

Julius Bär

# FY 2021 RESULTS AND BUSINESS UPDATE

Presentation for Investors, Analysts & Media  
Zurich, 2 February 2022



# IMPORTANT INFORMATION

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# INTRODUCTION

## PHILIPP RICKENBACHER, CEO

Cover picture:

Quality, craftsmanship, precision, ingenuity and reliability – these characteristics and values essentially define Switzerland's business landscape and the people behind it, like Belén Ferrier and Mohamed Khalia. They run AtelierB in Geneva with the mission to frame art. Beyond adding a mere enclosure to an artwork, their craft has become an art in itself, combining the most modern techniques and conservation materials with their personalised craftsmanship. Each frame, new or restored, is one of a kind.

Switzerland is Julius Baer's home market. We have lived and breathed the country's business virtues for over 130 years and shaped its wealth management culture in the process. To reinforce our local roots, we have embarked on a new strategic journey designed to enhance the solutions and value we create for Swiss private banking clients.

Picture credits: Jess Hoffman © Michelangelo Foundation, with their insightful platform [www.homofaberguide.com](http://www.homofaberguide.com)

# FY 2021: BEST RESULTS IN JULIUS BAER'S HISTORY VALIDATE STRATEGIC DIRECTION SET OUT IN 2020

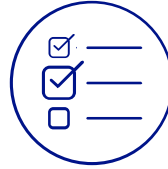


## **RECORD FINANCIAL RESULTS 2021**

Highest profit in  
the company's history

Robust net new money inflows  
and high earnings quality

Strong capital generation,  
very solid balance sheet



## **STRATEGIC SUCCESS AND ACHIEVEMENTS**

WM business model positioned  
for sustainable profit growth

Higher impact for clients from  
broader range of capabilities

Dynamic modernisation of  
technology and organisation



## **PRIORITIES FOR 2022**

Stringent execution on last leg  
of three-year strategic plan

Growth investments in  
talent and digital capabilities

Strategy update  
on 19 May 2022

# FINANCIAL RESULTS FY 2021\*

DIETER A. ENKELMANN, CFO

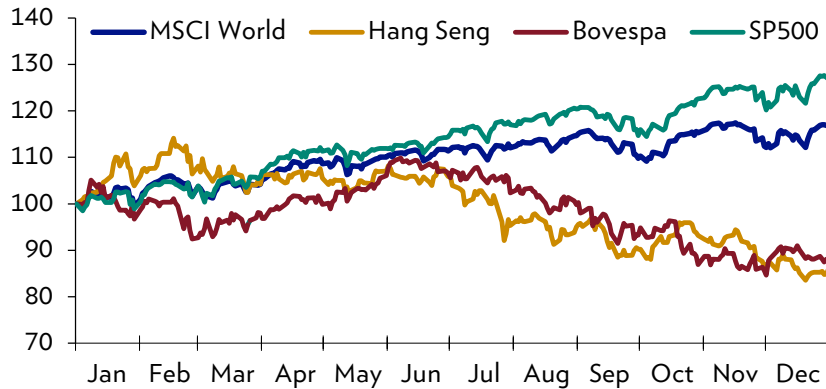
\*Financial Results are presented on adjusted basis - see “Scope of Presentation of Financials” in the Appendix

# 2021 MARKET ENVIRONMENT

Divergence in market performance | Lower volatility | Rising US yields | Weaker euro

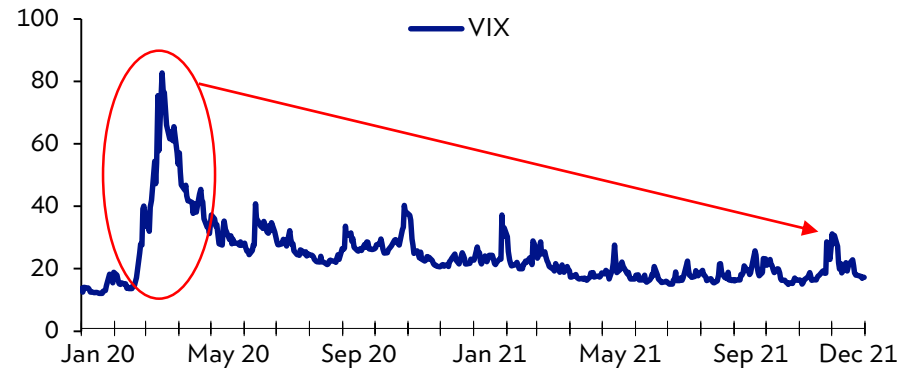
## Stocks: Certain key markets underperformed

2021 development of selected key stock indices<sup>1</sup>



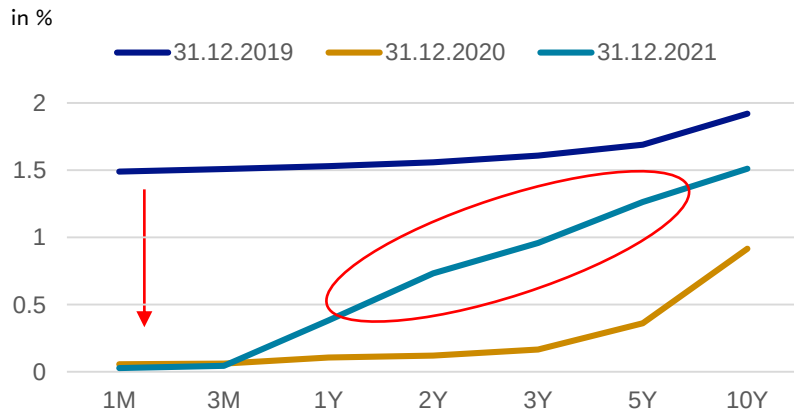
## Reduced volatility after extraordinary spike in 2020

2020-2021 development CBOE Volatility Index on S&P 500<sup>1</sup>

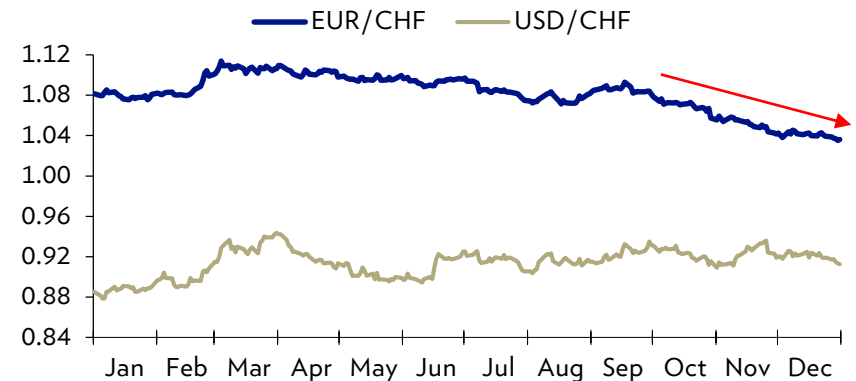


## US curve steeper but well below level at start 2020

2021 development of US 1M-10Y treasury yield curve<sup>2</sup>



## US dollar +3%, euro -4% against CHF<sup>1</sup>



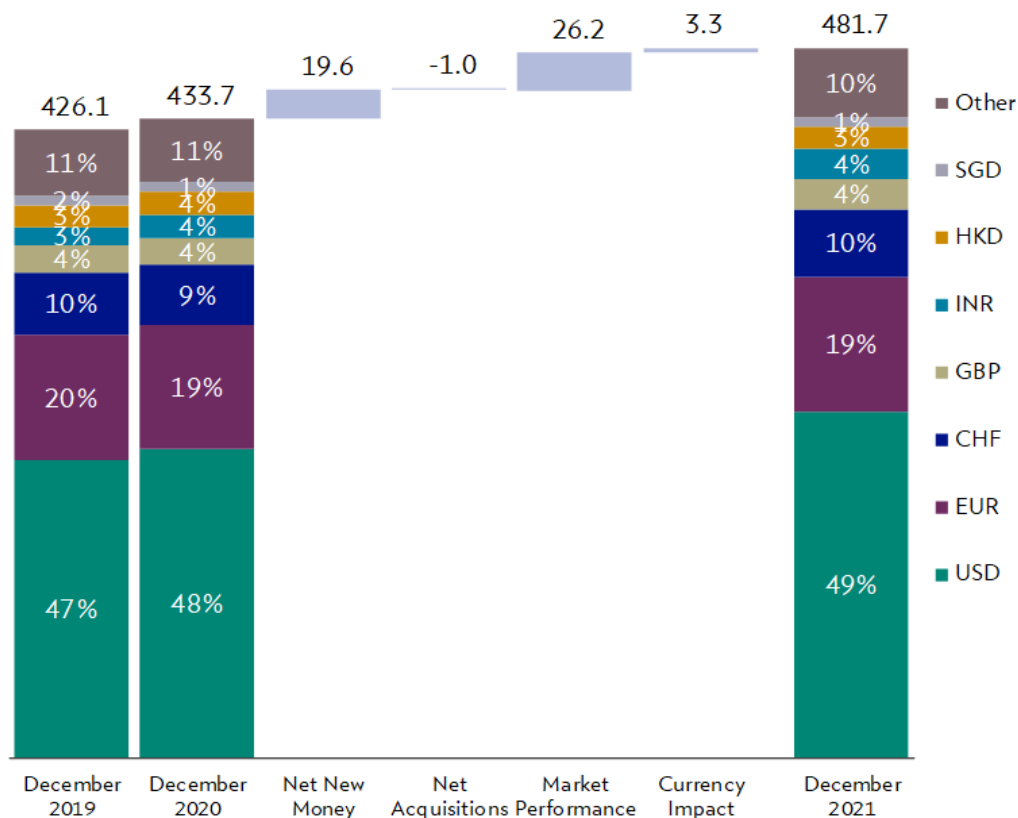
<sup>1</sup> Source: Datastream, Julius Baer | <sup>2</sup> Source: Bloomberg Finance L.P., Julius Baer

# AUM UP +11% TO CHF 482bn

## Driven by market performance and strong NNM inflows

### Development of Assets under Management

CHF bn



- AuM: CHF 482bn, up CHF +48.1bn, +11%
  - Net new money CHF +19.6bn
  - Net acquisitions<sup>1</sup> CHF -1.0bn
  - Market performance<sup>2</sup> CHF +26.2bn
  - Currency impact<sup>3</sup> CHF +3.3bn
- Monthly average AuM: CHF 471bn
  - up +15% from CHF 409bn in 2020
- Assets under custody: CHF 80bn, +11%
- Total client assets: CHF 561bn, +11%

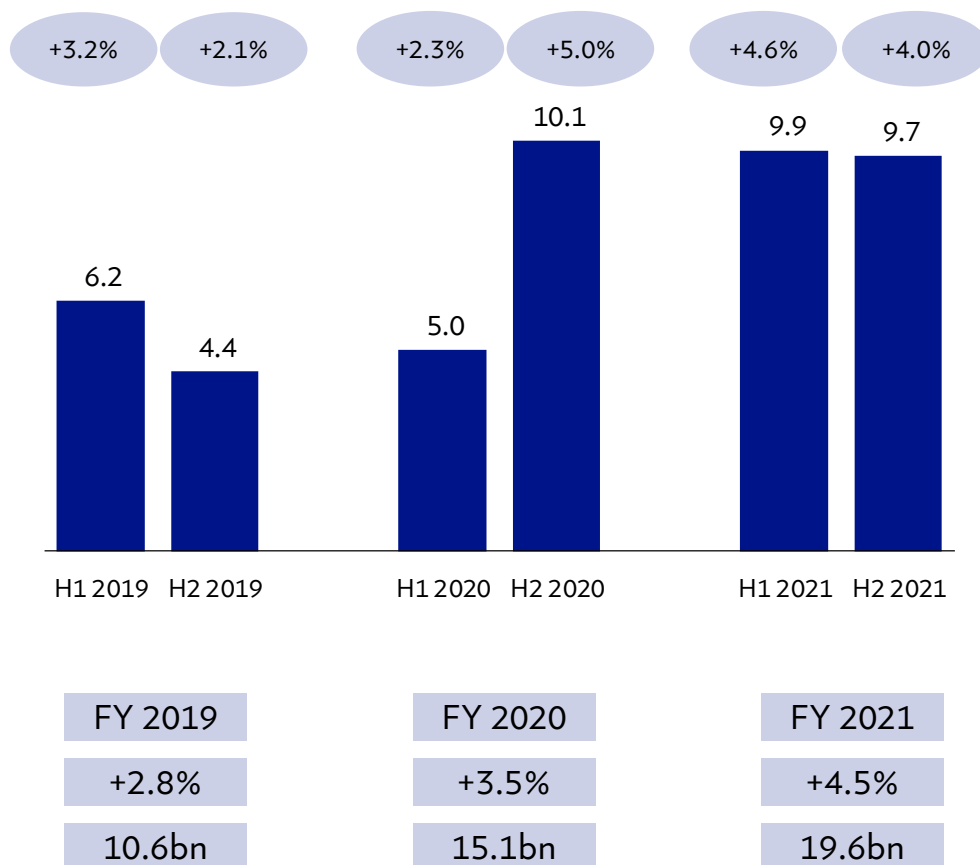
<sup>1</sup> Resulting from discontinuation of offering to clients from selected countries | <sup>2</sup> Market performance is determined through the change in AuM that remains after accounting for net new money, net acquisitions, currency impact, and other effects (if any) | <sup>3</sup> Currency impact is determined by applying the changes in the currency exchange rates in the period to the AuM at the end of the preceding year

# NET NEW MONEY AT CHF 19.6bn (+4.5%)<sup>1</sup>

All regions contributed positively

## Net New Money

in CHF bn and %<sup>1</sup>

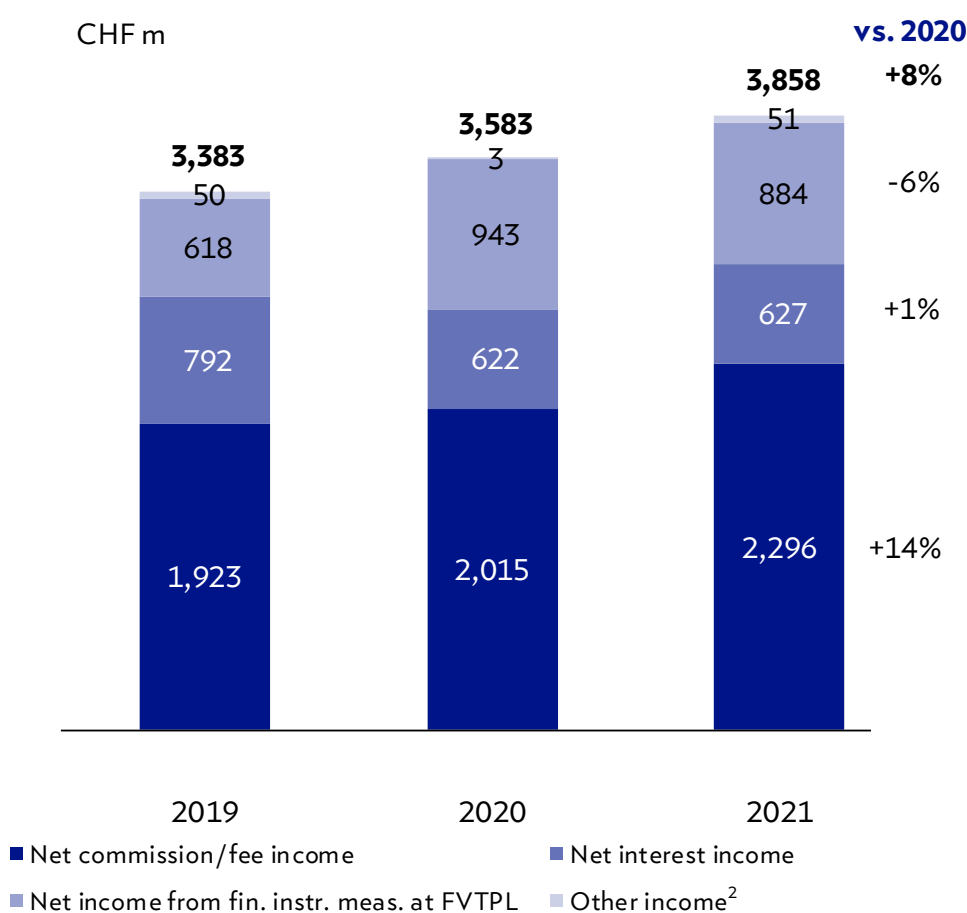


- Positive inflows across the board
- Particularly strong contributions from clients domiciled in:
  - W. Europe (esp. UK & Ireland, Germany, Switzerland, Luxembourg)
  - Asia (esp. Singapore, Japan, India)
  - UAE
  - Brazil
- Over half of net new money from clients served by RMs who joined before 2018

<sup>1</sup> Annualised NNM in % of AuM at the beginning of the period

# OPERATING INCOME +8% TO CHF 3.9bn

Substantial rise in recurring fee income



## Net commission/fee income: +14% to CHF 2,296m

- Strong rise in recurring income on higher AuM and rise in penetration of higher-value mandates and improved investment fund fees
- Transaction-driven income up y-o-y, but lower in H2 as client activity slowed down

## Net interest income: +1% to CHF 627m

- Stabilisation after significant y-o-y fall in US rates
- CHF 50m decrease in income from loans more than offset by CHF 78m decrease in net cost of deposits ...
- ... as interest expense on deposits fell by CHF 66m (to CHF 8m) and negative interest charged on deposits rose by CHF 12m (to CHF 39m)
- Income from treasury portfolio declined by CHF 20m
- Group well positioned to benefit from higher US rates

## Net income financial instruments¹: -6% to CHF 884m

- Declining volatility resulted in lower FX & precious metals trading income

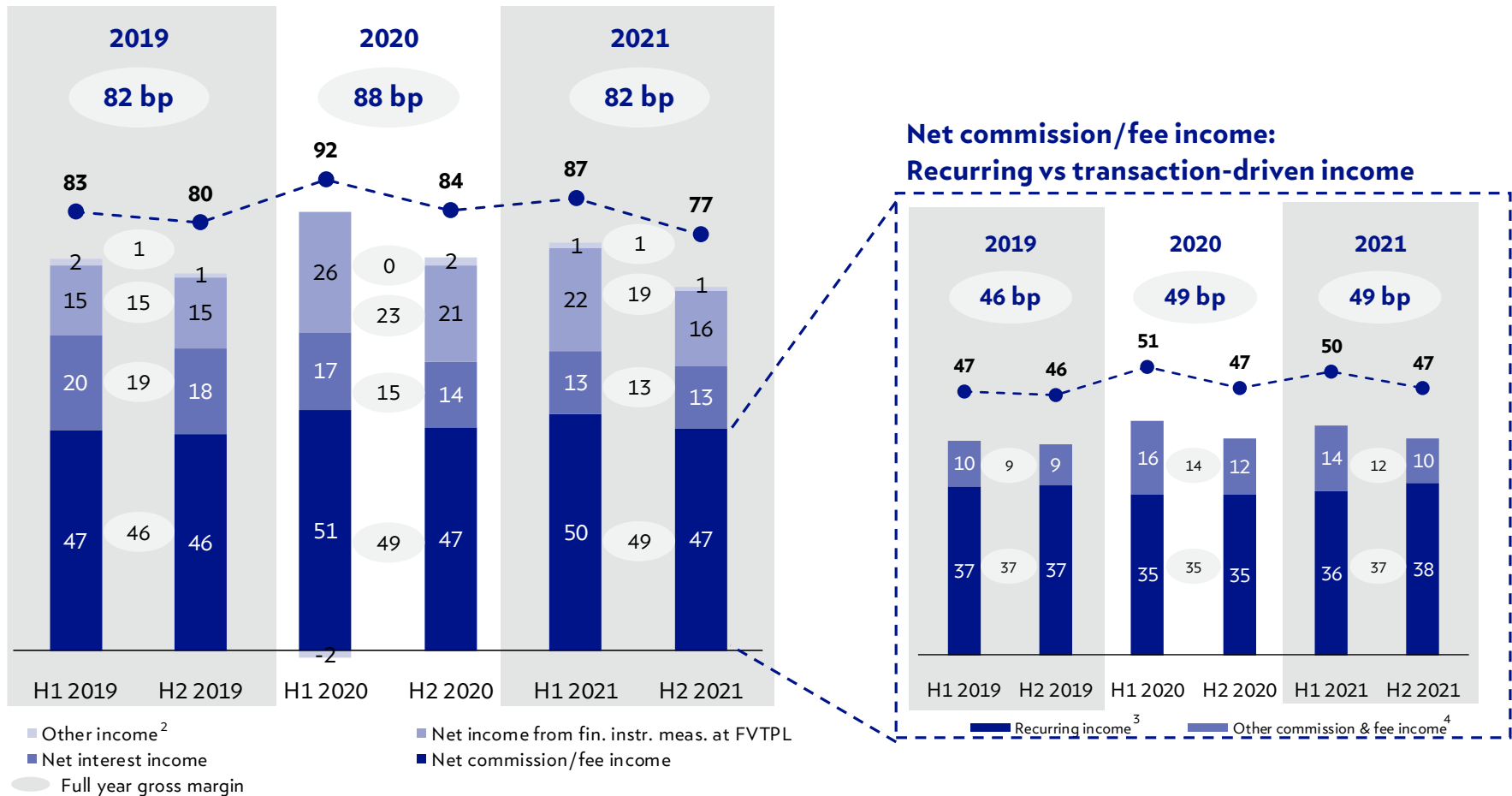
## Other income²: up CHF 48m to CHF 51m

- Net credit provisioning fell by CHF 34m to CHF 2m

¹ At fair value through profit or loss | ² Other income is the total of income statement items "other ordinary results" and "net credit losses/recoveries on financial assets"; includes "net credit losses/recoveries on financial assets" of CHF -2m in 2021, CHF -36m in 2020 and CHF -9m in 2019

# GROSS MARGIN<sup>1</sup> DECREASED BY 6 BP

Mainly from lower transaction revenues | 2 bp increase from recurring fees

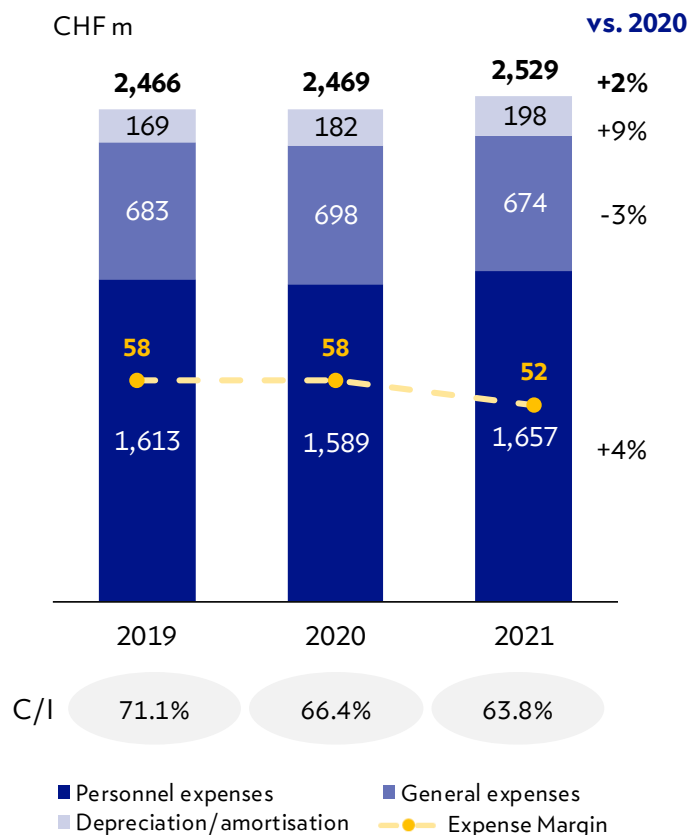


<sup>1</sup> Operating income divided by average AuM in basis points. | <sup>2</sup> Other income is the total of income statement items "other ordinary results" and "net credit losses/recoveries on financial assets" |

<sup>3</sup> Total of income statement items "advisory and management fees" and "commission and fee income on other services" | <sup>4</sup> Income statement item "brokerage commissions and income from securities underwriting" minus income statement item "commission expense"

# OPERATING EXPENSES +2%, WELL BELOW REVENUE GROWTH

## Cost/income ratio improved to 63.8%



### Personnel expenses: +4% to CHF 1,657m

- On back of higher performance-based remuneration, following strong growth in operating income and profit
- Excluding performance-based compensation, personnel expenses were flat year-on-year
- Severance costs related to 2020-21 cost reduction programme: CHF 21m (2020: CHF 31m)

### General expenses: -3% to CHF 674m

- Excluding provisions & losses (down CHF 22m to CHF 67m), general expenses declined slightly to CHF 607m ...
- ... as benefits of 2020-21 cost reduction programme more than offset impact of strategic investments in technology

### Depreciation/amortization: +9% to CHF 198m

- Rise in IT-related investments in recent years

### Cost/income ratio<sup>1</sup> improved to 63.8% (2020: 66.4%)

- Now 7 percentage points below 2019 level

### Expense margin<sup>1</sup> improved to 52 bp (2020: 58 bp)

- Now 6 bp below 2019 level

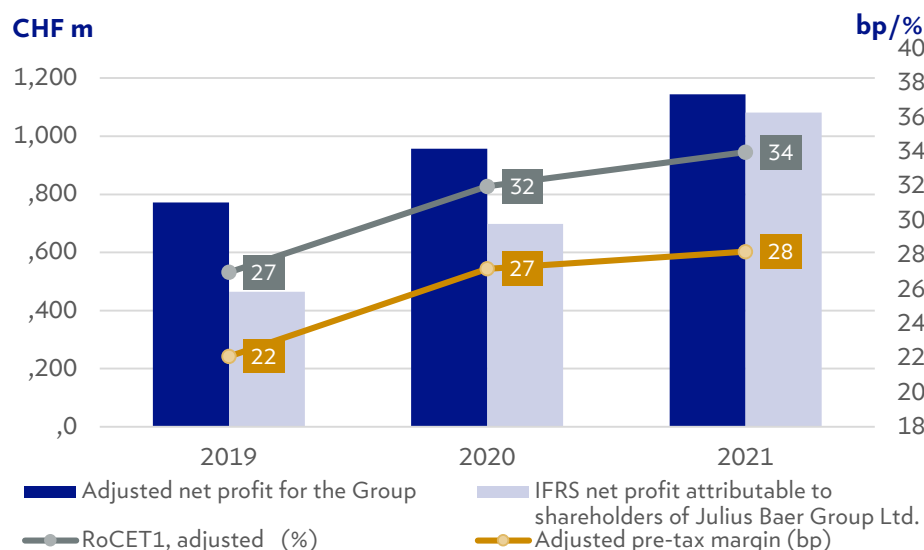
FY 2021 adj. operating expenses approx. breakdown by currency

|     |     |     |     |     |    |       |    |
|-----|-----|-----|-----|-----|----|-------|----|
| CHF | 56% | SGD | 10% | USD | 4% | BRL   | 2% |
| EUR | 13% | HKD | 7%  | GBP | 5% | Other | 4% |

<sup>1</sup> Excluding provisions and losses

# ADJUSTED NET PROFIT<sup>1</sup>: +20% to CHF 1,144m

## IFRS net profit<sup>2</sup>: +55% to CHF 1,082m



### Significantly improved profitability

- Adjusted PBT: +19% to CHF 1,329m
- Pre-tax margin: +1 bp to 28 bp
- Adjusted net profit<sup>1</sup>: +20% to CHF 1,144m
- Adjusted EPS<sup>2</sup>: +20% to CHF 5.34
- IFRS net profit<sup>2</sup>: +55% to CHF 1,082m

| CHF m                                                           | 2019        | 2020         | 2021         | Change<br>2021/2020 |
|-----------------------------------------------------------------|-------------|--------------|--------------|---------------------|
| Average assets under management                                 | 414.0       | 409.2        | 471.2        | +15%                |
| Operating income                                                | 3,383       | 3,583        | 3,858        | +8%                 |
| Adjusted operating expenses                                     | 2,466       | 2,469        | 2,529        | +2%                 |
| <b>Adjusted profit before taxes</b>                             | <b>917</b>  | <b>1,114</b> | <b>1,329</b> | <b>+19%</b>         |
| <b>Adjusted pre-tax margin (bp)</b>                             | <b>22.1</b> | <b>27.2</b>  | <b>28.2</b>  | <b>+1.0 bp</b>      |
| Income taxes                                                    | 145         | 158          | 185          | +17%                |
| <b>Adjusted net profit<sup>1</sup></b>                          | <b>772</b>  | <b>957</b>   | <b>1,144</b> | <b>+20%</b>         |
| Adjusted EPS attributable to shareholders <sup>2</sup>          | 3.55        | 4.44         | 5.34         | +20%                |
| RoCET1, adjusted (%)                                            | 27%         | 32%          | 34%          | +1% pt              |
| Tax rate (%)                                                    | 15.8%       | 14.2%        | 13.9%        | -0.2% pt            |
| <b>IFRS net profit attributable to shareholders<sup>2</sup></b> | <b>465</b>  | <b>698</b>   | <b>1,082</b> | <b>+55%</b>         |

### Updated tax guidance

- Adjusted tax rate (FY 2021: 13.9%) as currently estimated:
  - 2022-2023: ~14%
  - from 2024: >15%
- Estimate bandwidth has increased due to upcoming OECD minimum tax rate (and lack of visibility on how different countries will implement this)

<sup>1</sup> Reconciliation to IFRS result available in Appendix and from [www.juliusbaer.com/APM](http://www.juliusbaer.com/APM) | <sup>2</sup> Attributable to shareholders of Julius Baer Group Ltd.

# STRATEGIC REVENUE & COST IMPROVEMENT PLAN<sup>1</sup> ACHIEVED

## CLIENT VALUE & REVENUES

**Gross revenue improvements of  
> CHF 150m by 2022 to offset gross  
margin pressure**

- Achieved CHF ~150m on run-rate basis
- CHF ~70m implemented in 2020 (~70% in FY 2020 results, 100% in FY 2021)
- CHF ~80m in 2021 (~75% reflected in FY 2021 results)

Including through:

- Repricing (incl. negative rates)
- Reducing cash-holdings
- Smart credit growth
- Derivatives Toolbox
- Increase in higher-value mandate penetration

Further improvements in 2022 expected, including through:

- Further enhancement of product & service offering
- Further increasing focus on UHNW client segment

## PRODUCTIVITY & EFFICIENCY

**Gross cost savings of  
CHF 200m by 2022**

- Achieved CHF ~200m on run-rate basis
- CHF ~130m implemented in 2020 (~50% in FY 2020 results, 100% in FY 2021)
- CHF ~70m in 2021 (50% in FY 2021 results)

Mainly through:

- FTE optimisation (front/back)
- Internalisation of formerly external staff
- Operational improvements
- Sale of Bahamas operations (in 2020)
- Uruguay restructuring (in 2020)

- Productivity & efficiency measures have been completed by end of 2021
- Full impact to come through in 2022

**Restructuring costs  
CHF ~52m**

- FY 2020: CHF 31m
- FY 2021: CHF 21m
  - H1 2021: CHF 14m
  - H2 2021: CHF 7m

<sup>1</sup> As part of the 3-year improvement plan presented in Strategy Update February 2020

# HIGH-QUALITY, DEPOSIT-DRIVEN BALANCE SHEET

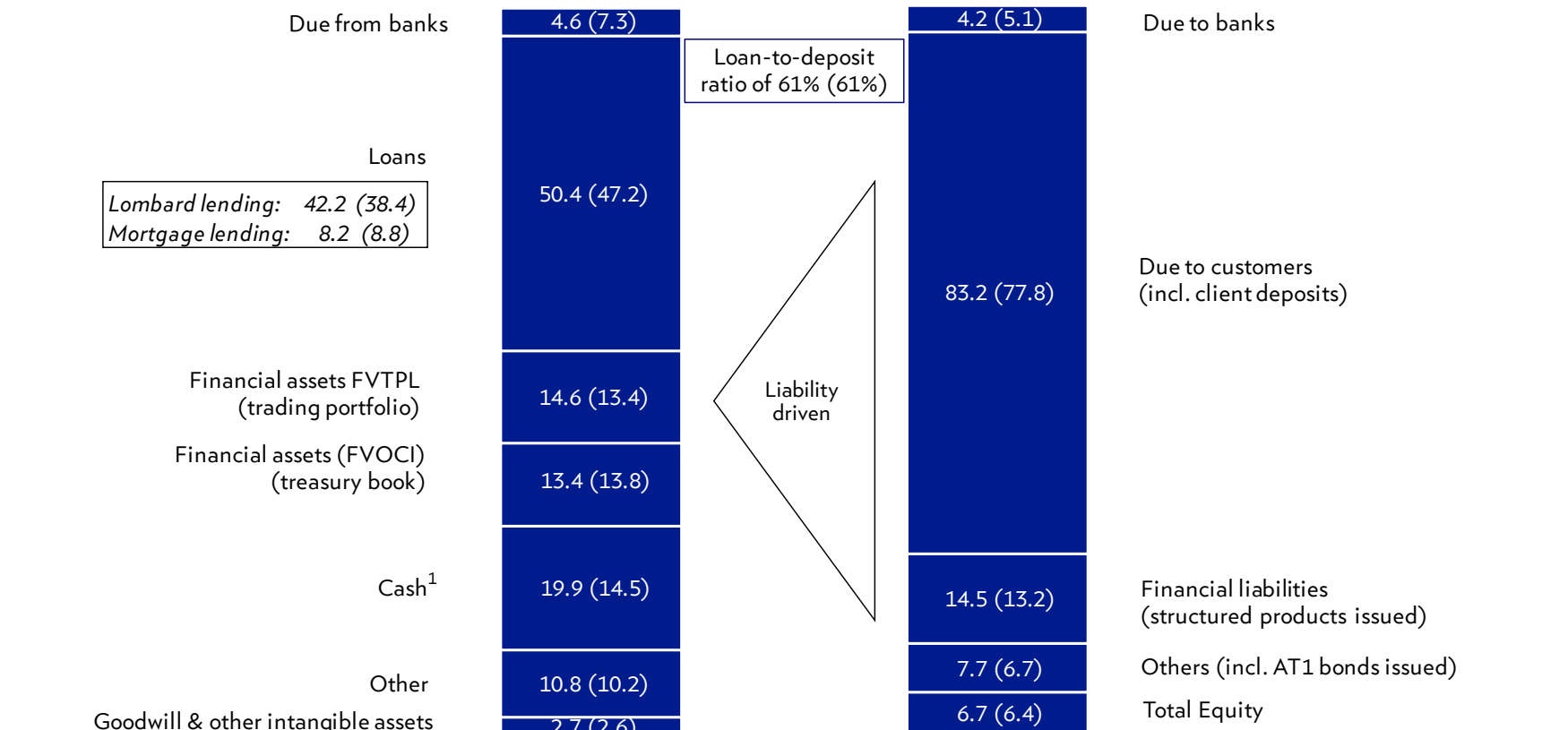
Lombard loans +10% | Mortgage book -7% | Deposits +7%

CHF bn

Assets

CHF 116.3bn  
(CHF 109.1bn)\*

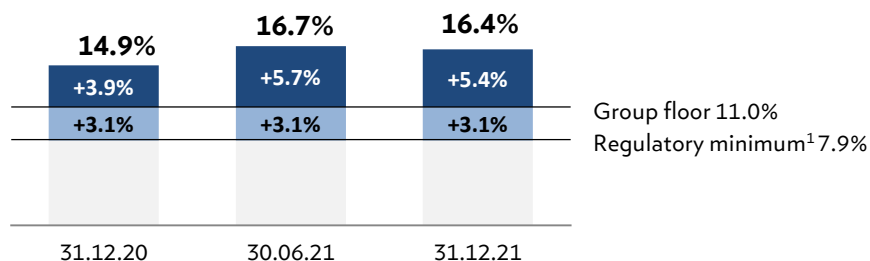
Liabilities &  
Equity



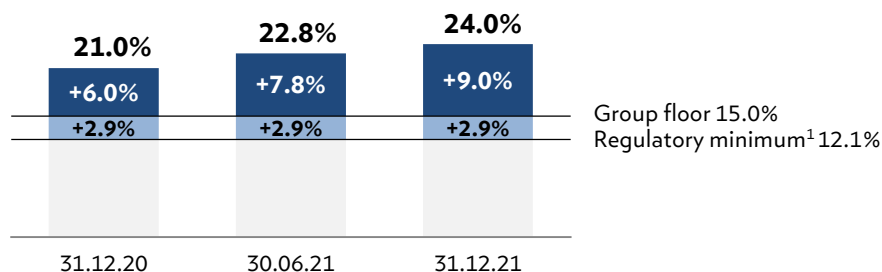
Figures as at 31 December 2021, summarised and regrouped from Financial Statements. (\*In brackets: figures as at 31 December 2020) | <sup>1</sup> Cash held mainly at Swiss National Bank as well as at Deutsche Bundesbank, Banque centrale du Luxembourg and Banque de France

# CAPITAL AND LEVERAGE RATIOS WELL ABOVE FLOORS

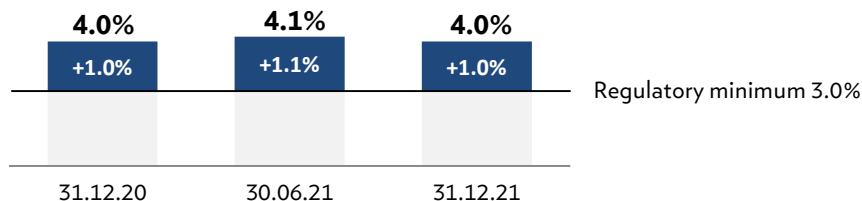
## BIS CET1 capital ratio



## BIS total capital ratio



## Tier 1 leverage ratio



- **CET1 ratio 16.4%**, up ~150bp year-on-year, driven by:

- **CHF 0.2bn (+5%) CET1 capital build** following strong profit growth, and despite:

- CHF 575m dividend accrual
- CHF 450m share buy-back (completed in 2021)

- **CHF 0.8bn (-4%) RWA decrease**, mainly on:

- CHF 0.8bn decrease in credit RWA, primarily due to lower treasury investments and mortgage volumes

## RWA positions, capital, leverage exposure

| BIS approach / CHF m                         | 31.12.2020<br>Basel III | 30.06.2021<br>Basel III | 31.12.2021<br>Basel III |
|----------------------------------------------|-------------------------|-------------------------|-------------------------|
| <b>Risk-weighted positions</b>               |                         |                         |                         |
| Credit risk                                  | 13,755                  | 13,929                  | 12,936                  |
| Non-counterparty-related risk                | 581                     | 549                     | 515                     |
| Market risk                                  | 1,117                   | 1,189                   | 851                     |
| Operational risk                             | 5,668                   | 5,792                   | 5,973                   |
| <b>Total risk-weighted positions</b>         | <b>21,121</b>           | <b>21,458</b>           | <b>20,274</b>           |
| <b>Capital</b>                               |                         |                         |                         |
| CET1 capital                                 | 3,157                   | 3,583                   | 3,316                   |
| Tier 1 capital                               | 4,296                   | 4,754                   | 4,748                   |
| - of which hybrid tier 1 capital instrument: | 1,139                   | 1,170                   | 1,432                   |
| Total capital                                | 4,430                   | 4,890                   | 4,859                   |
| <b>Leverage exposure</b>                     |                         |                         |                         |
| Leverage exposure                            | 107,194                 | 116,729                 | 118,274                 |

<sup>1</sup> At end 2021, the regulatory minimums were 7.9% (CET1 capital ratio) and 12.1% (total capital ratio) since the countercyclical buffers of Switzerland and other countries had been (temporarily) deactivated or reduced in 2020. However, on 26 January 2022, the Swiss National Bank announced that it had submitted a proposal to the Swiss Federal Council requesting that the countercyclical buffer be reactivated, with a proposed deadline of compliance of 30 September 2022. Pro forma for the proposed reactivation, the regulatory minimums for Julius Bär would increase slightly to 8.1% (CET1 capital ratio) and 12.3% (total capital ratio).

# CAPITAL AND DIVIDEND FRAMEWORK

Target dividend payout ratio increased to **~50%** (up from ~40%)

## Regulatory capital requirements<sup>1</sup>:

- BIS total capital ratio > 12.1%
- BIS Tier 1 capital ratio > 9.7%
- BIS CET1 capital ratio > 7.9%
- Tier 1 leverage ratio > 3.0%



## Julius Baer floors:

- **BIS total capital ratio > 15%**
- **BIS CET1 capital ratio > 11%**

## Dividend payout ratio

- Targeting a dividend payout ratio of **~50% of adjusted net profit** attributable to shareholders of Julius Baer Group Ltd.
- Unless justified by significant events, per-share ordinary dividend to be at least equal to previous year's ordinary dividend

## Share buy-backs or special dividends

- The Board of Directors will normally at the start of the financial year analyse the potential for returning excess capital via share buy-backs or special dividends (or by increasing the ordinary dividend payout ratio) ...
- ... at all times considering minimum capital requirements, the business and market outlook, as well as near-term significant investment requirements and opportunities

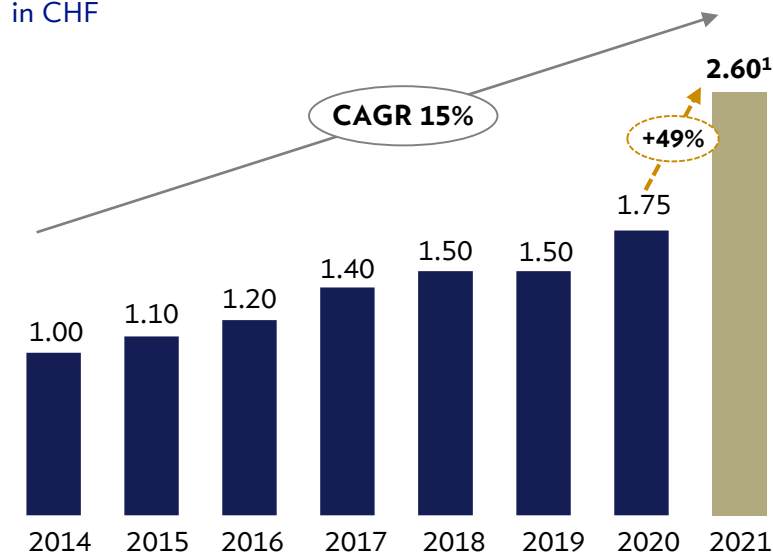
<sup>1</sup>At end 2021, the regulatory minimums were 7.9% (CET1 capital ratio), 9.7% (Tier 1 capital ratio) and 12.1% (total capital ratio) since the countercyclical buffers of Switzerland and other countries had been (temporarily) deactivated or reduced in 2020. However, on 26 January 2022, the Swiss National Bank announced that it had submitted a proposal to the Swiss Federal Council requesting that the countercyclical buffer be reactivated, with a proposed deadline of compliance of 30 September 2022. Pro forma for the proposed reactivation, the regulatory minimums for Julius Baer would increase slightly to 8.1% (CET1 capital ratio), 9.9% (Tier 1 capital ratio) and 12.3% (total capital ratio).

# DIVIDEND INCREASED, IN LINE WITH NEW POLICY

New share buy-back programme up to CHF 400m over 12 months

## DIVIDEND FOR FINANCIAL YEARS 2014-2021

in CHF



|     |     |     |     |     |     |     |     |
|-----|-----|-----|-----|-----|-----|-----|-----|
| 38% | 35% | 38% | 40% | 41% | 44% | 41% | 49% |
|-----|-----|-----|-----|-----|-----|-----|-----|

**Dividend payout ratio<sup>2,3</sup>**

|     |     |     |     |     |                  |                  |                    |
|-----|-----|-----|-----|-----|------------------|------------------|--------------------|
| 224 | 246 | 269 | 313 | 336 | 371 <sup>4</sup> | 464 <sup>5</sup> | 1,006 <sup>6</sup> |
|-----|-----|-----|-----|-----|------------------|------------------|--------------------|

**Total amount (dividend + buy-back), in CHF m**

### Increased dividend proposed

- Dividend **+49%** to **CHF 2.60** per share<sup>1</sup>
- Representing 49% dividend payout ratio<sup>2,3</sup>, in line with new dividend policy: **target payout increased to ~50%** (from ~40%)

### 2021 total return exceeds CHF 1 billion

- Total 2021 proposed dividend amount: CHF 556m<sup>1,3</sup>
- Executed 2021 share buy-back: CHF 450m

### New share buy-back of up to CHF 400 million

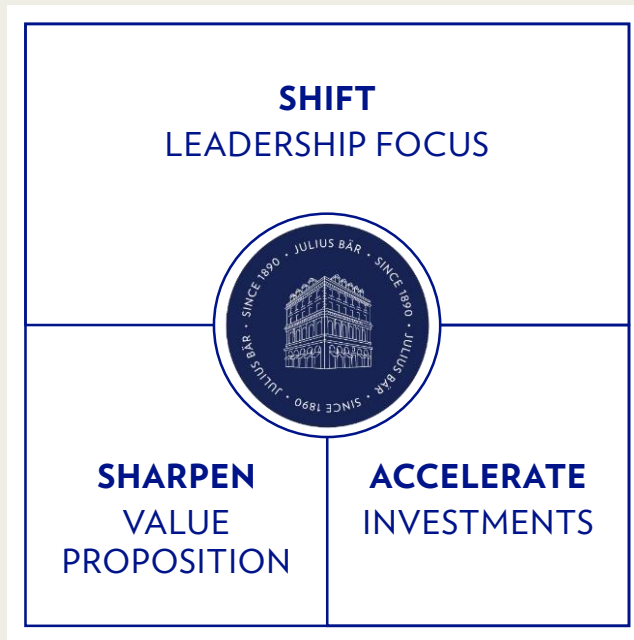
- Expected to be launched early March 2022
- Expected to run until end February 2023
- Execution subject to market conditions

<sup>1</sup> Subject to approval at the Annual General Meeting of shareholders on 12 April 2022 | <sup>2</sup> Total dividend distribution amount divided by adjusted net profit attributable to shareholders of Julius Baer Group Ltd. (2015: excluding CHF 521m US provision [CHF 422m net of tax]) | <sup>3</sup> For 2021, total proposed dividend amount determined based on total number of shares currently outstanding (221,224,448) net of 7,423,208 shares repurchased under the (completed) 2021 share buy-back programme (and for which the cancellation will be proposed at the AGM on 20 April 2022) | <sup>4</sup> Incl. CHF 36m share buy-back executed in 2019 | <sup>5</sup> Incl. CHF 77m share buy-back executed in 2020 | <sup>6</sup> Incl. CHF 450m share buy-back executed in 2021

# BUSINESS UPDATE

## PHILIPP RICKENBACHER, CEO

# FAST PROGRESS TOWARDS FULL IMPLEMENTATION OF STRATEGY



**WM business model positioned  
for sustainable profit growth**

**Higher impact for clients from  
broader range of capabilities**

**Dynamic modernisation of  
technology and organisation**

# WEALTH MANAGEMENT BUSINESS MODEL POSITIONED FOR SUSTAINABLE PROFIT GROWTH

## HIGH EARNINGS QUALITY



- › Increasing number of touchpoints and strategic development of client relationships
- › Strengthened recurring revenue base
- › Higher penetration of value-added services
- › Increasing pricing power

## REBASED COST STRUCTURE



- › Cost measures completed in 2021
- › Improved efficiency through enhanced ways of working and technology
- › Optimised geographic footprint and operations

## SMART ASSET GROWTH



- › Combination of share of wallet growth, referrals, new clients, RM hiring
- › Incentivisation through rollout of new compensation models globally
- › Decrease in risk-weighted assets

## STRONG RISK MANAGEMENT

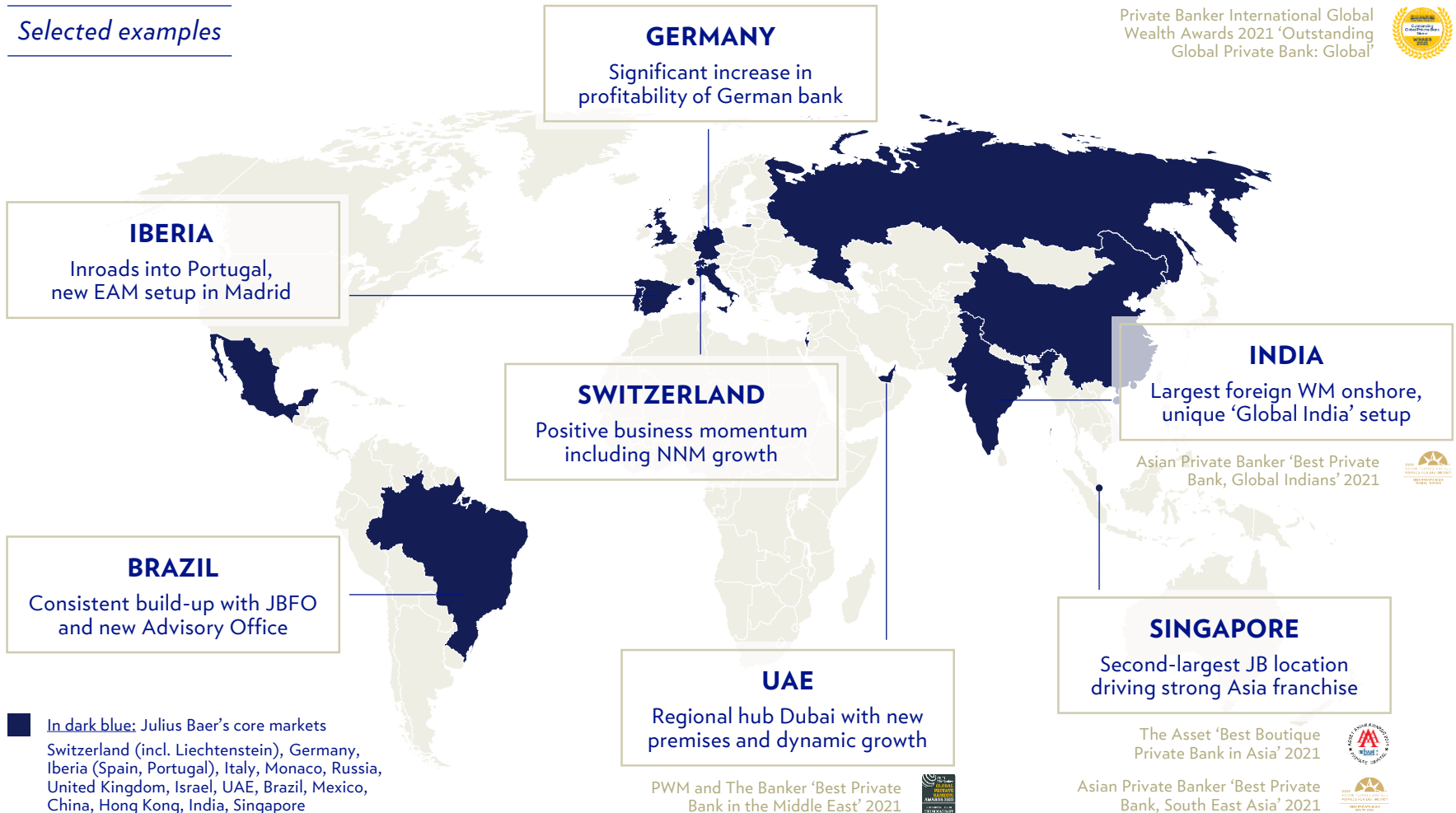


- › Upgraded risk framework, fundamentally overhauled standards and processes
- › Virtually no credit losses
- › Settlement of legacy legal cases and lifting of M&A ban in Q1 2021



# DEVELOPMENT OF OUR GLOBAL PRESENCE WITH STRATEGIC FOCUS ON 15 CORE MARKETS

## Selected examples



# VALUE PROPOSITION SUPPORTED BY BROADER RANGE OF CAPABILITIES

## PRIVATE MARKETS



- Expanding platform with **fiduciary solutions** – total client commitments of USD 4.2bn (increase of USD >1bn in 2021)
- Exclusive access to opportunities in the **non-fiduciary space** – 13 new deals originated in 2021 with investing clients from 27 countries globally

## WEALTH FINANCING



- **Structured finance solutions** for clients with complex needs – credit volumes amounting to CHF ~6bn at the end of 2021
- Launch of new **M&A advisory services** including tailored corporate finance solutions for entrepreneurs

## REAL ESTATE



- **Holistic real estate offering** for clients with real estate in Switzerland
- **‘One-stop shop’** – from real estate transactions to financing and investment management
- **40 experienced real estate experts internalised** along the entire real estate value chain

TRUSTED AND UNBIASED PARTNER DELIVERING TRULY BESPOKE SOLUTIONS

# SUSTAINABILITY WITH IMPACT



## HARDWIRING SUSTAINABILITY INTO THE ENTIRE VALUE CHAIN

### RESPONSIBLE WEALTH MANAGEMENT

- 45% increase in client assets in **sustainability discretionary mandates** to close to CHF 4bn in 2021
- New **impact investing products** and launch of new **‘Sustainability Circle’** for clients
- Doubling of **philanthropy advisory mandates** in 2021

### RESPONSIBLE CITIZENSHIP

- Global **employee engagement score** and **net promoter score** above industry benchmark
- **All employees trained** in sustainability and **certification** of selected advisors
- Strengthened ESG in our **risk management framework**

## CLIMATE STRATEGY: COMMITTING TO A NET-ZERO TARGET

- Net-zero carbon emission target for **own operations** by 2030 – reduction of business travel, internal carbon price on air travel, shift to renewable energies
- Net-zero carbon emission target for **treasury, lending and mortgage book** by 2050, 20% reduction by 2030
- Developing an **engagement strategy on climate aspects**

Signatory of



Recognition

MSCI ESG – Rating A  
S&P Global CSA – 92nd percentile ranking  
CDP Rating for Carbon Disclosure – Rating B  
SXI Switzerland Sustainability 25 Index  
FTSE4GOOD Index

# CONTINUOUS TECHNOLOGICAL INNOVATION TO SEIZE DIGITAL OPPORTUNITIES

## DIGITAL ACCESS & CLIENT EXPERIENCE

Mobile banking and  
e-Banking upgrades in  
Switzerland and Asia



Digital onboarding,  
e-Signature,  
RM chat



New state-of-the-art  
Digital Intermediaries  
Platform in Asia



## SCALABLE TAILORING & ADVICE

Rollout of 'DiAS'  
digital advisory  
suite in Asia



Sophisticated digital  
portfolio tailoring via  
Mandate Solution Designer



## NEW BUSINESS OPPORTUNITIES & DIGITAL INNOVATION

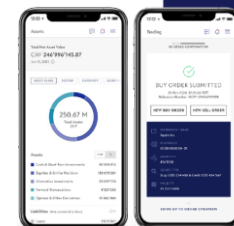
Extension of crypto  
offering and pioneering  
digital asset expertise



Development of  
a cybersecurity  
offering for clients



Launch of new  
innovation lab  
in Singapore



# EMPOWERING PEOPLE TO PERFORM AT THEIR BEST IN THE SERVICE OF OUR CLIENTS

GO BEYOND.

#BeBär



## RECRUITMENT & TALENT MANAGEMENT

- Employer value proposition focusing on **empowerment, personal development, human connections**
- Unique combination of **entrepreneurial spirit, diversity** and **genuine respect** at the workplace



## JULIUS BAER AGILE TRANSFORMATION

- Own '**Julius Baer approach**' to respond even faster to client needs and increase speed of innovation
- **Transformation** piloted with ~600 employees in selected areas in 2021; further scaling in 2022

**We celebrate and value the individual qualities our people bring, enabling them to be impactful, entrepreneurial and empowered, and to create value beyond wealth**

# LAST LEG OF OUR THREE-YEAR STRATEGIC PLAN: PRIORITIES IN 2022

## SHIFT LEADERSHIP FOCUS

Further drive **revenue development**

Finalise rollout of **new compensation models**

## SHARPEN VALUE PROPOSITION

Operationalise **UHNWI strategy** and refine **HNWI service model**

Press ahead with our **sustainability agenda**

## ACCELERATE INVESTMENTS

Extend the scope of our **digital tools** and upgrade **platform technologies**

Strengthen our brand positioning through **select brand partnerships**

# MEDIUM-TERM TARGETS & ADJUSTED<sup>1</sup> FINANCIALS

|                     | MEDIUM-TERM<br>TARGETS                                        | ACTUALS<br>2021                                   |
|---------------------|---------------------------------------------------------------|---------------------------------------------------|
| Cost/income ratio   | <b>&lt;67%<br/>by 2022</b>                                    | <b>63.8%</b>                                      |
| Pre-tax margin      | <b>25-28 bp<br/>by 2022</b>                                   | <b>28.2 bp</b>                                    |
| Profit before taxes | <b>&gt;10% growth p.a.<br/>over 2020-22 cycle<sup>2</sup></b> | <b>CHF 1,329m<br/>(+19% vs. 2020)<sup>3</sup></b> |
| RoCET1              | <b>&gt;30%<br/>by 2022</b>                                    | <b>34%</b>                                        |

<sup>1</sup> Financial results are presented (and targets are set) on adjusted basis – see “Scope of Presentation of Financials” | <sup>2</sup> Relative to 2019 adjusted PBT of CHF 917m | <sup>3</sup> Change 2020/2019: +22%

# IMPORTANT DATES

21 March 2022

**ANNUAL REPORT & SUSTAINABILITY REPORT 2021**  
Publication

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12 April 2022

**ANNUAL GENERAL MEETING**  
Including approval of dividend proposal

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19 May 2022

**STRATEGY UPDATE**  
With publication of Interim Management Statement

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25 July 2022

**HALF-YEAR RESULTS 2022**  
Publication and presentation

# APPENDIX

# SCOPE OF PRESENTATION OF FINANCIALS

As in previous years, financial results and analysis are presented on adjusted basis

- Adjusted: *Excluding* expenses related to acquisitions or divestments (M&A-related expenses) and the taxes on those respective items
- In 2019, the M&A-related expenses included (next to other M&A-related items) two larger adjustments:
  - As announced on 4 December 2019: CHF 153 million provision (CHF 119 million net of taxes) related to the claim by the Bundesanstalt für vereinigungsbedingte Sonderaufgaben (BvS) against Bank Julius Baer & Co. Ltd. as successor to Bank Cantrade Ltd. (which Julius Baer acquired in 2005 through the acquisition of Bank Ehinger & Armand von Ernst Ltd. from UBS AG) in relation to alleged unauthorised withdrawals between 1990 and 1992 from a Cantrade account (“BvS provision”)
  - As announced on 19 November 2019: CHF 99 million non-cash goodwill impairment charge related to the Group’s investment in Kairos, which was acquired in steps between May 2013 and January 2018 (“Kairos 2019 impairment”)
- In 2020, the M&A-related expenses included (next to other M&A-related items) one larger adjustment:
  - As announced on 19 October 2020: The goodwill on the Group’s investment in Kairos was impaired further and the amortisation of the value of acquired customer relationships accelerated, resulting in a CHF 190 million non-cash charge (“Kairos 2020 impairment”)
- Please refer to the Julius Baer Group Ltd. Consolidated Financial Statements 2021<sup>1</sup> for the IFRS results
- A reconciliation from the IFRS results to the adjusted results is outlined in the Appendix
- A more detailed explanation of the adjustments, a definition of (non-IFRS) Alternative Performance Measures, as well as a more comprehensive reconciliation from the adjusted results to the most directly reconcilable IFRS line items, are provided in the Alternative Performance Measures document available from [www.juliusbaer.com/APM](http://www.juliusbaer.com/APM)

<sup>1</sup> Available from [www.juliusbaer.com](http://www.juliusbaer.com)

# RECONCILIATION CONSOLIDATED FINANCIAL STATEMENT<sup>1</sup>

## IFRS to adjusted net profit

| CHF m                                                                                                    | 2021           | H2 2021      | H1 2021      | 2020         | H2 2020      | H1 2020      |
|----------------------------------------------------------------------------------------------------------|----------------|--------------|--------------|--------------|--------------|--------------|
| <b>IFRS net profit attributable to shareholders of Julius Baer Group Ltd.</b>                            | <b>1'082.0</b> | <b>476.1</b> | <b>605.8</b> | <b>698.0</b> | <b>207.1</b> | <b>490.9</b> |
| Non-controlling interests                                                                                | 0.7            | 0.6          | 0.2          | 0.6          | 0.6          | 0.0          |
| <b>IFRS net profit</b>                                                                                   | <b>1'082.7</b> | <b>476.7</b> | <b>606.0</b> | <b>698.6</b> | <b>207.7</b> | <b>491.0</b> |
| Total adjustments to personnel expenses                                                                  | 3.2            | 2.8          | 0.4          | 6.1          | 1.8          | 4.3          |
| Total adjustments to general expenses                                                                    | 9.0            | 3.1          | 6.0          | 13.2         | 7.6          | 5.6          |
| Total adjustments to depreciation                                                                        | -              | -            | -            | 0.1          | 0.1          | -            |
| Total amortisation and impairment of customer relationships adjustments related to previous acquisitions | 57.9           | 29.1         | 28.9         | 70.1         | 40.8         | 29.3         |
| o/w IWM                                                                                                  | 35.2           | 17.6         | 17.6         | 35.9         | 18.2         | 17.7         |
| o/w GPS                                                                                                  | 2.6            | 1.3          | 1.3          | 2.8          | 1.3          | 1.5          |
| o/w Kairos <sup>2</sup>                                                                                  | 8.9            | 4.5          | 4.5          | 20.3         | 15.9         | 4.5          |
| o/w Commerzbank Luxembourg                                                                               | 1.7            | 0.8          | 0.8          | 1.7          | 0.8          | 0.8          |
| o/w Leumi                                                                                                | 1.0            | 0.5          | 0.5          | 1.0          | 0.5          | 0.5          |
| o/w Fransad                                                                                              | 0.9            | 0.5          | 0.5          | 0.9          | 0.5          | 0.5          |
| o/w Wergen                                                                                               | 0.8            | 0.4          | 0.4          | 0.8          | 0.4          | 0.4          |
| o/w WMPartners                                                                                           | 1.4            | 0.7          | 0.7          | 1.4          | 0.7          | 0.7          |
| o/w Reliance                                                                                             | 2.2            | 1.1          | 1.1          | 2.3          | 1.1          | 1.2          |
| o/w NSC Asesores                                                                                         | 3.0            | 1.5          | 1.5          | 3.0          | 1.5          | 1.5          |
| o/w KMP                                                                                                  | 0.2            | 0.2          | -            | -            | -            | -            |
| Total adjustments to amortisation and impairment of intangible assets <sup>3</sup>                       | -              | -            | -            | 179.0        | 179.0        | -            |
| <b>Total adjustments to operating expenses and profit before taxes<sup>2,3</sup></b>                     | <b>70.2</b>    | <b>34.9</b>  | <b>35.3</b>  | <b>268.5</b> | <b>229.3</b> | <b>39.2</b>  |
| Impact of total adjustments on income taxes                                                              | -9.0           | -4.1         | -4.9         | -10.6        | -4.8         | -5.8         |
| Adjustments to net profit                                                                                | 61.2           | 30.9         | 30.3         | 257.9        | 224.5        | 33.5         |
| <b>Adjusted net profit for the Group</b>                                                                 | <b>1'143.9</b> | <b>507.5</b> | <b>636.3</b> | <b>956.6</b> | <b>432.1</b> | <b>524.4</b> |
| Adjusted non-controlling interests                                                                       | 1.6            | 1.0          | 0.6          | 1.5          | 1.0          | 0.5          |
| <b>Adjusted net profit attributable to shareholders of Julius Baer Group Ltd.</b>                        | <b>1'142.3</b> | <b>506.5</b> | <b>635.8</b> | <b>955.1</b> | <b>431.1</b> | <b>524.0</b> |

Further details on acquisition-related amortisation:

- IWM: CHF 35m p.a. in 2021, declining to approx. CHF 10m in 2022, and approx. CHF 1m in 2023 and 2024 (ending September 2024)<sup>4</sup>
- GPS: BRL 15.4m p.a. until March 2023
- Leumi: CHF 1.0m p.a. until February 2025
- Fransad: CHF 0.9m p.a. until October 2024

- Kairos: CHF 8.9m p.a. until March 2026
- Commerzbank Luxembourg: CHF 1.7m p.a. until June 2025
- Wergen & Partner: CHF 0.8m in 2021
- WMPartners: CHF 1.4m p.a. until December 2022
- Reliance: BRL 12.9m p.a. until May 2027
- NSC Asesores: CHF 3.0m p.a. until February 2028
- KMP: CHF 0.8 p.a. until December 2025

<sup>1</sup>Please see detailed financial statements in the Consolidated Financial Statements 2021, the Half-Year Report 2021 and the Alternative Performance Measures document, available from [www.juliusbaer.com](http://www.juliusbaer.com) | <sup>2</sup> H2 2020 includes CHF 11.4m for Kairos impairment on customer relationships | <sup>3</sup> H2 2020 includes CHF 179.0m for Kairos goodwill impairment | <sup>4</sup> The acquisition of Bank of America Merrill Lynch's international wealth management business outside the US (IWM) took place in steps and is to a small extent subject to CHF translation

# ADJUSTED<sup>1</sup> FULL YEAR PERFORMANCE

| CHF m                                                                     | 2021         | 2020         | 2019         | Change<br>2021/2020 | 2021<br>in % |
|---------------------------------------------------------------------------|--------------|--------------|--------------|---------------------|--------------|
| Net interest income                                                       | 627          | 622          | 792          | +1%                 | 16%          |
| Net commission and fee income                                             | 2,296        | 2,015        | 1,923        | +14%                | 60%          |
| Net income from financial instruments measured at FVTPL                   | 884          | 943          | 618          | -6%                 | 23%          |
| Other income <sup>2</sup>                                                 | 51           | 3            | 50           | >+1k%               | 1%           |
| <i>o/w net impairment losses/(recoveries)</i>                             | -2           | -36          | -9           | -95%                | 0%           |
| <b>Operating income</b>                                                   | <b>3,858</b> | <b>3,583</b> | <b>3,383</b> | <b>+8%</b>          | <b>100%</b>  |
| Personnel expenses                                                        | 1,657        | 1,589        | 1,613        | +4%                 | 66%          |
| General expenses                                                          | 674          | 698          | 683          | -3%                 | 27%          |
| <i>o/w provisions and losses</i>                                          | 67           | 89           | 61           | -25%                | 3%           |
| Depreciation and amortisation                                             | 198          | 182          | 169          | +9%                 | 8%           |
| <b>Operating expenses</b>                                                 | <b>2,529</b> | <b>2,469</b> | <b>2,466</b> | <b>+2%</b>          | <b>100%</b>  |
| <b>Profit before taxes</b>                                                | <b>1,329</b> | <b>1,114</b> | <b>917</b>   | <b>+19%</b>         |              |
| Income taxes                                                              | 185          | 158          | 145          | +17%                |              |
| <b>Adjusted net profit for the Group<sup>3</sup></b>                      | <b>1,144</b> | <b>957</b>   | <b>772</b>   | <b>+20%</b>         |              |
| <b>AuM &amp; NNM</b>                                                      |              |              |              |                     |              |
| Net new money (CHF bn)                                                    | 19.6         | 15.1         | 10.6         | +30%                |              |
| Assets under management (CHF bn)                                          | 481.7        | 433.7        | 426.1        | +11%                |              |
| Average assets under management (CHF bn)                                  | 471.2        | 409.2        | 414.0        | +15%                |              |
| <b>Key Metrics &amp; Ratios</b>                                           |              |              |              |                     |              |
| Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF) | 5.34         | 4.44         | 3.55         | +20%                |              |
| RoTE, adjusted (%)                                                        | 29           | 27           | 24           | +1% pt              |              |
| RoCET1, adjusted (%)                                                      | 34           | 32           | 27           | +1% pt              |              |
| Gross margin (bp)                                                         | 81.9         | 87.6         | 81.7         | -5.7 bp             |              |
| Expense margin (bp)                                                       | 52.3         | 58.2         | 58.1         | -5.9 bp             |              |
| Pre-tax margin (bp)                                                       | 28.2         | 27.2         | 22.1         | +1.0 bp             |              |
| Cost/income ratio (%)                                                     | 63.8         | 66.4         | 71.1         | -2.6% pt            |              |
| Tax rate (%)                                                              | 13.9         | 14.2         | 15.8         | -0.2% pt            |              |
| <b>FTE</b>                                                                |              |              |              |                     |              |
| Staff (FTE)                                                               | 6,727        | 6,606        | 6,639        | +2%                 |              |
| RM's (FTE)                                                                | 1,274        | 1,376        | 1,467        | -7%                 |              |

<sup>1</sup> Financial Results are presented on adjusted basis. Further information provided in "Scope of Presentation of Financials" and the Alternative Performance Measures document, available from [www.juliusbaer.com](http://www.juliusbaer.com) | <sup>2</sup> Other income is the total of income statement items "other ordinary results" and "net credit losses/(recoveries) on financial assets" | <sup>3</sup> Including non-controlling interests (2021: CHF 1.6m; 2020: CHF 1.5m; 2019: CHF 0.9m)

# ADJUSTED<sup>1</sup> HALF YEARLY PERFORMANCE

| CHF m                                                                     | H2 2021      | H1 2021      | H2 2020      | H1 2020      | Change<br>H2 21/H1 21 | Change<br>H2 21/H2 20 | Change<br>H2 21/H1 20 | H2 2021<br>in % |
|---------------------------------------------------------------------------|--------------|--------------|--------------|--------------|-----------------------|-----------------------|-----------------------|-----------------|
| Net interest income                                                       | 319          | 308          | 288          | 333          | +3%                   | +11%                  | -4%                   | 17%             |
| Net commission and fee income                                             | 1,141        | 1,155        | 982          | 1,033        | -1%                   | +16%                  | +11%                  | 61%             |
| Net income from financial instruments measured at FVTPL                   | 382          | 503          | 428          | 515          | -24%                  | -11%                  | -26%                  | 20%             |
| Other income <sup>2</sup>                                                 | 23           | 27           | 33           | -31          | -15%                  | -31%                  | -176%                 | 1%              |
| <i>o/w net impairment losses/(recoveries)</i>                             | -1           | -1           | 13           | -49          | -16%                  | -106%                 | -98%                  | 0%              |
| <b>Operating income</b>                                                   | <b>1,865</b> | <b>1,993</b> | <b>1,732</b> | <b>1,851</b> | <b>-6%</b>            | <b>+8%</b>            | <b>+1%</b>            | <b>100%</b>     |
| Personnel expenses                                                        | 809          | 849          | 740          | 850          | -5%                   | +9%                   | -5%                   | 63%             |
| General expenses                                                          | 361          | 312          | 397          | 300          | +16%                  | -9%                   | +20%                  | 28%             |
| <i>o/w provisions and losses</i>                                          | 36           | 31           | 87           | 2            | +14%                  | -59%                  | >+1k%                 | 3%              |
| Depreciation and amortisation                                             | 108          | 90           | 97           | 84           | +20%                  | +11%                  | +28%                  | 8%              |
| <b>Operating expenses</b>                                                 | <b>1,278</b> | <b>1,251</b> | <b>1,234</b> | <b>1,234</b> | <b>+2%</b>            | <b>+4%</b>            | <b>+4%</b>            | <b>100%</b>     |
| <b>Profit before taxes</b>                                                | <b>587</b>   | <b>742</b>   | <b>498</b>   | <b>616</b>   | <b>-21%</b>           | <b>+18%</b>           | <b>-5%</b>            |                 |
| Income taxes                                                              | 79           | 106          | 66           | 92           | -25%                  | +20%                  | -14%                  |                 |
| <b>Adjusted net profit for the Group<sup>3</sup></b>                      | <b>508</b>   | <b>636</b>   | <b>432</b>   | <b>524</b>   | <b>-20%</b>           | <b>+17%</b>           | <b>-3%</b>            |                 |
| <b>AuM &amp; NNM</b>                                                      |              |              |              |              |                       |                       |                       |                 |
| Net new money (CHF bn)                                                    | 9.7          | 9.9          | 10.1         | 5.0          | -1%                   | -4%                   | +97%                  |                 |
| Assets under management (CHF bn)                                          | 481.7        | 485.9        | 433.7        | 401.8        | -1%                   | +11%                  | +20%                  |                 |
| Average assets under management (CHF bn)                                  | 482.6        | 459.8        | 414.6        | 403.7        | +5%                   | +16%                  | +20%                  |                 |
| <b>Key Metrics &amp; Ratios</b>                                           |              |              |              |              |                       |                       |                       |                 |
| Adjusted EPS attributable to shareholders of Julius Baer Group Ltd. (CHF) | 2.38         | 2.95         | 2.01         | 2.43         | -19%                  | +19%                  | -2%                   |                 |
| RoTE, adjusted (%)                                                        | 25           | 32           | 24           | 31           | -7% pt                | +1% pt                | -6% pt                |                 |
| RoCET1, adjusted (%)                                                      | 29           | 38           | 28           | 36           | -8% pt                | +1% pt                | -7% pt                |                 |
| Gross margin (bp)                                                         | 77.3         | 86.7         | 83.6         | 91.7         | -9.4 bp               | -6.3 bp               | -14.4 bp              |                 |
| Expense margin (bp)                                                       | 51.5         | 53.0         | 55.3         | 61.1         | -1.6 bp               | -3.8 bp               | -9.6 bp               |                 |
| Pre-tax margin (bp)                                                       | 24.3         | 32.3         | 24.0         | 30.5         | -8.0 bp               | +0.3 bp               | -6.2 bp               |                 |
| Cost/income ratio (%)                                                     | 66.6         | 61.2         | 66.2         | 66.6         | +5.4% pt              | +0.4% pt              | +0.0% pt              |                 |
| Tax rate (%)                                                              | 13.5         | 14.3         | 13.2         | 14.9         | -0.8% pt              | +0.3% pt              | -1.4% pt              |                 |
| <b>FTE</b>                                                                |              |              |              |              |                       |                       |                       |                 |
| Staff (FTE)                                                               | 6,727        | 6,667        | 6,606        | 6,729        | +1%                   | +2%                   | -0%                   |                 |
| RMs (FTE)                                                                 | 1,274        | 1,341        | 1,376        | 1,456        | -5%                   | -7%                   | -13%                  |                 |

<sup>1</sup> Financial Results are presented on adjusted basis. Further information provided in “Scope of Presentation of Financials” and the Alternative Performance Measures document, available from [www.juliusbaer.com](http://www.juliusbaer.com) | <sup>2</sup> Other income is the total of income statement items “other ordinary results” and “net credit losses/(recoveries) on financial assets” | <sup>3</sup> Including non-controlling interests (H1 2020: CHF 0.5m; H2 2020: CHF 1.0m; H1 2021: CHF 0.6m; H2 2021: CHF 1.0m)

# DETAILED RWA AND CAPITAL RATIO DEVELOPMENT

| BIS approach / CHF m                                               | 31.12.2020<br><i>Basel III</i> | 30.06.2021<br><i>Basel III</i> | 31.12.2021<br><i>Basel III</i> |
|--------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>Risk-weighted positions</b>                                     |                                |                                |                                |
| Credit risk                                                        | 13,755                         | 13,929                         | 12,936                         |
| Non-counterparty-related risk                                      | 581                            | 549                            | 515                            |
| Market risk                                                        | 1,117                          | 1,189                          | 851                            |
| Operational risk                                                   | 5,668                          | 5,792                          | 5,973                          |
| <b>Total risk-weighted positions</b>                               | <b>21,121</b>                  | <b>21,458</b>                  | <b>20,274</b>                  |
| CET1 capital <sup>1</sup>                                          | 3,157                          | 3,583                          | 3,316                          |
| Tier 1 capital <sup>1</sup>                                        | 4,296                          | 4,754                          | 4,748                          |
| - of which hybrid tier 1 capital instruments                       | 1,139                          | 1,170                          | 1,432                          |
| Total capital <sup>1</sup>                                         | 4,430                          | 4,890                          | 4,859                          |
| <b>CET1 capital ratio <sup>1</sup></b>                             | <b>14.9%</b>                   | <b>16.7%</b>                   | <b>16.4%</b>                   |
| <b>Tier 1 capital ratio <sup>1</sup></b>                           | <b>20.3%</b>                   | <b>22.2%</b>                   | <b>23.4%</b>                   |
| <b>Total capital ratio <sup>1</sup></b>                            | <b>21.0%</b>                   | <b>22.8%</b>                   | <b>24.0%</b>                   |
| Leverage ratio (LERA, Tier 1 capital divided by leverage exposure) | 4.0%                           | 4.1%                           | 4.0%                           |
| Liquidity coverage ratio (LCR)                                     | 178.5%                         | 196.0%                         | 184.8%                         |
| Net stable funding ratio (NSFR)                                    | 127.6%                         | 136.5%                         | 134.1%                         |
| Leverage exposure <sup>2</sup>                                     | 107,194                        | 116,729                        | 118,274                        |

<sup>1</sup> After dividend accrual | <sup>2</sup> For 31.12.2020, leverage exposure excludes central bank deposits adjusted for the dividend payments in 2020 for the financial year 2019 as required by FINMA at that time

# CAPITAL DEVELOPMENT

| CHF m                                                                                                   | 31.12.2020<br>Basel III | 31.12.2021<br>Basel III | Change<br>last 12<br>months | 30.06.2021<br>Basel III | 31.12.2021<br>Basel III | Change<br>last 6<br>months |
|---------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|----------------------------|
| <b>Equity at the beginning of the period</b>                                                            | <b>6,189</b>            | <b>6,434</b>            | <b>+4%</b>                  | <b>6,434</b>            | <b>6,726</b>            | <b>+5%</b>                 |
| Julius Baer Group Ltd. dividend                                                                         | -332                    | -386                    |                             | -386                    | -                       |                            |
| Net profit (IFRS)                                                                                       | 699                     | 1,083                   |                             | 606                     | 477                     |                            |
| Capital reduction                                                                                       | -                       | -113                    |                             | -                       | -113                    |                            |
| Change in treasury shares                                                                               | -41                     | -281                    |                             | -71                     | -210                    |                            |
| Treasury shares and own equity derivative activity                                                      | -11                     | 45                      |                             | -2                      | 47                      |                            |
| Remeasurement of defined benefit obligation                                                             | 21                      | 57                      |                             | 59                      | -2                      |                            |
| Other components of equity                                                                              | -88                     | -94                     |                             | 86                      | -180                    |                            |
| <i>Financial assets measured at fair value through other comprehensive income</i>                       | 79                      | -79                     |                             | 12                      | -91                     |                            |
| <i>Effective portion of changes in fair value of hedging instruments designated as cash flow hedges</i> | -                       | -9                      |                             | -2                      | -7                      |                            |
| <i>Own credit risk on financial liabilities designated at FV</i>                                        | -4                      | 3                       |                             | 1                       | 2                       |                            |
| <i>FX translation differences</i>                                                                       | -163                    | -9                      |                             | 75                      | -84                     |                            |
| Others                                                                                                  | -3                      | -1                      |                             | -1                      | -0                      |                            |
| <b>Equity at the end of the period</b>                                                                  | <b>6,434</b>            | <b>6,743</b>            | <b>+5%</b>                  | <b>6,726</b>            | <b>6,743</b>            | <b>+0%</b>                 |
| - Goodwill & intangible assets (as per capital adequacy rules)                                          | -2,622                  | -2,651                  |                             | -2,651                  | -2,651                  |                            |
| - Other deductions (incl. dividend accrual)                                                             | -655                    | -776                    |                             | -492                    | -776                    |                            |
| <b>CET1 capital</b>                                                                                     | <b>3,157</b>            | <b>3,316</b>            | <b>+5%</b>                  | <b>3,583</b>            | <b>3,316</b>            | <b>-7%</b>                 |
| + Tier 1 capital instruments                                                                            | 1,139                   | 1,432                   |                             | 1,170                   | 1,432                   |                            |
| <b>= BIS tier 1 capital</b>                                                                             | <b>4,296</b>            | <b>4,748</b>            | <b>+11%</b>                 | <b>4,754</b>            | <b>4,748</b>            | <b>-0%</b>                 |
| + Tier 2 capital                                                                                        | 133                     | 111                     |                             | 136                     | 111                     |                            |
| <b>= BIS total capital</b>                                                                              | <b>4,430</b>            | <b>4,859</b>            | <b>+10%</b>                 | <b>4,890</b>            | <b>4,859</b>            | <b>-1%</b>                 |

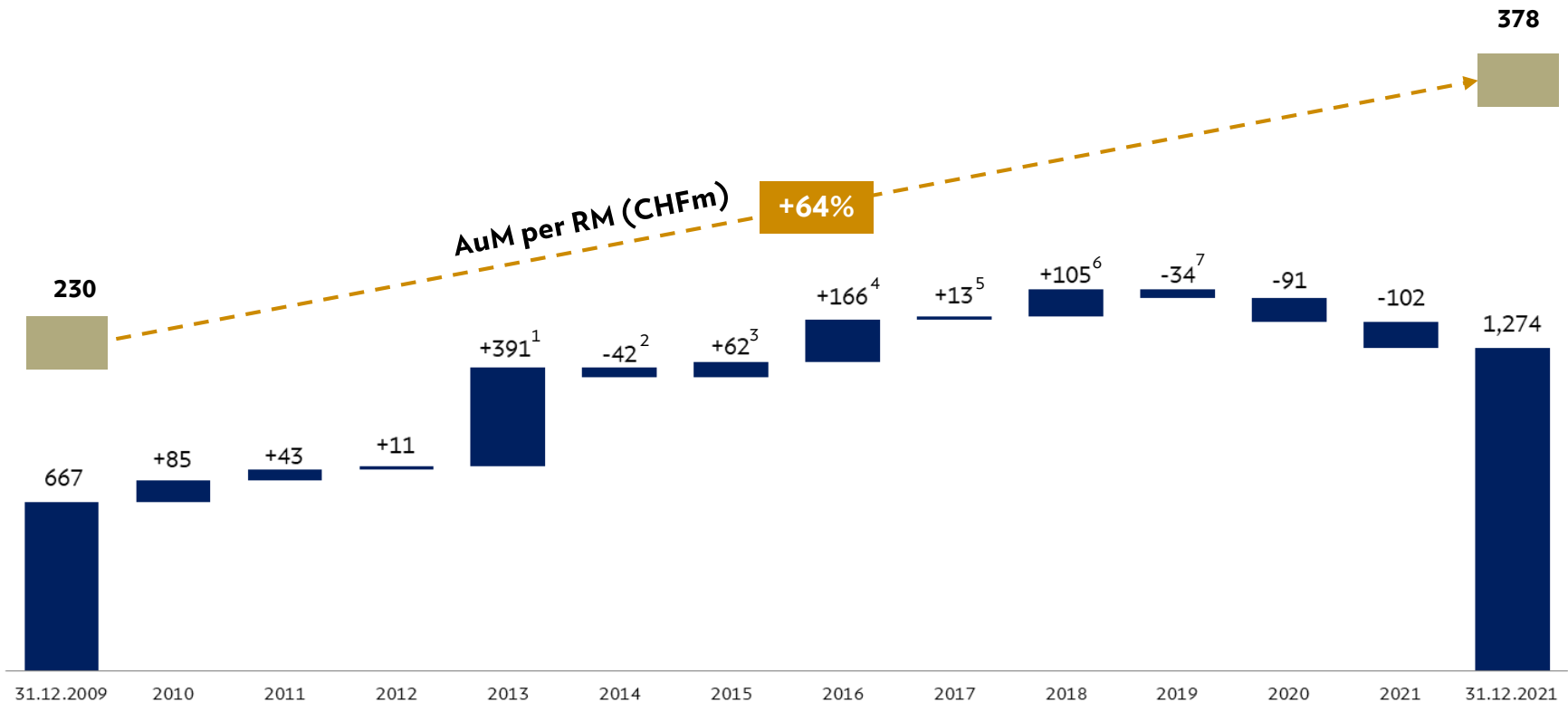
# BALANCE SHEET – FINANCIAL ASSETS (FVOCI)

| CHF m                                           | 31.12.2019    | 31.12.2020    | 31.12.2021    | in %        | Change vs. 31.12.2020 |
|-------------------------------------------------|---------------|---------------|---------------|-------------|-----------------------|
| <b>Debt instruments</b>                         | <b>12,934</b> | <b>13,523</b> | <b>13,018</b> | <b>97%</b>  | <b>-4%</b>            |
| Government and agency bonds                     | 5,017         | 4,301         | 4,481         | 34%         | +4%                   |
| Financial institution bonds                     | 4,695         | 5,357         | 5,308         | 40%         | -1%                   |
| Corporate bonds                                 | 3,222         | 3,865         | 3,229         | 24%         | -16%                  |
| <b>Equity instruments</b>                       | <b>232</b>    | <b>274</b>    | <b>343</b>    | <b>3%</b>   | <b>+25%</b>           |
| <b>Total financial assets measured at FVOCI</b> | <b>13,166</b> | <b>13,796</b> | <b>13,361</b> | <b>100%</b> | <b>-3%</b>            |
| Cash with central banks                         | 10,071        | 14,493        | 19,503        |             | +35%                  |

| Debt instruments by credit rating classes |             | Moody's     | 31.12.2019 | 31.12.2020 | 31.12.2021 | in % | Change vs. 31.12.2020 |
|-------------------------------------------|-------------|-------------|------------|------------|------------|------|-----------------------|
| 1-2                                       | AAA – AA-   | Aaa – Aa3   | 8,480      | 8,015      | 8,967      | 69%  | +12%                  |
| 3                                         | A+ – A-     | A1 – A3     | 3,901      | 5,032      | 3,700      | 28%  | -26%                  |
| 4                                         | BBB+ – BBB- | Baa1 – Baa3 | 536        | 476        | 306        | 2%   | -36%                  |
| 5                                         | BB+ – BB-   | Ba1 – Ba3   | 17         | -          | -          | 0%   | n/a                   |
| Unrated                                   |             |             | -          | -          | 46         | 0%   | n/a                   |
| Total                                     |             |             | 12,934     | 13,523     | 13,018     | 100% | -4%                   |

# LONG TERM RM DEVELOPMENT

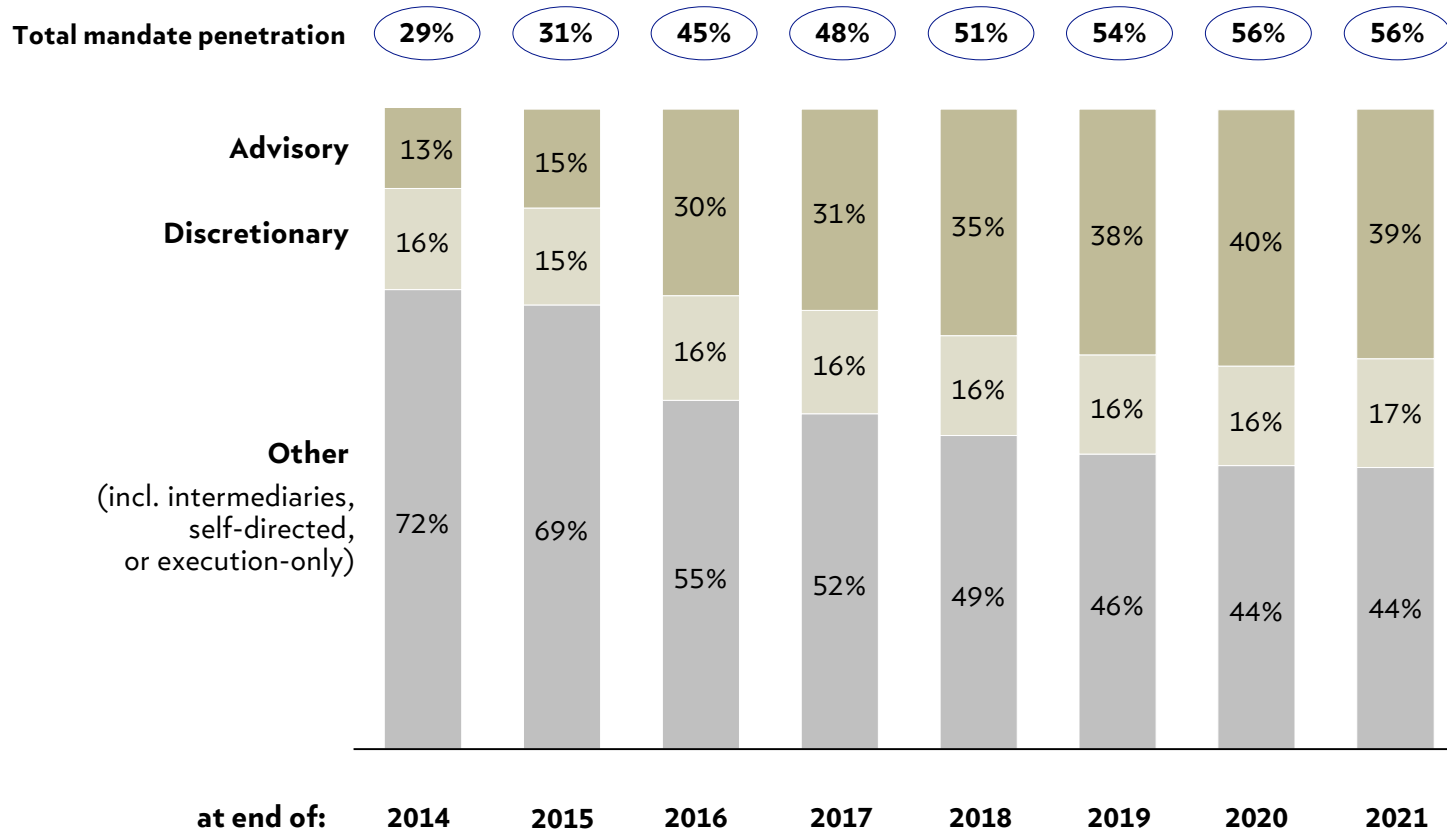
## Development of Number of RMs & AuM per RM



**2021: RM net decrease of -102 FTEs**

<sup>1</sup>+391, mostly from RMs transferring in from Bank of America's International Wealth Management business (IWM) outside the US | <sup>2</sup>-42, driven by IWM transaction-related synergy realisations | <sup>3</sup>+62, of which net +40 from hiring, remainder from acquisitions | <sup>4</sup>Incl. +50 RMs transferring following the consolidation of Kairos and Commerzbank International S.A. Luxembourg | <sup>5</sup>+13, of which +41 net from hiring, -28 following internal transfers | <sup>6</sup>Incl. +13 RMs from the acquisition of Reliance Group | <sup>7</sup>Incl. +20 RMs from the acquisition of NSC Asesores

# MANDATE PENETRATION



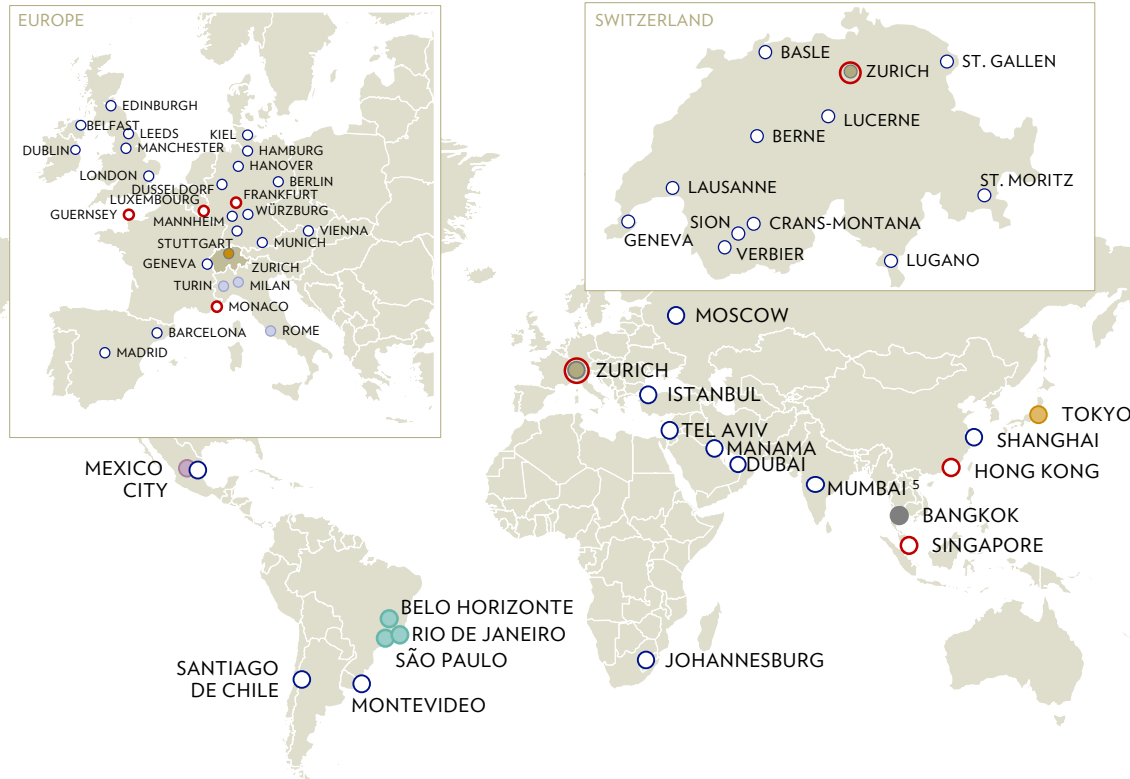
# BREAKDOWN OF AUM

| Asset mix                           | 31.12.2019  | 31.12.2020  | 31.12.2021  |
|-------------------------------------|-------------|-------------|-------------|
| Equities                            | 28%         | 30%         | 33%         |
| Bonds (including Convertible Bonds) | 19%         | 17%         | 13%         |
| Investment Funds <sup>1</sup>       | 26%         | 27%         | 30%         |
| Money Market Instruments            | 4%          | 2%          | 1%          |
| Client Deposits                     | 17%         | 18%         | 17%         |
| Structured Products                 | 5%          | 5%          | 4%          |
| Precious Metals                     | 1%          | 1%          | 2%          |
| <b>Total</b>                        | <b>100%</b> | <b>100%</b> | <b>100%</b> |

| Currency mix | 31.12.2019  | 31.12.2020  | 31.12.2021  |
|--------------|-------------|-------------|-------------|
| USD          | 47%         | 48%         | 49%         |
| EUR          | 20%         | 19%         | 19%         |
| CHF          | 10%         | 9%          | 10%         |
| GBP          | 4%          | 4%          | 4%          |
| INR          | 3%          | 4%          | 4%          |
| HKD          | 3%          | 4%          | 3%          |
| BRL          | 2%          | 2%          | 1%          |
| SGD          | 2%          | 1%          | 1%          |
| JPY          | 1%          | 1%          | 1%          |
| AUD          | 1%          | 1%          | 1%          |
| CAD          | 1%          | 1%          | 1%          |
| CNY          | 1%          | 1%          | 0%          |
| Other        | 5%          | 5%          | 6%          |
| <b>Total</b> | <b>100%</b> | <b>100%</b> | <b>100%</b> |

<sup>1</sup> Includes, amongst other asset classes, further exposure to equities and bonds

# JULIUS BAER: PURE-PLAY WEALTH MANAGEMENT GROUP

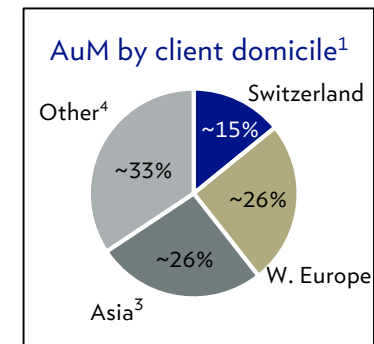


## Legend

- Head office
- Location
- Booking centre
- Julius Baer Family Office Brasil
- Kairos
- SCB-Julius Baer Securities (40%)
- NSC (70%)
- Julius Baer Nomura Wealth Management (60%)

<sup>1</sup> At 31 December 2021 | <sup>2</sup> At market close on 1 February 2022 | <sup>3</sup> Excluding Middle East | <sup>4</sup> Latin America, Middle East, CEE | <sup>5</sup> Additional advisory locations in Bangalore, Chennai, Hyderabad, Kolkata and New Delhi

- World's largest wealth management Group, with premium brand
- Client-centric approach
- Balanced exposure to traditional and growth markets
- Present in more than 60 locations in over 25 countries
- More than 6,700 staff, incl. close to 1,300 RMs<sup>1</sup>
- AuM CHF 482bn<sup>1</sup>
- Strongly capitalised:
  - BIS total capital ratio 24.0%<sup>1</sup>
  - BIS CET1 capital ratio 16.4%<sup>1</sup>
- Moody's long-term deposit rating Bank Julius Baer & Co. Ltd: Aa3/stable outlook
- Market capitalisation: CHF 13 bn<sup>2</sup>



# Julius Bär

