statements are prepared in accordance with the principle of reliability, i.e. they present the Bank’s economic situation so that a third party can form a reliable opinion. The annual financial statements may include hidden reserves. Unless otherwise stated, figures in the notes are in Swiss francs. The financial statements have been prepared under the going-concern assumption. Balance sheet entries show going-concern values.

The items presented in balance sheet captions are measured individually.

Recording of transactions

All transactions are recorded on the trade date. Spot currency transactions are recorded on the balance sheet on the trade date. Income is recognised 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 balance sheet date.

Gains and losses resulting from the conversion of positions in foreign currency are recorded under “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 31.12.2022	Average annual rate in 2022	Closing rate on 31.12.2021	Average annual rate in 2021
Euro	0.9878	1.0016	1.0350	1.0793
US dollar	0.9226	0.9536	0.9148	0.9156
Sterling	1.1151	1.1725	1.2334	1.2577

Liquid assets

Liquid assets are recorded at nominal value.

Amounts due from banks and Amounts due from customers

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

Precious metal assets held in metal accounts are measured at fair value provided that the specific asset is traded in a price-efficient and liquid market. As Amounts due from clients are composed of Lombard loans are backed by securities, no value adjustments for latent and/or inherent risks on non-impaired credits are considered.

Impaired loans, where it is unlikely that the debtor will ever be in a position to meet their future payment obligation, are measured individually and the impairment charge is subject to individual adjustments. Impairment corresponds to the difference between the carrying value of the amount due and its likely realisable value. The likely 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.

Specifically, a loan is considered as non-performing when appropriate indicators provide evidence that future contractual repayments of capital and/or interest are unlikely, or at the latest, whenever 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 under "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 assessments on its loan portfolio and decides on a case-by-case basis whether any value adjustments are necessary.

The individual valuation adjustment is deducted from the corresponding asset item on the balance sheet. Impaired amounts due are taken to 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 "Changes in value adjustments for default risk and losses from interest operations".

Mortgage loans

In the context of large client relationships, the Bank grants mortgage loans secured on residential properties. The Bank applies loan-to-value metrics in line with market practice. The Bank commissions an independent valuer to carry out a full appraisal of the property on its behalf. The value retained is the market value of the property as calculated by the valuer in their report submitted on behalf of the Bank.

If a discrepancy arises between the asset purchase price and the market value as confirmed by the valuer, the Bank applies the lowest-value principle. This 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 held in metal accounts are measured at fair value, provided that the specific asset is traded in a price-efficient and liquid market.

Trading portfolio assets and 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 measured and recorded on the balance sheet at fair value. Fair value derives either from the price quoted on a liquid market that is efficient at the price-forming level, or from the price established by a valuation model.

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

Positive and negative replacement values of derivative financial instruments

The Bank may enter into contracts for derivative financial instruments to hedge foreign exchange risk. These transactions are treated as trading transactions. The majority of derivative financial instrument transactions are entered into at the request of clients.

All derivative financial instruments are measured at fair value, and their positive or negative replacement values are recorded in the corresponding items on 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 under “Result from trading activities and the fair value option”.

Financial investments

The Bank’s investment portfolio comprises debt and equity securities, as well as investment fund units, acquired with the aim of generating long-term capital gains.

Financial investments are measured individually.

- Equity securities and investment fund units:
The valuation is based on the lower of acquisition cost and market value. Unrealised profits or losses are recorded under “Other ordinary expenses” or “Other ordinary income”.
- Debt securities to be held until maturity:
The valuation is based on the acquisition cost, with the premium or discount accrued/deferred over the residual term to maturity (“accrual method”). The premium or discount is accrued/deferred over the residual term to maturity via “Accrued income and prepaid expenses” or “Accrued expenses and deferred income”. Changes in value linked to the default risk are immediately booked under “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 are repaid early, the gains and losses corresponding to the interest rate component are accrued/deferred over the transaction’s residual duration under “Accrued income and prepaid expenses” or “Accrued expenses and deferred income”.
- Debt securities not to be held until maturity:
Valuation is based on the lower of cost or market value. Unrealised profits or losses resulting from a later valuation are recorded in full under “Other ordinary expenses” or “Other ordinary income”. Changes in value linked to the default risk are recorded under “Changes in value adjustments for default risk and losses from interest operations”.

In the case of investments carried at the lowest value, any revaluation (to a maximum of historical cost or purchase cost) must be recorded when the fair value, which had fallen below the purchase value, has recovered. The balance of the revaluation is recorded under “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 “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 threshold are capitalised.

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

Tangible fixed assets are depreciated according to the straight-line method and the charges recorded under “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 8-10 years
- Other equipment 5 years
- IT, telecommunications 3 years

At each balance sheet date, the Bank examines if the value of each tangible fixed asset has become impaired. This examination is carried out on the basis of indications that some assets may have suffered a loss in value. If any such indication exists, the Bank determines the realisable value of each asset. An impairment loss is recognised whenever the carrying amount of an asset exceeds its realisable value. If there is depreciation, the carrying amount is reduced to the realisable value and the impairment debited

under the item “Value adjustments on participations, amortisation of tangible fixed assets and intangible assets”.

If the impairment test of a tangible fixed asset results in a change in its useful life, the residual carrying amount is depreciated according to a schedule corresponding to the new useful life estimated by the Bank. Gains realised on the disposal of tangible fixed assets are included in “Extraordinary income” and losses are included in “Extraordinary expenses”.

Intangible assets

Intangible assets are recognised whenever they will provide economic benefits to the Bank over several years. This line item comprises goodwill resulting from the acquisition of client portfolios and from mergers. Intangible assets are amortised over their estimated useful life according to the straight-line method under “Value adjustments on participations, amortisation of tangible fixed assets and intangible assets”. The amortisation period for goodwill is up to 5 years. Intangible assets are tested for impairment as of the balance sheet date.

Provisions

Legal or constructive obligations are evaluated at regular intervals. A provision is recognised when an outflow of funds is probable and can be reliably estimated.

Existing provisions are reassessed at each balance sheet date. They are increased, maintained or released on the basis of the reassessment.

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

Taxes

Current taxes include taxes on income and capital. Transaction taxes are not included.

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

Amounts payable in respect of current taxes on income and capital are recorded under liabilities, specifically under “Accrued expenses and deferred income”. Amounts due from tax authorities are recorded under assets, specifically under “Accrued income and prepaid expenses”. The current tax charge is included in the income statement under “Taxes”.

The Bank records deferred tax assets and liabilities but does not recognise deferred tax assets on tax loss carried forwards.

Pension obligations

The employees of the Bank are covered by the Bank’s pension plan. Until 2021, there was also a pension plan reserved for senior executives. The pension obligations and the assets funding these obligations have been transferred to a legally independent fund. The organisation, management and financing of the pension schemes comply with the law, the fund statutes and the applicable pension regulations. All the Bank’s pension arrangements are defined contribution plans.

The Bank bears the cost of providing retirement benefits for employees and their surviving family members in accordance with the law. The employer’s contributions to the pension schemes are included in “Personnel expenses”.

At each balance sheet date, the Bank assesses whether there are any economic benefits or obligations in the pension plans. This assessment is based on the contracts, the annual financial statements of the pension funds domiciled in Switzerland under Swiss GAAP FER 26, as well as other calculations that reflect the financial situation and the overfunding or underfunding in each pension plan in light of actual circumstances. The economic benefits of the pension plans (including the reserve of employer’s contributions without waiver of use) are not recorded on the balance sheet. However, the economic obligations are recorded under “Provisions” and the difference with the corresponding value of the previous period is recorded in the income statement under “Personnel expenses”.

Reserve for general banking risks

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

Employee participation scheme

The Bank issued a conditional capital. This issue is subject to certain conditions to be met in the context of a stock-option plan.

Transactions with related parties

The Bank enters into transactions with related parties in the normal course of its business. These transactions include advances, deposits and transactions in financial instruments. All transactions are conducted on an arm's length basis, measured at the date of the transaction.

Own shares

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

Off-balance sheet transactions

Off-balance sheet transactions are recorded at nominal value. Provisions for foreseeable risks are recorded under "Provisions" on the balance sheet. As contingent liabilities in off-balance sheet are related to clients with securities, no value adjustments for latent and/or inherent risks on non-impaired positions are considered.

Changes to accounting and valuation principles

There were no changes in the recognition and measurement principles compared to the previous year in the period under review.

Handling of past due interest

Past due interest and corresponding commissions, i.e. interest and commission due for over 90 days and still unpaid, are not recorded as interest income. With respect to current account credit facilities, interest and commissions are considered past due when the credit limit has been exceeded for over 90 days. From then on, and until the time when no interest due for more than 90 days is outstanding, future accrued interest and commission are not recorded under "Interest and discount income".

Past due interest is not retroactively reversed. Amounts due resulting from interest accumulated until the expiry of the 90-day time-limit (past due and unpaid interest as well as accumulated accrued interest) are amortised under "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, equity indices, foreign exchange, commodities and interest rates, together with forward contracts on currencies, securities and commodities.

Derivatives instruments are marked to market. Regarding trading balances, realised and unrealised profits and losses are recognised 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 recognised in the income statement accordingly. Positive and negative replacement values on transactions carried out for the clients' or 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 the clients' account on OTC contracts.

Comparatives

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current year.

C RISK MANAGEMENT

At least once a year, the Audit & Risk Committee, as delegated by the Board of Directors, assesses the major risks to which the Bank is exposed and, together with the Executive Committee, reviews the quality and effectiveness of the internal control system (including the internal directives) and risk-mitigation measures. The main risks identified are reputational risk, credit risk, liquidity risk, market risk and operational risk. In its meeting on 15 December 2022, 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 assessment, the Board of Directors approved the risk policy.

Reputational risk

Reputation is a critical element shaping stakeholders' perceptions 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 resulting from negative stakeholder perceptions of the Bank. It is most often an event that has occurred as a direct result 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 losses as a result of the poor drafting or implementation of contractual agreements, or as a consequence of breaches of contract 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, engages an external lawyer with whom it works to resolve the issue. Such risks are assessed and provisions are set aside on a case-by-case basis. Compliance risk is defined as the risk of legal sanctions, material financial loss, or damage to reputation that the Bank may suffer as a result of its failure to comply with applicable laws, its own regulations, code of conduct or 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 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 defines in particular the conditions for granting, and the principles for monitoring, credit. As a matter of principle, the Bank only grants facilities covered by easily marketable securities. The Bank sets appropriate margins for each asset category, according to objective and verifiable criteria, which are essentially based on the external credit rating systems of the issuers of the securities. Credit limits are granted on the basis of delegations of authority stipulated in the internal regulations and their implementing directives.

The purpose of the credit, the client's integrity, as well as the borrower's financial capacity, and the proportionality of the transaction, are all important elements. The credit policy is reviewed annually and supplemented by detailed internal directives.

The Board of Directors approves important loans and loans for governing bodies. The Executive Committee has authority in the granting of other loans. Loans are handled by the credit administration, independently from the client advisors.

Due to the nature of the credit transactions that the Bank offers (secured loans), the Bank has decided not to implement an internal credit-rating system concerning its debtors. Obligations towards counterparties are defined by credit limits. The loan-to-value ratios for collateral are determined on the basis of customary banking standards. Other pledges are subject to a valuation that takes into account their fair value. When solvency is insufficient, the Bank uses the liquidation value of the pledge as a criterion. The maximum amount of financing depends on the Bank's internal loan-to-value ratios and the borrower's financial capacity to meet its obligations. Depending on the risk, repayments may be required.

Credit exposures and collateral are reviewed and, if necessary, impaired at internally determined frequency in accordance with the procedures described in "Methods applied for identifying default risks and for determining the need for value adjustments".

Counterparty risk in interbank transactions

In its interbank transactions and trading activities, the Bank only deals with first-class counterparties and never enters into a business relationship without first proceeding with a detailed evaluation of the default risk. To manage counterparty risk, the Bank uses a system of multilevel limits based mainly on the counterparty's rating and capital base. The determination of the individual limit for each counterparty is also subject to prudential requirements in regard to large exposures. Compliance with these limits is monitored daily by an independent treasury unit.

The counterparty rating and classification and, correspondingly, the level of the exposure limits are monitored at least quarterly. In the event of market stress, the Bank will monitor the situation on an ongoing basis in order to respond immediately to any deterioration in risk.

Interest rate risk

The Bank applies a conservative approach to its balance sheet and treasury management. As a result, the Bank has limited exposure to interest rate risk arising from mismatch between the maturities of its assets and liabilities. An internal unit, independent of the Treasury Department, is responsible for monitoring the implementation of an optimal match between applications and resources. A report is submitted to the Board of Directors every six months.

Other market risks

Foreign exchange risk

The Bank manages foreign exchange risk in order to minimise the impact of currency fluctuations on its profits. Its strategy is to maintain a balance between its foreign currency assets and liabilities. The Board of Directors has set maximum limits for intraday and overnight exposures, which are calibrated in relation to the Bank's capital. Compliance with these limits is monitored daily by the Accounting Department.

Trading transactions

Proprietary trading activities are minor and limited by the position and loss limits set by the Board of Directors. The Bank does not engage in market making. Compliance with these limits is monitored by a unit independent of the Treasury and Foreign Exchange Departments. The instruments used by the Bank for trading purposes are standard instruments as well as instruments traded on an individual basis.

Liquidity

The liquidity policy is determined by the Executive Committee and the Board of Directors. The Treasury Department complies with the limits and targets set for it. Liquid assets, financial position and cluster risks are reported to the Executive Committee at least once a month. The liquidity risk assessment is reviewed at least once a year by the Board of Directors, which sets liquidity and funding limits in line with business strategy and risk appetite.

The objective of liquidity management is to establish a solid liquidity position that enables the Bank to fulfil its payment obligations at all times. The emergency liquidity plan is a cornerstone of crisis management. It includes an assessment of funding sources in the event of market tensions and defines emergency procedures. Strong cash flows and the availability of high-quality collateral that could be used for obtaining additional liquidity are regularly reviewed.

Operational risk

Operational risk represents the risk of losses resulting from the inadequate or failed internal processes and procedures, connected either with people or systems, or resulting from outside events. The assessment of operational and compliance risks covers both direct financial losses and the consequences of a loss of client confidence. The primary objective of operational risk management is to reinforce the Bank's reputation vis-à-vis clients, shareholders and the regulator.

Operational risk is measured on the basis of losses resulting from normal and extreme situations. As part of the monitoring of operational risk, a database of incidents that have caused losses is kept up to date. In order to control the risk, it allocates the loss cases to different risk groups and defines measures for reducing the loss potential.

The Audit & Risk Committee reviews the operational risk management policy on an annual basis. Measures are taken in the areas of procedures, information security, control systems and training, and measures are taken in order to mitigate the occurrence of a loss. The Business Continuity Plan also helps to ensure operational security in the event of internal or external negative events.

Key controls are documented according to common principles. All the Bank's departments carry out annual evaluations of the internal control procedures in order to measure their operational effectiveness. The Business Continuity Plan is tested every year. Observations made on these occasions are added to the 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 governing bodies. Where significant weaknesses are identified, these are taken into account in the performance appraisals of the heads of the departments concerned.

D METHODS USED TO IDENTIFY DEFAULT RISK AND DETERMINE THE NEED FOR VALUE ADJUSTMENTS

Loans secured by securities

The amounts due and the value of the securities pledged are reviewed daily. If the pledge value of the security should be less than the amount of the loan, the Bank will require either a partial repayment or additional collateral. If the shortfall increases or there are exceptional market conditions, the Bank will then liquidate the security.

Unsecured loans

The Bank does not grant commercial loans. Unsecured loans are generally temporary overdrafts on clients' current accounts. If the positions are not rectified within a short period of time, the Bank takes appropriate action.

Procedure for determining value adjustments and provisions

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

E VALUATION OF LOAN COLLATERAL

Loans secured by securities

For Lombard loans and other credits secured by securities, only easily tradable securities (bonds and shares) are accepted. The Bank accepts structured products if the investments are regularly quoted. To cover market risk, the Bank writes down the market price of the pledged securities. For structured products, the write-downs are higher than for liquid products. For mortgages backed by real properties, the Bank assesses the value of the underlying assets on an annual basis.

F SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date that could have a material impact on the financial position of the Bank as of 31 December 2022.

G BALANCE SHEET INFORMATION

Unless otherwise stated, all figures are 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*	-	169'830	14'581	184'411
- Mortgage loans	16'713	-	-	16'713
- Residential property	16'713	-	-	16'713
Total of Loans before netting with value adjustments	16'713	169'830	14'581	201'124
<i>Previous year</i>	<i>16'757</i>	<i>186'058</i>	<i>14'510</i>	<i>217'325</i>
Total of Loans (after netting with value adjustments)**	16'713	169'830	2'797	189'340
<i>Previous year</i>	<i>16'757</i>	<i>186'058</i>	<i>2'345</i>	<i>205'160</i>
Off-balance sheet				
- Contingent liabilities	-	4'819	4'264	9'083
- Irrevocable commitments	-	-	1'416	1'416
Total	-	4'819	5'680	10'499
<i>Previous year</i>	<i>-</i>	<i>9'288</i>	<i>3'652</i>	<i>12'940</i>

* Part of the unsecured amount due from customers is composed of the deposit with SIX SIS SA of KCHF 2'797 (31.12.2021: KCHF 2'345).

Impaired loans/ receivables	Gross debt amount value	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Current year**	13'411	1'627	11'784	11'784
<i>Previous year</i>	<i>13'806</i>	<i>1'641</i>	<i>12'165</i>	<i>12'165</i>

** Impaired loans include a gross exposure of KCHF 2,240 related to a civil real estate company in liquidation and an impaired loan of KCHF 9'176 transferred from a client book acquisition (fully provisioned).

2 Breakdown of trading portfolios assets

	31.12.2022	31.12.2021
Equity securities	-	109'796
Total trading portfolio assets	-	109'796

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	2'592	5'892	348'843	-	-	-
-Options (OTC)	196	196	12'895	-	-	-
Total before impact of netting agreements	2'788	6'088	361'738			
Of which, determined using a valuations model	2'788	6'088	361'738			
<i>Previous year</i>	<i>1'210</i>	<i>5'247</i>	<i>451'799</i>	-	-	-

Total after impact of netting agreements	Positive replacement values (cumulative)	Negative replacement values (cumulative)
Current year	2'788	6'088
<i>Previous year</i>	<i>1'210</i>	<i>5'247</i>

Distribution according To counterparties	Central clearing authorities	Banks	Other clients
Positive replacement values (after netting agreements)	-	1'768	1'020

4 Financial investment

	Book value		Fair value	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Debt securities:				
- intended to be held to maturity	132'620'146	69'415'292	130'044'388	69'666'203
- available for sale	-	-	-	-
Equity securities	5'850'111	4'043'101	5'921'776	4'110'793
Total financial investments	138'470'257	73'458'393	135'966'164	73'776'996
Securities eligible for repo transactions in accordance with liquidity requirements	129'098'918	67'726'462	126'984'744	67'946'069

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	100'542'333	7'542'407	23'304'573	-	-	1'230'833

The Bank primarily uses Standard & Poor's and, where appropriate, Moody's rating classes to determine the rating of counterparties.

5 Presentation of participations

Participations without market value	Acquisition cost	Accumulated depreciation	Book value 31.12.2021	Additions	Depreciation	Book value 31.12.2022
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		2'507'709	-318'263	2'189'446	-	2'189'446

Dynamic Asset Management Company (Luxembourg) SA is in a wind-down process and was fully depreciated in 2021.

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

Total assets of the subsidiaries is less than CHF 3.5 million. Therefore, the participations are not material in terms of the financial reporting and risk position. Therefore they were not consolidated as of 31 December 2022.

6 Disclosure of companies in which the Bank holds a permanent direct or indirect significant participation

Company name	Activity	Company capital	Share of capital	Share of votes	Direct holding	Indirect holding
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 holding	Direct holding	Indirect
Dynamics Asset Management Company (Luxembourg)	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	-

7 Tangible fixed assets

(in thousands of Swiss francs)	2021			2022				
	Acquisition cost	Accumulated depreciation	Book value	Additions	Disposals	Exchange difference	Depreciation	Book value
Real estate	206	-	206	-	-	-9	-	197
Other tangible fixed assets	12'777	-12'435	342	18	-	-	-210	150
Total fixed assets	12'983	-12'435	548	18	-	-9	-210	347

8 Intangible assets

(in thousands of Swiss francs)	2021			2022				
	Acquisition cost	Accumulated depreciation	Book value	Additions (**)	Disposals	Depreciation	Other adjustment	Book value
Goodwill (*)	20'069	-7'212	12'857	430	-	-4'281	-	9'006
Total intangible assets	20'069	-7'212	12'857	430	-	-4'281	-	9'006

*Goodwill resulted mainly from the merger of Banque Profil de Gestion SA and One Swiss Bank SA in 2021 (book value of CHF 7,865 thousands as at 31 December 2022).

**In 2022, the Bank acquired a portfolio of clients' assets of KCHF 430 from another Swiss bank.

9 Other assets and other liabilities

	Other assets		Other liabilities	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Indirect taxes	116'333	121'472	260'223	286'865
Coupons received	-	-	683'499	719'195
Other assets and other liabilities	106'550	273'975	3'820'324	4'650'005
Total other assets and other liabilities	222'883	395'447	4'764'046	5'656'065

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

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

	31.12.2022		31.12.2021	
	Book value	Effective commitments	Book value	Effective commitments
Assets pledged:				
- Amounts due from banks	22'146'276	17'190'568	18'212'451	17'329'445
- Amounts due from customers	1'489'392	-	1'489'392	-
- Other assets	94'800	-	180'000	-
Total assets pledged	23'730'468	17'190'568	19'881'843	17'329'445

Pledged assets are used as a 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 financial consequences of retirement, disability and death. The scheme offered to active members is a defined contribution scheme. The employer pays 50% of the pension contributions and the active member 50%.

Contributions to cover risk and the related costs are covered by the employer. There is full solidarity between those insured.

Since 2022, the Bank has covered its staff for pension and social security purposes through one single scheme (three schemes in 2021), through a collective scheme offered by Foundation Collective FCPE-Pension. As of 31.12.2022, pension commitments are estimated to be covered at 90.9 % (31.12.2021: 106.9%) as a result of negative market effects. As a financial consolidation measure, the foundation board decided not to allocate any interest in 2022.

There were no economic liabilities or economic benefits towards the pension scheme at year-end.

The pension scheme did not have any reserve pertaining to employer's contributions.

As at 31 December 2022 (and 31 December 2021), the Bank had no pension fund reserve.

Employer contribution reserves (ECR)	31.12.2022			Net amount	Impact of the ECR on personnel expenses		
	Nominal value	Waiver of use	Net amount		31.12.2022	2022	2021
Pension schemes	-	-	-	-	-	-	
Economic benefits/ obligations/expenses	Overfunding/ underfunding	Economic participation of the Bank	Change	Contributions paid in 2022	Pension expenses		
(*)	31.12.2022	31.12.2022	31.12.2021		2022	2021	
Pension plans with excess	-	-	-	-	1'051'791	1'051'791	922'885
Pension plans with shortfall	-	-	-	-	-	-	-
Total	-	-	-	-	1'051'791	1'051'791	922'885

*2022 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)	31.12.2021	Acquisitions	Use in conformity with purpose	Currency difference	New provisions charged to income	Releases to income	31.12.2022
Provisions for deferred tax	217	-	-	-	-	-	217
Provisions for restructuring	323	-	-296	-	-	-	27
Other provisions	1'847	50	-247	-18	189	-12	1'809
Total provisions	2'387	50	-543	-18	189	-12	2'053
Reserves for general banking risks	3'400	-	-	-	-	-	3'400
Value adjustments for default risks (impaired loans/receivable)	12'165	-	-662	50	283	-52	11'784

Reserves for banking risks are taxed.

13 Bank's capital

	2022			2021		
	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	15'130'600	15'130'600	15'130'600
- of which fully paid up	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600
Total Bank's capital	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600	15'130'600
Conditional capital	1'450'000	1'450'000	1'450'000	1'450'000	1'450'000	1'450'000
Of which capital increases realized	-	-	-	700'000	700'000	700'000

At the Annual General Meeting held on 20 April 2016, the shareholders agreed on the issuance of conditional capital of CHF 2,150,000. This issuance is subject to certain conditions being met in the context of a stock-option plan. 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. The premium of CHF 574,000 was transferred to the capital reserve. The remaining conditional capital as at 31 December 2022 amounted 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

2022				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Directors	-	-	-	-
Senior executives	2'409'630	3'493'963.5	-	-
Total	2'409'630	3'493'963.5	-	-

2021				
	Number of equity securities	Value of equity securities	Number of options	Value of options
Directors	-	-	-	-
Senior executives	2'279'684	6'839'052	-	-
Total	2'279'684	6'839'052	-	-

The Bank established a stock option plan in 2016.

In 2021, an 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.

In 2022, no options were granted to directors or senior executives or to other employees. No provision had been booked to the income statement as at 31 December 2022.

For more information, refer to the Compensation Report.

15 Amounts due from / amounts due to related parties

	Amounts due from (Asset)		Amounts due to (Liability)	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Holders of qualified participants	141'896	174'490	389'473	376'519
Governing bodies	128'414	165'600	-	-
Group companies	-	-	893'701	-

The services provided to related parties comply with the arm's length principle.

Disclosures as required by the Excessive Compensation Ordinance for exchange listed public limited companies and as per Article 663c(3) CO for Institutions with exchange-listed shares.

16 Significant participants and groups of participants bound by voting agreements

	31.12.2022		31.12.2021	
	Number of equity securities	%	Number of equity securities	(**)
HPF Holding de Participations de Famille SA	4'956'436	32,76%	4'916'490	34,07%
Jean-Jacques Schraemli	1'502'939	9,93%	1'482'939	10,28%
Cafmagil Trust	1'088'276	7,19%	1'088'276	7,54%
Paolo del Bue	394'697	2,61%	394'697	2,74%
Edoardo Sciorilli Borrelli	278'136	1,84%	278'136	1,93%
Filippo Sciorilli Borrelli	278'136	1,84%	278'136	1,93%
Lavinia Sciorelli Borrelli	278'136	1,84%	278'136	1,93%
Sub-total group of participants	8'776'756	58.01%	8'716'810	60,41%
Pierre Sigg (*)	1'063'644	7,03%	1'063'644	7,37%
Brice Carel Christophe Gaultier	796'745	5,27%	796'745	5,52%
Famille Tattoni (*)	737'267	4,87%	737'267	5,11%
Monte Leone (*)	707'332	4,67%	917'479	6,36%

All shareholders of the Bank are entitled to vote.

*For 2022, the Bank was not informed of any threshold being exceeded. Positions correspond to the latest information available on SIX Swiss Exchange.

**Percentages are based on share capital reported on the commercial register as of 31 December 2021 (CHF 14'130'600), in accordance with SIX directives.

The new share capital (CHF 15'130'000) was entered into the commercial register in March 2022.

Indirect holders

31.12.2022

- 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%).

31.12.2021

- 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%).

17 Disclosure of own shares and composition of equity capital

Bank's 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
Accumulated loss carried forward	-5'290'102
Total shareholders' equity at 01.01.2022	42'452'463

Disposal of own shares*	300'000
Profit/-loss on disposal of own shares*	-111'342
Profit of the financial year	657'876
Total shareholders' equity at 31.12.2022	43'298'997

Of which

Paid-up capital	15'130'600
Statutory capital reserve	1'414'237
Statutory retained earnings reserve	27'998'377
Own shares	-11'991
Reserves for general banking risks	3'400'000
Loss carried forward	-5'290'102
Profit of the financial year	657'876

Own shares/number

Own shares at 01.01.2022	103'997
Purchases	-
Sales	-100'000
Own shares at 31.12.2022	3'997

*100'000 own shares were sold at the average price of CHF 1.89 on 22 June 2022.

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

There are no statutory restrictions on the use of discretionary reserves.

Non-distributable statutory capital reserve ⁽¹⁾ 1'414 (CHF 1000)

Non-distributable statutory retained earnings reserves ⁽²⁾ 6'151 (CHF 1000)

(1) + (2) are corresponding to 50% of the Bank's capital and may not yet be used

18 Maturity structure of financial instruments

Assets/financial instruments	At Sight	Cancellable	Due within 3 months	Due within 3 to 12 months	Due within 12 months to 5 years	Due after 5 years	No maturity	Total 31.12.2022
Liquid assets	176'059	-	-	-	-	-	-	176'059
Amounts due from banks	74'536	-	84'421	2'000	-	-	-	160'957
Amounts due from customers	2'731	27'864	141'345	687	-	-	-	172'627
Mortgage loans	-	-	12'213	4'500	-	-	-	16'713
Positive replacement values of derivative financial instruments	2'788	-	-	-	-	-	-	2'788
Financial investments	5'850	-	87'060	13'428	28'610	3'522	-	138'470
Total Current year	261'964	27'864	325'039	20'615	28'610	3'522	-	667'614
<i>Total Previous year</i>	<i>493'073</i>	<i>27'558</i>	<i>276'312</i>	<i>11'228</i>	<i>41'985</i>	<i>1'689</i>	<i>-</i>	<i>851'845</i>

Liabilities/financial instruments

Amounts due to banks	6'847	-	-	-	-	-	-	6'847
Amounts due in respect of customers deposits	614'809	-	-	-	-	-	-	614'809
Negative replacement values of derivative financial instruments	6'088	-	-	-	-	-	-	6'088
Total Current year	627'744	-	-	-	-	-	-	627'744
<i>Total Previous year</i>	<i>814'549</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>814'549</i>

19 Assets and liabilities allocated between Switzerland and abroad

(in accordance with the domicile principle)

(in thousands of Swiss francs)	31.12.2022			31.12.2021		
	Switzerland	Abroad	Total	Switzerland	Abroad	Total
Assets						
Liquid assets	176'059	-	176'059	325'825	-	325'825
Amounts due from banks	143'431	17'526	160'957	181'230	64'852	246'082
Amounts due from customers	28'630	143'997	172'627	32'559	155'863	188'421
Mortgage loans	16'713	-	16'713	16'738	-	16'738
Trading portfolio assets	-	-	-	110	-	110
Positive replacement values of derivative financial instruments	1'205	1'583	2'788	657	553	1'210
Financial investments	49'922	88'548	138'470	-	73'458	73'458
Accrued income and prepaid expenses	2'611	242	2'853	2'105	228	2'243
Participations	-	2'189	2'189	-	2'189	2'189
Tangible fixed assets	347	-	347	548	-	548
Intangible assets	9'006	-	9'006	12'857	-	12'857
Other assets	223	-	223	395	-	395
Total assets	428'147	254'085	682'232	572'934	297'143	870'077
Liabilities and equity						
Amounts due to banks	4'462	2'385	6'847	8'786	2'009	10'795
Amounts due in respect of customer deposits	72'763	542'046	614'809	95'693	702'815	798'508
Negative replacement values of derivative financial instruments	4'506	1'581	6'087	3'690	1'556	5'246
Accrued expenses and deferred income	4'373	-	4'373	5'032	-	5'033
Other liabilities	4'746	17	4'763	5'645	11	5'656
Provisions	2'053	-	2'053	2'387	-	2'387
Reserves for general banking risks	3'400	-	3'400	3'400	-	3'400
Bank's capital	15'131	-	15'131	15'131	-	15'131
Statutory capital reserve	1'414	-	1'414	1'414	-	1'414
Statutory retained earnings reserves	27'998	-	27'998	28'110	-	28'110
Own shares	-12	-	-12	-312	-	-312
Accumulated loss carried forward	-5'290	-	-5'290	-	-	-
Result of the period (gain/-loss)	658	-	658	-5'290	-	-5'290
Total liabilities and equity	136'203	546'029	682'232	163'686	706'391	870'077

20 Assets by country or by group of countries
(in accordance with the principle of domicile)

(in thousands of Swiss francs)	31.12.2022		31.12.2021	
	Absolute value	Share as %	Absolute value	Share as %
Assets				
Switzerland	428'147	62.8%	572'934	65.9%
Europe:				
- Germany	2'553	0.4%	3'321	0.4%
- Belgium	2'687	0.4%	14'066	1.6%
- United Kingdom	11'214	1.6%	10'438	1.2%
- Luxembourg	10'411	1.5%	23'165	2.7%
- Netherlands	6'134	0.9%	901	0.1%
- Italy	18'685	2.7%	29'177	3.3%
- Other European countries	55'523	8.1%	32'454	3.7%
North America	42'818	6.3%	66'771	7.7%
British Virgin Islands	13'677	2.0%	8'700	1.0%
Central America	13'614	2.0%	10'891	1.2%
Other countries	76'769	11.3%	92'259	11.2%
Total assets	682'232	100%	870'077	100%

The breakdown of assets by country was defined according to the principle of domicile, with the exception of mortgage loans, which are based on the location of the property.

21 Breakdown of total assets by credit rating of country groups
(in accordance with risk domicile principle)

(in thousands of Swiss francs)	31.12.2022		31.12.2021	
	Amount	in %	Amount	in %
Net foreign exposure (Internal rating of countries)				
First quality (AAA to AA-)	123'129	48%	198'707	80%
Average (A+ to BBB-)	62'247	25%	13'941	6%
Speculative and risk (BB+ to no rating)	68'709	27%	33'792	14%
Total	254'085	100%	246'440	100%

The breakdown of assets by country was defined according to the principle of risk domicile, with the exception of mortgage loans, which are based on the location of the property.

For countries not rated by Standard and Poor's, 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

(in thousands of Swiss francs)	CHF	EUR	USD	GBP	JPY	Other	Total 31.12.2022
Assets							
Liquid assets	175'195	758	66	40	-	-	176'059
Amounts due from banks	37'435	28'326	47'436	11'288	3'648	32'824	160'957
Amounts due from customers	22'532	64'179	79'319	6'440	-	157	172'627
Mortgage loans	16'713	-	-	-	-	-	16'713
Positive replacement values of derivative financial instruments	2'788	-	-	-	-	-	2'788
Financial investments	49'922	52'755	35'793	-	-	-	138'470
Accrued income and prepaid expenses	2'165	313	367	3	-	5	2'853
Participations	2'189	-	-	-	-	-	2'189
Tangible fixed assets	150	197	-	-	-	-	347
Intangible assets	9'006	-	-	-	-	-	9'006
Other assets	223	-	-	-	-	-	223
Total assets shown in the balance sheet	318'318	146'528	162'981	17'771	3'648	32'986	682'232
Delivery entitlements from spot exchange, forward forex and forex options transactions	34'787	100'648	193'922	8'602	13'714	10'065	361'738
Total assets	353'105	247'176	356'903	26'373	17'362	43'051	1'043'970
Liabilities							
Amounts due to banks	229	1'763	424	4'231	-	200	6'847
Amounts due in respect of customers deposits	64'397	202'608	289'773	15'376	3'657	38'998	614'809
Negative replacement values of derivative financial instruments	6'087	-	-	-	-	-	6'087
Accrued expenses and deferred income	4'355	-	15	3	-	-	4'373
Other liabilities	3'031	664	696	372	-	-	4'763
Provisions	2'010	32	9	2	-	-	2'053
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	27'998	-	-	-	-	-	27'998
Own shares	-12	-	-	-	-	-	-12
Accumulated loss carried forward	-5'290	-	-	-	-	-	-5'290
Result of the period (profit/-loss)	658	-	-	-	-	-	658
Total liabilities shown in the balance sheet	123'409	205'067	290'917	19'984	3'657	39'198	682'232
Delivery obligations from spot exchange, forward forex and forex options transactions	233'809	41'713	64'761	6'372	13'714	3'828	364'197
Total liabilities	357'218	246'780	355'678	26'356	17'371	43'026	1'046'429
Net position per currency	-4'113	396	1'225	17	-9	25	-2'459

H INFORMATION RELATING TO OFF-BALANCE SHEET TRANSACTIONS

23 Contingent assets and liabilities

	31.12.2022	31.12.2021
Guarantees to secure credits and similar	9'082'828	11'570'305
Total contingent liabilities	9'082'828	11'570'305

24 Fiduciary transactions

	31.12.2022	31.12.2021
Fiduciary investments with third-party banks	120'637'354	20'370'384
Other fiduciary transactions	20'072'322	19'907'486
Total	140'709'676	40'277'870

25 Assets under management and presentation of their development

(in thousands of Swiss francs)	31.12.2022	31.12.2021
Types of managed assets:		
Assets in collective investment schemes managed by the Bank	114'329	128'819
Assets under discretionary asset management agreements	641'708	987'841
Other managed assets	3'757'984	3'937'781
Total managed assets (incl. double counting)	4'514'021	5'054'441
<i>of which: double counting</i>	<i>107'927</i>	<i>128'352</i>
Development of managed assets		
	31.12.2022	31.12.2021
Total managed assets (incl. double counting) beginning of the year	5'054'441	2'774'380
+/- Net new asset inflows / outflows	-71'333	-147'308
+/- Price gains/losses, interest, dividends & currency gains/losses	-503'150	114'687
+/- Other effects	34'063	2'312'682
Total managed assets (incl. double counting) at end of the year	4'514'021	5'054'441

The negative development of assets under management in 2022 was mainly due to the negative market impact. The net effect of new inflows and outflows is close to zero when considering the portfolio of clients' assets acquired from another Swiss bank of CHF 70 million, presented under "other effects".

Managed assets shown in the above table are held for investment purposes in connection with the advisory and discretionary management services provided by the Bank to its private and institutional clients.

This amount does not include custody assets for which the Bank does not provide asset management, administration or investment advisory services. These managed assets do not include Lombard loans.

Net new assets consist of new client acquisition, 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. Net new money does not include the impact of acquisitions or disposals of businesses. The inflow amounted to KCHF 1'357'776 and the outflow KCHF -1'429'109. The other effects are composed of credits variations and portfolio transfers.

I INFORMATION RELATING TO THE INCOME STATEMENT

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

	2022	2021
Interest rate instruments (including funds)	-302'318	526'413
Equity securities (including funds)	57'170	67'972
Foreign currencies and commodities / precious metals	2'250'796	3'150'740
Total	2'005'648	3'745'125

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.

Material negative interest	2022	2021
Negative interest on lending business (in reduction of interest and discount income)	71'295	314'715
Negative interest on customers deposits (in reduction of interest expenses)	754'617	1'164'552

28 Personnel expenses

	2022	2021
Salaries (salaries and allowances)	11'128'008	12'576'828
<i>of which: expenses related to share-based remunerations and other variable salary component</i>	<i>895'115</i>	<i>994'088</i>
Attendance fees and fixed remuneration for the Bank's governing bodies (Board)	253'221	356'613
Contribution to pension plan	1'051'791	922'885
Social security expenses	1'272'745	1'151'923
Other personnel expenses	293'852	257'278
Total personnel expenses	13'999'617	15'265'527

"Other personnel expenses" for 2022 included an amount of CHF 4'500 (CHF 185'000 in 2021) for severance pay after the merger.

29 General and administrative expenses

	2022	2021
Office space expenses	1'748'886	2'140'336
Expenses for information and communications technology	5'640'298	6'657'021
<i>of which IT system & BPO (*)</i>	<i>3'905'534</i>	<i>4'645'163</i>
Fees of audit firms	326'659	344'483
<i>of which for financial and regulatory audit services</i>	<i>299'734</i>	<i>328'328</i>
<i>of which for other services</i>	<i>26'925</i>	<i>16'155</i>
Lawyers and other fees	1'019'988	1'769'319
Other operating expenses	565'905	950'426
Total general and administrative expenses	9'301'736	11'861'585

*The Bank outsources its information technology and administrative processing to a Swiss subsidiary of a large international banking group.

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

	2022	2021
Extraordinary income	-	1'054'171
Extraordinary expenses	-	-

Extraordinary income in 2021 corresponded to a release of "Other provisions" (KCHF 1'024) used to finance the provision for restructuring and a gain on sale of tangible fixed assets (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	18'810	145'113
Constitution of provisions for deferred taxes	-	-26'318
Total taxes	18'810	118'795
Weighted average tax rate, on the basis of the operating income	2.78%	n/a

As at 31 December 2022, tax loss carried forward amounted to KCHF 21'743 (2021: KCHF 33'764). As a result, tax expense in 2022 and 2021 consisted of capital taxes only.

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

Diluted yield was CHF 0.04 per share in 2022 and CHF -0.32 in 2021, and the undiluted performance of CHF 0.04 per share in 2022 and CHF -0.32 per share in 2021, based on 'true and fair view' financial statements.

70 The undiluted profit per share is calculated by dividing the net profit for the year 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 2022, 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 48 to 70) as at 31 December 2022 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 324'700

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.

Overall materiality	CHF 324'700
Benchmark applied	Total equity at the end of the current period
Rationale for the materiality benchmark applied	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 16'200 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.

Key audit matter

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 2022, the Bank reports goodwill balances amounting to MCHF 9.01. This balance is composed of four goodwill:</p> <ul style="list-style-type: none">• MCHF 7.87 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.• MCHF 0.66 as a result of the acquisition and merger between One Swiss Bank SA and Banca Arner SA which occurred on 4 February 2019.• MCHF 0.09 as a result of the merger between ONE swiss bank SA (formerly Banque Profil de	<p>We performed the following procedures:</p> <ul style="list-style-type: none">• 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;• 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

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

- MCHF 0.39 as a result of the acquisition of a portfolio of clients' assets from another Swiss bank which occurred on 25 August 2022.

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 four goodwill positions mentioned above, and except for the one related to the recently acquired portfolio of assets, the Bank has performed individual goodwill impairment testing considerations as of 31 December 2022.

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 55 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.

Other information

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

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

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

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

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.

Furthermore, we confirm that the proposed loss coverage of the balance sheet and the proposed dividend distribution from the Statutory retained earnings reserve comply 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



Alan Quéguiner

Geneva, 8 March 2023

DISCLOSURE ON CAPITAL ADEQUACY AND LIQUIDITY FOR THE YEAR ENDING 31 DECEMBER 2022

Information on capital adequacy and eligible capital

(in thousands of Swiss francs)	31.12.2022	31.12.2021
Gross common equity Tier 1 capital		
(after mandatory deduction of own participating instruments)	47'943	48'055
of which non-controlling interests	-	-
of which innovative capital instruments	-	-
./. regulatory deduction	-	-
./. other elements to be deducted from common equity Tier 1 capital	-13'650	-18'459
of which own shares	-12	-312
of which loss carried forward	-5'290	-
of which result of the period	658	-5'290
of which Goodwill	-9'006	-12'857
Eligible common equity Tier 1 capital (net CET1)	34'293	29'596
+ complementary and additional equity (Tier 2)	1'555	1'555
./. other deductions from complementary and additional equity and other deductions from capital	-	-
Total eligible capital	35'848	31'151

Capital required

(in thousands of Swiss francs)	31.12.2022	
	Approach used	Equity requirement
Credit risk	AS-BRI	10'304
of which price-related risk related to investments in the Bank's portfolio	-	
Risk not related to counterparties	AS-BRI	28
Market risk	Min.	390
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	390	
Operational risks	Base indicator	4'068
Participation risks	Base indicator	701
Total		15'491
Ratio of eligible capital to capital required under Swiss law		221%

Capital ratios

(in thousands of Swiss francs)	31.12.2022	31.12.2021
Common equity Tier-one capital (net CET1)	34'293	29'596
Total regulatory capital (net T1 & T2)	35'848	31'151
Minimum capital required	15'491	14'699
Sum of risk weighted positions	193'638	183'738
Capital ratios (in % of risk weighted positions)		
Ratio CET1	17.7%	16.1%
Ratio T1	17.7%	16.1%
Ratio T2	0.8%	0.9%
Total regulatory capital ratio	18.5%	17.0%
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

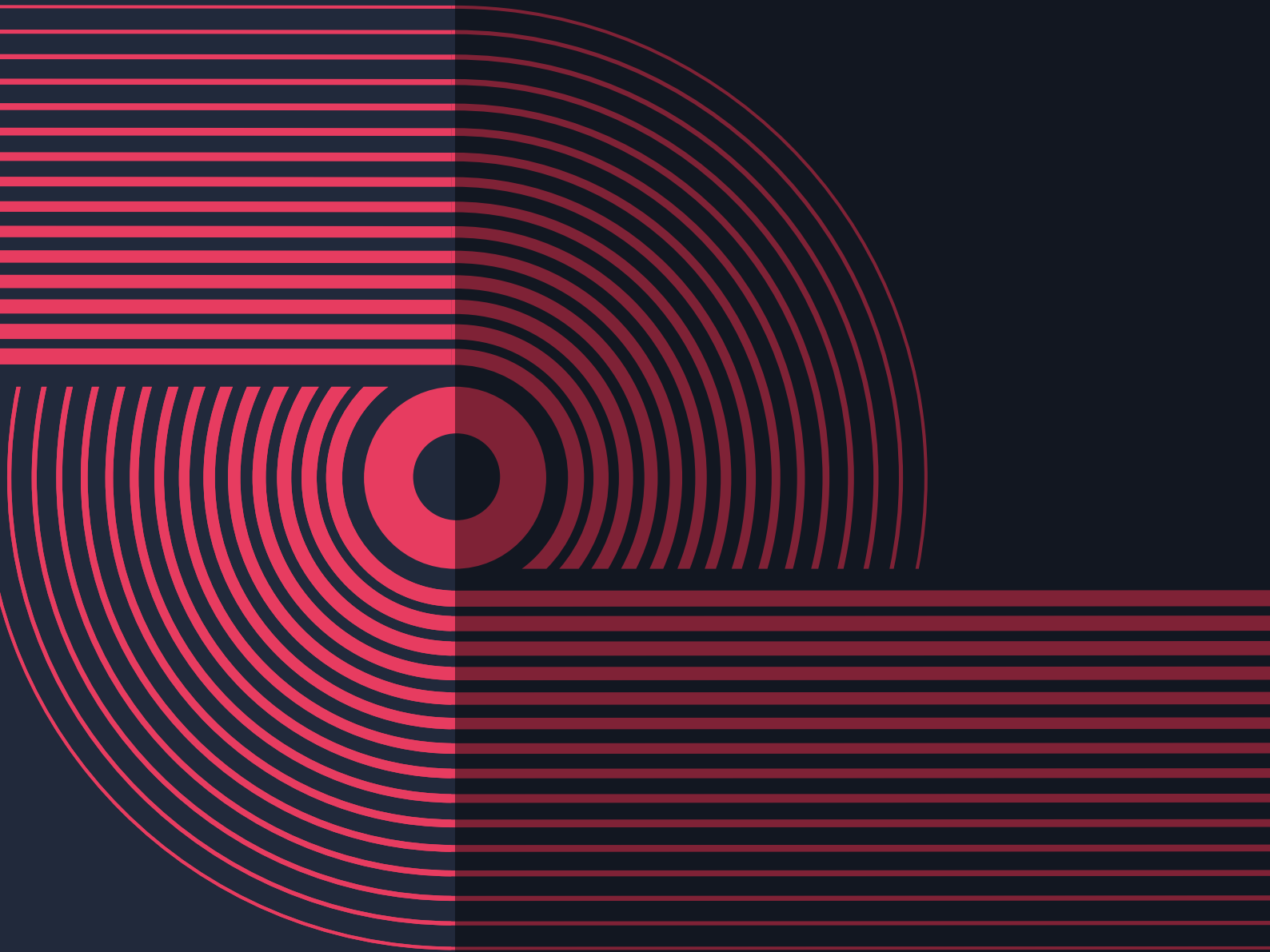
(in thousands of Swiss francs)	31.12.2022	31.12.2021
Tier-one equity (Tier 1)	33'635	29'596
Global exposure	685'049	872'783
Leverage ratio	4.9%	3.4%

Information on short term liquidity coverage ratio (LCR)

(in thousands of Swiss francs)	Average Q1.2022	Average Q2.2022	Average Q3.2022	Average Q4.2022
Sum of high-quality liquid assets (HQLA)	312'567	317'928	292'410	205'354
Sum of net cash outflows	66'708	71'297	65'362	58'596
Short term liquidity coverage ratio LCR (in %)	470%	446%	448%	354%
LCR ratio objective for the Bank (in %)	100%	100%	100%	100%

Information on net stable funding ratio (NSFR)

(in %)	31.12.2022	31.12.2021
Net stable funding ratio	250%	281%



Corporate Governance

LETTER TO SHAREHOLDERS

2022 HIGHLIGHTS & SELECTED FINANCIALS

ONE INSPIRATION - BAUHAUS

TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022

STATUTORY FINANCIAL STATEMENTS 2022

CORPORATE GOVERNANCE REPORT

COMPENSATION REPORT



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

1 GROUP STRUCTURE AND SHAREHOLDERS

1.1 GROUP STRUCTURE

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:



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 was changed to "ONE". 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 2022, the market capitalisation was CHF 21,939,370 (15,130,600 (shares in circulation) x CHF 1.45 (the market price)).

1.2 SIGNIFICANT SHAREHOLDERS

Under the Swiss Financial Market Infrastructure Act (FMIA), any person holding shares in a company listed in Switzerland is required to notify the concerned company and the stock exchange, if the holding reaches, falls below or exceeds the following thresholds: 3%, 5%, 10%, 15%, 20%, 33 1/3%, 50%, or 66 2/3% of the voting rights.

Full details about the shareholders with an interest in the Company equal or above 5% as at 31 December 2022 are mentioned under note 16 of the financial statements.

Summary as at 31 December 2022

	Number of registered shares	Percentage of voting rights
Group represented by HPF Holding de Participations de Famille SA	8'776'756	58.01
Pierre Sigg	1'063'644	7.03
Brice Carel Gaultier	796'745	5.27
Famille Tattoni	737'267	4.87
Monte Leone Special Situations Fund Ltd	707'332	4.67
Petrimax AG	459'177	3.03
Other shareholders ¹	2'589'679	17.12
Total	15'130'600	100

¹ No other shareholders have notified a shareholding of 3% or more of the voting rights of ONE swiss bank SA pursuant to Article 120 FMIA.

Three announcements of shareholdings were made in 2022. The information disclosed during the financial year relating to significant shareholders is available on the SIX Exchange Regulation website: <https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/> (Issuer: ONE swiss bank SA).

1.3 CROSS-SHAREHOLDINGS

ONE swiss bank SA was not informed of any cross-shareholdings exceeding 5% of the share capital or voting rights during 2022.

2 CAPITAL STRUCTURE

2.1 CAPITAL

The capital is composed of 15,130,600 registered shares. For more details, refer to note 13 of the financial statements or chapter 1.1.2 Share listing

2.2 AUTHORISED AND CONDITIONAL CAPITAL

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 CHF1.00, 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, CHF700,000 registered shares were issued.

As at 31 December 2022, the amount of the conditional capital amounted to CHF1,450,000.

The Board of Directors updated the stock options plan in 2021 and aims to grant stock options to selected key employees, including members of the Executive Committee (see Compensation Report for further details), in 2023.

The total number of the Bank's own shares available for sale amounted to 103,997 registered shares each with a nominal value of CHF1, listed on the SIX Swiss Exchange.

In June 2022, the Bank wished to encourage share ownership by members of the Executive Committee who had not yet had the opportunity to exercise options, by offering them the possibility to acquire shares in the Bank at a price equivalent to the market price.

In this context, Xavier Clavel, Yves Keller, Alessandro Kuhn, Jean-Jacques Schraemli and Grégoire Pennone were given the right to acquire a maximum of 20,000 shares in the Bank and exercised this right for an aggregate amount of 100,000 shares. The remaining number of own shares amount to 3'997 as of 31 December 2022.

2.3 CHANGES IN CAPITAL (RESERVES AND RESULTS, BASED ON STATUTORY FINANCIAL STATEMENTS)

(CHF)	Bank's capital	Number of registered shares (Par value CHF1.00)	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Own shares (negative item)	Accumulated loss & 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
Equity at 31.12.2022	15'130'600	15'130'600	1'414'237	27'998'377	3'400'000	-11'991	-4'632'226	43'298'997

2.4 SHARES AND PARTICIPATION CERTIFICATES

The shares of the Bank are registered shares. Each of the Bank's shares carries one vote 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

No convertible bonds nor options had been issued as at 31 December 2022.

3 BOARD OF DIRECTORS

3.1 INTRODUCTION

ONE swiss bank's Board of Directors is composed of five independent members according to FINMA's definition.

The Board of Directors plays a critical role in overseeing the management and operations of the Bank. Their primary responsibility is to provide strategic guidance and direction to ensure the Bank operates in a safe,

sound and profitable manner, while also ensuring that the Bank is in compliance with all relevant laws and regulations.

Some of the key roles and activities of a Board of Directors for a Swiss bank are as follows:

- 1 Setting the Bank's strategic direction:** The Board of Directors is responsible for setting the long-term strategic direction of the Bank, including its overall mission, vision and values. This includes identifying and monitoring market trends, assessing risks and opportunities, and setting goals for the Bank's growth and profitability.
- 2 Overseeing risk management:** The board is responsible for ensuring the Bank has a robust risk management framework in place, which includes identifying, monitoring and managing risks related to credit, market, liquidity and operational risks. The board is also responsible for ensuring the Bank's compliance with all relevant regulations.
- 3 Appointing and overseeing senior management:** The board is responsible for appointing and overseeing the Bank's senior management, including the CEO and other key executives. It is responsible for ensuring the Bank has strong and effective leadership, and that the management team is executing the Bank's strategy effectively.
- 4 Monitoring financial performance:** The board is responsible for monitoring the Bank's financial performance, including reviewing financial reports, assessing profitability and capital adequacy, and overseeing budgeting and forecasting.
- 5 Ensuring sound governance:** The board is responsible for ensuring the bank operates with sound governance practices, including ensuring there are clear and effective policies and procedures in place, that there is proper oversight of the Bank's activities, and that there is transparency and accountability throughout the organisation.
- 6 Communicating with stakeholders:** The board is responsible for communicating with various stakeholders, including shareholders, regulators and the public. This includes ensuring that the Bank's financial performance is accurately and transparently reported, and that stakeholders are informed of the Bank's strategic direction and any significant developments.

[This introductory text about the roles and activities of the BoD has been written entirely by ChatGPT and fully reflect ONE's organisation]

3.2 MEMBERS OF THE BOARD OF DIRECTORS

	Nationality	Gender	Function	Board member since	Independence	Compensation Committee	Audit & Risk Committee	In office until AGM of
Geneviève Berclaz	Swiss	Female	Chair of the Board	April 2014	Independent	Chair		April 2023
Frédéric Binder	Swiss	Male	Board Member	April 2020	Independent		Member	April 2023
Alessandro Bizzozero	Swiss	Male	Board Member	June 2021	Independent		Chair	April 2023
Jean-Claude Favre	Swiss	Male	Board Member	June 2021	Independent	Member		April 2023
Roland Mueller-Ineichen	Swiss	Male	Board Member	June 2021	Independent		Member	April 2023

Skills, expertise and training of the Board of Directors

The Board of Directors is composed of members with a broad spectrum of skills, educational backgrounds, experience and expertise from a range of sectors that reflect the nature and scope of the Bank's business.

Key competencies

- wealth management, asset management, personal and corporate banking
- finance, audit, accounting
- risk management, compliance and legal
- human resources management, including compensation
- technology, cybersecurity
- regulatory authority
- environmental, social and governance (ESG)



Geneviève Berclaz

Chair of the Board,
Chair of the Compensation Committee
DoB: 1971

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.

Other activities and vested interests

- 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)



Frédéric Binder

Board Member,
Member of the Audit & Risk Committee
DoB: 1968

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

Other activities and vested interests

- 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, Prime Partners SA, Geneva
- Member of the Board of Directors, Sanosa Gestion SA, Geneva, until 30 June 2022



Alessandro Bizzozero

Board Member,
Chair of the Audit & Risk Committee
DoB: 1961

Alessandro has over 35 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 Haute école de gestion ARC in Neuchâtel and at the Centro Studi Villa Negroni in Lugano. Alessandro holds a doctorate in law and is licensed to practice.

Other activities and vested interests

- 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., Beirut
- 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



Jean-Claude Favre

Board Member,
Member of the
Compensation Committee
DoB: 1964

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).

Other activities and vested interests

- CEO and 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), Belmont-sur-Lausanne



Roland Müller-Ineichen

Board Member,
Member of the Audit & Risk Committee
DoB: 1960

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

Other activities and vested interests

- 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, SWA Swiss Auditors AG, Pfäffikon (SZ)
- Member of the Board of Directors, Chair of Audit & Risk Committee, Sberbank (Schweiz) AG, Zurich until 28 February 2022
- Member of the Board of Directors, Chair of Audit & Risk Committee, TradeXBank (Schweiz) AG, Zurich, as of 2 September 2022

3.3 NUMBER OF PERMITTED ACTIVITIES

As stated in Article 23c of the Company's Articles of Association, members of the Board of Directors may hold no more than ten directorships in senior management or administrative bodies of third-party legal entities, of which no more than five shall be in listed companies. A company is not considered a "third-party legal entity" within the meaning of this provision if:

- it controls or is controlled by the Bank; or
- it is not required to be entered in the commercial register or a similar register abroad.

The members of the Board of Directors shall inform the Chairman of the offices held in third-party companies.

3.4 ELECTION AND TERMS OF OFFICE

3.4.1 Principles of the election procedure and limits on terms of office

The term of office for members of the Board of Directors is one year, ending 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.

The Annual General Meeting individually appoints the members of the Board of Directors.

3.5 INTERNAL ORGANISATIONAL STRUCTURE

3.5.1 Allocation of tasks within the Board of Directors

The Board of Directors, composed of at least three members appointed by the General Assembly (CHAPTER II: BOARD OF DIRECTORS, in the Bank's Articles of Associations), oversees executive management, approves key decisions on strategy and ensures that the Bank is being run in the best interest of its shareholders.

The Bank was chaired by Geneviève Berclaz in 2022.

The Chair is responsible for leading the board and focusing it on strategic matters, overseeing the Bank's business and setting high standards of corporate governance. The Chair plays a pivotal role in fostering the effectiveness of the board and individual directors, both inside and outside the boardroom.

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 business position of the Bank. They 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, their duties are performed by the most senior director. However, there is no formal Vice-Chair.

3.5.2 Tasks and areas of responsibility

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

Audit & Risk Committee

The Board of Directors appoints at least two board members to serve on the Audit & Risk Committee, one of whom is the Chair.

The composition of the Audit & Risk Committee as at 31 December 2022 was the following:

- Alessandro Bizzozero (Chair of the Audit & Risk Committee)
- Frédéric Binder
- Roland Müller-Ineichen

The Audit & 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 & 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 Compensation Committee

The Board of Directors appoints at least two of its members to the Compensation Committee, one of whom is the Chair.

The composition of the Compensation Committee as at 31 December 2022 was the following:

- Geneviève Berclaz (Chair of the Compensation Committee)
- Jean-Claude Favre

The Compensation Committee is responsible for the remuneration strategy. In particular, it supports the Board of Directors in defining and evaluating the remuneration system and principles and in preparing proposals to the Annual General Meeting concerning the remuneration of the members of the Board of Directors and the Executive Committee.

The Chief Executive Officer is invited to attend meetings in an advisory capacity.

The compensation for members of the Board of Directors and the Executive Committee is left to the judgement of the Board of Directors, acting on the recommendations of the Compensation Committee.

3.5.3 Business of the Board of Directors and its committees

Corporate bodies	Number of meetings in 2022 (in person and virtual)	Average length of meetings	Number of members
Board of Directors	7	3.5 hours	5
Attendance			
– Geneviève Berclaz	7/7		
– Alessandro Bizzozero	7/7		
– Frédéric Binder	7/7		
– Jean-Claude Favre	7/7		
– Roland Müller-Ineichen	6/7		
Audit & Risk Committee	4	1.5 hour	3
Attendance			
– Alessandro Bizzozero	4/4		
– Frédéric Binder	4/4		
– Roland Müller-Ineichen	4/4		
Compensation Committee	4	1 hour	2
Attendance			
– Geneviève Berclaz			
– Jean-Claude Favre	4		

In 2022, the members of the Board of Directors and of its committees regularly consulted the members of the Executive Committee and external consultants.

3.6 DEFINITION OF AREAS OF RESPONSIBILITY

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, including the non-transferable and inalienable attributes set forth in Article 27 of the Bank's 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 the Annual General Meetings and executing its decisions;
- Preparing the Annual Report and submitting the annual financial statements, including the balance sheet and the income statement, 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;
- 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 Compensation Report;
- Approving the Bank's annual budget;
- Approving the Bank's semi-annual and annual financial statements;
- Providing expertise in correspondent banking, major risks and on certain types of loan;
- Exercising supervision over capital planning/liquidity/regulatory reporting.

The Executive Committee is responsible for the management of the Company, and its powers and duties are laid down by the Board of Directors in the internal regulations. The tasks of the Executive Committee, under the authority of the CEO, are the following:

- Ensuring that the Bank's internal organisation is adequate and meets the needs of its activities and development;
- Implementing the strategy decided upon by the Board of Directors;
- Monitoring the development of business relations; it hires the Bank's employees and sets their terms and conditions of employment according to the guidelines laid down by the Board of Directors;
- Establishing an effective internal control system;
- Setting the Bank's interest rates, brokerage fees, commissions and other terms of business;
- Approving the contractual forms drawn up by the competent departments;
- Drawing up the balance sheet, income statement the notes to the financial statements for the year, and prepares the management report for approval by the Board of Directors;
- Being responsible for the publication of the annual financial statements, the interim accounts and the various reports and statements required by Swiss laws and authorities;
- Taking the necessary measures to ensure sufficient liquidity and drawing up quarterly reports on the state of liquidity as well as on foreign currency positions and equity capital;
- Ensuring compliance with the regulations on equity capital, liquidity, risk distribution and the guarantee of customer deposits and monitors their development;
- Drawing up a quarterly statement of all large risks contracted within the meaning of Article 95 et seq. of the Ordinance on Capital Adequacy on the basis of the form established by FINMA;
- Establishing the list of banks and corresponding brokers;
- Ruling on all not-budgeted, amortisation, losses and provision requirements not exceeding CHF 500,000;
- Deciding on investments and expenses not provided for in the budget up to a maximum of CHF 200,000;
- Ensuring that claims and complaints are properly handled;
- Initiating or withdrawing legal proceedings, concluding judicial or extra-judicial settlements whose value in dispute does not exceed CHF 100,000, provided that the case concerned does not have a considerable negative impact on the Bank;
- Organising and monitoring proprietary operations (trading portfolio and financial assets) within the limits set by the Risk Management Regulations;
- Setting up the Compliance and Risk Management functions;
- Appointing someone from among its members responsible for monitoring the evolution of risks;
- Ensuring the proper functioning of IT systems and the data security;
- Being responsible for monitoring all outsourced activities;
- Defining the marketing policy;
- Ensuring that marketing communications are subject to prior compliance control;
- Determining the guidelines for asset management;
- Authorising the creation or representation of investment funds or other financial instruments intended for clients;
- Approving internal directives after consultation with the heads of the departments concerned.

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

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

Type of guarantee	Board of Directors CHF	Executive Committee CHF
a) Diversified securities portfolio	> 6'000'000	≤ 6'000'000
b) Non-diversified securities portfolio + other guarantees	> 3'000'000	≤ 3'000'000
c) Blank (overruns)	> 200'000	≤ 200'000
d) Total cumulative competence	> 6'000'000	≤ 6'000'000

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

	Board of Directors CHF	Executive Committee 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 eligible capital and permissible lending rates are set out in the Bank's internal directives.

3.7 INFORMATION AND CONTROL INSTRUMENTS VIS-À-VIS EXECUTIVE COMMITTEE

3.7.1 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 BDO SA. Internal audit prepares an annual audit plan, which is discussed and approved by the Audit & 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 & 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.

3.7.2 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 (financial information, credit position, budget follow-up and regulatory ratios). Any major market, interest rate and counterparty default risks are also announced. Reports are also provided on legal or reputational risks.

4 EXECUTIVE COMMITTEE

4.1 COMPOSITION, ORGANISATION AND FUNCTIONAL RESPONSIBILITIES

The Executive Committee is the Bank's executive body. Its members are appointed by the Board of Directors upon recommendation by the CEO. Various support services or control units report either directly to the CEO or to a member of the Executive Committee. In 2022, the Executive Committee comprised six members.

4.2 MEMBERS OF THE EXECUTIVE COMMITTEE

	Nationality	Function	Member of the Committee since
Grégoire Pennone	Swiss	Chief Executive Officer	06.2021
Xavier Clavel	Swiss	Head of Asset Services	06.2021
Brice Carel Gaultier	French	Head of Wealth Management	06.2021
Yves Keller	Swiss	Chief Financial Officer & Chief Risk Officer	06.2021
Alexandro Kuhn	Swiss	Head of Asset Management	10.2018
Jean-Jacques Schraemli	Swiss	Chief Operating Officer	06.2021

The titles and brief functional descriptions for members of the Executive Committee are set forth as follows:

Chief Executive Officer

The CEO is responsible for the overall strategic direction and performance of the Bank. He/she makes major corporate decisions, manages its resources and oversees the work of other executives. He/she is also responsible for communicating with stakeholders, setting organisational culture and representing the Bank to the public.*

Head of Asset Services

The Head of Asset Services oversees the Bank's division responsible for providing solutions to external asset managers, fostering client relationships, monitoring compliance with applicable regulations and controlling staff performance.

Head of Wealth Management

The Head of Wealth Management supervises the financial institution's wealth management division, fosters client relationships and controls staff performance. He/she also works to expand the division and builds relationships with prospective clients.*

Chief Financial Officer

The CFO is responsible for managing the Bank's financial operations and ensuring the accuracy of financial statements. He/she oversees budgeting and forecasting, manages financial risk and provides financial analysis to support business decisions. He/she also communicates with stakeholders, manages relationships with banks and investors, and ensures compliance with financial regulations.*

Chief Risk Officer

The CRO is responsible for identifying, assessing and mitigating risks that could impact the Bank's operations. He/she oversees risk management processes, develops risk management strategies and ensures compliance with regulations. He/she works with other executives to integrate risk management into business decisions and ensures the Bank is prepared to handle potential risks.*

Head of Asset Management

The Head of Asset Management is responsible for the Bank's global investment activities and strategy covering all discretionary and advisory mandates, research and all funds managed by the team of portfolio and investment managers within the Asset Management department.

Chief Operating Officer

The COO is responsible for overseeing the Bank's day-to-day operations and ensuring the smooth functioning of all departments. He/she works closely with other executives to implement business strategies and improve efficiency. He/she oversees supply chain management, human resources and IT, and ensures the Bank is meeting its operational and financial goals.*

[* These descriptions have been written by ChatGPT with the instruction to summarise the role and activities of the function.]

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



Grégoire Pennone

Chief Executive Officer
DoB: 1975

Grégoire's expertise spans the tax, fiduciary, marketing and banking fields. He first held the position of Company Secretary at Banque Bénédict Hentsch & Cie SA from 2011 to 2013, before returning at the end of 2015 as GS Banque SA's CEO. 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.

Other activities and vested interests

- Member of the Board of Directors, Oxial SA Geneva



Xavier Clavel
Head of Asset Services
DoB: 1973

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 an MBA from the University of St Gallen (HSG) with a specialisation in financial and capital markets.

Other activities and vested interests

No office held



Brice Carel Gaultier
Head of Wealth Management
DoB: 1975

Brice Carel has been working in finance since 1999. 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.

Other activities and vested interests

No office held



Yves Keller
Chief Finance Officer, Chief Risk Officer
DoB: 1975

Yves worked for 17 years at Deloitte, where he was last in charge of Audit and Advisory in the banking and financial institutions sector. He then joined GS Banque SA in early 2017. As 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 a master from the Geneva School of Economics and Management (GSEM).

Other activities and vested interests

No office held



Alessandro Kuhn
Head of Asset Management
DoB: 1959

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 entity joined Banque Profil de Gestion, where he became 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.

Other activities and vested interests

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

**Jean-Jacques Schraemli**

Chief Operating

Officer

DoB: 1986

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 co-founded a fintech company, driven by the conviction that technology and asset management should go hand in hand.

Other activities and vested interests

No office held

4.3 NUMBER OF PERMITTED ACTIVITIES

As stated in Article 29 of the Articles of Association, members of the Executive Committee may, with the consent of the Board of Directors, hold office in the senior management or administrative bodies of other third-party legal entities. A company is not considered a "third-party legal entity" within the meaning of this provision if:

- it controls or is controlled by the Bank; or
- it is not required to be registered in a Swiss commercial register or in a similar register abroad.

4.4 MANAGEMENT CONTRACTS

ONE swiss bank SA has no management contracts.

5 COMPENSATION, SHAREHOLDINGS AND LOANS**5.1 CONTENT AND METHOD OF DETERMINING COMPENSATION AND SHAREHOLDING PROGRAMMES****5.1.1 Principles and elements**

The Compensation Committee meets at least once a year or whenever necessary.

Determination of compensation for members of the Board of Directors and the Executive Committee is left to the judgement of the Board of Directors, acting on the recommendations of the Compensation 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 compensation and are not enlisted in any stock-option schemes.

Members of Executive Committee receive a fixed annual salary and variable compensation. 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, acting on the recommendations of the Compensation Committee, is responsible for recommending, for the approval of the Annual General Meeting (Article 31d of the Bank's Articles of Association), the total compensation and the specifics of stock-option schemes for the benefit of members of the Board of Directors, members of the Executive Committee and employees. The Compensation Committee submits such a recommendation to the Board of Directors once a year or more often if necessary. In 2022, the Compensation Committee comprised the following Directors: Geneviève Berclaz and Jean-Claude Favre.

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

5.1.3 Compensation framework for the Board of Directors

Fixed salary (social security contributions deducted)	Amount		Amount	
	AGM 2022-2023		AGM 2021-2022	
Base amount	30'000		30'000	
Chair of the Board of Directors	70'000		60'000	
Additional committee fees	chair	member	chair	member
Compensation Committee	4'000	4'000	4'000	4'000
Audit & Risk Committee	18'000	12'000	18'000	12'000

For details, refer to the Compensation Report on page 97.




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

Executive Committee


The Board of Directors, following the recommendations of the Compensation Committee, is responsible for recommending, for the approval of the Annual General Meeting, the total compensation of the Executive Committee as well as the variable compensation (Article 31d of the Bank's Articles of Association). As at 31 December 2022, none of the members of the Executive Committee had received any benefits in kind during the period.

5.1.4 Compensation granted to serving members of the governing bodies

Governing body	Total compensation
Board of Directors	CHF 253'221
Executive Committee	CHF 1'877'600

For details, refer to the Compensation Report on page 97. 

5.1.5 Highest overall compensation

For details refer to the Compensation Report on page 97. 

5.2 ADDITIONAL INFORMATION FOR ISSUERS SUBJECT TO THE PROVISIONS OF THE COMPANY LAW PURSUANT TO ARTICLE 620 – 762 OF THE CODE OF OBLIGATIONS.

Articles 31b and 31c of the Bank's Articles of Association state the rules applicable to performance-related pay for the members of the Executive Committee.

Article 31d of the Bank's Articles of Association sets out the rules for voting on pay at the Annual General Meeting and the principle applicable to the remuneration of members of the Executive Committee appointed after the Annual General Meeting.

6 SHAREHOLDERS' PARTICIPATION RIGHTS

6.1 VOTING RIGHT RESTRICTIONS AND REPRESENTATION

As stated in Article 31a of the Articles of Association, the Annual General Meeting appoints an Independent Representative who will serve until the date of the next Annual General Meeting. On 4 April 2022, BFGB SA was appointed as the Independent Representative until the 2023 Annual General Meeting. The Board of Directors decided to hold the Annual General Meeting of 7 April 2022 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 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 Annual General Meeting by the Independent Representative or by 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 Annual General Meeting 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 Annual General Meeting 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 registered shares
- Increase conditional or authorised 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's 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 in accordance with Article 13 of the Articles of Association. Notice is given in accordance with the Code of Obligations. One or more shareholders, representing together at least 10% of the share capital, may request the calling of an Extraordinary General Meeting (Article 14 of the Articles of Association). 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 state the items on the agenda and the resolutions submitted (Article 15 of the Articles of Association).

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 CHF1 million may also request the inclusion of an item on the agenda. Requests to convene a meeting or to add items to the agenda must be made in writing, specifying the items to be discussed and any motions. The Articles of Association do not provide for a specific period of notice. Nevertheless, any motion must be announced reasonably in advance to allow the Board of Directors to include it in the notice calling the Annual General Meeting. The notice of meeting shall state the items on the agenda and the proposals of the Board of Directors or of the shareholders who have requested that the meeting be convened or that an item be included on the agenda.

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. Shareholders recorded in the Company's share register (managed by Computershare) with voting rights as at 22 March 2022 – 6pm were entitled to vote at the Annual General Meeting on 7 April 2022. No entries of registered shares were made in the share register from 22 March 2022 - 6pm until 7 April 2022.

7 CHANGES OF CONTROL AND DEFENCE MEASURES

7.1 DUTY TO MAKE AN OFFER

Under Article 125 of the Federal Act on Financial Market Infrastructure, the Bank made an opting-out (Article 37 of the Articles of Associations).

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 APPOINTMENT AND TERM OF OFFICE OF THE LEAD AUDITOR

The 2022 financial statements were audited between November 2022 and March 2023. The 2021 financial statements were audited between November 2021 and March 2022. The statutory auditors are PricewaterhouseCoopers SA (PwC), 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. 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

PwC received fees totalling KCHF 299'734 for the 2022 financial and regulatory audits of the Bank.

8.3 ADDITIONAL FEES

For additional audit-related services covering matters such as accounting and compliance, the Bank paid PwC fees totalling KCHF 26'925 during the 2022 financial year.

8.4 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 & 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 on 27 September 2022. The basic regulatory audit report for 2021 was presented to the Board of Directors on 7 July 2022.

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 2022, the external auditors were invited to attend two specific meetings of the Audit & Risk Committee and of the Board of Directors. Discussions focused on the basic regulatory audit report for 2021 and the presentation of the financial and regulatory audit plans for 2022.

The Board of Directors and 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 an interim press release, the Annual Report and the Compensation 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 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 www.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 www.oneswissbank.com under Investor relations.

Investor relations	Address until 30 March 2023	New address as of 1 April 2023
+41 58 300 78 00	ONE swiss bank SA	ONE swiss bank SA
investorrelations@oneswiss.com	Chemin des Mines 9	Rue de Lausanne 78
www.oneswissbank.com	1202 Geneva	1202 Geneva
	Switzerland	Switzerland

B Member of the Swiss Stock Exchange (SIX) / SBA Member

Swift: BQBHCHGG

SIC 082460 ONE swiss bank SA – Geneva

10 BLACKOUT PERIOD FOR EMPLOYEES AND BOARD MEMBERS

ONE shares can only be traded outside of blackout periods (Directive 2.0.2 Devoirs d'annonce - Chapter 6.1.1 of the Directive).

Blackout periods during which securities may not be traded:

- a** 1 January to the date of publication of the annual results
- b** 1 July until the publication of the half-yearly results
- c** any other lock-in period decided by the Executive Committee (none to date)

Blackout periods apply to all employees of ONE swiss bank (and relatives) and all members of the Board of Directors.

Compensation Report

LETTER TO SHAREHOLDERS

2022 HIGHLIGHTS & SELECTED FINANCIALS

ONE INSPIRATION - BAUHAUS

TRUE & FAIR VIEW FINANCIAL STATEMENTS 2022

STATUTORY FINANCIAL STATEMENTS 2022

CORPORATE GOVERNANCE REPORT

COMPENSATION REPORT





ONE swiss bank SA (“ONE”) publishes this Compensation Report in compliance with its Articles of Association, the Swiss Code of Obligations, the Swiss Code of Best Practice, the provisions contained in SIX Exchange Regulations and the Ordinance against Excessive Compensation with respect to Listed Stock Corporations (OaEC) of 20 November 2013.

Effective as at 1 January 2014 and repealed as of 1 January 2023 by the new Swiss Corporation Law on Swiss, OaEC’s provisions will be incorporated into the new 2023 version of the Swiss Code of Obligations.

Main provisions related to compensation in the Articles of Association are:



- Article 12: the Annual General Meeting decides of the global compensation of the Board of Directors and of the Executive Committee;
- Article 28a: defines the organisation of the Compensation Committee
- Article 31b, c, d: set forth the principles of the compensation of the Board of Directors and the Executive Committee

In addition to the Articles of Association, compensation principles are set forth in an internal compensation policy (see sections 1 and 2).

1 GOVERNANCE & DECISION-MAKING BODIES

The determination, approval, implementation and subsequent monitoring of the Compensation policy are the responsibility of various constitutive bodies of the Bank. The main responsibilities of the different constitutive bodies involved are as follows:

1.1 THE ANNUAL GENERAL MEETING

The Annual General Meeting appoints the Compensation 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 party to meetings where his remuneration is discussed. It also approves remuneration and bonuses paid to the officers and directors appointed by it, in particular remuneration in the event of early termination of the employment contract or termination of employment.

1.2 ROLE OF THE BOARD

The Board of Directors:

- approves the compensation policy and ensures its proper application. In particular, it approves (a) the criteria for remuneration to be granted in the event of early termination of an employment contract or early termination of an officer or director’s term of office and (b) the limit between the variable and the fixed component of the individual remuneration;
- approves remuneration plans based on financial instruments;

- approves the list of key personnel and their salary increases, unless they fall within the remit of the Annual General Meeting;
- exercises oversight to ensure that the compensation policy is properly documented and accessible within the Bank;
- submits a proposal for fixed and variable remuneration of the Executive Committee to the Annual General Meeting;
- ensures that remuneration mechanisms are consistent with the Bank’s choices in terms of appetite for risk, strategies, long-term objectives, governance structure and internal controls.

1.3 THE COMPENSATION COMMITTEE

In its advisory and supervisory role, the Compensation Committee:

- discusses and submits proposals to the Board of Directors concerning the compensation policy and remuneration plans based on financial instruments;
- discusses and submits proposals on remuneration of staff whose remuneration and potential bonuses are a matter for decision of the Annual General Meeting;
- reviews the draft Compensation Report.

In addition, the Compensation Committee:

- exercises oversight to ensure the correct application of the rules on the remuneration of the persons responsible for supervisory functions within the Bank;
- is responsible for preparing the documents required by the Board of Directors in order to take decisions in this regard.

1.4 ROLE OF EXECUTIVE COMMITTEE OR CEO

The Executive Committee or the CEO:

- evaluates, in coordination with Human Resources, the performance and conduct of employees;
- submits proposals to the Compensation Committee in particular in relation to the compensation policy, remuneration plans based on financial instruments or the list of key personnel.

1.5 ROLE OF HUMAN RESOURCES

The Human Resources Department:

- collects information on the performance and conduct of employees and participates, together with the Executive Committee, in drawing up the remuneration plan in accordance with the compensation policy;
- ensures that remuneration is in line with the labour market and attractive enough to retain and attract talent.

Determination of compensation for members of the Board of Directors and Executive Committee is left to the judgement of the Board of Directors, acting on the recommendations of the Compensation Committee.

The Compensation Committee submits the principles governing compensation of the members of both the Board of Directors and the Executive Committee to the Board of Directors for approval.

1.6 ADVISORS

- No external advisors were consulted in the structuring of the compensation and share ownership programmes.
- The structuring of compensation and share ownership programmes have been carried out on the basis of public benchmark data.

Fixed salary (social security contributions deducted)	Amount AGM 2022-2023		Amount AGM 2021-2022	
	chair	member	chair	member
Base amount	30'000		30'000	
Chair of the Board of Directors	70'000		60'000	
Additional committee fees				
Compensation Committee	4'000	4'000	4'000	4'000
Audit & Risk Committee	18'000	12'000	18'000	12'000

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 one year. As at 31 December 2021, Grégoire Pennone (CEO) was entitled to a severance payment of two years related to the employment contract agreed with GS Banque SA in 2015. This clause was discussed at the Compensation Committee and removed in 2022 as part of the post-acquisition integration.

2.1 KEY FEATURES OF THE REMUNERATION SYSTEM

The mechanisms by which the Bank determines the levels of remuneration and compensation are consistent with the conduct it seeks to encourage. In particular, as part of the compensation policy, the Bank has adopted for itself the following principles:

- variable remuneration and other bonuses must be closely correlated to the Bank's actual net profit;
- the overall balance relies on the balance between the fixed and variable components of the remuneration over the short, medium and long term;
- the fixed and variable salaries of staff in "business lines" are set in an equitable manner, taking into account the specificities of each business line;

2 PRINCIPLES

The Compensation Committee and the Board of Directors shall ensure that the Bank offers a pay package that is competitive with the market and that is linked to personal performance, in order to attract and retain people with the appropriate skills and qualifications. Together they ensure that there is no conflict of interest between the internal control functions and the remuneration of the persons appointed.

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

- the value of the variable components may be reduced or even set to zero following application of the malus tools;
- allocation of the variable components is subject to the clawback clauses.

The general targets and the guidelines set out in the compensation policy meet, in particular, the following criteria:

- collective results, i.e. results of the department or unit concerned;
- meritocracy, i.e. the commitment and contribution of each individual to the Bank's overall financial performance;
- sustainability, in particular the sustainability of the results, but also the criteria in connection with the Bank's sustainability plan.

The overall remuneration consists of fixed and variable components, both monetary and non-monetary (benefits in kind), structured in such a way as to strike the right balance and effectively influence the motivation and retention of employees within the scope of the constraints in force. Variable remuneration is not guaranteed, except only in exceptional circumstances provided for at the time a staff member is hired. The remuneration of new staff may not be used to offset any reduction or cancellation of remuneration resulting from malus or clawback mechanisms implemented by previous employers. Under certain circumstances, the Board of Directors reserves the right to derogate from this rule in order to ensure greater stability of a staff member's employment contract.

2.2 FIXED COMPONENT

The fixed remuneration component – which is stable in nature and does not create an incentive to take risks – constitutes remuneration in particular for the responsibilities and technical and managerial skills of the employees so as to guarantee the continuity of management and the competitiveness of the Bank on the market.

The level of remuneration is equal for all employees under the criteria described above, regardless of gender.

The value of the fixed component of the total remuneration should reduce the risk of excessively speculative conduct aimed at achieving short-term results.

The fixed component consists of any form of payment or benefit, whether direct or indirect, in cash, financial instruments and/or fringe benefits, in return for work or professional services rendered by staff to the Bank.

The fixed remuneration may be increased in line with changes in responsibilities, skills, the cost of living or the market. These levers are applied selectively and prudently to reward those who develop skills, take more responsibility and achieve sustainable and consistent results over time. As a general rule, the Bank aims to position itself in line with the market while maintaining internal consistency.

2.3 VARIABLE COMPONENT

The variable remuneration component is determined in particular by reference to (i) the net profit for the financial year; (ii) the collective performance of a department; (iii) individual performance achieved, and may envisage different types of remuneration on a case-by-case basis. Variable components include all payments or benefits that are based on performance, regardless of the measure selected (performance targets, volumes, risks, etc.) or other parameters (e.g. involvement on projects, retention periods, etc.). Variable remuneration is not subject to pension plan contributions.

2.3.1 Determination and allocation of variable remuneration

When determining the variable remuneration, the following factors are considered:

- The Bank’s annual financial statements, in particular the operating and net profit for the year;
- The collective performance of the departments;
- The personal contribution of each employee to the Bank’s results;
- Risk management and control, in particular risk indicators;
- The conduct of employees, including in particular their attitude of responsibility, their suitability to the company’s values, exemplary behaviour, loyalty, solidarity and compliance with the

applicable regulations and the Code of Ethics and Conduct;

- The Bank’s sustainability plan.

Subject to rare exceptions approved by the Board of Directors, no variable remuneration will be granted to employees, including members of the Executive Committee, in the event of:

- the Bank reporting a loss;
- a significant increase in risk indicators in the quarterly risk report presented to the Board of Directors.

Neither will individuals receive variable remuneration in the event of unethical conduct that creates a potential reputational risk for the Bank.

2.3.2 Performance assessments

Key parameters are:

- the extent to which quantitative targets have been achieved in terms of budget;
- increase in assets under management, brokerage volumes or orders;
- costs directly attributable to the parent entity;
- risk-weighted return, as defined by “business line”.

With regard to qualitative targets, among the main parameters used by the Bank in assessing its employees are the following:

- alignment with the business model defined by the Bank;
- prevention and management of operational risks: in particular, conduct in line with the external regulatory framework and internal procedures;
- sharing best practices with colleagues;
- the primary interest of clients, in accordance with the criteria of loyalty in relations with clients and in compliance with the rules of conduct and duties set forth therein, banking transparency and anti-money laundering provisions;
- external/internal customer satisfaction, where such satisfaction can be measured;
- adherence to the Bank’s values, the institution’s sustainability policy and the Bank’s Code of Ethics and Conduct.

In addition to the above targets, all persons with managerial responsibilities are subject to targets in terms of:

- human resources management: ability to manage their professional development and career progression within the Group, retention of the most talented employees, recruitment of new highly professional employees;
- leadership.

3 INDEMNITIES AND COMPENSATION PAID TO THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

Compensation paid to the governing bodies (audited)

In CHF	2022					2021				
	Total ⁽³⁾	Gross remuneration AGM 2022-2023	Variable	LPP ⁽⁵⁾ employer contribution	Stock-options	Total	Gross remuneration AGM 2021-2022	Variable	LPP ⁽⁵⁾ employer contribution	Stock-options
Board of Directors										
Indemnities and compensation paid directly or indirectly	253'221	253'221	-	-	-	242'532	242'532	-	-	-
Geneviève Berclaz ⁽¹⁾ Chair	79'096	79'096	-	-	-	68'407	68'407	-	-	-
Frédéric Binder ⁽¹⁾ Member	44'892	44'892	-	-	-	44'892	44'892	-	-	-
Alessandro Bizzozero ⁽²⁾ Member	48'000	48'000	-	-	-	48'000	48'000	-	-	-
Jean-Claude Favre ⁽¹⁾ Member	36'341	36'341	-	-	-	36'341	36'341	-	-	-
Roland Mueller-Ineichen ⁽¹⁾ Member	44'892	44'892	-	-	-	44'892	44'892	-	-	-

In CHF 000	2022					2021				
	Total ⁽³⁾	Fixed gross remuneration	Variable	LPP ⁽⁵⁾ employer contribution	Stock-options	Total ⁽³⁾	Fixed gross remuneration	Variable	LPP ⁽⁵⁾ employer contribution	Stock-options
Executive Committee										
Indemnities and remuneration paid directly or indirectly	1'877.6	1'602.6	275	165.8	-	1'578.6	1'024.6	260	111.2	294
Grégoire Pennone ⁽⁴⁾ Chief Executive Officer	335.4 (1 year)	285.4 (1 year)	50	29.5	-	195.3 (7 mth)	155.3 (7 mth)	40	18.7	-
Xavier Clavel ⁽⁴⁾ Member	350.4 (1 year)	300.4 (1 year)	50	32.4	-	210.1 (7 mth)	170.1 (7 mth)	40	16.4	-
Brice Carel Gaultier ⁽⁴⁾ Member Highest remuneration for 2022	384.8 (1 year)	334.8 (1 year)	50	33.9	-	549 (7 mth)	195 (7 mth)	60	24.7	294
Yves Keller ⁽⁴⁾ Chief Financial Officer / Chief Risk Officer	350.4 (1 year)	300.4 (1 year)	50	30.6	-	210.6 (7 mth)	170.6 (7 mth)	40	16.4	-
Alessandro Kuhn ⁽⁴⁾ Member	178.7 (1 year)	153.7 (1 year)	25	15.9	-	255 (1 year)	215 (1 year)	40	22.8	-
Jean-Jacques Schraemli ⁽⁴⁾ Member	277.9 (1 year)	227.9 (1 year)	50	23.5	-	158.6 (7 mth)	118.6 (7 mth)	40	12.2	-

(1) For the Members of the Board of Directors, indemnities and remuneration paid to the members of the Board of Directors are shown before deduction of social security contributions.

(2) Indemnities and remuneration invoiced by a company are shown before VAT.

(3) Total = Fixed gross remuneration + variable

(4) For the Executive Committee, however, the amounts shown are before deduction of social security contributions.

(5) Occupational pension insurance (old age, survivors' and disability insurance - LPP).

NOTES

No indemnity was paid directly or indirectly, in 2022, to former members of the Board of Directors or to any person in close relationship with the Board of Directors or the Executive Committee.

As at 31 December 2022, 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 2022, Grégoire Pennone benefited from a Lombard loan of CHF 128'414 (as at 31.12.2021 the loan amounted to CHF 165'600) complying with granting conditions applicable to ONE swiss bank's clients. The interest rate charged on this loan is in agreement with conditions applied to employees.

Executive Committee

Since 2016, the remuneration of the Executive Committee has been approved by the Annual General Meeting, acting on the recommendations of the Board of Directors, after consultation with the Compensation Committee.

Compared to peers (listed companies and/or Swiss private banks), the total compensation of the members of the Executive Committee remains moderate, in particular in the light of the achievements made since the merger and the turnaround of ONE swiss bank. All Executive Committee members in 2022 is eligible to a fixed remuneration plus a discretionary bonus with the exception of Brice Carel Gaultier, Head of Wealth Management, who is subject to quantitative bonus. Variable compensation is mainly linked to qualitative and non-quantitative aspects.

The total remuneration of senior executives increased by 18.9% in 2022 compared to 2021. The increase can mainly be explained by the period on which the calculation is based since figures for 2021 only took into account the seven months following the merger for five of its members.

Total variable compensation for the members of the Executive Committee represented 17.1% of the total fixed salary and 14.6% of the total compensation. The Board of Directors considered ONE swiss bank's global performance, in terms of financials, progress made in various fields including sustainability, and risks, to allocate variable compensation. It decided to reward a collective performance and attributed the same level of bonus for each member, with the exception of Alessandro Kuhn, whose working rate was reduced in 2022. Aggregate bonuses for senior executives increased by 5.7% compared to 2021. At an individual level, the largest increase was 25%. In June 2022, the Bank sought to encourage share ownership by members of the Executive Committee who had not yet had the opportunity to exercise options, by offering them the possibility to acquire shares in the Bank at a price equivalent to the market price.

The total number of the Bank's own shares available for sale amounted to 103,997 registered shares with a nominal value of CHF 1 each, listed on SIX Swiss Exchange.

In this context, Xavier Clavel, Yves Keller, Alessandro Kuhn, Jean-Jacques Schraemli and Grégoire Pennone were given the right to acquire a maximum of 20,000 own shares under specific conditions (the application had to be returned by 30 June 2022 at the latest outside of trading hours, i.e. between 5.30pm and 9.00am). Each of them bought 20,000 own shares.

The price per share was equivalent to the closing price of the day (if application was received between 5.30pm and midnight) or the previous day (if the application was received between midnight and 9.00am. Grégoire Pennone, Brice Carel Gaultier, Jean-Jacques Schraemli, Xavier Clavel, Alessandro Kuhn, Yves Keller and his 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 under note 16 of the financial statements.

4 SHAREHOLDINGS OF BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE

As at 31 December 2022, the following shareholdings were held by the Board of Directors and the Executive Committee and closely linked parties.

	31.12.2022		31.12.2021	
	Shareholdings	%	Shareholdings	%
Board of Director				
Geneviève Berclaz	-	-	-	-
Frédéric Binder	-	-	-	-
Alessandro Bizzozero	-	-	-	-
Jean-Claude Favre	-	-	-	-
Roland Mueller-ineichen	-	-	-	-
Executive Committee				
Grégoire Pennone*	39'946	0.26	-	-
Xavier Clavel	20'000	0.13	-	-
Brice Carel Christophe Gaultier	796'745	5.27	796'745	5.27
Yves Keller	35'095	0.23	3095	0.02
Alessandro Kuhn	20'000	0.13	-	-
Jean-Jacques Schraemli	1'502'939	9.93	1'482'939	9.80

*4'956'436 shares are jointly held by Grégoire Pennone and close relatives through the holding in HPF Holding de Participations de Famille SA (we refer to note 16 of the financial statements)

5 OUTLOOK

In order to improve the attractiveness of ONE swiss bank's compensation scheme and to align interest with the shareholders, the Board of Directors intends to deploy the existing stock-option plan in 2023 by granting 1'050'000 options out of the 1'400'000 outstanding options to selected key people. Conditions to exercise the options will include collective objectives such as (i) a sufficient level of regulatory equity, (ii) an appropriate profitability, (iii) a growing amount of AuM, or (iv) capital events. Strike price shall vary individually depending on the role of each key

employee and will include objectives in terms of (i) business development, (ii) risks and (iii) sustainability components to determine it.

In terms of Governance, from 2 February 2023, Alessandro Kuhn will reduce his working rate to 20% and will step down from his role at the Executive Committee. The Board of Directors shall propose Aymeric Converset to taking over Alessandro's managerial responsibilities and to report to the Executive Committee. This appointment is subject to FINMA's approval.

Report of the statutory auditor

to the General Meeting of ONE swiss bank SA

Geneva

Report on the audit of the Compensation report

Opinion

We have audited the Compensation report of ONE swiss bank SA for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the table labelled 'audited' on page 97 of the Compensation report.

In our opinion, the Compensation report of ONE swiss bank SA for the year ended 31 December 2022 complies with Swiss law and articles 14–16 of the Ordinance.

Basis for our opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the Compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, 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.

Other information

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

Our opinion on the Compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Board of Directors' responsibilities for the Compensation report

The Board of Directors is responsible for the preparation of a Compensation report in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the Compensation report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is free from material misstatement, whether due to fraud or error, and to issue an

auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation report.

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

- Identify and assess the risks of material misstatement in the Compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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

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

PricewaterhouseCoopers SA



Christophe Kratzer
Audit expert
Auditor in charge



Alan Quéguiner

Geneva, 8 March 2023

ONE swiss bank SA
Chemin des Mines 9
CH-1202 Geneva

Piazza Manzoni 8
CH-6901 Lugano

Bahnhofstrasse 17
CH-8001 Zurich

ONE swiss private wealth Ltd
Burj Daman, DIFC, P.O. Box 72816
Dubai, United Arab Emirates

oneswissbank.com