

IMPORTANT NOTICE

The Julius Baer Group Ltd. (the "**Issuer**") is proposing to undertake an offering (the "**Offer**") of the 2021 USD Tier 1 Bonds on the terms set out in a preliminary prospectus dated 14 September 2021 (the "**Preliminary Prospectus**") which is being sent to you with this letter. This letter contains important information relating to restrictions with respect to the offer and sale of the 2021 USD Tier 1 Bonds (including pursuant to the EU Regulations (as defined below) to retail investors). The following disclaimer applies to the attached Preliminary Prospectus.

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Prospectus. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Prospectus. In accessing the attached Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: In order to be eligible to view the attached Prospectus or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the United States (the "**U.S.**") Securities Act of 1933, as amended (the "**Securities Act**")). The attached Prospectus is being sent at your request and by accepting the e-mail and accessing the attached Prospectus, you shall be deemed to have represented to us: (1) that you are not resident in the United States nor a U.S. person, as defined in Regulation S under the Securities Act nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and, to the extent you purchase the securities described in the attached Prospectus, you will be doing so pursuant to Regulation S under the Securities Act; and (2) that you consent to delivery of the attached Prospectus and any amendments or supplements thereto by electronic transmission. By accepting the e-mail and accessing the attached Prospectus, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), a relevant person as defined under Section 275(2) of the SFA or a person to whom an offer, as referred to in Section 275(1A) of the SFA, is being made and (B) agree to be bound by the limitations and restrictions described therein.

The attached Prospectus has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Julius Baer Group Ltd. (the "**Issuer**"), Citigroup Global Markets Limited, DBS Bank Ltd. and Bank Julius Baer & Co. Ltd. or any person who controls any of them nor any of their respective directors, officers, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the attached Prospectus distributed to you in electronic format and the hard copy version.

Restrictions: The attached Prospectus is being furnished in connection with an offering of securities exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE U.S. OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE OFFERING OF THE 2021 USD TIER 1 BONDS IN SWITZERLAND IS EXEMPT FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS APPROVED BY A SWISS REVIEW BODY PURSUANT TO ARTICLE 36(1)(D) OF THE SWISS FINANCIAL SERVICES ACT (THE FINSA) BECAUSE THE MINIMUM DENOMINATION OF THE 2021 USD TIER 1 BONDS OF USD 200,000 IS IN EXCESS OF CHF 100,000 (OR EQUIVALENT). ACCORDINGLY, THIS PRELIMINARY PROSPECTUS DOES NOT CONSTITUTE A PROSPECTUS PURSUANT TO ARTICLES 40 ET SEQ. FINSA. IT HAS NOT BEEN AND WILL NOT BE REVIEWED OR APPROVED BY A SWISS REVIEW BODY PURSUANT TO THE FINSA, AND MAY NOT COMPLY WITH THE DISCLOSURE

REQUIREMENTS PURSUANT TO THE FINSA. IF ISSUED, THE 2021 USD TIER 1 BONDS WILL BE ISSUED ON THE BASIS OF A FINAL PROSPECTUS RELATING TO THE 2021 USD TIER 1 BONDS (THE FINAL PROSPECTUS), WHICH WILL NOT CONSTITUTE A PROSPECTUS PURSUANT TO THE FINSA, WILL NOT BE REVIEWED OR APPROVED BY A SWISS REVIEW BODY AND MAY NOT COMPLY WITH THE DISCLOSURE REQUIREMENTS THEREUNDER.

FOR THE ADMISSION TO TRADING OF THE 2021 USD TIER 1 BONDS ON SIX SWISS EXCHANGE, THE ISSUER WILL RELY ON THE EXEMPTION FROM THE OBLIGATION TO PUBLISH A PROSPECTUS APPROVED BY A SWISS REVIEW BODY UPON PROVISIONAL ADMISSION TO TRADING OF THE 2021 USD TIER 1 BONDS ON SIX SWISS EXCHANGE PURSUANT ARTICLE 51(2) OF THE FINSA AND ARTICLE 60 OF THE SWISS FINANCIAL SERVICES ORDINANCE (THE FINSO). ACCORDINGLY, IN ACCORDANCE WITH ARTICLE 40(5) OF THE FINSA, PROSPECTIVE INVESTORS ARE HEREBY NOTIFIED AND WILL BE NOTIFIED IN THE FINAL PROSPECTUS THAT THE FINAL PROSPECTUS, WHEN PUBLISHED UPON PROVISIONAL ADMISSION TO TRADING, WILL NOT HAVE BEEN REVIEWED AND APPROVED BY A COMPETENT SWISS REVIEW BODY PURSUANT THE FINSA. AFTER ADMISSION TO TRADING OF THE 2021 USD TIER 1 BONDS, THE FINAL PROSPECTUS WILL BE SUBMITTED TO A SWISS REVIEW BODY FOR REVIEW AND APPROVAL IN COMPLIANCE WITH THE SO-CALLED "EX-POST" REVIEW PROCEDURE PURSUANT TO ARTICLE 51(2) FINSA AND ARTICLE 60 FINSO IN RELATION TO THE ADMISSION TO TRADING OF THE 2021 USD TIER 1 BONDS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Issuer, Citigroup Global Markets Limited, DBS Bank Ltd. or Bank Julius Baer & Co. Ltd. to subscribe for or purchase any of the securities described therein, and access has been limited so that it shall not constitute in the U.S. or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached Prospectus or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of the Issuer in such jurisdiction. The attached Prospectus may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000, as amended does not apply to the Issuer.

Prohibition on Sales to EEA Retail Investors: The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (the "EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document (KID) required by the Regulation (EU) No 1286/2014 (the "EU PRIIPs Regulation") for offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Prohibition on Sales to UK Retail Investors: The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the United Kingdom (the "UK"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"). Consequently no key information document (KID) required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering

or selling the 2021 USD Tier 1 Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK MIFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the 2021 USD Tier 1 Bonds has led to the conclusion that: (i) the target market for the 2021 USD Tier 1 Bonds is only eligible counterparties, as defined in the UK Financial Conduct Authority (the "FCA") Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the 2021 USD Tier 1 Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the 2021 USD Tier 1 Bonds distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the 2021 USD Tier 1 Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients in the EEA and, pursuant to the FCA Handbook COBS, the 2021 USD Tier 1 Bonds are not intended to be offered sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients (as defined in COBS 3.4) in the UK. Prospective investors are referred to the section headed "*Prohibition on marketing and sales to retail investors*" on page 6 of the attached Prospectus for further information.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the 2021 USD Tier 1 Bonds are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

You are reminded that you have accessed the attached Prospectus on the basis that you are a person into whose possession the attached Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the attached Prospectus, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.**

Actions That You May Not Take: If you receive this document by e-mail, you should not reply by e-mail, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED PROSPECTUS, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH PROSPECTUS IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. If you receive the Prospectus by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

This Preliminary Prospectus and the information contained herein are not complete and are subject to completion and amendment. This Preliminary Prospectus does not, and is not intended to, constitute or contain an offer or invitation to sell, and it is not soliciting offers to buy, 2021 USD Tier 1 Bonds in any jurisdictions where such offer or sale is not permitted.

The offering of the 2021 USD Tier 1 Bonds in Switzerland is exempt from the requirement to publish a prospectus approved by a Swiss review body pursuant to article 36(1)(d) of the Swiss Financial Services Act (the **FinSA**) because the minimum denomination of the 2021 USD Tier 1 Bonds of USD 200,000 is in excess of CHF 100,000 (or equivalent). Accordingly, this Preliminary Prospectus does not constitute a prospectus pursuant to articles 40 et seq. FinSA. It has not been and will not be reviewed or approved by a Swiss review body pursuant to the FinSA, and may not comply with the disclosure requirements pursuant to the FinSA. If issued, the 2021 USD Tier 1 Bonds will be issued on the basis of a final prospectus relating to the 2021 USD Tier 1 Bonds (the **Final Prospectus**), which will not constitute a prospectus pursuant to the FinSA, will not be reviewed or approved by a Swiss review body and may not comply with the disclosure requirements thereunder.

For the admission to trading of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange, the Issuer will rely on the exemption from the obligation to publish a prospectus approved by a Swiss review body upon provisional admission to trading of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange pursuant article 51(2) of the FinSA and article 60 of the Swiss Financial Services Ordinance (the **FinSO**). Accordingly, in accordance with article 40(5) of the FinSA, prospective investors are hereby notified and will be notified in the Final Prospectus that the Final Prospectus, when published upon provisional admission to trading, will not have been reviewed and approved by a competent Swiss review body pursuant to the FinSA. After admission to trading of the 2021 USD Tier 1 Bonds, the Final Prospectus will be submitted to a Swiss review body for review and approval in compliance with the so-called "ex-post" review procedure pursuant to article 51(2) FinSA and article 60 FinSO in relation to the admission to trading of the 2021 USD Tier 1 Bonds.

This document is not a prospectus for the purposes of Regulation (EU) 2017/1129 (as the case may be amended from time to time).

Julius Bär

JULIUS BAER GROUP LTD.

(incorporated with limited liability in Switzerland)

USD [] Perpetual Tier 1 Subordinated Bonds

The USD [] Perpetual Tier 1 Subordinated Bonds (the "**2021 USD Tier 1 Bonds**") will be issued by Julius Baer Group Ltd. (the "**Issuer**").

The 2021 USD Tier 1 Bonds will bear interest on their Prevailing Notional Amount (as defined herein): (i) in respect of the period from (and including) [] 2021 (the "**Issue Date**") to (but excluding) [] [2028] (the "**First Reset Date**") at a fixed rate equal to [] per cent. per annum; and (ii) in respect of each successive five-year period, the first such period commencing on (and including) the First Reset Date and ending on (but excluding) the fifth anniversary of that date (each such period, a "**Relevant Five-Year Period**") at the rate of interest being determined on each Interest Determination Date (as defined herein) on the basis of the aggregate of the prevailing CMT Rate (as defined herein) plus the Margin (as defined herein). Interest shall be payable semi-annually in arrear on [] [] and [] [] in each year (each an "**Interest Payment Date**"), commencing on [] []. See the terms in the "**Terms and Conditions of the 2021 USD Tier 1 Bonds**" beginning on page 44 (the "**Terms of the Bonds**").

The Issuer may, at its sole discretion, elect to cancel all or part of any payment of interest which is otherwise scheduled to be paid on an Interest Payment Date or on a date fixed for the redemption of the 2021 USD Tier 1 Bonds in accordance with the terms of Condition 2(b) (*Discretionary Interest*). Payments of interest in respect of the 2021 USD Tier 1 Bonds will also not be made in certain other circumstances as provided in Condition 2(c) (*Mandatory Interest Cancellation*). If, on any Interest Payment Date, payment of interest scheduled to be made on such date is not made in full on the Prevailing Notional Amount by reason of Condition 2(b) (*Discretionary Interest*) or Condition 2(c) (*Mandatory Interest Cancellation*), the Board of Directors of the Issuer shall not directly or indirectly recommend to the shareholders of the Issuer, that any Distribution (other than in the form of Ordinary Shares or other capital stock of the Issuer) be paid or made on any Ordinary Shares or other capital stock of the Issuer; and shall not, subject to certain exceptions, directly or indirectly, redeem, purchase or otherwise acquire any Ordinary Shares or other capital stock of the Issuer, as further described in Condition 2(d) (*Restrictions following non-payment of Interest*).

The 2021 USD Tier 1 Bonds constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves. In the event of an order being made, or an effective resolution being passed, for the liquidation or dissolution of the Issuer, the rights and claims of a Holder against the Issuer shall rank, subject to any obligations which are mandatorily preferred by law: (i) junior to the claims of all holders of unsubordinated obligations of the Issuer and all other subordinated obligations of the Issuer except the claims of all holders of Parity Securities (as defined herein); (ii) *pari passu* among themselves and with the claims of all holders of Parity Securities; and (iii) senior to Equity Capital (as defined herein) and any other equivalent items of capital.

The 2021 USD Tier 1 Bonds are perpetual securities and have no fixed final redemption date. However, subject as provided herein and to the Issuer obtaining (in the case of (i) and (ii) below), *inter alia*, the prior approval of the Swiss Financial Market Supervisory Authority FINMA (the "**FINMA**"), if then required, the Issuer may redeem the 2021 USD Tier 1 Bonds, in whole but not in part, at their Prevailing Notional Amount (as defined herein) together with any interest accrued thereon: (i) at any time in the six months prior to (and including) the First Reset Date or on each Interest Payment Date thereafter; (ii) upon the occurrence of a Tax Event (as defined herein); or (iii) upon the occurrence of a Regulatory Event (as defined herein).

If a Contingent Write-down (as defined herein) has not previously occurred and if a Write-down Trigger Event occurs and is continuing on the relevant Subsequent Trigger Test Date (as defined herein), a Contingent Write-down (as defined herein) will occur on the relevant Write-down Date (as defined herein) and the claims of the Holders against the Issuer to receive repayment of the Original Notional Amount (as defined herein) on the Redemption Date (if any) will be reduced by the relevant Write-down Amount (as defined in Condition 8(c) (*Write-down Amount*)). If, following a Contingent Write-down, a further Write-down Trigger Event has occurred and is continuing on the relevant Subsequent Trigger Test Date the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount on the Redemption Date (if any) shall be further reduced by the relevant Write-down Amount. If a Write-down Amount is equal to the Prevailing Notional Amount, the claims of the Holders will be reduced to zero and the 2021 USD Tier 1 Bonds shall be cancelled. A Write-down Trigger Event shall occur where the CET1 Ratio (as defined herein) is less than 5.125 per cent. (the "**Write-down Threshold Ratio**"), as more fully described in Condition 8(d) (*Write-down Trigger Event*).

If a Viability Event (as defined in Condition 9 (*Write-off upon the occurrence of a Viability Event*)) has occurred, the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount shall be reduced to zero with effect as of the relevant Write-down Date. In such circumstances, the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the 2021 USD Tier 1 Bonds.

The 2021 USD Tier 1 Bonds will be issued in registered form and in the denominations of USD 200,000 and integral multiples of USD 1,000 in excess thereof. The 2021 USD Tier 1 Bonds will be represented by a global certificate (the "**Global Certificate**") which will be deposited with, and registered in the name of a nominee for a common depository of Euroclear Bank SA/NV and Clearstream Banking S.A. on the Issue Date. Individual certificates (the "**Bond Certificates**") evidencing holdings of 2021 USD Tier 1 Bonds will be available only in certain limited circumstances described under Condition 1(b) (*Form*).

The 2021 USD Tier 1 Bonds have been provisionally admitted to trading on the SIX Swiss Exchange Ltd (the "**SIX Swiss Exchange**") from [] 2021. The last trading day is expected to be the second dealing day prior to the date on which the 2021 USD Tier 1 Bonds are fully redeemed or the Write-down Date, as applicable, in accordance with the Terms and Conditions of the 2021 USD Tier 1 Bonds. Application will be made for the 2021 USD Tier 1 Bonds to be listed on the SIX Swiss Exchange.

The offering of the 2021 USD Tier 1 Bonds in Switzerland is exempt from the requirement to publish a prospectus approved by a Swiss review body pursuant to article 36(1)(d) of the Swiss Financial Services Act (the "FinSA") because the minimum denomination of the 2021 USD Tier 1 Bonds of USD 200,000 is in excess of CHF 100,000 (or equivalent). Accordingly, this Prospectus does not constitute a prospectus pursuant to articles 40 et seq. FinSA. It has not been and will not be reviewed or approved by a Swiss review body pursuant to the FinSA, and may not comply with the disclosure requirements pursuant to the FinSA.

In addition, the Issuer relies on the exemption from the obligation to publish a prospectus approved by a Swiss review body upon provisional admission to trading of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange pursuant article 51(2) of the FinSA and article 60 of the Swiss Financial Services Ordinance (the FinSO). Accordingly, in accordance with article 40(5) of the FinSA, prospective investors are hereby notified that this Prospectus has not been reviewed and approved by a competent Swiss review body pursuant the FinSA.

After the provisional admission to trading of the 2021 USD Tier 1 Bonds, the Prospectus will be submitted to SIX Exchange Regulation Ltd as Swiss review body for review and approval in compliance with the so-called "ex-post" review procedure pursuant to article 51(2) FinSA and article 60 FinSO in relation to the admission to trading of the 2021 USD Tier 1 Bonds.

An investment in the 2021 USD Tier 1 Bonds will involve certain risks including the risk that Holders will lose parts of or their entire investment in the 2021 USD Tier 1 Bonds. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any 2021 USD Tier 1 Bonds, see "Risk Factors" beginning on page 19 of this Prospectus.

The 2021 USD Tier 1 Bonds are expected to be rated [] by Moody's Investors Service, Inc. ("**Moody's**"). A credit rating is not a recommendation to buy, sell or hold the 2021 USD Tier 1 Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients in the European Economic Area (the "EEA") and, pursuant to the UK Financial Conduct Authority (the "FCA") Handbook Conduct of Business Sourcebook ("COBS"), the 2021 USD Tier 1 Bonds are not intended to be offered sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients (as defined in COBS 3.4) in the United Kingdom (the "UK"). Prospective investors are referred to the section headed "*Prohibition on marketing and sales to retail investors*" on page 6 of this Prospectus for further information.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the 2021 USD Tier 1 Bonds are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

The 2021 USD Tier 1 Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). The 2021 USD Tier 1 Bonds are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**") and, subject to certain exceptions, may not be offered or sold within the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S).

Joint Lead Managers

Citigroup

DBS Bank Ltd.

Senior Co-Lead Manager

Bank Julius Baer

Preliminary Prospectus dated 14 September 2021 (the "**Prospectus**")

[This Prospectus has been approved by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act (the "**Swiss Review Body**") on []. The Prospectus is not required to and has not been updated as per the date of approval of the Prospectus.]

The Issuer is relying on an exemption pursuant to article 51(2) of the FinSA, as further described on page 3 of this Prospectus under "*Important Notices*". This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as per the date of approval by any Swiss review body pursuant to article 52 of the FinSA.

IMPORTANT NOTICES

The Issuer, Julius Baer Group Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland, accepts responsibility for the information contained in this Prospectus. The Issuer confirms that, to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is correct and in accordance with the facts as at the date of this Prospectus and does not omit any material fact or circumstances likely to affect the import of such information.

This Prospectus has been prepared by the Issuer for use in connection with the issue and offering of the 2021 USD Tier 1 Bonds to non-U.S. persons outside the United States. The Issuer and the Managers (as defined herein) reserve the right to reject any offer to purchase the 2021 USD Tier 1 Bonds, in whole or in part, for any reason. This Prospectus does not constitute an offer to any person in the United States. Distribution of this Prospectus by any person outside the United States to any person within the United States is unauthorised, and without the prior written consent of the Issuer any disclosure of any of its contents to any person within the United States and to and for the account or benefit of U.S. persons is prohibited.

Because the minimum denomination of the 2021 USD Tier 1 Bonds of USD 200,000 is in excess of CHF 100,000 (or equivalent), the offering of the 2021 USD Tier 1 Bonds in Switzerland is exempt from the requirement to publish a prospectus pursuant to article 36(1)(d) of the Swiss Financial Services Act (the "FinSA"). Accordingly, this Prospectus does not constitute a prospectus pursuant to the FinSA, has not been reviewed or approved by a Swiss review body pursuant to article 52(2) FinSA, and may not comply with the disclosure requirements applicable to a prospectus approved by such a review body pursuant to article 52 FinSA.

In addition, the Issuer is relying on the exemption from the obligation to publish a prospectus approved by a Swiss review body upon admission to trading of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange pursuant to article 51(2) of the FinSA and article 60 of the Swiss Financial Services Ordinance (the "FinSO").

IN ACCORDANCE WITH ARTICLE 40(5) FINSA, PROSPECTIVE INVESTORS IN THE 2021 USD TIER 1 BONDS ARE HEREBY NOTIFIED THAT THIS PROSPECTUS HAS NOT BEEN REVIEWED OR APPROVED BY A COMPETENT SWISS REVIEW BODY PURSUANT TO ARTICLE 52 FINSA.

The Prospectus will be submitted to a Swiss review body pursuant to article 52(2) of the FinSA for review and approval in connection with the admission of the 2021 USD Tier 1 Bonds to trading and listing on SIX Swiss Exchange after completion of the offering and provisional admission to trading of the Bonds for a so called "ex-post" review and approval.

Neither this Prospectus nor any other document or information (or any part thereof) delivered or supplied under or in relation to the issue and offering of the 2021 USD Tier 1 Bonds may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer or the Managers to subscribe for or purchase the 2021 USD Tier 1 Bonds and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation.

None of the Managers or any of their respective affiliates has separately verified the information contained in this Prospectus. None of the Issuer, the Managers or any of their respective officers or employees is making any representation, warranty or undertaking, express or implied, as to the merits of the 2021 USD Tier 1 Bonds or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries or associated companies (if any). Further, the Managers make no representation or warranty as to the Issuer, its subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information contained in this Prospectus or any other information supplied in connection with the 2021 USD Tier 1 Bonds. Each investor receiving this Prospectus acknowledges that such investor has not relied on the Managers or on any person affiliated with the Managers in connection with its investigation of the accuracy of such information or its investment decision.

This Prospectus is not required to be updated as per the date of any approval by any Swiss Review Body pursuant to article 52 of the FinSA.

Neither this Prospectus nor any other document or information (or any part thereof) delivered or supplied under or in relation to the issue of the 2021 USD Tier 1 Bonds is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Managers that any recipient of this Prospectus or such other document or information (or such part thereof) should subscribe for or purchase any of the 2021 USD Tier 1 Bonds. Each investor in the 2021 USD Tier 1 Bonds shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer, its subsidiaries and associated companies, and obtain its own independent legal or

other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer, its subsidiaries and associated companies. Accordingly, notwithstanding anything herein, none of the Issuer, the Managers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Prospectus or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Prospectus or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the 2021 USD Tier 1 Bonds by a recipient of this Prospectus or such other document or information (or such part thereof).

No person has been authorised to give any information or to make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Managers. Neither the Managers nor any of their respective affiliates accepts any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Manager) in connection with the issue and offering of the 2021 USD Tier 1 Bonds. Save as expressly stated in this Prospectus, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries or associated companies.

Neither the delivery of this Prospectus (or any part thereof) nor the issue, offering, purchase or sale of the 2021 USD Tier 1 Bonds shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries or associated companies or in the information herein since the date hereof or the date on which this Prospectus has been most recently amended or supplemented.

The distribution of this Prospectus and the issue, offering or sale of the 2021 USD Tier 1 Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restriction. The 2021 USD Tier 1 Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The 2021 USD Tier 1 Bonds may not be offered or sold within the United States or to or for the account or benefit of U.S. persons. For a description of certain restrictions on offers and sales of the 2021 USD Tier 1 Bonds and on distribution of this Prospectus, see "*Subscription and Sale*".

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe for, or purchase, any 2021 USD Tier 1 Bonds.

To the fullest extent permitted by law, none of the Managers accepts any responsibility for the contents of this Prospectus or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer or the issue and offering of the 2021 USD Tier 1 Bonds. The Managers accordingly each disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

Any purchase or acquisition of the 2021 USD Tier 1 Bonds is in all respects conditional on the satisfaction of certain conditions set out in the bond purchase agreement between the Issuer and the Managers (the "**Bond Purchase Agreement**") and the issue of the 2021 USD Tier 1 Bonds by the Issuer pursuant to the Bond Purchase Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the 2021 USD Tier 1 Bonds or pursuant to this Prospectus shall (without any liability or responsibility on the part of the Issuer or the Managers) lapse and cease to have any effect if (for any other reason whatsoever) the 2021 USD Tier 1 Bonds are not issued by the Issuer pursuant to the Bond Purchase Agreement.

Any person(s) who is invited to purchase or subscribe for the 2021 USD Tier 1 Bonds or to whom this Prospectus is sent shall not make any offer or sale, directly or indirectly, of any 2021 USD Tier 1 Bonds or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the 2021 USD Tier 1 Bonds consult their own legal and other advisers before purchasing or acquiring the 2021 USD Tier 1 Bonds.

CERTAIN DEFINITIONS AND CONVENTIONS

Rounding adjustments have been made in calculating some of the financial and operating information included in this Prospectus. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Unless otherwise specified or required by the context: references to a "**Relevant State**" are references to a Member State of the EEA and the UK; references to "**CHF**" are to Swiss francs; references to "\$", "**USD**" or "**U.S. dollars**" are to United States dollars; and references to "**Euro**", "**EUR**", or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended.

STABILISATION

In connection with the issue of the 2021 USD Tier 1 Bonds, Citigroup Global Markets Limited (the "**Stabilisation Manager**") (or persons acting on behalf of any Stabilisation Manager) may over-allot 2021 USD Tier 1 Bonds or effect transactions with a view to supporting the market price of the 2021 USD Tier 1 Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the 2021 USD Tier 1 Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the 2021 USD Tier 1 Bonds and 60 days after the date of the allotment of the 2021 USD Tier 1 Bonds. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager (or persons acting on behalf of any Stabilisation Manager) in accordance with all applicable laws and rules.

PROHIBITION ON MARKETING AND SALES TO CERTAIN INVESTORS

Prohibition on Marketing and Sales to Certain Investors

1. The 2021 USD Tier 1 Bonds are complex financial instruments. They are not a suitable or appropriate investment for all investors (see "*Risk Factors – Risks relating to the 2021 USD Tier 1 Bonds*"). In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the 2021 USD Tier 1 Bonds to retail investors. Potential investors in the 2021 USD Tier 1 Bonds should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the 2021 USD Tier 1 Bonds (or any beneficial interests therein).
2. In the UK, the COBS requires, in summary, that the 2021 USD Tier 1 Bonds should not be offered or sold to retail clients (as defined in COBS 3.4 and each a "**retail client**") in the UK.
3. Certain of the Managers are required to comply with COBS.
4. By purchasing, or making or accepting an offer to purchase, any 2021 USD Tier 1 Bonds (or a beneficial interest in such 2021 USD Tier 1 Bonds) from the Issuer and/or the Managers, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Managers that:
 - (a) it is not a retail client in the UK; and
 - (b) it will not sell or offer the 2021 USD Tier 1 Bonds (or any beneficial interest therein) to retail clients in the UK or communicate (including the distribution of this Prospectus or approve an invitation or inducement to participate in, acquire or underwrite the 2021 USD Tier 1 Bonds (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the UK.
5. In selling or offering the 2021 USD Tier 1 Bonds or making or approving communications relating to the 2021 USD Tier 1 Bonds you may not rely on the limited exemptions set out in COBS.
6. The obligations in paragraphs 2 to 5 above are in addition to the need to comply at all times with all other applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the 2021 USD Tier 1 Bonds (or any beneficial interests therein), whether or not specifically mentioned in this Prospectus, including (without limitation) any requirements under Directive 2014/65/EU (as amended, "**MIFID II**") or the UK FCA Handbook as to determining the appropriateness and/or suitability of an investment in the 2021 USD Tier 1 Bonds (or any beneficial interests therein) for investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any 2021 USD Tier 1 Bonds (or any beneficial interests therein) from the Issuer and/or the Managers, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

Prohibition on Marketing and Sales to Retail Investors

Prohibition on Sales to EEA Retail Investors: The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document (KID) required by the Regulation (EU) No 1286/2014 (the "**EU PRIIPs Regulation**") for offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Prohibition on Sales to UK Retail Investors: The 2021 USD Tier 1 Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the UK. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the

European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"). Consequently no key information document (KID) required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the 2021 USD Tier 1 Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any 2021 USD Tier 1 Bonds (or any beneficial interests therein) from the Issuer and/or any Manager, the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

Singapore Securities and Futures Act Product Classification – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the 2021 USD Tier 1 Bonds are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

FORWARD-LOOKING STATEMENTS

This Prospectus contains various forward-looking statements, including statements of future financial and operational developments and results as well as other projections and statements that are forward-looking or contain subjective assessments, regarding the intent, belief or current expectations of the Issuer or its management, that are subject to risks and uncertainties that could cause the actual results and financial position of the Issuer to differ materially from the information presented herein. When used in this Prospectus, the words "assumes", "plans", "believes", "is of the opinion", "estimates", "projected", "intends", "anticipates", "expects", "should" and similar expressions are intended to identify such forward-looking statements and subjective assessments. Such statements are made on the basis of assumptions, estimates and expectations which, although reasonable at this time, may prove to be erroneous or unfounded in the future. The risks and uncertainties facing the Issuer that could affect the future accuracy of these forward-looking statements include, but are not limited to, the factors discussed under "Risk Factors" and elsewhere. If any of these risks or uncertainties materialises or if underlying assumptions prove to be incorrect, actual outcomes may vary materially from those indicated in the forward-looking statements. Investors in the 2021 USD Tier 1 Bonds are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this Prospectus. The Issuer undertakes no obligation to release publicly any revisions or updates to any forward-looking statements herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or reflect any change in the Issuer's expectations.

The Issuer, in reliance on article 69(3) FinSA, hereby cautions prospective investors in the 2021 USD Tier 1 Bonds that any such prospects, expectations, estimates, plans, strategic aims, vision statements, and projections contained or incorporated by reference in this Prospectus are not historical in nature but are forward-looking based on information and assumptions the Issuer considers to be reasonable. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Issuer's control and could cause actual results to differ materially from what the Issuer anticipates. Due to the uncertainty of future developments, to the fullest extent permitted by applicable law, neither the Issuer, nor the Managers assume any liability in respect to or in connection with such prospects or other forward-looking statements contained or incorporated by reference herein.

Except as required by the FinSA, the Issuer does not undertake an obligation to update any prospects or forward-looking statements after the date hereof, even if new information, future events or other circumstances have made them incorrect or misleading.

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SUMMARY OF THE OFFERING

The following is a general summary of the offering of the 2021 USD Tier 1 Bonds.

This summary should be read as an introduction to this Prospectus and constitutes a summary within the meaning of article 40 para. 3 and article 43 FinSA. Any decision to invest in the 2021 USD Tier 1 Bonds should be based on a consideration of this Prospectus as a whole, including any documents incorporated by reference into this Prospectus, and not only this summary. This summary is necessarily incomplete and prospective investors are urged to read the entire Prospectus carefully for more detailed information. This summary is therefore subject to, and to be read in conjunction with, the remaining information in this Prospectus and the agency agreement (the "Agency Agreement") relating to the 2021 USD Tier 1 Bonds. The Terms of the Bonds and the Agency Agreement will prevail to the extent of any inconsistency with the terms set out in this summary.

Potential investors in the 2021 USD Tier 1 Bonds should be aware that liability under article 69 of the FinSA for any false or misleading information contained in this summary is limited to any such information that is false or misleading when read together with, or that is inconsistent with, the other parts of this Prospectus.

Capitalised terms used herein and not otherwise defined have the respective meanings given to such terms in this document.

Issuer: Julius Baer Group Ltd., Bahnhofstrasse 36, CH-8001 Zurich, Switzerland (the "Issuer").

The Issuer was incorporated on 18 June 2009 as a company limited by shares (*Aktiengesellschaft*) established under the laws of Switzerland (article 620 et seqq. of the Swiss Code of Obligations) for an indefinite period of time and registered in the commercial register of the Canton of Zurich, Switzerland, on 25 June 2009 under the number CHE-114.934.412. Its current registered office is at Bahnhofstrasse 36, CH-8001 Zurich, Switzerland.

Legal Entity Identifier (LEI) 5299007MF0604ZGJER92

Issuer's Auditor KPMG AG, Badenerstrasse 172, 8036 Zurich, Switzerland.

KPMG AG is a member of EXPERTsuisse and subject to the supervision of the Federal Audit Oversight Authority. KPMG is registered in the register of the Federal Audit Oversight Authority under the number 501403.

Joint Lead Managers: Citigroup Global Markets Limited and DBS Bank Ltd. (together, the "Joint Lead Managers").

Senior Co-Lead Manager: Bank Julius Baer & Co. Ltd. (together with the Joint Lead Managers, the "Managers").

Description and nature of the debt instruments: USD [] Perpetual Tier 1 Subordinated Bonds.

Currency USD

Offering: The offering described herein consists of a public offering of the 2021 USD Tier 1 Bonds in Switzerland in compliance with applicable laws and regulations. See also "Subscription and Sale" beginning on page 90 of this Prospectus.

Issue Date: [] 2021.

Status of the 2021 USD Tier 1 Bonds: The 2021 USD Tier 1 Bonds constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves. The rights and claims of the Holders are subordinated in the manner described below.

In the event of an order being made, or an effective resolution being passed, for the liquidation or dissolution of the Issuer, the rights and claims of a Holder against the Issuer shall rank, subject to any obligations which are mandatorily preferred by law: (i) junior to the claims of all holders of unsubordinated obligations of the Issuer and all other subordinated obligations of the Issuer except the claims of all holders of Parity Securities; (ii) *pari passu* among themselves and with the claims of all holders of Parity Securities; and (iii) senior to Equity Capital and any other equivalent items of capital.

"**Equity Capital**" means the share capital (*Aktienkapital*) and participation capital (*Partizipationskapital*) (if any) of the Issuer.

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA (*Eidgenössische Finanzmarktaufsicht FINMA*).

"**Issuer's Group**" means the Issuer together with such of its Subsidiaries as are subject, together with the Issuer, to capital adequacy requirements on a consolidated level under the National Regulations.

"**National Regulations**" means, as in effect from time to time, the national banking and capital adequacy laws and regulations in Switzerland applicable to the Issuer's Group (including, without limitation, the circulars of FINMA based thereon).

"**Parity Securities**" (i) all obligations of the Issuer (as issuer or guarantor) in respect of Tier 1 Instruments; and (ii) any other obligations of the Issuer that rank, or are expressed to rank, *pari passu* with the 2021 USD Tier 1 Bonds.

"**Subsidiaries**" means the direct and indirect subsidiaries of the Issuer whose financial statements are consolidated with those of the Issuer in accordance with applicable law or accounting principles.

"**Tier 1 Capital**" has the meaning ascribed to it under the National Regulations.

"**Tier 1 Instruments**" means any and all securities or other obligations issued by the Issuer that qualify, or are issued in respect of securities that qualify, in whole or in part as Tier 1 Capital, but excluding Equity Capital.

Issue Price: [] per cent.

Form and Denomination: The 2021 USD Tier 1 Bonds will be issued in registered form in the specified denominations of USD 200,000 and integral multiples of USD 1,000 in excess thereof.

The Registrar will maintain a register in respect of the 2021 USD Tier 1 Bonds. The 2021 USD Tier 1 Bonds will, upon issue, be represented by a global certificate (the "**Global Certificate**") which will on the Issue Date (as defined above) be deposited with, and registered in the name of Citivic Nominees Ltd as nominee for a common depository of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**").

The Global Certificate will be exchangeable in whole but not in part (free of charge) for duly authenticated and completed certificates in definitive form (the "**Bond Certificates**") if Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of fourteen days (other than by reason of holidays, statutory or otherwise) or announce an intention permanently to cease business or do in fact do so.

Swiss Security No. / ISIN / Common Code: [] / XS2387925501 / 238792550

Interest: Subject to, *inter alia*, "*Discretionary Interest*" and "*Mandatory Interest Cancellation*" below, the 2021 USD Tier 1 Bonds will bear interest on the Prevailing Notional Amount from (and including) the Issue Date, and payable semi-annually in arrear on [] [] and [] [] in each year (each an "**Interest Payment Date**"), commencing on [] [] 2022.

"**Prevailing Notional Amount**" means the principal amount of each 2021 USD Tier 1 Bond outstanding at any given time, accounting for any Contingent Write-down (as defined below) or Subsequent Write-down (as defined below) that may have occurred.

Interest Rate: The rate of interest applicable to the 2021 USD Tier 1 Bonds shall be:

- (i) in respect of the period from (and including) the Issue Date to (but excluding) [] (the "**First Reset Date**"), [] per cent. per annum; and
- (ii) in respect of each successive five-year period (the "**Relevant Five-Year Period**"), the first such period commencing on (and including) the First Reset Date and ending on (but excluding) the fifth anniversary of that date, the aggregate of the prevailing CMT Rate and the Margin.

"**CMT Rate**" means:

- (i) the rate expressed as a percentage equal to the semi-annual yield for U.S. Treasury Securities at "constant maturity" for a period to maturity of five years, as published in the H.15 under the caption "Treasury constant maturities (nominal)", as such yield is displayed on the relevant Interest Determination Date on the Bloomberg Screen;
- (ii) if (x) the yield referred to in clause (i) is not published on the Bloomberg Screen on the relevant Interest Determination Date, or (y) there is a manifest error with respect to the publication on the Bloomberg Screen, then a rate expressed as a percentage equal to the semi-annual yield for U.S. Treasury Securities at "constant maturity" having a period to maturity of five years as published on such Interest Determination Date in the H.15 under the caption "Treasury constant maturities (nominal)"; or
- (iii) if neither the yield referred to in clause (i) nor the yield referred to in clause (ii) above are published on the relevant Interest Determination Date, then the CMT Rate will be the rate (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) calculated by the Calculation Agent as a semi-annual yield to maturity for a 5-year Benchmark U.S. Treasury Security based on the arithmetic mean (as rounded as aforesaid) of a selection of three out of five bid prices on the secondary market at approximately 11:00 a.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date provided to the Calculation Agent by five leading primary dealers of U.S. Treasury Securities in New York (each a "**Reference Dealer**") selected by the Issuer and notified to the Calculation Agent, eliminating the highest (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) of the five provided quotations.

If by 11:59 p.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date fewer than five but more than two of such quotations are provided, then the CMT Rate will be the rate (expressed as a percentage rate per annum and rounded to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) calculated by the Calculation Agent and will be a semi-annual yield to maturity for a 5-year Benchmark U.S. Treasury

Security based on the arithmetic mean (rounded as aforesaid) of all of the bid prices obtained on the secondary market as set forth above.

If by 11:59 p.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date fewer than three Reference Dealers selected by the Issuer provide bid prices, or there is no outstanding 5-year Benchmark U.S. Treasury Security, then (x) for each Relevant Five-Year Period except the Relevant Five-Year Period commencing on the First Reset Date, the CMT Rate for the relevant Interest Determination Date shall be the CMT Rate applicable to the last preceding Relevant Five-Year Period or, in the case of the Relevant Five-Year Period commencing on the First Reset Date, [] per cent. per annum.

"5-year Benchmark U.S. Treasury Security" means, on the relevant Interest Determination Date, the U.S. Treasury Security with the longest remaining term to maturity, an original term to maturity upon issue of approximately five years, a remaining term to maturity of not less than four years and a nominal amount of at least USD 1,000,000,000.

"Margin" means [] per cent. per annum.

First Reset Date [] [2028]

Discretionary Interest Cancellation: Subject to the 2021 USD Tier 1 Bonds being recognised as Additional Tier 1 Capital in whole or in part, the Issuer may, at its sole discretion, elect to cancel all or part of any payment of interest which is otherwise scheduled to be paid on an Interest Payment Date or the Redemption Date (if any) in the manner specified in Condition 2(b) (*Discretionary Interest*).

Mandatory Interest Cancellation: The Issuer shall be prohibited from making any payment of interest in respect of the 2021 USD Tier 1 Bonds otherwise scheduled to be paid on an Interest Payment Date or the Redemption Date (if any) if and to the extent that on such Interest Payment Date or Redemption Date:

- (i) the amount of such interest otherwise due, together with: (x) any interest payments or distributions paid or made, or scheduled to be paid or made, during the Relevant Period on Parity Securities; and (y) any Distributions paid or made, or scheduled to be paid or made, during the Relevant Period with respect to the financial year ended immediately prior to such Interest Payment Date or Redemption Date, in aggregate shall exceed the amount of Distributable Items as at such Interest Payment Date or Redemption Date; or
- (ii) the Issuer is prohibited, by National Regulations or an order of the Regulator, from declaring or making any distributions or other payments, in whole or in part, on, or relating to, the 2021 USD Tier 1 Bonds or any Parity Securities.

In the event where: (i) mandatory cancellation of interest only applies in part; and (ii) the Issuer elects to make such interest payment that is not prohibited to be made, the interest payable on the 2021 USD Tier 1 Bonds shall be made *pro rata* with the interest payments or distributions on Parity Securities scheduled to be paid or made during the Relevant Period.

"Additional Tier 1 Capital" has the meaning ascribed to it under the National Regulations.

"Distributable Items" means, with respect to any Interest Payment Date or Redemption Date, the aggregate of: (i) net annual profit; and (ii) freely available reserves, in each case, less any amounts that must be contributed to legal reserves under the laws and regulations applicable to the Issuer, all as appearing

in the Relevant Accounts for the financial year ended immediately before such Interest Payment Date or Redemption Date.

"Distributions" means any dividends or distributions to shareholders' in respect of the Ordinary Shares or capital stock, whether of cash, assets or other property (including a spin-off), and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including any distribution or payment to shareholders in respect of Ordinary Shares or capital stock upon or in connection with a reduction of capital.

"Ordinary Shares" means the registered shares of the Issuer from time to time which, as at the Issue Date, are listed on the SIX Swiss Exchange (Swiss Security Number: 10.248.496 / ISIN: CH0102484968).

"Regulator" means the national regulator having the leading authority to supervise and regulate the Issuer's Group at the relevant time, being at the Issue Date, FINMA.

"Relevant Accounts" means the audited unconsolidated financial statements of the Issuer for any financial year for which a set of such financial statements has been published.

"Relevant Period" means the Issuer's current financial year.

No Claim by Holders for Interest:

No Holder shall have any claim in respect of any interest or part thereof cancelled and/or not due or payable as described under "*Discretionary Interest*" or "*Mandatory Interest Cancellation*". Accordingly, such interest shall not accumulate for the benefit of the Holders and such non-payment of interest will not constitute an event of default by the Issuer for the purpose of the Terms of the Bonds or any other purpose, and the Holders shall have no right thereto whether in a liquidation, dissolution or insolvency of the Issuer or otherwise.

Restrictions following non-payment of Interest:

If, on any Interest Payment Date, payment of interest scheduled to be made on such date is not made in full on the Prevailing Notional Amount by reason of Condition 2(b) (*Discretionary Interest*) or 2(c) (*Mandatory Interest Cancellation*):

- (i) the Board of Directors of the Issuer shall not directly or indirectly recommend that any Distribution (other than in the form of Ordinary Shares or other capital stock) be paid or made on any Ordinary Shares or other capital stock of the Issuer; and
- (ii) the Issuer shall not directly or indirectly redeem, purchase or otherwise acquire any Ordinary Shares or other capital stock of the Issuer other than in relation to: (a) transactions in securities effected by or for the account of customers of the Issuer or any of its Subsidiaries or in connection with the distribution or trading of, or market making in respect of such securities; (b) the satisfaction by the Issuer or any of its Subsidiaries of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Issuer or any of its Subsidiaries; (c) a reclassification of the capital stock of the Issuer or of any of its Subsidiaries or the exchange or conversion of one class or series of such capital stock for another class or series of such capital stock; or (d) the purchase of fractional interests in shares of the capital stock of the Issuer or any of its majority-owned Subsidiaries pursuant to the provisions of any security being converted into or exchanged for such capital stock,

in each case until the earliest of: (i) the interest due and payable on any two consecutive subsequent Interest Payment Dates in respect of the then Prevailing Notional Amount of all outstanding 2021 USD Tier 1 Bonds having been paid

in full to the Holders; or (ii) all the 2021 USD Tier 1 Bonds having been redeemed or purchased and cancelled in full in accordance with Condition 3 (*Redemption, Purchase and Cancellation*); or (iii) the Prevailing Notional Amount of the 2021 USD Tier 1 Bonds having been reduced to zero in accordance with Condition 8 (*Contingent and Subsequent Write-down upon the occurrence of a Write-down Trigger Event*) or Condition 9 (*Write-off upon the occurrence of a Viability Event*).

Contingent Write-down and Subsequent Write-down:

If a Contingent Write-down has not previously occurred and a Write-down Trigger Event has occurred and is continuing on the relevant Subsequent Trigger Test Date, the claims of the Holders against the Issuer to receive repayment of the Original Notional Amount on the Redemption Date (if any) shall be reduced by the relevant Write-down Amount (such reduction, a "**Contingent Write-down**") and the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount.

If, following a Contingent Write-down, a further Write-down Trigger Event has occurred and is continuing on the relevant Subsequent Trigger Test Date the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount on the Redemption Date (if any) shall be further reduced by the relevant Write-down Amount and the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount (each such further reduction, a "**Subsequent Write-down**").

In either case, if the Write-down Amount is equal to the Original Notional Amount or the Prevailing Notional Amount (as applicable), the claims of the Holders are reduced to zero and the 2021 USD Tier 1 Bonds shall be cancelled.

"**CET1 Ratio**" means, as at the relevant Cut-off Date and expressed as a percentage, the CET1 Capital of the Issuer's Group divided by the Risk Weighted Positions, each (or their constituents) as disclosed in the Issuer's Relevant Reports.

"**Cut-off Date**" means the cut-off date for the calculation of the CET1 Ratio in the Relevant Report.

"**Original Notional Amount**" means the initial principal amount of a 2021 USD Tier 1 Bond as of the Issue Date, being USD [].

"**Relevant Report**" means: (i) any of the Issuer's annual reports or interim reports (*Zwischenberichte*, such interim reports currently consisting of the semi-annual reports (*Halbjahresberichte*)), excluding any press releases or other communications relating to or in connection with such reports or respective results; or (ii) any special report prepared by the Issuer for the purpose of calculating the CET1 Ratio, which report may be commissioned by the Regulator at any time.

"**Risk Weighted Positions**" means the aggregate reported amount, in CHF, of all risk weighted positions of the Issuer's Group on a consolidated basis as calculated pursuant to the National Regulations.

"**Subsequent Trigger Test Date**" means, in respect of a Write-down Trigger Event, the earlier of:

- (i) the date falling ten Business Days after the date of publication of the Relevant Report; and
- (ii) the date on which the Regulator instructs or requests the Issuer to proceed with the write-down.

"Write-down Amount" means the amount required to be deducted from the Prevailing Notional Amount, as determined by the Issuer in consultation with the Regulator after a Write-down Trigger Event has occurred, as will (together with any substantially concurrent conversion, write-off or write-down of holders' claims in respect of any other capital instruments of the Issuer that, pursuant to their terms or by operation of law, are capable of being converted into equity, written off or written down at that time (including capital instruments with a write-down, write-off or conversion threshold equal to or higher than the Write-down Threshold Ratio, provided that the conversion, write-off or write-down in respect of capital instruments with a write-down, write-off or conversion threshold higher than the Write-down Threshold Ratio shall for that purpose take priority over any write-down of the 2021 USD Tier 1 Bonds)), restore the CET1 Ratio back to a level equal to or, if required by the Regulator, higher than the Write-down Threshold Ratio, **provided that**, for the avoidance of doubt, the maximum Write-down Amount shall be equal to the Prevailing Notional Amount.

"Write-down Date" means the date on which the relevant Contingent Write-down or Subsequent Write-down shall become effective as specified in the relevant Write-down Trigger Event Notice, or the date on which the Prevailing Notional Amount shall be written down to zero as specified in the Viability Event Notice.

"Write-down Threshold Ratio" means 5.125 per cent.

"Write-down Trigger Event" shall occur on the Business Day following the publication of a Relevant Report (an **"Initial Trigger Test Date"**) if, the CET1 Ratio as per the relevant Cut-off Date of such Relevant Report is less than the Write-down Threshold Ratio and the Issuer delivers to the Principal Paying Agent within five (5) Business Days from the Initial Trigger Test Date a certificate signed by two Authorised Signatories certifying that the CET1 Ratio as per the Cut-off Date of such Relevant Report is less than the Write-down Threshold Ratio.

Viability Event:

If a Viability Event has occurred, the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount on the Redemption Date (if any) shall be reduced to zero and the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the 2021 USD Tier 1 Bonds (*bedingte Aufhebung einer Forderung durch Übereinkunft*) and the 2021 USD Tier 1 Bonds shall be cancelled.

"Public Sector" means the federal or central government or central bank in the Issuer's country of incorporation.

"Viability Event" means that either:

- (i) the Regulator has notified the Issuer that it has determined that the write-down of the 2021 USD Tier 1 Bonds, together with the conversion, write-down or write-off of holders' claims in respect of any other instruments that, pursuant to their terms or by operation of laws are capable of being converted into equity, written down or written off at that time, is, because customary measures to improve the Issuer's capital adequacy are at the time inadequate or unfeasible, an essential requirement to prevent the Issuer from becoming insolvent, bankrupt or unable to pay a material part of its debts as they fall due, or from ceasing to carry on its business; or
- (ii) customary measures to improve the Issuer's capital adequacy being at the time inadequate or unfeasible, the Issuer has received an irrevocable commitment of extraordinary support directly or indirectly from the Public Sector (beyond customary transactions and arrangements in the ordinary

course of business) that has, or imminently will have, the effect of improving the Issuer's capital adequacy and without which, in the determination of the Regulator, the Issuer would have become insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business.

Maturity Date: The 2021 USD Tier 1 Bonds are perpetual securities in respect of which there is no fixed redemption date and shall only be redeemed or purchased in the manner and subject to the conditions specified in Condition 3 (*Redemption, Purchase and Cancellation*). The 2021 USD Tier 1 Bonds will not be redeemable at any time at the option of the Holders.

Redemption at the Option of the Issuer: Subject to "*Redemption Conditions*" below, the 2021 USD Tier 1 Bonds may be redeemed at the option of the Issuer, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the date fixed for such redemption, at any time in the six months prior to (and including) the First Reset Date, or on any Interest Payment Date thereafter, by giving not less than ten (10) days' notice to the Holders in accordance with Condition 12 (*Notices*) and notifying the date fixed for redemption.

Redemption for Taxation Reasons: Subject to "*Redemption Conditions*" below and upon the occurrence of a Tax Event, the 2021 USD Tier 1 Bonds may be redeemed at the option of the Issuer, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the date fixed for such redemption, at any time, on giving not less than ten (10) days' notice to the Holders in accordance with Condition 12 (*Notices*) and notifying the date fixed for redemption.

A "**Tax Event**" means the receipt by the Issuer of an opinion of a nationally recognised law firm or other tax adviser (which may be an accounting firm) in Switzerland experienced in such matters stating that there is more than an insubstantial risk that (a) the Issuer is not, or will not be, able to any longer obtain a tax deduction for Swiss corporate income tax purposes for any payment of interest in respect of the 2021 USD Tier 1 Bonds, as a result of which the Issuer is, or will be, subject to more than a *de minimis* amount of additional taxes, or (b) the Issuer is, or will become, obliged to deduct or withhold taxes under the laws or regulations of Switzerland in respect of any payments of interest to Holders in respect of the 2021 USD Tier 1 Bonds, and in each of cases (a) and (b) this cannot be avoided by the Issuer taking such reasonable measures available to it without any material adverse effect on, or material cost to, the Issuer (as determined by the Issuer in its sole discretion).

Redemption upon a Regulatory Event: Upon the occurrence of a Regulatory Event, the 2021 USD Tier 1 Bonds may be redeemed at the option of the Issuer, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the date fixed for such redemption at any time, by giving not less than ten (10) days' notice to the Holders in accordance with Condition 12 (*Notices*) and notifying the date fixed for redemption.

A "**Regulatory Event**" is deemed to have occurred if: (i) the Issuer is notified in writing by the Regulator to the effect that the 2021 USD Tier 1 Bonds are not eligible to be treated as Tier 1 Capital in whole or in part; (ii) the National Regulations are amended with the effect that the 2021 USD Tier 1 Bonds are not eligible to be treated as Tier 1 Capital in whole or in part.

Redemption Conditions: Any redemption or purchase of the 2021 USD Tier 1 Bonds (other than a redemption upon a Regulatory Event or purchases for purposes of market making) is subject to:

- (i) the prior approval of the Regulator, if then required;
- (ii) as at the date on which the notice of redemption is given and the date fixed for such redemption (or as applicable, the date of purchase), neither a Write-down Trigger Event having occurred and being continuing nor a Viability Event having occurred; and
- (iii) the Issuer's Group, both at the time of, and immediately following the redemption or purchase of the 2021 USD Tier 1 Bonds, being in compliance with the Capital Requirements.

"**Capital Requirements**" means the capital requirements applicable to the Issuer's Group pursuant to the National Regulations.

Purchases:	Subject to " <i>Redemption Conditions</i> " above, the Issuer or any of its Subsidiaries may, directly or indirectly, at any time purchase 2021 USD Tier 1 Bonds at any price, in the open market or otherwise subject to any prevailing limits or conditions under the National Regulations. Such 2021 USD Tier 1 Bonds may be held, resold or, at the option of the Issuer, surrendered for cancellation.
Clearing:	The 2021 USD Tier 1 Bonds will be cleared through Euroclear Bank SA/NV and Clearstream Banking S.A.
Taxation:	The Issuer will pay such Additional Amounts as will result in the Holders receiving, after withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Switzerland or any authority thereof or therein having power to tax upon payments made by or on behalf of the Issuer under the 2021 USD Tier 1 Bonds, an amount equal to the amount that the Holders would have received under the 2021 USD Tier 1 Bonds in the absence of such withholding or deduction, except in certain limited circumstances, as more particularly described in Condition 6 (<i>Taxation</i>).
Selling Restrictions:	For a description of the selling restrictions on offer, sale and transfer of the 2021 USD Tier 1 Bonds, see " <i>Subscription and Sale</i> ".
Further Issues:	The Issuer may from time to time, without the consent of the Holders, issue further bonds and, provided that such bonds have the same terms and conditions as the 2021 USD Tier 1 Bonds in all respects (or in all respects except for the issue date and/or first date on which interest is paid), such further bonds will be consolidated and form a single series with the 2021 USD Tier 1 Bonds.
Listing and Trading of the 2021 USD Tier 1 Bonds:	The 2021 USD Tier 1 Bonds have been provisionally admitted to trading on the SIX Swiss Exchange from [] 2021. The last trading day is expected to be the second dealing day prior to the date on which the 2021 USD Tier 1 Bonds are fully redeemed or the Write-down Date, as applicable, in accordance with the Terms and Conditions of the 2021 USD Tier 1 Bonds. Application will be made for the 2021 USD Tier 1 Bonds to be listed on the SIX Swiss Exchange.
Rating of the 2021 USD Tier 1 Bonds:	The 2021 USD Tier 1 Bonds are expected to be rated [] by Moody's. A credit rating is not a recommendation to buy, sell or hold the 2021 USD Tier 1 Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.
Principal Paying Agent:	Citibank N.A., London Branch.
Registrar:	Citibank Europe Plc.
Calculation Agent:	Citigroup Global Markets Limited

Swiss Paying Agent:	Bank Julius Baer & Co. Ltd., solely for the purposes of compliance with article 24 of Listing Rules of the SIX Swiss Exchange
Governing Law:	The 2021 USD Tier 1 Bonds will be governed by, and construed in accordance with, the laws of Switzerland.
Jurisdiction:	The courts of the city of Zurich, Switzerland and, if permitted, the Commercial Court of the Canton of Zurich, Switzerland, venue being Zurich 1, shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the 2021 USD Tier 1 Bonds.
Use of Proceeds:	The net proceeds from the issue of the 2021 USD Tier 1 Bonds are intended to be used for general corporate purposes. See " <i>Use of Proceeds</i> ".
Swiss Review Body:	SIX Exchange Regulation Ltd (the " Swiss Review Body ")
Prospectus date and Approval:	Because the minimum denomination of the 2021 USD Tier 1 Bonds of USD 200,000 is in excess of CHF 100,000 (or equivalent), the offering of the 2021 USD Tier 1 Bonds in Switzerland is exempt from the requirement to publish a prospectus pursuant to article 36(1)(d) FinSA. Accordingly, this Prospectus does not constitute a prospectus pursuant to the FinSA, has not been reviewed or approved by a Swiss review body pursuant to the FinSA, and may not comply with the disclosure requirements thereunder.

In addition, the Issuer is relying on the exemption from the obligation to publish a prospectus approved by a Swiss review body upon admission to trading of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange pursuant article 51(2) of the Swiss Financial Services Act (the "**FinSA**") and article 60 of the Swiss Financial Services Ordinance (the "**FinSO**"). Pursuant to article 51(2) of the FinSA, the Prospectus will be submitted to a Swiss review body for review and approval after completion of the offering and provisional admission to trading of the 2021 USD Tier 1 Bonds. **Accordingly, in accordance with article 40(5) of the FinSA, prospective investors in the 2021 USD Tier 1 Bonds are hereby notified that this Prospectus has not been reviewed or approved by a competent Swiss review body pursuant to the FinSA.**

This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as per the date of the approval by the Swiss Review Body.

RISK FACTORS

Holder s should consider carefully, among other things and in light of their financial circumstances and investment objectives, all the information contained in this Prospectus and, in particular, the specific risk factors set out below, before making an investment decision with respect to the 2021 USD Tier 1 Bonds. The risks described below may not be the only risks to which the Issuer's and the legal entities of the Issuer, the financial statements of which are, in accordance with applicable law or generally accepted accounting principles, consolidated with those of the Issuer (the "Julius Baer Group") or the Holders are exposed. The additional risks not presently known or currently deemed immaterial may also impair the Issuer's business, results of operations, financial condition and prospects. The realisation of one or more of these risks could individually or together with other circumstances adversely affect the Issuer's business, results of operations, financial condition and prospects. In addition, each of the risks set out below could adversely affect the trading price of the 2021USD Tier 1 Bonds or lead to interest not being paid on them or their principal amount being written down as a result of any of which Holders may lose part or all of their investment. This Prospectus may also contain forward-looking statements that involve risks and uncertainties. The Issuer's actual results could differ materially from those anticipated in such forward- looking statements as a result of certain factors, including the risks it faces that are described below and elsewhere in this Prospectus. The selected sequence of the risk factors mentioned below represents neither a statement about the probability of the risks' realisation nor an assessment of the extent of the economic effects or the importance of the risks. Defined terms used in this section shall have the meanings assigned to them in the Terms of the Bonds.

Risks Related to the 2021 USD Tier 1 Bonds

The 2021 USD Tier 1 Bonds are complex financial instruments

The 2021 USD Tier 1 Bonds are complex financial instruments. As a result, an investment in the 2021 USDTier 1 Bonds will involve increased risks. Each potential investor in the 2021 USD Tier 1 Bonds must determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the 2021 USD Tier 1 Bonds, the merits and risks of investing in the 2021 USD Tier 1 Bonds and the information contained in this Prospectus; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of the investor's particular financial situation, an investment in the 2021 USD Tier1 Bonds and the impact the 2021 USD Tier 1 Bonds will have on the investor's overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the 2021 USD Tier 1 Bonds including a total loss of the investment; (iv) understand thoroughly the terms of the 2021 USD Tier 1 Bonds, such as the provisions governing a Contingent Write-down (including, in particular, calculation of the CET1 Ratio, as well as under what circumstances a Trigger Event or a Viability Event will or may be deemed to occur), and be familiar with the behaviour of any relevant financial markets and their potential impact on the likelihood of certain events under the 2021 USD Tier 1 Bonds occurring; and (v) be able to evaluate (either alone or with the help of financial, legal or tax advisors) possible scenarios for economic, interest rate and other factors that may affect the investor's investment and the investor's ability to bear the applicable risks.

Before investing in the 2021 USD Tier 1 Bonds, each potential investor should have understood thoroughlythe Terms of the Bonds and be familiar with them and the content of this Prospectus and any applicable supplement.

The 2021 USD Tier 1 Bonds are perpetual securities which have no scheduled maturity

The 2021 USD Tier 1 Bonds are perpetual securities, which means they have no scheduled maturity or redemption date. The Issuer is under no obligation to redeem the 2021 USD Tier 1 Bonds at any time. The2021 USD Tier 1 Bonds may, subject to the conditions to redemption set out in Condition 3(b) (*Conditions to Redemption and Purchase*) of the Terms of the Bonds, be redeemed at the option of the Issuer at any time in the six months prior to (and including on) the First Reset Date, or on any Interest Payment Date thereafter or, in certain circumstances as specified in the Terms of the Bonds, before that date. There can be no assurance, however, that the Issuer will opt to redeem the 2021 USD Tier 1 Bonds at any time. Prospective investors should be aware that they may be required to bear the financial risks of an investment in the 2021 USD Tier 1 Bonds for an indefinite period of time.

The likelihood of an occurrence of a write-down of the 2021 USD Tier 1 Bonds is material for the purpose of assessing an investment in the 2021 USD Tier 1 Bonds. The 2021 USD Tier 1 Bonds may be written down in part or to zero.

Holder s will lose the entire amount of their investment in the 2021 USD Tier 1 Bonds upon the occurrence of a Viability Event and may lose part or the entire amount of their investment upon the occurrence of a Write-down Trigger Event. Upon the occurrence of a Viability Event, the full principal amount of the 2021 USD Tier 1 Bonds

will automatically be written down to zero and the 2021 USD Tier 1 Bonds will be cancelled. Upon the occurrence of a Write-down Trigger Event, the Prevailing Notional Amount of the 2021 USD Tier 1 Bonds will be reduced by the relevant Write-down Amount and, where 2021 USD Tier 1 Bonds are written down to zero upon the occurrence of a Write-down Trigger Event, the 2021 USD Tier 1 Bonds will be cancelled. Any write-down will be permanent and irrevocable, meaning that the 2021 USD Tier 1 Bonds, if written down, will not be written up subsequently.

The circumstances that may trigger a write-down are unpredictable.

The occurrence of a Write-down Trigger Event or Viability Event is inherently unpredictable and depends on a number of factors, any of which may be outside of the Issuer's control.

In particular, the occurrence of a Write-down Trigger Event depends, in part, on the calculation of the CET1 Ratio, which can be affected, among other things, by the growth of the Issuer's business (including by way of acquisitions, takeovers or any joint ventures which the Issuer may conduct from time to time) and its future earnings or losses, expected distribution of profits by the Issuer, regulatory changes (including possible changes in regulatory capital definitions and calculations), the Issuer's ability to manage Risk Weighted Positions across its various businesses, or otherwise. A Write-down Trigger Event shall occur on the Business Day following the publication of a Relevant Report if (among other things) the CET1 Ratio as per the relevant Cut-off Date of such Relevant Report is less than 5.125 per cent. Although the Issuer reports the Issuer's Group CET1 Ratio in its annual and half-year reports, the FINMA as part of its supervisory activity may instruct the Issuer to calculate the CET1 Ratio of the Issuer's Group on any date during such periods.

The occurrence of a Viability Event is dependent upon, among other things, the subjective determination of the FINMA regarding the viability of the Issuer. It is up to the FINMA to determine whether a write-down of the Prevailing Notional Amount of the 2021 USD Tier 1 Bonds to zero is an essential requirement to prevent the Issuer from becoming insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business because customary measures to improve the Issuer's capital adequacy are inadequate or unfeasible. The respective circumstances are beyond the control of the Issuer.

Additionally, if customary measures to improve the Issuer's capital adequacy are inadequate or infeasible and, as a result, the Issuer has received an irrevocable commitment of direct or indirect extraordinary support from the Public Sector (beyond customary transactions and arrangements in the ordinary course of business), it is up to the FINMA to determine whether the Issuer would have become insolvent, bankrupt, unable to pay a material portion of its debts as they fall due or unable to carry on its business without such extraordinary support, and the FINMA has considerable discretion in making such determination. As a result, the FINMA may require, or the Swiss federal government may take actions contributing to the occurrence of, a write-down in circumstances that are beyond the control of the Issuer and with which the Issuer does not, at the relevant time, agree.

Because of the inherent uncertainty regarding the determination of whether a Write-down Trigger Event or Viability Event has occurred, it will be difficult to predict when, if at all, a write-down of the 2021 USD Tier 1 Bonds will occur. Accordingly, trading behaviour in respect of the 2021 USD Tier 1 Bonds may not follow trading behaviour associated with other types of subordinated securities. Any indication that the Issuer is heading towards a condition that could result in the occurrence of a Write-down Trigger Event or a Viability Event can be expected to have an adverse effect on the market price of the 2021 USD Tier 1 Bonds.

The rights of Holders of the 2021 USD Tier 1 Bonds may be adversely affected by powers of the FINMA allowing it to order protective measures, institute restructuring proceedings, exercise any other resolution powers or institute liquidation proceedings with respect to the Issuer.

The resolution regime under Swiss banking laws and regulations applies not only to duly licensed banks in Switzerland, such as the Issuer's subsidiary and principal operating entity Bank Julius Baer & Co. Ltd., but also to a parent company of a financial group, such as the Issuer. As a consequence, the FINMA is able to exercise its broad statutory powers thereunder with respect to the Issuer, including the ordering of protective measures, the institution of restructuring proceedings (and the exercise of any resolution powers in connection therewith), and the institution of liquidation proceedings. If the FINMA were to, at any time, open restructuring proceedings with respect to the Issuer, it would be able to exercise its resolution powers to, among other things, fully or partially write-down the principal of, and cancel, the 2021 USD Tier 1 Bonds, if not already written down pursuant to their terms. In such a case, Holders of the 2021 USD Tier 1 Bonds would lose all or some of their investment in the 2021 USD Tier 1 Bonds. In addition, if the FINMA were to order any restructuring protective measures that would require or result in the deferment of payment of principal and/or interest under the 2021 USD Tier 1 Bonds, no

such payment of principal or interest, as applicable, would be due and payable under the 2021 USD Tier 1 Bonds until permitted by the FINMA (as set forth in the relevant order or as otherwise notified by the FINMA), and such non-payment would not constitute a default or an event of default. As a result, all payments on the 2021 USD Tier 1 Bonds may cease after the exercise of any resolution power with respect to the Issuer, the ordering of any restructuring protective measures or the institution of liquidation proceedings.

There can be no assurance that the taking of any actions by the FINMA under the above-described resolution regime would not adversely affect the rights of Holders of the 2021 USD Tier 1 Bonds, the price or value of an investment in the 2021 USD Tier 1 Bonds and/or the Issuer's ability to satisfy its obligations under the 2021 USD Tier 1 Bonds.

FINMA has broad statutory powers to take measures in relation to banks.

According to article 25 et seq. of the Swiss Banking Act, the FINMA has broad statutory powers to take measures in relation to banks (and their parent companies) if they (i) are overindebted, (ii) have serious liquidity problems or (iii) fail to fulfil the applicable capital-adequacy provisions after expiry of a deadline set by the FINMA. If one of these prerequisites is met, the FINMA is authorised (a) to open restructuring proceedings (*Sanierungsverfahren*) or (b) to open liquidation (bankruptcy) proceedings (*Bankenkonkurs*) or (c) to impose protective measures (*Schutzmassnahmen*) even if, at that time, a Write-down Trigger Event or a Viability Event with respect to the Issuer has not occurred. The Swiss Banking Act grants significant discretion to the FINMA. In particular, protective measures that may be imposed by the FINMA include a broad variety of measures such as a (bank) moratorium (*Stundung*) or a maturity postponement (*Fälligkeitsaufschub*) and may be ordered by the FINMA either on a stand-alone basis or in connection with reorganisation or liquidation proceedings. In a restructuring proceeding, the resolution plan may, among other things, provide for (i) the transfer of the property of banks/parent companies or parts thereof with assets and debt as well as contracts to another entity, or (ii) haircuts on obligations owed by banks/parent companies.

Other regulatory capital instruments may not be subject to a write-down.

The terms and conditions of other regulatory capital instruments already in issue or to be issued after the date hereof by the Issuer or any of its subsidiaries may vary and accordingly such instruments may not be written down at the same time, or to the same extent, as the 2021 USD Tier 1 Bonds, or at all. In particular, regulatory capital instruments issued by the Issuer with terms that require such instruments to be converted into equity or written down when a capital measure falls below a threshold that is equal or higher than the Write-down Threshold Ratio, may not be converted or written down in case of the occurrence of a Write-down Trigger Event if the relevant capital measure for triggering a conversion or write-down, as the case may be, under those instruments is calculated differently from the CET1 Ratio. Furthermore, regulatory capital instruments issued by the Issuer with terms that require such instruments to be converted into equity or written down when a capital measure falls below a threshold that is lower than the Write-down Threshold Ratio may be converted or written down only after the 2021 USD Tier 1 Bonds have been fully written down.

Holders will bear the risk of fluctuations in the CET1 Ratio.

The market price of the 2021 USD Tier 1 Bonds is expected to be affected by fluctuations in the CET1 Ratio or the Total Capital Ratio as defined below in "*Information regarding the CET1 Ratio and Swiss capital ratios*". Fluctuations in the CET1 Ratio may be caused by changes in the amount of CET1 Capital or the amount of Risk Weighted Positions (each of which shall be calculated by the Issuer's Group on a consolidated basis), as well as changes to their respective definitions under relevant capital adequacy standards and guidelines. Any indication or expectation that the CET1 Ratio is trending towards a Write-down Trigger Event can be expected to have a material adverse effect on the market price of the 2021 USD Tier 1 Bonds. Changes in the Total Capital Ratio may be caused by changes in total capital or the respective amount of Risk Weighted Positions (each of which shall be calculated by the Issuer's Group on a consolidated basis).

The Issuer's CET1 Ratio and, more generally, its overall capital position may be affected by the Issuer's business decisions and, in making such decisions, the Issuer's interests may not be aligned with those of the Holders.

The Issuer's CET1 Ratio and, more generally, its overall respective capital position could be affected by a number of factors, including the Issuer's decisions relating to its businesses and operations, as well as the management of its capital position. The Issuer will not have any obligation to consider the interests of the Holders of the 2021 USD Tier 1 Bonds in connection with its strategic decisions, including in respect of its capital management. Holders of the 2021 USD Tier 1 Bonds will not have any claim against the Issuer regardless of whether they result

in the occurrence of a Trigger Event or a cancellation of interest payments in respect of the 2021 USD Tier 1 Bonds. Such decisions could cause the Holders of the 2021 USD Tier 1 Bonds to lose all or part of the value of their investment in the 2021 USD Tier 1 Bonds.

Interest payments are discretionary and may be cancelled.

Payment of interest, if any, on any Interest Payment Date is at the sole discretion of the Issuer. The Issuer may elect not to pay interest, in whole or in part, on any Interest Payment Date or Redemption Date (if any).

In addition, payments of interest on any Interest Payment Date or Redemption Date (if any) will mandatorily be limited and will not be paid, or not paid fully to the extent:

- (i) the amount of such interest otherwise due, together with (x) any interest payments or distributions paid or made, or scheduled to be paid or made, during the Relevant Period on Parity Securities, and (y) any Distributions paid or made, or scheduled to be paid or made, during the Relevant Period with respect to the financial year ended immediately prior to such Interest Payment Date or Redemption Date, in aggregate, shall exceed the amount of Distributable Items as at such Interest Payment Date or Redemption Date; or
- (ii) the Issuer is prohibited, by National Regulations or an order of the Regulator, from declaring or making any distributions or other payments, in whole or in part, on, or relating to, the 2021 USD Tier 1 Bonds or any Parity Securities.

In the event where (x) mandatory cancellation of interest only applies in part, and (y) the Issuer elects to make such interest payment that is not prohibited to be made, the interest payable on the 2021 USD Tier 1 Bonds shall be made partially only and pro rata with the interest payments or distributions on Parity Securities scheduled to be paid or made during the Relevant Period.

Any interest which is not paid, in accordance with Condition 2(b) (*Discretionary Interest*) or Condition 2(c) (*Mandatory Interest Cancellation*) of the Terms of the Bonds, shall not accumulate or be payable at any time thereafter, and such non-payment will not constitute an event of default by the Issuer, nor will it entitle any action to be brought by the Holders and the Holders shall have no right thereto whether in a liquidation, dissolution or insolvency of the Issuer or otherwise.

It should be noted that FINMA has broad discretion to prevent the Issuer from making interest payments on the 2021 USD Tier 1 Bonds, including in situations where the Issuer is not, or will immediately after the relevant payment of interest not be, in compliance with all applicable capital buffer requirements (*Eigenmittelpuffer*) or requirements to hold additional loss absorbing capacity (*zusätzliche verlustabsorbierende Mittel*) or any similar requirements under National Regulations on a consolidated (*Finanzgruppe*) basis.

The interest rate on the 2021 USD Tier 1 Bonds will be reset on the First Reset Date, which can be expected to affect the interest payment on an investment in the 2021 USD Tier 1 Bonds and the market value of the 2021 USD Tier 1 Bonds.

The 2021 USD Tier 1 Bonds will initially earn interest at a fixed rate of [] per cent. per annum until the First Reset Date. From the First Reset Date, however, the fixed interest rate in respect of the 2021 USD Tier 1 Bonds will be reset periodically every five years a rate which will be equal to the sum of the prevailing CMT Rate plus the Margin on the Interest Determination Date. Such reset rate could be less than the original interest rate and could affect the market value of an investment in the 2021 USD Tier 1 Bonds. A Holder of the 2021 USD Tier 1 Bonds is thus exposed to the risk that the market price of the 2021 USD Tier 1 Bonds might fall as a result of changes in the current interest rate on the capital markets.

CMT Rate may be discontinued

The 2021 USD Tier 1 Bonds have a Reset Rate based on the yield for U.S. Treasury Securities. Notwithstanding the fall back provisions contained in the definition of the "CMT Rate", if the yield for U.S. Treasury Securities is unavailable or discontinued, this may adversely affect the value of and return on the 2021 USD Tier 1 Bonds.

Holders are subject to interest rate risks.

Interest rate risk is defined as the impact of potential changes in interest rates on the market value of the respective assets and liabilities, in general, and of the 2021 USD Tier 1 Bonds, specifically.

Because the 2021 USD Tier 1 Bonds bear a fixed rate of interest (reset periodically), an investment in the 2021 USD Tier 1 Bonds involves the risk that if market interest rates subsequently increase above the prevailing rate paid on the 2021 USD Tier 1 Bonds, it will adversely affect the market value of the 2021 USD Tier 1 Bonds.

Credit ratings may not reflect all risks. Changes to the credit ratings could affect the value of the 2021 USD Tier 1 Bonds.

One or more independent credit rating agencies may assign credit ratings to the 2021 USD Tier 1 Bonds. The 2021 USD Tier 1 Bonds are expected to be rated "[]" by Moody's. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the 2021 USD Tier 1 Bonds. There can be no assurance that the methodology of a rating agency will not evolve or that such rating will not be suspended, reduced or withdrawn at any time by such rating agency. Further, such credit rating may be revised downwards in the event of a deterioration in the capital position or viability of the Issuer. A rating is not a recommendation to buy, sell or hold the 2021 USD Tier 1 Bonds and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.

There are no restrictions from issuing further securities, debt or guarantees which rank senior to or pari passu with the 2021 USD Tier 1 Bonds.

There is no restriction on the amount or type of securities or indebtedness or liabilities which the Issuer or any of its Subsidiaries may issue, guarantee or otherwise incur. In particular, such other securities or indebtedness or liabilities may rank senior to the 2021 USD Tier 1 Bonds or *pari passu* with the 2021 USD Tier 1 Bonds. The issue of any such securities or debt or guarantees may reduce the amount, if any, recoverable by the Holders in a liquidation, dissolution, insolvency, composition or other proceeding for the avoidance of insolvency of, or against the Issuer, or may increase the likelihood that the Issuer may elect to cancel or be obliged to cancel payments of interest under the 2021 USD Tier 1 Bonds. Consequently, the Holders could suffer direct and materially adverse consequences, including the loss of all interest and principal.

The Issuer may redeem the 2021 USD Tier 1 Bonds under certain circumstances.

The 2021 USD Tier 1 Bonds may (subject to the satisfaction of certain conditions, as set out in Condition 3 (*Redemption, Purchase and Cancellation*)) be redeemed at the option of the Issuer (i) at any time in the six months prior to (and including on) the First Reset Date, or (ii) on any Interest Payment Date following the First Reset Date; or (iii) following the occurrence of a Regulatory Event or a Tax Event (see Condition 3 (*Redemption, Purchase and Cancellation*)).

For instance, the Issuer may exercise its option to redeem the 2021 USD Tier 1 Bonds when its cost of borrowing is lower than the interest rate payable by the Issuer on the 2021 USD Tier 1 Bonds. There can be no assurance that, at the relevant time, Holders will be able to reinvest the amounts received upon redemption, if any, at a rate that will provide the same return as their investment in the 2021 USD Tier 1 Bonds. Prospective investors should consider reinvestment risk in light of other investments available at that time.

In addition, the optional redemption feature of the 2021 USD Tier 1 Bonds is likely to limit their market value. During any period when the Issuer has the right to elect to redeem the 2021 USD Tier 1 Bonds, the market value of the 2021 USD Tier 1 Bonds generally will not rise substantially above the price at which they can be redeemed. There is no requirement to redeem the 2021 USD Tier 1 Bonds or any other capital instruments of the Issuer on a *pro rata* basis or otherwise upon the occurrence of any event giving the Issuer the right to redeem the 2021 USD Tier 1 Bonds. Also, upon the occurrence of any event giving the Issuer the right to redeem the 2021 USD Tier 1 Bonds, the Issuer, may, instead of redeeming the 2021 USD Tier 1 Bonds, choose to redeem other outstanding capital instruments if the terms of those capital instruments so provide, leaving the Holders of the 2021 USD Tier 1 Bonds subject to the risk of a Contingent Write-down, Subsequent Write-down or write-off upon the occurrence of a Viability Event while other investors are redeemed at par or other advantageous prices.

Any redemption of the 2021 USD Tier 1 Bonds on the First Reset Date or on any later date thereafter, or following a Tax Event at any time will be subject to the consent of the FINMA, which pursuant to applicable Swiss regulations requires, among other things, that at the time of the redemption the Issuer (i) in the case of a replacement of capital, issues at least equivalent capital in the same amount, or (ii) without a replacement of capital,

has capital in an amount that is materially above the minimum capital requirements. This requirement may result in the Issuer not being able to redeem the 2021 USD Tier 1 Bonds even when it would appear likely to do so, which would leave the Holders of the 2021 USD Tier 1 Bonds at risk of a Contingent Write-down, Subsequent Write-down or write-off upon the occurrence of a Viability Event notwithstanding the occurrence of an event that would otherwise give rise to redemption at the Prevailing Notional Amount.

The Issuer's obligations under the 2021 USD Tier 1 Bonds are deeply subordinated.

In the event of an order being made, or an effective resolution being passed, for the liquidation or winding-up of the Issuer, but no Write-down Trigger Event or a Viability Event has occurred, the rights and claims of the Holders against the Issuer (including any damages awarded for breach of any obligation) in respect of or arising under the 2021 USD Tier 1 Bonds will rank, subject to any obligations which are mandatorily preferred by law, (i) junior to the claims of all holders of unsubordinated obligations of the Issuer and all other subordinated obligations of the Issuer except the claims of all holders of Parity Securities (the "**Senior Obligations**"), (ii) *pari passu* among themselves and with the claims of all holders of Parity Securities, and (iii) senior to Equity Capital and any other equivalent items of capital.

Therefore, even if no Write-down Trigger Event or a Viability Event has occurred, if the Issuer were liquidated or dissolved, the liquidator of the Issuer would first apply assets of the Issuer to satisfy all rights and claims of holders of Senior Obligations. If the Issuer does not have sufficient assets to settle claims of holders of Senior Obligations in full, the claims of the Holders of the 2021 USD Tier 1 Bonds will not be settled and, as a result, the Holders will lose the entire amount of their investment in the 2021 USD Tier 1 Bonds.

In addition, Holders should be aware that, upon the occurrence of a Write-down Trigger Event, parts of the principal amount or the full principal amount of the 2021 USD Tier 1 Bonds may automatically be written down. Upon the occurrence of a Write-down Trigger Event leading to a full write-down of the principal amount or upon the occurrence of a Viability Event, the full principal amount of the 2021 USD Tier 1 Bonds will automatically be written down to zero and the 2021 USD Tier 1 Bonds will be cancelled, and, as a result, the Holders will lose the entire amount of their investment in the 2021 USD Tier 1 Bonds irrespective of whether the Issuer has sufficient assets available to settle the claims of the Holders under the 2021 USD Tier 1 Bonds or other securities subordinated to the same or greater extent than the 2021 USD Tier 1 Bonds, in bankruptcy proceedings or otherwise. As a result, even if other bonds or other securities that rank *pari passu* with or junior to the 2021 USD Tier 1 Bonds are paid in full, following a write-down, the Holders of the 2021 USD Tier 1 Bonds will have no rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount.

There are limited remedies available under the 2021 USD Tier 1 Bonds. There are no events of default or acceleration rights.

In accordance with the requirements for tier 1 instruments, the 2021 USD Tier 1 Bonds contain no events of default. Holders have no acceleration rights in respect of the 2021 USD Tier 1 Bonds. Holders are only entitled to claim redemption of the Prevailing Notional Amount, if any, of the 2021 USD Tier 1 Bonds in case of the Issuer's bankruptcy, dissolution or liquidation. Even if, at that time, a Write-down Trigger Event or a Viability Event with respect to the Issuer has not occurred, rights of the Holders in bankruptcy proceedings (*Konkursverfahren*) or any form of restructuring proceedings (*Sanierungsverfahren*) in relation to the Issuer are also limited.

Changes in law.

The Terms of the Bonds are based on Swiss law (including tax law) in effect as at the date of this Prospectus and the description of the effects thereof. Such laws and the interpretation thereof have been and are subject to change. No assurance can be given as to the impact of any possible judicial decision or change to Swiss law (including changes in tax legislation, rulings and interpretations of existing tax laws that may affect the tax situation of the Julius Baer Group) or administrative practice in Switzerland after the date of this Prospectus nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the 2021 USD Tier 1 Bonds.

In particular, any amendment or replacement of the Swiss Banking Act or any amendment, replacement or implementation of an implementing ordinance or other implementing regulation and any change in their application in respect of the applicable provisions of the Swiss Banking Act or other regulation in respect of the Issuer, systemically relevant banks or generally could impact the calculation of the CET1 Ratio, the CET1 Capital and the Risk Weighted Positions. Furthermore, because the occurrence of a Write-down Trigger Event depends, in part, on the calculation of the CET1 Ratio, any change in Swiss law that affects the calculation of the CET1

Ratio would also affect the determination of whether a Write-down Trigger Event Notice must be given (i.e., whether a Write-down Trigger Event will occur). Any such amendment which impacts the calculation of any of the aforementioned ratios can be expected to have an adverse effect on the market value of the 2021 USD Tier 1 Bonds.

The 2021 USD Tier 1 Bonds are not deposit liabilities of the Issuer and will not be insured by any depositor protection scheme or any other government guarantee or compensation or insurance scheme.

The 2021 USD Tier 1 Bonds are not deposit liabilities of the Issuer and will not be covered by the Swiss Banks and Securities Dealers' Depositor Protection Association (*Einlagensicherung*) nor by any other government compensation or insurance scheme. In the event of the insolvency of the Issuer, a Holder may lose all or some of its investment in the 2021 USD Tier 1 Bonds.

No voting rights.

The 2021 USD Tier 1 Bonds do not carry voting rights at shareholders' meetings. Consequently, the Holders cannot influence, *inter alia*, any decisions by the Issuer's shareholders concerning the capital structure of the Issuer.

The 2021 USD Tier 1 Bonds have a minimum denomination.

The 2021 USD Tier 1 Bonds consist of a minimum denomination of USD 200,000 and integral multiples of USD 1,000 in excess thereof and it is possible that such 2021 USD Tier 1 Bonds may be traded in amounts that are not integral multiples of such minimum specified denomination. Holders should be aware that 2021 USD Tier 1 Bonds held in an amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade. In addition, a holder who holds an amount which is less than the minimum specified denomination in its account with the relevant clearing system at the relevant time may not receive a definitive 2021 USD Tier 1 Bond in respect of such holding (should definitive 2021 USD Tier 1 Bonds be printed) and would need to purchase a principal amount of 2021 USD Tier 1 Bonds such that its holding amounts to a specified denomination.

Risks relating to the Market Generally

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to assess the Terms of the Bonds (including those provisions relating to the Write-down of the 2021 USD Tier 1 Bonds) and to determine whether and to what extent (i) 2021 USD Tier 1 Bonds are legal investments for it, (ii) 2021 USD Tier 1 Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any 2021 USD Tier 1 Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of 2021 USD Tier 1 Bonds under any applicable risk-based capital or similar rules.

A trading market may not develop for the 2021 USD Tier 1 Bonds.

The 2021 USD Tier 1 Bonds are complex financial instruments and, notwithstanding the fact that the 2021 USD Tier 1 Bonds are expected to be listed and traded on the SIX Swiss Exchange, a trading market may never develop. The Issuer does not intend to apply for the 2021 USD Tier 1 Bonds to be traded on any other exchange. The Issuer cannot assure investors that an active trading market in the 2021 USD Tier 1 Bonds will develop on the SIX Swiss Exchange or, if a market does develop, of the nature of such trading market. Even if an active trading market does develop, no one, including the Managers, is required to maintain its liquidity, if any. Holders may not be able to sell their 2021 USD Tier 1 Bonds easily or at prices that will provide them with any yield or a yield comparable to similar investments that have a developed secondary market or at all.

The market value of the 2021 USD Tier 1 Bonds may be influenced by a variety of factors.

Many factors, most of which are beyond the Issuer's control, will influence the value of the 2021 USD Tier 1 Bonds and the price, if any, at which securities dealers may be willing to purchase or sell the 2021 USD Tier 1 Bonds in the secondary market, including:

- (i) the creditworthiness of the Issuer and, in particular, the level of the Issuer's capital ratios from time to time;

- (ii) supply and demand for the 2021 USD Tier 1 Bonds, including inventory with any securities dealer; and
- (iii) economic, financial, political or regulatory events or judicial decisions that affect the Issuer or the financial markets generally.

Accordingly, if a Holder sells its 2021 USD Tier 1 Bonds in the secondary market, it may not be able to obtain a price equal to the principal amount of the 2021 USD Tier 1 Bonds or a price equal to the price that it paid for the 2021 USD Tier 1 Bonds.

The USD exchange rate may have an effect on the value of the 2021 USD Tier 1 Bonds.

The Issuer will pay principal and interest on the 2021 USD Tier 1 Bonds in USD. This presents certain risks if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than USD. These include the risk that exchange rates may significantly change (including changes due to devaluation of USD or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to USD would decrease (1) the Investor's Currency-equivalent yield on the 2021 USD Tier 1 Bonds, (2) the Investor's Currency-equivalent value of any principal payable on the 2021 USD Tier 1 Bonds and (3) the Investor's Currency-equivalent market value of the 2021 USD Tier 1 Bonds.

Payments on or with respect to the 2021 USD Tier 1 Bonds may be subject to US withholding under FATCA.

The Issuer and other financial institutions through which payments on the 2021 USD Tier 1 Bonds are made may be required to withhold at a rate of up to 30 per cent. on all, or a portion of, payments pursuant to Sections 1471 through 1474 of the US Internal Revenue Code (commonly referred to as "**FATCA**").

The Issuer is a foreign financial institution ("**FFI**") for the purposes of FATCA. If the Issuer is required, or agrees, to provide certain information about its account holders pursuant to a FATCA agreement with the US Internal Revenue Service (i.e. the Issuer is a "**Participating FFI**") then withholding may be triggered if: (i) payments on the 2021 USD Tier 1 Bonds are classified as "foreign passthru payments" for purposes of FATCA and (ii) (a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is a US person or should otherwise be treated as holding a "United States Account" of the Issuer, (b) an investor does not consent, where necessary, to have its information disclosed to the IRS or (c) any FFI that is an investor, or through which payment on the 2021 USD Tier 1 Bonds is made, is not a Participating FFI or otherwise exempt from being withheld upon under FATCA.

The United States and Switzerland entered into an intergovernmental agreement to facilitate the implementation of FATCA (an "**IGA**"). Under the US-Switzerland IGA, financial institutions acting out of Switzerland generally are directed to become Participating FFIs. The agreement ensures that accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. The United States has entered into IGAs with a number of jurisdictions besides Switzerland and is in the process of negotiating or in dialogue regarding IGAs with other jurisdictions.

If an amount in respect of FATCA were to be deducted or withheld from interest, principal or other payments on or with respect to the 2021 USD Tier 1 Bonds, the Issuer would have no obligation to pay additional amounts or otherwise indemnify a holder for any such withholding or deduction by the Issuer, a paying agent or any other party as a result of the deduction or withholding of such amount. As a result, investors may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected.

An FFI investor that is not a Participating FFI and that is withheld upon generally will be able to obtain a refund only to the extent an applicable income tax treaty with the United States entitles the investor to a reduced rate of tax on the payment that was subject to withholding under FATCA, provided the required information is furnished in a timely manner to the IRS.

Investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

Risk-hedging transactions.

The ability to eliminate or to restrict the risks of the 2021 USD Tier 1 Bonds arising from their purchase by concluding any hedging transactions depends mainly on the market conditions and the terms and conditions of the specific security. As a consequence, such transactions – if at all possible – may be concluded at unfavourable market prices to the effect that corresponding losses may arise. Prospective investors should therefore not rely on the ability to conclude transactions at any time that will allow them to offset or limit relevant risks.

Inflation risk.

Inflation risk is the risk of future money depreciation. The real yield from an investment is reduced by inflation. The higher the rate of inflation, the lower the real yield on a 2021 USD Tier 1 Bond. If the inflation rate is equal to or higher than the nominal yield, the real yield is zero or negative.

In certain instances the Terms of the Bonds may be amended without the consent of a Holder.

Certain statutory provisions of Swiss law may apply to the 2021 USD Tier 1 Bonds, which allow for the calling of meetings of the Holders to consider matters affecting their interests. These provisions permit defined majorities to bind all Holders, including Holders who did not attend and vote at the relevant meeting, and Holders who voted in a manner contrary to the majority.

The 2021 USD Tier 1 Bonds are held in the clearing system Euroclear and Clearstream, Luxembourg, and Holders will have to rely on their procedures for transfer, payment and communication with the Issuer.

The 2021 USD Tier 1 Bonds will, upon issue, be deposited with, and registered in the name of a nominee for, a common depository for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive individual certificates. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the 2021 USD Tier 1 Bonds represented by the global certificate. While the 2021 USD Tier 1 Bonds are in global form, investors will be able to trade their beneficial interests only through Euroclear or Clearstream, Luxembourg, as the case may be.

While the 2021 USD Tier 1 Bonds are in global form, the Issuer will discharge its payment obligations under the 2021 USD Tier 1 Bonds by making payments to or to the order of the common depository. A holder of a beneficial interest in a Bond must rely on the procedures of Euroclear and/or Clearstream, Luxembourg, as the case may be, to receive payments under the 2021 USD Tier 1 Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made by Euroclear and Clearstream, Luxembourg in respect of, beneficial interests in such 2021 USD Tier 1 Bonds represented by the Global Certificate.

Risks Related to the Issuer

Unless indicated otherwise, all references to the Issuer in the risk factors set out under this section are describing the consolidated businesses carried on by the Issuer and its subsidiaries in particular its operating entities.

The Issuer is affected by global economic and financial market conditions and politics.

As a private banking group operating internationally and with a global client base, the Issuer's business is affected by changing conditions in the global financial markets and economic conditions generally, and perceptions of those conditions and future economic prospects. The outlook for the global economy over the near- to medium-term remains challenging and many forecasts predict only stagnant or modest levels of gross domestic product growth across certain of the Issuer's key markets.

Further, unpredictable events (including, but not limited to wars or civil wars, terrorism and/or natural disasters, as well as pandemics such as the current COVID-19 crisis; see "*Risks Related to the Issuer—Pandemic risk*") or changes in world and regional politics may have a negative impact. Any such events or changes may affect the Issuer's customers or, directly, its business. For instance, certain countries and/or high net worth individuals might become subject to political sanctions.

Pandemic risk

In early March 2020, the World Health Organization declared COVID-19 a global pandemic. The COVID-19 pandemic and governmental responses thereto have had, and continue to have, a significant impact on the global economic conditions, including:

- significant disruption and volatility in the financial markets;
- disruption of global supply chains in numerous industries; and
- closures of many businesses, leading to loss of revenues and increased unemployment.

If the COVID-19 pandemic is prolonged, the adverse effects on the global economy may increase. The continuation of these negative economic conditions could have the following adverse effects on the Issuer's business due to a number of factors including but not limited to:

- a significant decrease in demand for products and services offered by the Issuer;
- a recognition of credit losses and an increase in balance sheet allowances for credit losses;
- a material decrease in the value of securities and other financial instruments which the Issuer holds or trades in;
- downgrade in the Issuer's credit ratings;
- liquidity and capital related constraints;
- additional regulatory requirements; and
- a significant number of the Issuer's relevant subsidiaries employees are unable to work efficiently, namely due to illness, quarantines or technical limitations restricting access to the Issuer's system from the home office when stay at home orders apply.

Because it is unprecedented in recent history, the definitive mid-and long-term impacts of the COVID-19 pandemic on the business of the Issuer currently cannot be reliably foreseen. The adverse effects of the COVID-19 pandemic could however, result in financial losses and, hence, materially adversely affect the Issuer's results of operations and financial condition and the Issuer's ability to fulfil its obligations under the 2021 USD Tier 1 Bonds.

Changes in foreign exchange rates could have an adverse effect on the Issuer's assets under management and results of operations.

The Issuer is exposed to risk from fluctuations in foreign exchange rates for currencies, particularly the U.S. dollar, euro and pounds sterling. The Issuer prepares its consolidated financial statements in Swiss francs. However, a substantial portion of the Issuer's assets, liabilities, invested assets, revenues and expenses are denominated in other currencies, particularly the U.S. dollar and the euro. Accordingly, changes in foreign exchange rates, particularly between the Swiss franc and the U.S. dollar and between the Swiss franc and the euro, and exchange rate volatility in general, have an effect on the Issuer's reported income and expenses, and on other reported figures such as assets under management, risk-weighted assets and regulatory capital. Since exchange rates are subject to constant change, the Issuer's results are subject to risks associated with changes in the relative values of currencies. The Issuer's capital is also stated in Swiss francs and it might not hedge its capital position against changes in currency exchange rates.

The Issuer may generate lower income from commissions and fees due to changes to regulations and fluctuations in the financial markets, which have led or may lead to lower client activity and clients experiencing weaker-than-expected returns on their investments.

The Issuer's results of operations depend, to a significant extent, on factors that are difficult to control, such as the returns enjoyed by the Issuer's clients on their investments, as well as the ability to attract net new money inflows. For instance, a substantial portion of its revenues is directly related to the value of assets under management. Therefore, the Issuer's results of operations depend to a significant extent on factors such as investment returns

and risk management, as well as its ability to attract net new money inflows. Because the fees that the Issuer charges for managing its clients' portfolios are, in many cases, based on the value of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals of assets would reduce its revenues. In addition, if clients experience weaker-than-expected returns on the investments the Issuer offers or recommends, relative to investment solutions offered or recommended by the Issuer's competitors, this could trigger substantial redemptions and outflows from the Issuer's clients' accounts. A market downturn is also likely to lead to a decline in the volume of transactions that the Issuer executes for its clients, and hence to reduced commission income.

The Issuer's regulatory capital position is subject to change, and its business could be adversely affected as a result of changes to capital adequacy and liquidity requirements.

The Issuer's regulatory capital position, as measured by Basel III and Swiss regulation, is determined by (i) risk-weighted assets and (ii) eligible capital. Both risk-weighted assets and eligible capital are subject to change. Eligible capital would be reduced if the Issuer experiences net losses, as determined for purposes of the regulatory capital calculation. Eligible capital can also be reduced for a number of other reasons, including adverse currency movements directly affecting the value of equity and prudential adjustments that may be required due to the valuation uncertainty associated with certain types of positions, or through dividends, share repurchases or similar distributions to shareholders. Risk-weighted assets, on the other hand, are driven by the Issuer's business activities and by changes in the risk profile of its exposures. For instance, substantial market volatility, a widening of credit spreads, a change in regulatory treatment of certain positions, adverse currency movements, increased counterparty risk or deterioration in the economic environment could result in an increase in risk-weighted assets. Any unanticipated reduction in eligible capital, or increase in risk-weighted assets, could materially impact the Issuer's capital ratios.

The required levels and calculation of the Issuer's regulatory capital and the calculation of its risk-weighted assets are also subject to changes in regulatory requirements or their interpretation.

Changes in the Swiss requirements for risk-based capital, leverage ratios or liquidity ratios, whether pertaining to the minimum levels required for Swiss banks or to the calculation thereof, or changes in liquidity requirements, could have a material adverse effect on the Issuer's business and could affect its competitive position internationally compared with institutions that are regulated under different regimes.

The Issuer operates in an industry that is highly regulated in Switzerland, the EU and each of the other markets in which it operates. Increased regulation of the Julius Baer Group's business, or greater governmental enforcement actions and investigations in the private banking industry, could decrease its revenues and profitability.

The Issuer's operations are regulated and supervised by the regulatory authorities in each of the jurisdictions in which it conducts its business. Laws and regulations applied at the national, state, provincial or local level generally grant governmental agencies and industry self-regulatory authorities broad administrative discretion over its activities and the activities of its business units, including the power to limit or restrict business activities. It is possible that laws and regulations governing the Issuer's operations or particular investment products could be amended or interpreted in a manner that is adverse to it. To the extent that amendments to existing regulations or new regulations reduce the sale, or increase the redemptions, of the products and services it offers, or negatively affect the investment performance of the products it offers, the Julius Baer Group's assets under management and revenues could be adversely affected.

In particular, after the global financial crisis of 2007/08, there has been a substantially enhanced level of government and regulatory supervision, intervention and scrutiny, and there have been changes to regulations applying to financial institutions. Further, there is an ongoing substantial increase in government regulation and supervision of the financial services industry in order to seek to prevent future crises and otherwise ensure the stability of institutions under their supervision, including the imposition of higher capital and liquidity requirements, heightened disclosure standards, further development of corporate governance and employee compensation regimes and restrictions on certain types of transaction structures. Future changes in laws, regulations and fiscal or other policies can be difficult to predict and are beyond the control of the Julius Baer Group.

Governmental policies and regulatory changes – which are beyond the Issuer's control and difficult to predict – that could adversely impact the Julius Baer Group's business include, but are not limited to:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy, or changes in regulatory regimes that may significantly influence investor decisions in particular markets in which the Issuer operates, may change the structure of, and access to, those markets and the products offered, or may increase the costs of doing business in those markets;
- changes to other regulatory requirements, such as rules on consumer protection and prudential rules relating to capital adequacy or liquidity, charging special levies to fund governmental intervention in response to crises (which may not be tax deductible for the Julius Baer Group), separation of certain businesses from deposit-taking, and the breaking up of financial institutions that are perceived to be too large for regulators to take the risk of their failure;
- further developments in relation to financial reporting, including changes in accounting and auditing standards, corporate governance, conduct of business and employee compensation;
- expropriation, nationalisation, confiscation of assets and changes in legislation relating to foreign ownership; and
- other unfavourable political, military or diplomatic developments, producing social instability or legal uncertainty which, in turn, may affect demand for the Issuer's products and services.

Such existing or new requirements could, to differing extents, significantly impact the profitability and results of operations of firms operating within the financial services industry, including entities within the Julius Baer Group, or could require those affected to alter their current strategies, prevent the continuation of current lines of operations, restrict the type or volume of transactions which may be entered into, or set limits on, or require the modification of, rates or fees that may be charged.

The Issuer's costs, profitability and available regulatory capital could be adversely affected due to an increase in the cost of compliance following an increase in the scope of regulation to which the Issuer and its operations are subject. In addition, the Issuer may be subject to certain laws and regulations applicable where its clients reside. Due to the complexity of the regulatory environment in which the Issuer operates, it expects that any increases in the volume of regulation to which it is subject will result in a corresponding increase in the cost of compliance.

For instance, in Switzerland regulation providing for rules regarding financial market infrastructures and derivatives trading, similar to the EU's European Market Infrastructure Regulation rules, entered into force as of 1 January 2016 and new prudential rules, similar to the MiFID II rules, entered into effect as of 1 January 2020.

Whilst there is growing international regulatory cooperation on supervision and regulation of international and EU banking groups, the Issuer is, and will continue to be, subject to the complexity of complying with existing and new regulatory requirements in each of the jurisdictions in which it operates. Where changes in regulation are made, they may not be co-ordinated, potentially resulting in the Julius Baer Group having to comply with varying and possibly conflicting requirements. The foregoing matters may adversely impact any number of areas of the Julius Baer Group's operations and activities.

In many instances, the Issuer provides services on a cross-border basis, and it is therefore sensitive to barriers restricting market access for third-country firms. In particular, efforts in the EU to harmonise the regime for third-country firms to access the European market, and changes in corporate tax regimes, may have the effect of creating new barriers that adversely affect the Issuer's ability to conduct business in these jurisdictions from Switzerland. In addition, a number of jurisdictions are increasingly regulating cross-border activities, based on determinations of equivalence of home country regulation, substituted compliance or similar principles of comity. A negative determination could limit the Issuer's access to the market in those jurisdictions and may negatively influence its ability to act as a global firm. In addition, as such determinations are typically applied on a jurisdictional level rather than on an entity level, the Issuer will generally need to rely on jurisdictions' willingness to collaborate.

Additionally, the Issuer is subject to various rules and regulations regarding money laundering prevention. Monitoring compliance, with increasingly stringent anti-money laundering rules, will place a significant financial burden on the Issuer and pose a significant challenge in ensuring that its anti-money laundering standards are up-to-date and consistently applied in all circumstances by its employees across all branches and subsidiaries. Any

violation of anti-money laundering rules, or even the suggestion of such violations, may have severe legal, regulatory, financial and reputational consequences for the Issuer.

The Issuer is experiencing increased regulation of its activities as a result of anti-money laundering initiatives in a number of jurisdictions. Furthermore, Switzerland and other jurisdictions in which the Issuer operates have proposed or adopted regulations to strengthen prohibitions on money laundering and terrorist financing.

Business conduct risk

The Issuer defines business conduct risk as the risk that local or cross-border activities are in breach of the applicable local regulations, laws and policy requirements or similar requirements in the relevant country. The business conduct risk also entails the risk of failures to adhere to the applicable regulations relating to the development and structuring, documentation distribution and client suitability of new products and services. The business conduct risk also includes potential conflicts of interest, resulting namely from the improper receipt of inducements and retrocessions.

The Issuer and its subsidiaries' local or cross-border activities may result in breach of applicable local regulations, laws and policy requirements including on cross-border business or similar requirements in the relevant country. Breaches of foreign law have resulted in high financial settlements for the Issuer in the past such as in case of the amount of USD 79.7 million paid by the Bank Julius Baer & Co. Ltd. as part of the settlement reached on 27 May 2021 with the U.S. Department of Justice (DOJ) in connection with the FIFA-related investigation in the U.S. See "*Documents Incorporated by Reference*". Client reimbursement risk in case client contracts are considered null and void (rescinding of contract) due to violation of foreign law. Further, severe breaches of foreign law (and consequently serious breaches of Swiss supervisory law) can lead to a revocation or limitation of the banking license or other business restrictions imposed by the Swiss Financial Market Supervisory Authority (the "**FINMA**"). In the case of a revocation or limitation of the banking license or imposed business restrictions, clients can no longer be served with potentially detrimental impact on the Issuer's businesses and the Issuer. Breaches and resulting enforcement action as well as public reprimands of regulators may result in major negative press coverage and lead to negative reactions from stakeholders (see "*Risks Related to the Issuer—The Issuer's risk management policies and procedures may leave it exposed to unidentified or unanticipated risk*"). This could lead to a decrease of assets under management and could materially adversely affect the Issuer's financial condition and results of operations and its ability to fulfil its obligations under the 2021 USD Tier 1 Bonds.

Changes in Swiss law and politics in general might have a negative impact.

Changes in law (including the law on accounting and financial reporting) and politics in general might have a negative impact on the Issuer.

The Issuer uses third parties for certain services, and if these third parties do not perform as contractually required or expected, or otherwise cease to provide their services to the Issuer, the Issuer may be subject to the risk of client attrition, its reputation may suffer and its businesses may not perform as expected.

In providing private banking services to its clients, the Issuer depends also on third parties for certain services, notably the access to, and the functioning of systems maintained by, such third parties, including, but not limited to, IT services providers, correspondent banks and sub-custodians. Although the Issuer engages in due diligence and closely scrutinises the third parties it procures services from, ultimately it does not control these third parties. If such third parties do not provide these services to the Issuer for whatever reason, this could adversely affect the Issuer's business, financial condition and results of operations.

The Issuer's operating performance could be adversely affected by sudden and substantial changes in interest rates.

Unexpected and erratic changes in interest rates can affect the level of the Issuer's net interest income. Since funding costs and interest earnings do not necessarily correlate in all interest rate environments, movements in overall interest rate levels, as well as in the yield curve, can influence the Issuer's net interest income. Interest rate fluctuations may also influence the value of its fixed-income trading portfolio and the amount of income the Issuer derives from its sales and trading businesses. Moreover, interest rate movements may have an impact on market prices for various classes of the Issuer's financial assets, including its assets under management. Despite its best efforts to manage this interest rate risk, the Issuer's business, financial condition and results of operations could be adversely affected by sudden and substantial changes in interest rates.

Inability to preserve a stable funding and liquidity position could adversely affect the Issuer's operating performance and financial condition.

Despite actively managing its funding and liquidity position and ensuring sufficient liquidity at a specific point in time, the Issuer faces liquidity risk. Liquidity risk, i.e. the risk of being unable to meet (re)payment obligations when they become due, is inherent in any banking operation and could adversely affect the Issuer's business, financial condition and results of operations.

Negative changes in market prices could adversely affect the value of the Issuer's treasury and trading portfolio.

The value of the Issuer's treasury and trading portfolio is affected by changes in market prices, such as interest rates, equities, currencies, certain commodities and derivatives. The Issuer takes various actions to address risks from such market price fluctuations, including entering into hedging transactions to address the market risks relating to its treasury and trading activities; however, significant negative changes in market prices could adversely affect its business, financial condition and results of operations.

As a result of the cross-border nature of its business, the Issuer is exposed to the risk of compliance with different regulatory regimes.

As a result of the cross-border nature of its business, the Issuer is exposed to the risk that its relationships with its clients may be deemed to be governed by more than one regulatory regime. For example, even if the Issuer is providing advice to a client in Switzerland, if clients are domiciled in a foreign country, they may bring an action against the Issuer predicated upon the laws of their country of domicile. As a result, the Issuer is subject to the risk that it could be deemed to have provided non-compliant advice to the extent that it does not comply with legislation such as MiFID II, which applies in EU member states. Even if any such actions are not successful, the Issuer may nonetheless incur legal expenses in defending them.

In addition, the ongoing implementation in the United States of the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), including the "**Volcker Rule**", derivatives regulation and other regulatory developments, have imposed, and will continue to impose, new regulatory burdens on certain of the Issuer's operations. These requirements have contributed to the Issuer's decision to exit certain businesses, and may lead it to exit other businesses. Recent US Commodity Futures Trading Commission, Securities and Exchange Commission and Federal Reserve rules and proposals have materially increased, or could in the future materially increase, the operating costs, including margin requirements, compliance, information technology and related costs, associated with the Issuer's derivatives businesses with U.S. persons.

Cross-border risks may increase market and credit risks that the Issuer faces.

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may be materially affected by such risks. Economic or political pressures in a country or region, including those arising from local market disruptions, currency crises, monetary controls or other factors, may adversely affect the ability of the Issuer's clients or counterparties located in that country or region to obtain foreign currency or credit and, therefore, to perform their obligations to the Issuer, which, in turn, may have an adverse impact on its results of operations.

The Issuer may face significant losses in emerging markets.

As a global financial services company doing business in emerging markets, the Issuer is exposed to economic instability in emerging market countries. The Issuer monitors these risks, seeks diversity in the sectors in which it invests, and emphasises client-driven business. Its efforts at limiting emerging market risk, however, may not always succeed.

The Issuer could become subject to reimbursement claims by its clients, and its compliance costs could increase in the event that fees received by it for the distribution of financial products issued by third parties are considered to be "retrocessions".

Case law arising from litigation in Swiss courts has established that fees received by a bank for the distribution of financial products may be considered to be "retrocessions" unless they are received for genuine distribution services. If a fee is deemed to be a retrocession, the bank must disclose to the affected client that it has received a retrocession, and must provide the client with sufficient information to calculate the amount of the retrocession in order for the client to validly renounce a claim to the retrocession. If fees received by the Issuer for the distribution

of financial products are deemed to be retrocessions, absent a waiver, the Issuer could become subject to reimbursement claims by its clients.

Non-compliance with regulatory requirements may result in enforcement measures or subject the Issuer to significant penalties, material business limitations or increased costs, and could adversely affect its reputation, all of which could result in a significant decline in assets under management and, hence, revenue and profitability.

Non-compliance with regulatory requirements may result in regulatory authorities taking enforcement action against the Issuer. Possible sanctions could include the revocation of licences to operate certain businesses, the suspension or expulsion from a particular jurisdiction or market of any of the Issuer's business organisations or their key personnel, the imposition of fines and censures on the Issuer's employees or the Issuer, the enforcement of payment obligations to clients or market participants, and the imposition of additional capital requirements. The Issuer cannot give any assurance that it will not be subject to future regulatory scrutiny, which could give rise to adverse publicity, damage its reputation, or have a material adverse effect on its business. For example, regulators in certain markets around the world may determine that industry practices generally, and the Issuer's practices in particular, regarding the provision of services to clients are inconsistent with their interpretations of existing local laws and regulations (such as in relation to licensing, product distribution and consumer protection requirements). Increased costs of compliance with applicable laws and regulations following any such determination could negatively affect the Issuer's profitability. In addition, private litigation regarding such issues could also result in liability for the Issuer, such as a determination that affected contracts are void or unenforceable. Any material loss of investor or client confidence as a result of non-compliance or alleged non-compliance with regulatory requirements could result in a significant decline in assets under management.

Because of changes in the laws regarding automatic exchange of financial account information and bank client confidentiality, the Issuer could experience outflows of assets under management and its business could otherwise be adversely affected.

Swiss banking legislation protecting bank client confidentiality has historically been an important factor influencing high net worth individuals' choice to hold their assets in Switzerland. The ongoing changes in law and in interpretation of the laws by authorities or courts that affect bank client confidentiality and the automatic exchange of financial accounts information that effectively terminates bank client confidentiality in relation to international clients may make Switzerland a less attractive location for clients to hold their assets in Switzerland. In particular, Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("AEOI") in tax matters, which applies to all EU member states. In addition, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information ("MCAA"), as well as, based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on such agreements and the implementing laws of Switzerland, Switzerland collects and exchanges data in respect of financial assets, including 2021 USD Tier 1 Bonds, as the case may be, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in an EU member state or in another treaty state. An up-to-date list of the AEOI agreements to which Switzerland is a party that are in effect, or signed but not yet in effect, can be found on the website of the State Secretariat for International Financial Matters (SIF).

Further, certain countries seek actively to encourage repatriation of wealth of their citizens held offshore in Switzerland, as a means of combating tax evasion.

The Julius Baer Group is, and may become, subject to investigations or enforcement actions by authorities in Switzerland and in countries other than Switzerland, resulting in costs and potentially fines.

The Julius Baer Group is, and may become, subject to further investigations or enforcement actions by authorities in Switzerland and in countries other than Switzerland, which could result in the Julius Baer Group being required to incur significant defence costs and pay fines, and could expose it to other sanctions and also harm its reputation. These investigations and enforcement actions may also give rise to claims by affected clients, counterparties, or the Julius Baer Group's employees.

The Issuer is subject to the risk that changes in tax and regulatory regimes could cause clients to transfer their assets out of the Julius Baer Group or reduce the demand for the Issuer's services.

The Issuer is subject to the risk that governments in the jurisdictions in which it does business will introduce changes in their tax or regulatory regimes that could adversely affect the Issuer's ability to offer certain of its products or the favourable tax treatment for those products. The Issuer is also exposed to the risk that one or more

jurisdictions in which it holds client assets may become a less attractive location for its clients to hold their assets. In particular, legal, regulatory or tax changes in such jurisdictions might cause clients to move their assets to other jurisdictions. Clients may also have an incentive, through beneficial tax treatments due to changes in tax laws or tax amnesties, to move their assets into jurisdictions, including the clients' home jurisdictions, where the Issuer does not have banking operations, thereby negatively impacting its assets under management. Because a significant portion of the Issuer's assets under management are held in a location other than the clients' home jurisdictions, it is particularly exposed to regulatory and tax changes that make Switzerland and the Issuer's other booking centres less attractive locations for clients to hold their assets.

Systemic risk resulting from failures by banks, other financial institutions and corporates could adversely affect the Julius Baer Group.

Within the financial services industry, the default of any one institution could lead to defaults by other institutions. This risk is sometimes referred to as "systemic risk", and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, other financial institutions and exchanges in the markets in which the Julius Baer Group operates, and cause market declines or volatility. Such a failure could lead to a chain of defaults that could adversely affect the Issuer and its contract counterparties and, for instance, prevent the Issuer from raising new funding. In addition, the failure of a sufficiently large and influential institution could impact future product sales as a potential result of reduced confidence in the financial services industry.

The Julius Baer Group may incur significant losses on its trading and investment activities.

The Issuer maintains large trading and investment positions and hedges in the debt, currency and equity markets, and in private equity, hedge funds, real estate and other assets. These positions could be adversely affected by volatility in financial and other markets. Further, these positions are exposed to the risk that the counterparties of those positions will not perform their obligations. These counterparties may default on their obligations to the Issuer due to lack of liquidity, operational failure, bankruptcy or other reasons, which could result in a loss of those positions, and this could have a material adverse effect on the Issuer's operational results and financial condition.

The Issuer's reputation is one of the most important assets it has, and if that reputation is harmed, the Issuer may not be able to retain and attract clients, and the Issuer's business, results of operations and financial condition may suffer.

Negative publicity could arise, for example, from misconduct by an existing or newly acquired client, which could have a negative impact on the Issuer as a result of allegations that it does not fully comply with regulatory requirements or anti-money laundering rules, publicity about politically exposed persons in its client base, or allegations that a regulator or prosecutor is conducting investigations involving it. The Issuer could also suffer harm to its reputation if investments or financial products it recommends do not perform as expected. It could also experience negative publicity or become subject to legal proceedings in the event that it is not successful in protecting its clients' data or confidential information, or in the event of fraud or misconduct committed by one of its employees, agents or third-party distributors or by external asset managers. Furthermore, any resulting damage to the Issuer's reputation could cause material damage to its business even if legal proceedings are not commenced or are determined in its favour.

Any damage to its reputation could cause existing clients to withdraw their assets, and potential clients to be reluctant to do business with the Issuer. Furthermore, negative publicity or potential or actual legal proceedings may result in greater regulatory scrutiny and influence the Julius Baer Group's perception in the market.

The Issuer faces an increase in the intensity of competition, both on a domestic and on an international level.

The Issuer competes with a number of large banks and other broad-based financial institutions, both domestically and internationally, that have the ability to offer a wide range of products, including loans, deposit taking, securities, investment banking and asset management services, and may benefit from government guarantees, all of which may enhance their competitive position. Generally, they also have substantial financial resources and, accordingly, have the ability to support securities, investment banking and asset management services in an effort to gain market share, which could result in pricing and other competitive pressures on the Issuer's business. The ability of clients to withdraw assets on short notice requires careful monitoring of, and quick responses to, the activities of the Issuer's competitors. If the Issuer is not able to respond to these activities rapidly enough, it could lose assets under management or clients.

The Issuer's revenue may decline due to competition from alternative trading systems.

Securities and futures transactions are now being conducted through the internet and other alternative, non-traditional trading systems, and it appears that this trend toward the use of alternative trading systems will continue and may accelerate. A dramatic increase in electronic trading may adversely affect the Issuer's commission and trading income and could reduce its market share. The Julius Baer Group has made, and may continue to be required to make, significant additional expenditures to develop and support new trading systems, or otherwise may have to invest in technology to maintain its competitive position.

The Issuer may face increased competition with respect to attracting and retaining key management and personnel, and, in particular, its client relationship managers.

The Julius Baer Group faces the risk of losing key employees due to employees joining competitors, pursuing other interests, retirement and other reasons. It is important to retain key management personnel. The employment conditions the Issuer may offer under applicable regulatory standards (given its financial situation), might not be sufficiently attractive and competitive to pursue its underlying human resource strategy. The employment agreements it has with key management do not contain non-competition restrictions in the event they leave the Issuer, and, therefore, there is nothing that legally prevents them from leaving the Issuer to engage in competing business activities. In addition, losing the services of one or more members of its management team could adversely affect the Issuer's business. The Issuer may not be able to retain key personnel unless, or even though, it increases retention payments and otherwise increases the compensation it pays to its key personnel.

If the Issuer fails, or is unable, to adequately protect its intellectual property rights, its competitive position could be adversely affected.

The protection of the Issuer's brand name is extremely important to its business. Even though the Issuer has registered its brand name in the countries in which it operates, it may become necessary for the Issuer to defend its intellectual property rights in order to prevent others from misappropriating or infringing the Julius Baer Group's brand names. Should the Issuer be unable to adequately protect these brand names, its competitive position could be adversely affected. The Issuer's brand and reputation might furthermore be adversely affected if a third party, using its brand under a licence agreement, is exposed to negative or adverse publicity, press speculation and threatened or actual legal proceedings. Any misuse of, or other adverse impact on, the Issuer's brand could adversely affect its reputation, competitive position and results of operations.

The Issuer may become subject to external fraud.

External fraud refers to unauthorised or illegal activity, theft or fraud carried out by a third party outside the Julius Baer Group. External fraud includes, but is not limited to, theft or robbery, forgery (including cheque forgery), computer hacking or theft of information. In particular, in the area of computer hacking, the Issuer could become subject to cyber-attacks, security breaches, unauthorised access, loss or destruction of data, unavailability of services, computer viruses or other events that could have an adverse impact. As a result of such external fraud, the Julius Baer Group could become subject to litigation or suffer financial loss, a disruption of its businesses, liability to its clients, regulatory intervention or reputational damage.

The Issuer is involved in, and may become involved in, legal or other regulatory proceedings that may be costly and time consuming.

In the ordinary course of its business, the Issuer (and its legal entities) is involved in, and may become involved in, legal or regulatory proceedings, including those related to tax, bribery and anti-trust matters and other regulatory and legal matters, that may be costly to defend, and could result in large monetary losses, including punitive damage awards and fines, and cause significant harm to the Issuer's reputation. In particular, the Issuer is involved in a number of regulatory enforcement activities and third-party claims made against it, its affiliates or agents. In certain of these claims, the Issuer is unable to make a meaningful estimate of the amount or range of any loss that could result from an unfavourable outcome. Even if the Issuer is successful in defending the allegations and claims against it or in arguing its claims against third parties, such proceedings may result in expenditures of sums which prove to be irrecoverable and may divert management's attention and resources. Consistent with applicable accounting standards, the Issuer from time to time makes provisions against any losses which it is more likely than not to incur, but there can be no assurance that the losses actually suffered from such proceedings will not exceed the provisions made. For information on current legal or other regulatory proceedings, see also Note 17 "Provisions" of the Financial Statements in the Issuer Consolidated Annual Report 2020, incorporated herein by reference, Note 8 "Provisions" in the Issuer Half-Year Report 2021, incorporated herein by reference, and the section "*Information about Julius Baer Group Ltd. – Recent Developments*".

The Issuer may incur losses from its market making and proprietary trading activities due to market fluctuations.

The Issuer engages in certain limited market making activities principally in respect of its own structured products, and proprietary trading activities in foreign exchange, fixed-income and equity markets, including derivatives markets, and is therefore exposed to losses in the event of adverse market movements (whether up or down) in specific equities, fixed-income or other products, baskets of securities, indices, foreign exchange rates and the markets generally. The Issuer's trading positions can also be adversely affected by the level of volatility in the financial markets (that is, the degree to which prices fluctuate over a particular period) regardless of market levels. There can be no assurance that future results from market making and proprietary trading will not be materially and adversely different from those experienced in recent periods.

In connection with the Issuer's market making and proprietary trading activities, it attempts to mitigate related market risks by entering into hedging transactions, which may include over-the-counter derivative contracts or the purchase or sale of securities, financial futures, options or forward contracts. If any of the variety of instruments and strategies the Issuer uses to hedge its exposure to market risks is not effective, it may incur losses. Many of the Issuer's strategies are based on historical trading patterns and correlations. However, these strategies may not be effective in mitigating its risk exposure in all market environments or against all types of risk. Unexpected market developments may affect a number of hedging strategies.

The Issuer may incur losses from its investment of surplus liquidity from clients' deposits in securities.

The Issuer invests a majority of its surplus liquidity from clients' deposits in interest-bearing securities. The Issuer cannot provide assurances that its investments will perform as they have in the past. It may also be forced to sell these investments earlier than anticipated, and may incur losses. In addition, there is a risk that interest due under these investments or amortisation payments will not be paid, or that the investments might default. These investments are susceptible to market volatility, in particular, but not limited to, interest rate levels, and the effects of the current and any future financial crisis could lead to lower credit quality and increased credit spreads, which could significantly decrease their value. If any of these risks materialise, this could have a material adverse effect on the Issuer's operational results and financial condition.

The Issuer's risk management policies and procedures may leave it exposed to unidentified or unanticipated risk.

The Issuer has risk management policies and procedures in place to cover strategic and business risk, credit risk, market risk, liquidity and financing risk, operational risk and reputational risk. If these policies and procedures prove to be inadequate in addressing all the risks the Issuer faces, or are not properly adhered to, the Issuer may experience material losses.

Strategic and business risks are those risks arising from the business environment. Credit or counterparty risk is the risk of non-compliance with an obligation a counterparty has incurred with the Issuer. Market risk measures the potential loss to which the Issuer is exposed through changes in market prices in interest rate, equity, foreign exchange and commodity markets. Financing risk is the risk that the Issuer is unable to finance its existing or planned activities on an on-going basis at acceptable terms. Liquidity risk, conversely, is the risk that the Issuer is unable to meet its payment obligations when they fall due. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Issuer is exposed to reputational risk, which means the risk that negative publicity, press speculation and threatened or actual legal proceedings concerning the Issuer's business, employees or clients may harm its reputation.

The Issuer takes various actions to address risks that arise in its businesses, including entering into hedging transactions to address the market risks relating to its limited market making and proprietary trading activities, prescribing limits on the amount and type of credit risk per counterparty that the Issuer may incur in its margin lending activities and prescribing acceptance and monitoring procedures relating to legal and regulatory risks that could arise in connection with its relationships with independent asset managers. Some of these and the other methods of managing risks that the Issuer employs are based upon its use of observed historical market behaviour. The Issuer applies statistical and other methods to these observations to arrive at quantifications of its risk exposures. The Issuer's policies and procedures to identify, monitor and manage risks may not be effective in mitigating its risk exposure in all economic market environments or against all types of risk, including risks which it fails to identify or anticipate. These methods may not be effective in predicting future risk exposures, which could be significantly greater than historical measures indicate. This is particularly true during times of extreme

market conditions when, for instance, historically observed patterns of correlation and volatility of asset values break down, market-wide liquidity constraints materialise and counterparty risk increases to dramatic levels. Other risk management methods depend upon the evaluation of information regarding markets, customers or other matters, that is publicly available or otherwise accessible. This information may not in all cases be accurate, up-to-date or properly evaluated.

For information on the Issuer's risk management, see the chapters "*Comment on Risk Management*" and "*Comment on Capital Management*" of the Financial Statements in the Issuer Consolidated Annual Report 2020 incorporated herein by reference.

The Issuer is exposed to third-party credit risk, and financial or other problems experienced by third parties.

The Issuer is exposed to the risk that third parties that owe it money, securities or other assets will not perform their obligations. These parties include the Issuer's clients, trading counterparties, clearing agents, exchanges, clearing houses and other financial institutions. These parties may default on their obligations to the Issuer due to lack of liquidity, operational failure, bankruptcy or other reasons. Market conditions in the global financial crisis of 2007/08 led to the failure or merger under distressed conditions of a number of prominent financial institutions. Financial institution failures or near failures have resulted in losses, including to the Julius Baer Group's principal operating entity (Bank Julius Baer & Co. Ltd.), as a consequence of defaults on securities issued by such institutions, and defaults under bilateral derivatives and other contracts entered into with such entities as counterparties.

The large majority of the Issuer's private banking related exposure to credit risk is attributable to secured and margin lending activities, which are collateralised primarily by pledges of marketable securities. As a result, the Issuer's risk management procedures focus strongly on the value of the collateral securing its margin loans in addition to the creditworthiness of the borrower. The Issuer may encounter situations where its exposure has become under-collateralised, for example, as a result of sudden declines in market values that reduce the value of the collateral. The Issuer may incur losses up to the amount by which the obligation owed to it exceeds the value of the collateral securing such obligation.

For information on the Issuer's management of credit risk, see the chapters "*Comment on Risk Management*" and "*Comment on Capital Management*" of the Financial Statements in the Issuer Consolidated Annual Report 2020 incorporated herein by reference.

The information that the Issuer uses to manage its credit risk may be inaccurate or incomplete.

Although the Issuer regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as, for instance, fraud. The Issuer may also fail to receive full information with respect to the credit or trading risks of a counterparty.

The value of certain financial instruments recorded at fair value is determined by using financial models incorporating assumptions, judgements and estimates which may change over time.

In order to establish the value of financial instruments which the Julius Baer Group, under IFRS, recognises at fair value, the Issuer relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable market data. In certain circumstances, the data for individual financial instruments or classes of financial instrument utilised by such valuation models may not be available, or may become unavailable, due to changes in market conditions, as has been the case at times since the commencement of the recent financial crisis. In such circumstances, the Issuer's internal valuation models require it to make assumptions, judgements and estimates in order to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgements and estimates the Issuer is required to make often relate to matters that are inherently uncertain, such as expected cash flows, the ability of borrowers to service debt, asset price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgements and estimates may need to be updated to reflect new information, changing trends and market conditions. The resulting change in the fair values of financial instruments could have a material adverse effect on the Issuer's financial condition, results of operations and prospects.

For information on these estimates and valuations, see the chapters "*Summary of significant accounting policies*" and Note 26B "*Financial instruments – Fair value determination*" in the Financial Statements in the Issuer Consolidated Annual Report 2020 incorporated herein by reference.

Risks relating to off-balance sheet entities.

The Issuer enters into transactions with special purpose entities ("SPEs") in the normal course of business, and certain SPEs with which it transacts business are not consolidated and their assets and liabilities are off-balance sheet. The accounting requirements for consolidation, initially and if certain events occur that require the Issuer to reassess whether consolidation is required, can require the exercise of significant management judgement. Accounting standards relating to consolidation, or their interpretation, have changed and may continue to change. If the Issuer is required to consolidate an SPE, its assets and liabilities would be recorded on its consolidated balance sheet and the Issuer would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on its results of operations and capital and leverage ratios.

The Issuer has a certain degree of client concentration, and, to the extent that it is unable to retain these clients or sufficiently diversify its client base, its results of operations may suffer.

As an institution engaged primarily in private banking, the Issuer is exposed to client concentration risk. A significant portion of its customers are high net worth individuals. Those individuals and their households have, to a certain degree, similar socio-economic characteristics and they are likewise exposed to comparable macroeconomic and regulatory risks. Also, the geographical mix of the Issuer's client base may not be sufficiently diversified. In addition, a limited number of ultra-high net worth individuals will continue to be significant to the Issuer in terms of assets under management. If the Issuer is unable to retain these clients or sufficiently diversify its client base, its results of operations and financial condition may be adversely affected.

The Issuer is a holding company and relies on its subsidiaries for all funds necessary to meet its financial obligations.

The Issuer is a holding company and its subsidiaries conduct all of its operations and own all of its assets. The Issuer has no significant assets other than the partnership interests, stock and other equity interests in its subsidiaries. The Issuer's subsidiaries are separate and distinct legal entities and, under certain circumstances, legal and contractual restrictions may limit the ability of these subsidiaries to provide the Issuer with funds for the Issuer's payment obligations, whether by dividends, distributions, loans, interest and/or principal payments (including those under the 2021 USD Tier 1 Bonds) or other payments, including, but not limited to, payments in connection with regulatory capital instruments issued by the Issuer's subsidiaries to the Issuer. Any distribution of earnings to the Issuer from its subsidiaries, or advances or other distributions of funds by these subsidiaries to the Issuer, all of which are subject to statutory or contractual restrictions, are contingent upon the subsidiaries' earnings and are subject to various business considerations.

Risk of a rating downgrade

The Issuer is rated by credit rating agencies. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. As of the date of this Prospectus Moody's assigned the Issuer an "Issuer Rating" of "Baa1 (positive)" (for more details, see "*Information about Julius Baer Group Ltd.—Ratings*").

The Issuer closely monitors and manages, to the extent possible, factors that could influence its credit ratings (e.g. expected future profitability, risk management practices, legal expenses, regulatory developments and economic and geopolitical trends). Despite such measures, the Issuer has been subject to ratings downgrades in the past and may be subject to rating downgrades in the future. A downgrading of the Issuer's credit ratings could e.g. occur at times of broader market instability when the Issuer's options for responding to events may be more limited and general investor confidence is low. A downgrading of the Issuer's credit ratings and the corresponding loss of confidence in the Issuer as creditor could in particular reduce its access to capital markets, materially increase the refinancing costs and decrease the number of investors and counterparties that are willing or permitted to do business with the Issuer. Therefore the downgrading of the Issuer's credit rating could have a material adverse effect on the Issuer's profitability and results of operations and its ability to fulfil its obligations under the 2021 USD Tier 1 Bonds.

A deterioration of the Issuer's credit ratings could result in increased funding costs, may damage client perceptions, and may have a material adverse impact on its liquidity.

The Issuer's credit ratings (currently being only rated by Moody's) affect both the terms on which creditors are willing to transact with it, and the willingness of clients to do business with it. Because the interest rate and other terms of the Issuer's debt agreements depend in part on its credit rating, any deterioration in its credit ratings, or a negative outlook given by a rating agency, could result in increased funding costs and may limit its funding sources

or impact its liquidity. In addition, rating downgrades may limit the Issuer's ability to conduct certain businesses, or may cause clients to be reluctant to do business with the Issuer. The negative consequences of any downgrade of its credit rating could negatively impact its funding costs and liquidity.

Operational risks, including information technology risk, may disrupt the Issuer's businesses, result in regulatory action against it, or limit its growth.

The issuer faces a wide variety of operational risks, including information security and cyber risk, fraud risk, technology risk that stems from dependencies on information technology, third-party suppliers and the telecommunications infrastructure and other certain key services.

In particular, the Issuer faces operational risk arising from mistakes made in the confirmation or settlement of transactions or from transactions not being properly recorded, evaluated or accounted. The Issuer's businesses are highly dependent on its ability to process, on a rapid basis, a large number of transactions across several and diverse markets in many currencies, and the transactions the Issuer processes have become increasingly complex. Consequently, the Issuer relies heavily on its financial, accounting and other data processing systems. In the future, if any of these systems, including but not limited to home office access which intensified during the COVID-19 pandemic, does not operate properly, is disabled, not replaced or not newly implemented, the Issuer could suffer financial loss, a disruption of its businesses, liability to clients, regulatory intervention or reputational damage. In addition, the inability of the Issuer's systems to accommodate an increasing volume of transactions could constrain its ability to expand its businesses. The Issuer also faces such information technology risks in connection with the global renewal of its IT platforms. The Issuer selected Temenos to initiate planning of its core banking platform replacement in Asia, while retaining flexibility to select the optimal providers for renewals in other regions and for additional components and applications. After the completion of the project in Asia, the renewal of the IT platforms will also be implemented in other regions.

Information security, data confidentiality and integrity are of critical importance to the Issuer's business. Despite the Issuer's vast array of security measures to protect confidentiality, integrity and availability of its systems and information, it is not always possible to anticipate the evolving risk landscape and mitigate all risks to its systems. The Issuer could also be affected by risks to the systems and information of clients, vendors, service providers, counterparties and other third parties.

The Issuer is exposed to legal and compliance risk.

The Issuer faces significant legal risks in its businesses, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms is increasing.

Legal risk essentially comprises default and liability risk. Default risk is defined as the risk of financial or other loss or injury resulting from a company of the Julius Baer Group being unable to enforce existing or anticipated rights, most commonly contractual rights, against third parties. Liability risk, on the other hand, arises when a company of the Julius Baer Group, or someone acting on its behalf, fails to meet an obligation owed to a third party or fails to respect the rights of a third party, and where such failure results in injury to the third party concerned.

Regulatory or compliance risk is the risk of financial or other loss or injury resulting from a breach of applicable laws and regulations or the departure from internal or external codes of conduct or market practice. The loss or injury in such circumstances may take the form of fines imposed by regulatory authorities, or other sanctions such as restrictions on business activities or the imposition of mandatory remedial measures. The Issuer and the companies of the Julius Baer Group are subject to compliance risks in particular by providing services to clients and counterparties, by receiving services from third parties and by operating in a regulated industry.

The Issuer and the companies of the Julius Baer Group provide financial services in Switzerland and through branches, representative offices or on a purely cross-border basis in Europe, the Middle East, Asia and Latin America. Consequently, they must comply with the laws and regulations that apply to the Issuer's business in all of the jurisdictions in which it does business and its operations are subject to supervision by regulatory authorities in multiple jurisdictions. Potential non-compliance with legal and regulatory requirements may result in civil, criminal or regulatory consequences for the Issuer. The loss or damage in such circumstances may take the form of fines and/or disgorgement imposed by regulatory and/or criminal authorities or other sanctions such as restrictions on business activities, the imposition of mandatory remedial measures (including monitoring) or even the loss or suspension of supervisory licenses.

The realization of this risk may result in a decline in assets under management and increased costs and hence, materially adversely affect the Issuer's results of operations and profitability and the Issuer's ability to fulfil its obligations under the 2021 USD Tier 1 Bonds.

Risk related to financial crime

As a globally acting wealth manager, the Issuer and the companies of the Julius Baer Group occasionally do business with higher risk clients (including politically exposed persons ("PEPs") and clients from sensitive industries and commercial clients). As a result, providing services to all of the Issuer's clients that present such higher risk involves a significantly higher standard of care and diligence in order to ensure that the Issuer complies with its legal responsibilities than is required for other clients of the Issuer. The Issuer has implemented and continues to maintain policies and procedures to ensure its compliance with Anti-Money Laundering ("AML"), Counter Financing of Terrorism ("CFT"), and applicable anti-corruption / bribery laws and regulations as well as sanctions and embargos (e.g. SECO, OFAC, UN, EU and other local applicable sanctions). When the Issuer and the companies of the Julius Baer Group provide services to higher risk clients they apply such policies and procedures in all of the jurisdictions in which they provides such services.

Notwithstanding the above, it cannot be excluded that the Issuer and the companies of the Julius Baer Group may become subject to investigations or other proceedings focusing on their transactions with some of their higher risk clients. If the Issuer and the companies of the Julius Baer Group are not able to successfully defend themselves in such investigations or other proceedings this may lead to significant reputational and/or financial damage for the Issuer including fines and penalties, costs related to remediation and external enforcement actions as well as imposed business restrictions. Possible sanctions include:

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

This measures described above could result in a significant decline in assets under management and increase of costs for complying with laws and regulations and could materially adversely affect the Issuer's financial condition and results of operations and the Issuer's ability to fulfil its obligations under the 2021 USD Tier 1 Bonds.

The Issuer is exposed to the risk of losses as a result of employee fraud, misconduct or improper practice.

Fraud, misconduct or improper practice by any of the Issuer's employees could expose the Issuer to the risk of direct or indirect financial loss and damage to its reputation. Such fraud, misconduct and improper practice could involve, for example, fraudulent transactions entered into for a client's account, the intentional or inadvertent release of confidential customer information or failure to follow internal procedures. Such actions by employees may, again by way of example only, expose the Issuer to financial losses resulting from the need to reimburse customers or as a result of fines or other regulatory sanctions, and may lead to damage of the Issuer's reputation. Such financial losses and reputational damages may adversely affect the Issuer's business, results of operations and financial condition.

Risks relating to mergers and acquisitions ("M&A"), integration and realisation of expected synergies.

The Issuer has been acquiring other financial services businesses of various sizes from time to time and may continue to do so in the future. In connection with one or more M&A transactions of any kind, the Issuer may, in particular, not be able to:

- achieve its targets and the benefits and synergies expected in connection with an M&A transaction;
- achieve its key commercial objectives following an M&A transaction;
- achieve its earnings accretion targeted in relation to an M&A transaction;

- avoid writing down the carrying value of its investment in any business acquired by way of an M&A transaction;
- ensure that the services that a counterparty in an M&A transaction or its affiliates provide pursuant to transitional service agreements will be timely or will adequately meet the needs of the Julius Baer Group;
- close and complete an M&A transaction timely or at all;
- recover pre-payments that it has made to the extent that a particular business or company is not transferred to it;
- adequately protect itself from contingent or unknown liabilities; and
- eliminate all currency risk in respect of the consideration payable in connection with an M&A transaction, in the event that the hedging strategy is not fully effective.

If any of these risks materialise, this could have a material adverse effect on the Issuer's financial condition, results of operations and prospects.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference into, and are a part of, this Prospectus. Any information included or referred to in the documents listed below that is not specifically identified in the table below is not incorporated by reference herein and, therefore, does not form part of this Prospectus:

Document	Information incorporated by reference (references are to page numbers in that document)	Place of publication
Half-Year Report 2021 of the Issuer (Issuer Half-Year Report 2021)	<ul style="list-style-type: none"> (i) Consolidated income statement..... 2 (ii) Consolidated statement of comprehensive income 3 (iii) Consolidated balance sheet 4 – 5 (iv) Consolidated statement of changes in equity 6 – 7 (v) Consolidated statement of cash flows. . 8 – 9 (vi) Condensed accounting policies and valuation principles 10 – 11 (vii) Events after the balance sheet date 12 (viii) Notes to the financial statements 13 – 31 (ix) Capital ratios 32 	https://www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=78439&token=b7b42e97ed837ce733270b6964ce1c32ed519acc
Consolidated Financial Statements 31 December 2020 (including prior year comparative financial information) of Julius Baer Group Ltd (Issuer Consolidated Annual Report 2020)	<ul style="list-style-type: none"> (i) Consolidated financial statements... 96 – 104 (ii) Summary of significant accounting policies 104 – 115 (iii) Comment on risk management..... 115 – 133 (iv) Comment on capital management 133 – 137 (v) Information on the consolidated income statement. 137 – 142 (vi) Information on the consolidated balance sheet 142 – 163 (vii) Additional information 16 – 219 (viii) Report of the statutory auditor to the annual general meeting of Julius Baer Group Ltd., Zurich 219 – 224 	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=75197&token=26bcf52ad4576fb076e8ad0e0dcc85d0cb773599
Julius Baer Group Basel III Pillar 3 Disclosures June 2021 (Basel III Pillar 3 June 2021)	<ul style="list-style-type: none"> (i) Introduction 2 – 2 (ii) Key metrics 3 – 4 (iii) Overview of Risk-Weighted Assets..... 4 – 5 (iv) Liquidity cover ratio..... 5 – 6 (v) Market risk 6 – 8 	https://www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=79556&token=8158586177a5b95ccd8d7f6d781b01347c14d1b6
Julius Baer Group Alternative Performance Measures Full Year 2020 (APM 2020)	Entire Alternative Performance Measures for the full year 2020	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=73108&token=62d0270832b5deb44bd880046b08dada0130a5e7
Final settlement with the U.S. Department of Justice regarding FIFA matter (DoJ FIFA Final Settlement)	Announcement regarding the Issuer's final settlement with the U.S. Department of Justice regarding the FIFA matter	www.juliusbaer.com/en/media-investors/news/julius-baer-announces-final-settlement-with-the-us-department-of-justice-regarding-fifa-matter/

Any statement in a document incorporated by reference into this Prospectus will be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any subsequent document incorporated by reference herein modifies or supersedes that statement.

Documents Available

Copies of this Prospectus, supplements to this Prospectus and the documents incorporated herein by reference are available from Julius Baer Group Ltd., Bahnhofstrasse 36, 8010 Zurich, Switzerland or can be ordered by telephone (+41 (0)58 888 5256) or by email (investor.relations@juliusbaer.com).

The documents incorporated by reference above are also available on the Issuer's website under the address www.juliusbaer.com/en/media-investors.

No Advice

This Prospectus does not constitute investment, tax, legal or other advice. Prospective investors in the Instruments should consult their professional advisers on the implications of the purchase, holding, redemption or sale of the Instruments and the receipt of payments thereon under any laws applicable to them.

TERMS AND CONDITIONS OF THE 2021 USD TIER 1 BONDS

The terms and conditions of the Perpetual Tier 1 Subordinated Bonds (the "**2021 USD Tier 1 Bonds**") (each a "**Condition**", and together the "**Terms of the Bonds**"), issued by Julius Baer Group Ltd. (the "**Issuer**"), are as follows:

1. AMOUNT, DENOMINATION, REOPENING, FORM, TITLE AND TRANSFER

(a) Amount, Denomination and Reopening

The initial aggregate principal amount of the 2021 USD Tier 1 Bonds of USD [] ([] million United States Dollars) is divided into bonds (each a "**2021 USD Tier 1 Bond**" and, collectively, the "**2021 USD Tier 1 Bonds**"), each with a minimum denomination of USD 200,000 and integral multiples of USD 1,000 in excess thereof.

The Issuer may from time to time, without the consent of the Holders, issue further bonds and, provided that such bonds have the same terms and conditions as the 2021 USD Tier 1 Bonds in all respects (or in all respects except for the issue date and/or first date on which interest is paid), such further bonds will be consolidated and form a single series with the 2021 USD Tier 1 Bonds. If the Issuer issues any such further bonds, references in these Terms and Conditions to "**2021 USD Tier 1 Bonds**" include such further bonds, unless the context otherwise requires.

(b) Form

The 2021 USD Tier 1 Bonds are issued in registered form. The Registrar will maintain a register (the "**Register**") in respect of the 2021 USD Tier 1 Bonds.

The 2021 USD Tier 1 Bonds will, upon issue, be represented by a global certificate (the "**Global Certificate**") which will on the Issue Date be deposited with, and registered in the name of Citivic Nominees Ltd (the "**Registered Holder**") as nominee for a common depository of Euroclear and Clearstream, Luxembourg.

The Global Certificate will be exchanged in whole but not in part (free of charge) for duly authenticated and completed certificates in definitive form (each a "**Bond Certificate**") if Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announce an intention permanently to cease business or do in fact do so. Otherwise the printing and delivery of Bond Certificates is excluded and no person has the right to request the printing or delivery of Bond Certificates.

Whenever the Global Certificate is to be exchanged for Bond Certificates, such Bond Certificates shall be issued within 20 Business Days of the delivery to the Registrar of such information as is required to complete and deliver such Bond Certificates (including, without limitation, the names and addresses of the persons in whose names the Bond Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Certificate at the Specified Office of the Registrar. Such exchange shall be effected without charge to any Holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

Each Bond Certificate will be numbered serially with an identifying number which will be recorded in the Register. Each Bond Certificate will identify the principal amount of the 2021 USD Tier 1 Bonds represented thereby.

For so long as any of the 2021 USD Tier 1 Bonds is represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular principal amount of 2021 USD Tier 1 Bonds (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such 2021 USD Tier 1 Bonds standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of that principal amount for all purposes (including but not limited to for the purposes of any quorum requirements of meetings of the holders) other than with respect to the payment of principal, interest and any other amounts on or in

respect of the 2021 USD Tier 1 Bonds, the right to which shall be vested, as against the Issuer, solely in the Registered Holder. Subject to the preceding sentence, the Holder of a 2021 USD Tier 1 Bond shall (except as otherwise required by law) be treated as the absolute owner of such 2021 USD Tier 1 Bond for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Bond Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Bond Certificate) and no person shall be liable for so treating such Holder.

If any Bond Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the Specified Office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bond Certificates must be surrendered before replacements will be issued.

(c) Transfers

Whilst represented by the Global Certificate, transfers of book-entry interests in the 2021 USD Tier 1 Bonds will be effected through the records of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants in accordance with their respective rules and procedures.

Subject as provided under Condition 1(f) below, a 2021 USD Tier 1 Bond in definitive form may be transferred upon surrender of the relevant Bond Certificate, with the endorsed form of transfer (*Zession*) duly completed (including any certificates as to compliance with restrictions on transfer included therein), at the Specified Office of the Registrar or any Paying and Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Paying and Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer. Where not all the 2021 USD Tier 1 Bonds represented by the surrendered Bond Certificate are the subject of the transfer, a new Bond Certificate in respect of the balance of the 2021 USD Tier 1 Bonds will be issued to the transferor.

(d) Registration and delivery of Bond Certificates

Within five Business Days of the surrender of a Bond Certificate, the Registrar will register the transfer in question and deliver at the Specified Office of the Registrar new Bond Certificate(s) of a like principal amount to the 2021 USD Tier 1 Bonds transferred to each relevant Holder or (as the case may be) the Specified Office of any Paying and Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first-class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder.

(e) No charge

The transfer of any 2021 USD Tier 1 Bonds will be effected without charge by or on behalf of the Issuer, the Registrar or any Paying and Transfer Agent but upon payment by the Holder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Paying and Transfer Agent may require).

(f) Closed period

Holders may not require transfers of 2021 USD Tier 1 Bonds in definitive form to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the 2021 USD Tier 1 Bonds.

2. INTEREST

(a) Interest Rate

(i) Initial Fixed Interest Rate

The 2021 USD Tier 1 Bonds will bear interest from (and including) [] 2021 (the "**Issue Date**") to (but excluding) [] [2028] (the "**First Reset Date**") at a fixed rate equal to [] per cent. per annum (the "**Fixed Rate of Interest**"), payable semi-annually in arrear on [] and [] of each

year (each an "**Interest Payment Date**") on the Prevailing Notional Amount, commencing on [] [2022].

(ii) Subsequent Fixed Interest Rate

As from (and including) the First Reset Date, in respect of each successive five-year period (the "**Relevant Five-Year Period**"), the first such period commencing on (and including) the First Reset Date and ending on (but excluding) the fifth (5th) anniversary of that date, the 2021 USD Tier 1 Bonds will bear interest on the Prevailing Notional Amount payable semi-annually in arrear on each Interest Payment Date with the rate of interest being determined on each Interest Determination Date on the basis of the higher of (i) zero and (ii) the aggregate of the prevailing CMT Rate and the Margin (the "**Reset Rate of Interest**", and each of the Fixed Rate of Interest and the Reset Rate of Interest, a "**Rate of Interest**").

(iii) Calculation of Interest

Subject to Conditions 2(b), 2(c), 8 and 9 below, if interest is required to be paid on any date other than a scheduled Interest Payment Date, it shall be calculated by applying the relevant Rate of Interest to the Prevailing Notional Amount, multiplying the product by the Day Count Fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

(b) Discretionary Interest

The Issuer may, at its sole discretion but subject to Condition 2(c) below, elect to cancel all or part of any payment of interest which is otherwise scheduled to be paid on an Interest Payment Date or the Redemption Date (if any) by giving notice of such election to the Holders in accordance with Condition 12, and to the Principal Paying Agent, (i) in the case of interest otherwise due on an Interest Payment Date, not more than thirty (30) nor less than ten (10) Business Days prior to the relevant Interest Payment Date, or (ii) in the case of interest otherwise due on the Redemption Date, on the relevant Redemption Notice Date.

Any interest which is not paid in accordance with this Condition 2(b), shall not accumulate or be payable at any time thereafter, and such non-payment will not constitute an event of default by the Issuer for the purpose of these Terms of the Bonds or any other purpose, and the Holders shall have no right thereto whether in a liquidation, dissolution, insolvency or bankruptcy of the Issuer or otherwise.

If the Issuer determines, after consultation with the Regulator, that the full Prevailing Notional Amount of the 2021 USD Tier 1 Bonds does not qualify or no longer qualifies – even partially – as Additional Tier 1 Capital, (A), the Issuer shall not, to the extent permitted under National Regulations and subject to Mandatory Interest Cancellation events, exercise its discretion pursuant to this Condition 2(b) to cancel any interest payments due on the 2021 USD Tier 1 Bonds on any Interest Payment Date following the occurrence of such determination, and (B) the Issuer shall give notice to the Holders in accordance with Condition 12 as soon as practicable after such determination stating that the Issuer may no longer exercise its discretion pursuant to this Condition 2(b) to cancel any interest payments as from the date of such notice.

(c) Mandatory Interest Cancellation

The Issuer shall be prohibited from making any payment of interest on the 2021 USD Tier 1 Bonds otherwise scheduled to be paid on the relevant Interest Payment Date or the Redemption Date (if any) if and to the extent that on such Interest Payment Date or Redemption Date (if any) (the "**Mandatory Interest Cancellation**"):

- (i) the amount of such interest otherwise due, together with (x) any interest payments or distributions paid or made, or scheduled to be paid or made, during the Relevant Period on Parity Securities, and (y) any Distributions paid or made, or scheduled to be paid or made, during the Relevant Period with respect to the financial year ended immediately prior to such Interest Payment Date or Redemption Date, in aggregate shall exceed the amount of Distributable Items as at such Interest Payment Date or Redemption Date; or

- (ii) the Issuer is prohibited, by National Regulations or an order of the Regulator, from declaring or making any distributions or other payments, in whole or in part, on, or relating to, the 2021 USD Tier 1 Bonds or any Parity Securities.

In the event where (x) Mandatory Interest Cancellation only applies in part, and (y) the Issuer elects to make such interest payment that is not prohibited to be made, the interest payable on the 2021 USD Tier 1 Bonds shall be made pro rata with the interest payments or distributions on Parity Securities scheduled to be paid or made during the Relevant Period.

Any interest which is not paid in accordance with this Condition 2(c), shall not accumulate or be payable at any time thereafter, and such non-payment will not constitute an event of default by the Issuer for the purpose of these Terms of the Bonds or any other purpose, and the Holders shall have no right thereto whether in a liquidation, dissolution or insolvency of the Issuer or otherwise.

(d) Restrictions following non-payment of Interest

If, on any Interest Payment Date, payment of interest scheduled to be made on such date is not made in full on the Prevailing Notional Amount by reason of Condition 2(b) or 2(c):

- (i) The Board of Directors of the Issuer shall not directly or indirectly recommend that any Distribution (other than in the form of Ordinary Shares or other capital stock) be paid or made on any Ordinary Shares or other capital stock of the Issuer; and
- (ii) The Issuer shall not directly or indirectly redeem, purchase or otherwise acquire any Ordinary Shares or other capital stock of the Issuer other than in relation to (a) transactions in securities effected by or for the account of customers of the Issuer or any of its Subsidiaries or in connection with the distribution or trading of, or market making in respect of such securities; (b) the satisfaction by the Issuer or any of its Subsidiaries of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Issuer or any of its Subsidiaries; (c) a reclassification of the capital stock of the Issuer or of any of its Subsidiaries or the exchange or conversion of one class or series of such capital stock for another class or series of such capital stock; or (d) the purchase of fractional interests in shares of the capital stock of the Issuer or any of its majority-owned Subsidiaries pursuant to the provisions of any security being converted into or exchanged for such capital stock,

in each case until the earliest of (x) the interest due and payable on any two consecutive subsequent Interest Payment Dates in respect of the then Prevailing Notional Amount of all outstanding 2021 USD Tier 1 Bonds having been paid in full to the Holders; or (y) all the 2021 USD Tier 1 Bonds having been redeemed or purchased and cancelled in full in accordance with Condition 3; or (z) the Prevailing Notional Amount of the 2021 USD Tier 1 Bonds having been reduced to zero in accordance with Condition 8 or Condition 9.

3. REDEMPTION, PURCHASE AND CANCELLATION

(a) No Fixed Redemption Date

The 2021 USD Tier 1 Bonds are perpetual securities in respect of which there is no fixed redemption date. Unless previously redeemed or purchased and cancelled as provided in these Terms of the Bonds, each 2021 USD Tier 1 Bond is perpetual and shall only be redeemed or purchased as specified in this Condition 3.

The 2021 USD Tier 1 Bonds will not be redeemable at any time at the option of the Holders.

(b) Conditions to Redemption and Purchase

Any redemption or purchase of the 2021 USD Tier 1 Bonds under these Conditions, other than a redemption following a Regulatory Event or purchases for purposes of market making, is subject to:

- (i) the prior approval of the Regulator, if then required;

- (ii) as at the Redemption Notice Date and the Redemption Date (or as applicable, the date of purchase), neither a Write-down Trigger Event having occurred and being continuing nor a Viability Event having occurred; and
- (iii) the Issuer's Group, both at the time of, and immediately following the redemption or purchase of the 2021 USD Tier 1 Bonds, being in compliance with the Capital Requirements.

(c) Redemption at the Option of the Issuer

Subject to Condition 3(b), the Issuer may elect, in its sole discretion, to redeem the 2021 USD Tier 1 Bonds, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the Optional Redemption Date, (i) at any time in the six months prior to (and including) the First Reset Date, by giving not less than ten (10) days' notice, or (ii) on any Interest Payment Date thereafter, by giving not less than ten (10) days' notice (the date on which any such notice has been given, the "**Optional Redemption Notice Date**") to the Holders in accordance with Condition 12 and notifying the Holders of the date fixed for redemption (the "**Optional Redemption Date**").

(d) Redemption upon a Tax Event

Upon the occurrence of a Tax Event, but subject to Condition 3(b), the Issuer may, at any time, redeem the 2021 USD Tier 1 Bonds, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the Tax Event Redemption Date, by giving not less than ten (10) days' notice (the date on which such notice has been given, the "**Tax Event Redemption Notice Date**") to the Holders in accordance with Condition 12 and notifying the date fixed for redemption (the "**Tax Event Redemption Date**").

Notwithstanding the foregoing, the Issuer shall deliver to the Principal Paying Agent a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem in accordance with this Condition 3(d) is satisfied and the reasons therefor, and such certificate shall be conclusive and binding on the Holders. Prior to the publication of any notice of redemption pursuant to this Condition 3(d), the Issuer shall deliver an opinion of a nationally recognised law firm or independent tax advisers of recognised standing to the Principal Paying Agent to the effect that the circumstances entitling the Issuer to exercise its rights of redemption under this Condition 3(d) have arisen.

A "**Tax Event**" means the receipt by the Issuer of an opinion of a nationally recognised law firm or other tax adviser (which may be an accounting firm) in Switzerland experienced in such matters stating that there is more than an insubstantial risk that (i) the Issuer is not, or will not be, able to any longer obtain a tax deduction for Swiss corporate income tax purposes for any payment of interest in respect of the 2021 USD Tier 1 Bonds, as a result of which the Issuer is, or will be, subject to more than a de minimis amount of additional taxes, or (ii) the Issuer is, or will become, obliged to deduct or withhold taxes under the laws or regulations of Switzerland in respect of any payments of interest to Holders in respect of the 2021 USD Tier 1 Bonds, and in each of cases (i) and (ii) this cannot be avoided by the Issuer taking such reasonable measures available to it without any material adverse effect on, or material cost to, the Issuer (as determined by the Issuer in its sole discretion).

(e) Redemption upon a Regulatory Event

Upon the occurrence of a Regulatory Event, the Issuer may, at any time, redeem the 2021 USD Tier 1 Bonds, in whole but not in part, at their Prevailing Notional Amount together with any accrued, but unpaid interest to (but excluding) the Regulatory Event Redemption Date, by giving not less than ten (10) days' notice (the date on which such notice has been given, the "**Regulatory Event Redemption Notice Date**") to the Holders in accordance with Condition 12 and notifying to the Holders the date fixed for redemption (the "**Regulatory Event Redemption Date**").

Notwithstanding the foregoing, the Issuer shall deliver to the Principal Paying Agent a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem in accordance with this Condition 3(e) is satisfied and the reasons therefor, and such certificate shall be conclusive and binding on the Holders.

A "**Regulatory Event**" is deemed to have occurred if (i) the Issuer is notified in writing by the Regulator to the effect that the 2021 USD Tier 1 Bonds are not eligible to be treated as Tier 1 Capital in whole or in part or (ii) the National Regulations are amended with the effect that the 2021 USD Tier 1 Bonds are not eligible to be treated as Tier 1 Capital in whole or in part.

(f) Purchases

Subject to Condition 3(b), the Issuer or any of its Subsidiaries may, directly or indirectly, at any time purchase 2021 USD Tier 1 Bonds at any price, in the open market or otherwise subject to any prevailing limits or conditions under the National Regulations. The Regulator's approval is not required for purchases in accordance with market making in the 2021 USD Tier 1 Bonds. Any purchase shall be made in accordance with applicable laws and regulations, including applicable stock exchange regulations. Such 2021 USD Tier 1 Bonds may be held, resold or, at the option of the Issuer, surrendered to the Principal Paying Agent for cancellation as set out in Condition 3(g).

(g) Cancellation

All 2021 USD Tier 1 Bonds which are redeemed or purchased and surrendered in accordance with this Condition 3 shall forthwith be cancelled. All 2021 USD Tier 1 Bonds so cancelled cannot be reissued or resold.

4. PAYMENTS

(a) Method of payment

Payments in respect of 2021 USD Tier 1 Bonds represented by the Global Certificate will be made to or to the order of the Registered Holder. The Registered Holder shall be the only person entitled to receive payments in respect of the 2021 USD Tier 1 Bonds whilst represented by the Global Certificate and the Issuer's obligations in respect of any payment on or in respect of the 2021 USD Tier 1 Bonds will be discharged by payment to, or to the order of, the Registered Holder in respect of each amount so paid.

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular principal amount of 2021 USD Tier 1 Bonds represented by the Global Certificate must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment so made by the Issuer to, or to the order of, the Registered Holder.

Payments shall be made by credit or transfer to an account in USD maintained by the payee with, or, at the option of the payee, by a cheque in USD. Payments of principal and interest payable on redemption shall be made upon surrender (or, in the case of part payment only, endorsement) of the relevant Bond Certificate(s) at the Specified Office of any Paying and Transfer Agent.

(b) Payments on Payment Days

If the due date for payment of any amount in respect of any 2021 USD Tier 1 Bond is not a Payment Day, the Holder shall not be entitled to payment of the amount due until the next succeeding Payment Day in the relevant place and shall not be entitled to any further interest or other payment in respect of any such delay.

Where payment is to be made by cheque, the cheque will be mailed not later than the Payment Day on which the relevant payment is otherwise due to be made in accordance with this Condition 4(b) (or, if presentation or surrender of a Bond Certificate is required, not later than the Payment Day following presentation or surrender (as the case may be) of such Bond Certificate at the Specified Office of a Paying and Transfer Agent).

Holders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Day, if the Holder is late in presenting or surrendering its Bond Certificate (if required to do so) or if a cheque mailed in accordance with this Condition 4(b) arrives after the due date for payment.

(c) **Record Date**

With respect to payments of any amount in respect of any 2021 USD Tier 1 Bonds represented by the Global Certificate held on behalf of Euroclear and Clearstream, Luxembourg, the Record Date shall be the day on which Euroclear and Clearstream, Luxembourg are open for business preceding the due date for payment.

Each payment in respect of a 2021 USD Tier 1 Bond in definitive form will be made to the person shown as the holder in the Register at the opening of business (in the place of the Specified Office of the Registrar) on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a 2021 USD Tier 1 Bond is to be made by cheque, the cheque will be mailed to the address shown as the address of the holder in the Register at the opening of business on the relevant Record Date.

5. **STATUTE OF LIMITATIONS**

In accordance with Swiss law, claims for interest payments shall become time-barred after a period of five (5) years and claims for the repayment or redemption of 2021 USD Tier 1 Bonds after a period of ten (10) years, calculated from their respective due dates.

6. **TAXATION**

All payments of principal and interest in respect of the 2021 USD Tier 1 Bonds by the Issuer to Holders will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf Switzerland or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable from the Issuer in respect of the 2021 USD Tier 1 Bonds in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any 2021 USD Tier 1 Bond:

- (i) held by or on behalf of a Holder who is liable for such taxes, duties, assessments or governmental charges in respect of such 2021 USD Tier 1 Bond by reason of their having some connection with Switzerland other than the mere holding of such 2021 USD Tier 1 Bond; or
- (ii) presented for payment more than 30 days after the due date except to the extent that the Holder would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day (assuming that day to have been a Business Day); or
- (iii) where such withholding or deduction is imposed on any payment in respect of such 2021 USD Tier 1 Bond pursuant to laws enacted by Switzerland changing the Swiss withholding tax system from an issuer-based system to a paying agent-based system pursuant to which a person in Switzerland other than the Issuer is required to withhold tax on any interest payments; or
- (iv) where such withholding or deduction is imposed on any payment by reason of FATCA; or
- (v) any combination of two or more of the items set out at (i) to (iv) above.

7. **STATUS AND SUBORDINATION OF THE 2021 USD TIER 1 BONDS**

(a) **Status**

The 2021 USD Tier 1 Bonds constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* among themselves. The rights and claims of the Holders are subordinated as described in Condition 7(b).

(b) Subordination

In the event of an order being made, or an effective resolution being passed, for the liquidation or dissolution of the Issuer, the rights and claims of a Holder against the Issuer shall rank, subject to any obligations which are mandatorily preferred by law, (i) junior to the claims of all holders of unsubordinated obligations of the Issuer and all other subordinated obligations of the Issuer except the claims of all holders of Parity Securities, (ii) *pari passu* among themselves and with the claims of all holders of Parity Securities, and (iii) senior to Equity Capital and any other equivalent items of capital.

8. CONTINGENT AND SUBSEQUENT WRITE-DOWN UPON THE OCCURRENCE OF A WRITE-DOWN TRIGGER EVENT

(a) Contingent Write-down

If a Contingent Write-down has not previously occurred and a Write-down Trigger Event has occurred and is continuing on the relevant Subsequent Trigger Test Date, the claims of the Holders against the Issuer to receive repayment of the Original Notional Amount on the Redemption Date (if any) shall be reduced by the relevant Write-down Amount (as set out in Condition 8(c)) with effect as of the relevant Write-down Date, and the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount (such reduction, a "**Contingent Write-down**") (*bedingte Aufhebung einer Forderung durch Übereinkunft*). If the Write-down Amount is equal to the Original Notional Amount, the claims of the Holders are reduced to zero and the 2021 USD Tier 1 Bonds shall be cancelled.

(b) Subsequent Write-down

If, following a Contingent Write-down, a further Write-down Trigger Event has occurred and is continuing on the relevant Subsequent Trigger Test Date the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount on the Redemption Date (if any) shall be further reduced by the relevant Write-down Amount (as set out in Condition 8(c)) with effect as of the relevant Write-down Date, and the Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the relevant Write-down Amount (each such further reduction, a "**Subsequent Write-down**") (*bedingte Aufhebung einer Forderung durch Übereinkunft*). If the Write-down Amount is equal to the Prevailing Notional Amount, the claims of the Holders are reduced to zero and the 2021 USD Tier 1 Bonds shall be cancelled.

(c) Write-down Amount

"**Write-down Amount**" means the amount required to be deducted from the Prevailing Notional Amount, as determined by the Issuer in consultation with the Regulator after a Write-down Trigger Event has occurred, as will (together with any substantially concurrent conversion, write-off or write-down of holders' claims in respect of any other capital instruments of the Issuer that, pursuant to their terms or by operation of law, are capable of being converted into equity, written off or written down at that time (including capital instruments with a write-down, write-off or conversion threshold equal to or higher than the Write-down Threshold Ratio, provided that the conversion, write-off or write-down in respect of capital instruments with a write-down, write-off or conversion threshold higher than the Write-down Threshold Ratio shall for that purpose take priority over any write-down of the 2021 USD Tier 1 Bonds)) restore the CET1 Ratio back to a level equal to or, if required by the Regulator, higher than the Write-down Threshold Ratio, provided that, for the avoidance of doubt, the maximum Write-down Amount shall be equal to the Prevailing Notional Amount.

(d) Write-down Trigger Event

A "**Write-down Trigger Event**" shall occur on the Business Day following the publication of a Relevant Report (an "**Initial Trigger Test Date**") if the CET1 Ratio as per the relevant Cut-off Date of such Relevant Report is less than the Write-down Threshold Ratio and the Issuer delivers to the Principal Paying Agent within five (5) Business Days from the Initial Trigger Test Date a certificate signed by two

Authorised Signatories certifying that the CET1 Ratio as per the Cut-off Date of such Relevant Report is less than the Write-down Threshold Ratio.

Such Write-down Trigger Event shall be continuing on the Subsequent Trigger Test Date unless the Regulator, at the request of the Issuer, has agreed on or prior to the Subsequent Trigger Test Date but after the Initial Trigger Test Date, that a write-down of the Prevailing Notional Amount is not required as a result of actions taken by the Issuer or circumstances or events which have had, or imminently will have, the effect of restoring the CET1 Ratio as per the Subsequent Trigger Test Date to a level above the Write-down Threshold Ratio.

If the Write-down Trigger Event is continuing on the Subsequent Trigger Test Date, the Issuer shall give notice to the Holders on the Business Day following the Subsequent Trigger Test Date (the "**Write-down Trigger Event Notice Date**") in accordance with Condition 12, designating the Write-down Amount and the Write-down Date (the "**Write-down Trigger Event Notice**"), provided, however, that the Write-down Date shall be no later than twenty (20) Business Days after the Write-down Trigger Event Notice Date.

If the Write-down Trigger Event is not continuing on the Subsequent Trigger Test Date, the Issuer shall deliver to the Principal Paying Agent, on the Business Day following the Subsequent Trigger Test Date, a certificate signed by two Authorised Signatories confirming that the Write-down Trigger Event is not continuing on the Subsequent Trigger Test Date and, therefore, a write-down of the 2021 USD Tier 1 Bonds shall not occur at that time.

"**Subsequent Trigger Test Date**" means, in respect of a Write-down Trigger Event, the earlier of:

- (i) the date falling ten (10) Business Days after the date of publication of the Relevant Report; and
- (ii) the date on which the Regulator instructs or requests the Issuer to proceed with the write-down.

"**Write-down Threshold Ratio**" means 5.125 per cent.

(e) No interest on Write-down Amount, no Event of Default

Following a Contingent Write-down or a Subsequent Write-down, the 2021 USD Tier 1 Bonds shall not carry any interest on any Write-down Amount and interest will only accrue on the resulting Prevailing Notional Amount. For the avoidance of doubt, neither a Contingent Write-down nor any Subsequent Write-down shall constitute an event of default by the Issuer for any purpose.

(f) No Contingent Write-down or Subsequent Write-down

In accordance with Condition 8(d), no Contingent Write-down or Subsequent Write-down shall occur if, notwithstanding the CET1 Ratio being below the Write-down Threshold Ratio, the Regulator, at the request of the Issuer, has agreed, on or prior to the publication of the Relevant Report, that a Contingent Write-down or Subsequent Write-down, as the case may be, shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the CET1 Ratio to a level above the Write-down Threshold Ratio.

9. WRITE-OFF UPON THE OCCURRENCE OF A VIABILITY EVENT

If a Viability Event has occurred, the claims of the Holders against the Issuer to receive repayment of the Prevailing Notional Amount on the Redemption Date (if any) shall be reduced to zero with effect as of the relevant Write-down Date. The Holders shall no longer have any rights whatsoever (including, but not limited to, any right to receive interest payments) against the Issuer with respect to the 2021 USD Tier 1 Bonds (*bedingte Aufhebung einer Forderung durch Übereinkunft*) and the 2021 USD Tier 1 Bonds shall be cancelled. For the avoidance of doubt, a Viability Event shall not constitute an event of default by the Issuer for any purpose.

A "**Viability Event**" means that either:

- (i) the Regulator has notified the Issuer that it has determined that the write-down of the 2021 USD Tier 1 Bonds, together with the conversion, write-down or write-off of holders' claims in respect

of any other instruments that, pursuant to their terms or by operation of laws are capable of being converted into equity, written down or written off at that time, is, because customary measures to improve the Issuer's capital adequacy are at the time inadequate or unfeasible, an essential requirement to prevent the Issuer from becoming insolvent, bankrupt or unable to pay a material part of its debts as they fall due, or from ceasing to carry on its business; or

- (ii) customary measures to improve the Issuer's capital adequacy being at the time inadequate or unfeasible, the Issuer has received an irrevocable commitment of extraordinary support directly or indirectly from the Public Sector (beyond customary transactions and arrangements in the ordinary course of business) that has, or imminently will have, the effect of improving the Issuer's capital adequacy and without which, in the determination of the Regulator, the Issuer would have become insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business.

"Public Sector" means the federal or central government or central bank in the Issuer's country of incorporation.

No later than three (3) Business Days after the occurrence of a Viability Event, the Issuer shall give notice to the Holders in accordance with Condition 12 stating that a Viability Event has occurred and designating the Write-down Date (the **"Viability Event Notice"** and, the date on which such notice is given, the **"Viability Event Notice Date"**), provided, however, that the Write-down Date shall be no later than ten (10) Business Days after the Viability Event Notice Date.

In the event of the implementation of any new, or amendment to or change in the interpretation of any existing, laws or components of National Regulations, in each case occurring after the Issue Date, that alone or together with any other law(s) or regulation(s) has the effect that a Viability Event could cease to apply to the 2021 USD Tier 1 Bonds without giving rise to a Regulatory Event, then the Issuer shall give notice to the Holders no later than five (5) Business Days after such joint determination stating that such provisions shall cease to apply from the date of such notice, and from the date of such notice, such provisions shall cease to apply to the 2021 USD Tier 1 Bonds.

10. SUBSTITUTION OF THE ISSUER

The Issuer may without the consent of the Holders, at any time substitute for itself in respect of all rights and obligations arising under or in connection with the 2021 USD Tier 1 Bonds any legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (the **"New Issuer"**), provided that:

- (a) the Regulator has approved the substitution of the Issuer;
- (b) the Issuer is not in default in respect of any amount payable under the 2021 USD Tier 1 Bonds at the time of such substitution;
- (c) such substitution does not give rise to a Tax Event, Regulatory Event or Write-down Trigger Event;
- (d) the Issuer and the New Issuer have entered into such documents (the **"Substitution Documents"**) as are necessary to give effect to such substitution and pursuant to which the New Issuer has undertaken in favour of each Holder to be bound by these Terms of the Bonds in place of the Issuer and procure that all action, conditions and things required to be taken, fulfilled and done (including, without limitation, the obtaining of any necessary consents) to ensure that the Substitution Documents represent valid, legally binding and enforceable obligations of the New Issuer have been taken, fulfilled and done and are in full force and effect;
- (e) if the New Issuer is resident for tax purposes in a jurisdiction (the **"New Residence"**) other than that in which the Issuer prior to such substitution was resident for tax purposes (the **"Former Residence"**), the Substitution Documents contain an undertaking by the New Issuer and/or such other provisions as may be necessary to ensure that each Holder has the benefit of an undertaking in terms corresponding to the provisions of Condition 6 in relation to the payment of all amounts due and payable under, or in respect of, the 2021 USD Tier 1 Bonds but with the substitution of references to the Former Residence with references to the New Residence, and an undertaking

by the New Issuer to indemnify each Holder against any taxes, duties, assessments or other government charges of any nature that is imposed on it by (or by any authority in or of) the New Residence and, if different, the jurisdiction of the New Issuer's organisation with respect to any 2021 USD Tier 1 Bond and that would not have been so imposed had the substitution not been made, as well as against any taxes, duties, assessments or other government charges of any nature, and any cost or expense, relating to such substitution;

- (f) if the New Issuer is not organised under the laws of Switzerland, the New Issuer has appointed a process agent as its agent in Switzerland to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the 2021 USD Tier 1 Bonds;
- (g) the Issuer and the New Issuer have obtained all necessary governmental authorisations of the country of its domicile or its deemed residence for tax purposes; and
- (h) the Issuer has issued an irrevocable, subordinated guarantee as per article 111 CO subordinated to the same level as the Issuer's payment obligations under the 2021 USD Tier 1 Bonds in respect of the obligations of the due and punctual payment of all principal and interest and all other amounts payable by the New Issuer under or in respect of the 2021 USD Tier 1 Bonds.

Notice of any substitution shall be published in accordance with Condition 12.

In the event of such substitution, Condition 2(c), Condition 2(d), Condition 3(b)(iii), Condition 8 and Condition 9 shall apply to Julius Baer Group Ltd. and to its obligations under the guarantee with any necessary consequential amendments. Otherwise any reference to the Issuer shall be deemed to refer to the New Issuer.

11. NO SET-OFF

No Holder may set-off claims under the 2021 USD Tier 1 Bonds against obligations the Issuer has against the Holder.

12. NOTICES

All notices regarding the 2021 USD Tier 1 Bonds shall be given (i) for so long as the 2021 USD Tier 1 Bonds are listed on the SIX Swiss Exchange on the website of the SIX Swiss Exchange (where notices are currently published under the address www.six-group.com/exchanges/news/official_notices/search_en.html) or (ii) in case the 2021 USD Tier 1 Bonds were no longer listed on the SIX Swiss Exchange in a daily newspaper with general circulation in Switzerland (which is expected to be the *Neue Zürcher Zeitung*).

13. LISTING

Application will be made for the admission to trading and listing of the 2021 USD Tier 1 Bonds on SIX Swiss Exchange. The Issuer will use reasonable endeavours to have the 2021 USD Tier 1 Bonds listed on the SIX Swiss Exchange and to maintain such listing up to (i) the Redemption Date, if any, pursuant to Condition 3, or (ii) to a Write-down Date, if any, on which the Prevailing Notional Amount of the 2021 USD Tier 1 Bonds is reduced to zero, pursuant to Condition 8 or 9, as the case may be.

14. AGENTS

The Issuer is entitled to appoint, vary or terminate the appointment of any Agent and the Calculation Agent and/or approve any change in the Specified Office through which any Agent acts, provided that:

- (i) so long as the 2021 USD Tier 1 Bonds are listed on any stock exchange or admitted to listing by any other relevant authority there will at all times be a paying and transfer agent, with a specified office in such place as may be required by the rules and regulations of such stock exchange or other relevant authority; and
- (j) there will at all times be a Registrar, a Calculation Agent and a Principal Paying Agent.

The Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency with, any Holders.

15. GOVERNING LAW AND JURISDICTION

The Terms of the 2021 USD Tier 1 Bonds shall be governed by and construed in accordance with the laws of Switzerland.

Any dispute which might arise based on the Terms of the Bonds and the 2021 USD Tier 1 Bonds shall fall within the exclusive jurisdiction of the courts of the City of Zurich and, if permitted, the Commercial Court of the Canton of Zurich, Switzerland, venue being Zurich 1.

The above mentioned jurisdiction is also exclusively valid for the declaration of the cancellation of the 2021 USD Tier 1 Bonds.

16. SEVERABILITY

If at any time one or more of the provisions of the Terms of the Bonds is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

17. DEFINITIONS

"**2021 USD Tier 1 Bond**" and "**2021 USD Tier 1 Bonds**" have the meaning set out in Condition 1(a).

"**5-year Benchmark U.S. Treasury Security**" means, on the relevant Interest Determination Date, the U.S. Treasury Security with the longest remaining term to maturity, an original term to maturity upon issue of approximately five years, a remaining term to maturity of not less than four years and a nominal amount of at least USD 1,000,000,000.

"**Additional Amounts**" has the meaning set out in Condition 6.

"**Additional Tier 1 Capital**" has the meaning ascribed to it under the National Regulations.

"**Agents**" means the Registrar and any Paying and Transfer Agent and "**Agent**" means any one of the Agents.

"**Authorised Signatories**" means any two signatories of the Issuer with joint signatory power according to the Issuer's entry in the commercial register of the Canton of Zurich.

"**Bloomberg Screen**" means page "NDX" (under caption "H15T5Y") on the Bloomberg L.P. service or any successor service or such other page as may replace that page on that service for the purpose of displaying "Treasury constant maturities (nominal)" as reported in the H.15.

"**Bond Certificate**" has the meaning set out in Condition 1(b).

"**Business Day**" means any day (other than Saturday or Sunday) on which banks are open the whole day for business in London, New York and Zurich.

"**Calculation Agent**" means Citigroup Global Markets Limited, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom, in its function as calculation agent or any person appointed as its replacement from time to time.

"**Calculation Period**" means the relevant period for which interest is to be calculated from (and including) the first day in such period to (but excluding) the last day in such period.

"**Capital Requirements**" means the capital requirements applicable to the Issuer's Group pursuant to the National Regulations.

"**CET1 Capital**" means the aggregate reported amount, in CHF, of all items constituting common equity tier 1 capital of the Issuer's Group on a consolidated basis, less any deductions from such common equity tier 1 capital, in each case within the meaning ascribed to these terms under the National Regulations.

"**CET1 Ratio**" means, as at the relevant Cut-off Date and expressed as a percentage, the CET1 Capital of the Issuer's Group divided by the Risk Weighted Positions, each (or their constituents) as disclosed in the Issuer's Relevant Reports.

"CHF" means Swiss francs, the lawful currency of Switzerland.

"Clearstream, Luxembourg" means Clearstream Banking S.A.

"CMT Rate" means:

- (i) the rate expressed as a percentage equal to the semi-annual yield for U.S. Treasury Securities at "constant maturity" for a period to maturity of five years, as published in the H.15 under the caption "Treasury constant maturities (nominal)", as such yield is displayed on the relevant Interest Determination Date on the Bloomberg Screen;
- (ii) if (x) the yield referred to in clause (i) is not published on the Bloomberg Screen on the relevant Interest Determination Date, or (y) there is a manifest error with respect to the publication on the Bloomberg Screen, then a rate expressed as a percentage equal to the semi-annual yield for U.S. Treasury Securities at "constant maturity" having a period to maturity of five years as published on such Interest Determination Date in the H.15 under the caption "Treasury constant maturities (nominal)"; or
- (iii) if neither the yield referred to in clause (i) nor the yield referred to in clause (ii) above are published on the relevant Interest Determination Date, then the CMT Rate will be the rate (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) calculated by the Calculation Agent as a semi-annual yield to maturity for a 5-year Benchmark U.S. Treasury Security based on the arithmetic mean (as rounded as aforesaid) of a selection of three out of five bid prices on the secondary market at approximately 11:00 a.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date provided to the Calculation Agent by five leading primary dealers of U.S. Treasury Securities in New York (each a "**Reference Dealer**") selected by the Issuer and notified to the Calculation Agent, eliminating the highest (or, in the event of equality, one of the highest) and the lowest (or, in the event of equality, one of the lowest) of the five provided quotations.

If by 11:59 p.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date fewer than five but more than two of such quotations are provided, then the CMT Rate will be the rate (expressed as a percentage rate per annum and rounded to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) calculated by the Calculation Agent and will be a semi-annual yield to maturity for a 5-year Benchmark U.S. Treasury Security based on the arithmetic mean (rounded as aforesaid) of all of the bid prices obtained on the secondary market as set forth above.

If by 11:59 p.m. (New York time) on the U.S. Treasury Securities Business Day following the relevant Interest Determination Date fewer than three Reference Dealers selected by the Issuer provide bid prices, or there is no outstanding 5-year Benchmark U.S. Treasury Security, then (x) for each Relevant Five-Year Period except the Relevant Five-Year Period commencing on the First Reset Date, the CMT Rate for the relevant Interest Determination Date shall be the CMT Rate applicable to the last preceding Relevant Five-Year Period or, in the case of the Relevant Five-Year Period commencing on the First Reset Date, [] per cent. per annum.

"CO" means the Swiss Code of Obligations dated 30 March 1911 as amended from time to time.

"Condition" means each condition of these Terms of the Bonds.

"Contingent Write-down" has the meaning set out in Condition 8(a).

"Cut-off Date" means the cut-off date for the calculation of the CET1 Ratio in the Relevant Report.

"Day Count Fraction" means, in respect of any period, the number of days in the relevant period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30.

"**Distributable Items**" means, with respect to any Interest Payment Date or Redemption Date, the aggregate of (i) net annual profit, and (ii) freely available reserves, in each case, less any amounts that must be contributed to legal reserves under the laws and regulations applicable to the Issuer, all as appearing in the Relevant Accounts for the financial year ended immediately before such Interest Payment Date or Redemption Date.

"**Distributions**" means any dividends or distributions to shareholders in respect of the Ordinary Shares or capital stock, whether of cash, assets or other property (including a spin-off), and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including any distribution or payment to shareholders in respect of Ordinary Shares or capital stock upon or in connection with a reduction of capital.

"**Equity Capital**" means the share capital (*Aktienkapital*) and participation capital (*Partizipationskapital*) (if any) of the Issuer.

"**Euroclear**" means Euroclear Bank SA/NV.

"**FATCA**" has the meaning set out in Condition 3(d).

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA (*Eidgenössische Finanzmarktaufsicht FINMA*).

"**First Reset Date**" has the meaning set out in Condition 2(a)(i).

"**Fixed Rate of Interest**" has the meaning set out in Condition 2(a)(i).

"**Former Residence**" has the meaning set out in Condition 10(e).

"**Global Certificate**" has the meaning set out in Condition 1(b).

"**H.15**" means the daily statistical release designated as H.15, or any successor publication, published by the Board of Governors of the Federal Reserve System at www.federalreserve.gov/releases/H15/ or any successor site or publication.

"**Holder**" means each person in whose name a 2021 USD Tier 1 Bond is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Holder**" and "**Holders**" shall be construed accordingly.

"**Initial Trigger Test Date**" has the meaning set out in Condition 8(d).

"**Interest Determination Date**" means, in respect of a Relevant Five-Year Period, the day falling five (5) U.S. Government Securities Business Days prior to the first (1st) day of such Relevant Five-Year Period.

"**Interest Payment Date**" has the meaning set out in Condition 2(a)(i).

"**Issue Date**" has the meaning set out in Condition 2(a)(i).

"**Issuer**" means Julius Baer Group Ltd., Bahnhofstrasse 36, CH-8001 Zurich, Switzerland.

"**Issuer's Group**" means the Issuer together with such of its Subsidiaries as are subject, together with the Issuer, to capital adequacy requirements on a consolidated level under the National Regulations.

"**Mandatory Interest Cancellation**" has the meaning set out in Condition 2(c).

"**Margin**" means [] per cent. per annum.

"**National Regulations**" means, as in effect from time to time, the national banking and capital adequacy laws and regulations in Switzerland applicable to the Issuer's Group (including, without limitation, the circulars of FINMA based thereon).

"**New Issuer**" has the meaning set out in Condition 10.

"**New Residence**" has the meaning set out in Condition 10.

"**Optional Redemption Date**" has the meaning set out in Condition 3(c).

"**Optional Redemption Notice Date**" has the meaning set out in Condition 3(c).

"**Ordinary Shares**" means the registered shares of the Issuer from time to time which, as at the Issue Date, are listed on the SIX Swiss Exchange (Swiss Security Number: 010248496 / ISIN: CH0102484968).

"**Original Notional Amount**" means the initial principal amount of a 2021 USD Tier 1 Bond as of the Issue Date.

"**Parity Securities**" means (i) all obligations of the Issuer (as issuer or guarantor) in respect of Tier 1 Instruments and (ii) any other obligations of the Issuer that rank, or are expressed to rank, *pari passu* with the 2021 USD Tier 1 Bonds.

"**Paying and Transfer Agent**" means the Principal Paying Agent, the Swiss Paying Agent, any other paying and transfer agent appointed as such by the Issuer in connection with the 2021 USD Tier 1 Bonds and any person appointed as a replacement for any of them in accordance with Condition 14.

"**Payment Day**" means any day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in (i) New York, London and Zurich and (ii) (where presentation is required) the relevant place of presentation of the relevant Bond Certificate.

"**Prevailing Notional Amount**" means the principal amount of each 2021 USD Tier 1 Bond outstanding at any given time, accounting for any Contingent Write-down or Subsequent Write-down that may have occurred.

"**Principal Paying Agent**" means Citibank N.A., London Branch in its function as principal paying agent or any person appointed as its replacement in accordance with Condition 14.

"**Public Sector**" has the meaning set out in Condition 9.

"**Rate of Interest**" has the meaning set out in Condition 2(a)(ii).

"**Record Date**" has the meaning set out in Condition 4(c).

"**Redemption Date**" means the Optional Redemption Date, the Tax Event Redemption Date or the Regulatory Event Redemption Date.

"**Redemption Notice Date**" means the Optional Redemption Notice Date, the Tax Event Redemption Notice Date or the Regulatory Event Redemption Notice Date.

"**Register**" has the meaning set out in Condition 1(b).

"**Registered Holder**" has the meaning set out in Condition 1(b).

"**Registrar**" means Citibank Europe Plc in its function as registrar or any person appointed as its replacement in accordance with Condition 14.

"**Regulator**" means the national regulator having the leading authority to supervise and regulate the Issuer's Group at the relevant time, being at the Issue Date, FINMA.

"**Regulatory Event**" has the meaning set out in Condition 3(e).

"**Regulatory Event Redemption Date**" has the meaning set out in Condition 3(e).

"**Regulatory Event Redemption Notice Date**" has the meaning set out in Condition 3(e).

"**Relevant Accounts**" means the audited unconsolidated financial statements of the Issuer for any financial year for which a set of such financial statements has been published.

"**Relevant Five-Year Period**" has the meaning set out in Condition 2(a)(ii).

"**Relevant Period**" means the Issuer's current financial year.

"**Relevant Report**" means (i) any of the Issuer's annual reports or interim reports (*Zwischenberichte*, such interim reports currently consisting of the semi-annual reports (*Halbjahresberichte*)), excluding any press releases or other communications relating to or in connection with such reports or respective results, or (ii) any special report prepared by the Issuer for the purpose of calculating the CET1 Ratio, which report may be commissioned by the Regulator at any time.

"**Reset Rate of Interest**" has the meaning set out in Condition 2(a)(ii).

"**Risk Weighted Positions**" means the aggregate reported amount, in CHF, of all risk weighted positions of the Issuer's Group on a consolidated basis as calculated pursuant to the National Regulations.

"**Specified Office**" means (i) in respect of the Principal Paying Agent, Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB; (ii) in respect of the Registrar, 1 North Wall Quay, Dublin 1, Ireland; (iii) in respect of the Swiss Paying Agent, Bank Julius Baer & Co. Ltd., solely for the purposes of compliance with article 24 of Listing Rules of the SIX Swiss Exchange; or (iv) such other office as is notified to the Holders in accordance with Condition 12 from time to time.

"**Subsequent Trigger Test Date**" has the meaning set out in Condition 8(d).

"**Subsequent Write-down**" has the meaning set out in Condition 8(b).

"**Subsidiaries**" means the direct and indirect subsidiaries of the Issuer whose financial statements are consolidated with those of the Issuer in accordance with applicable law or accounting principles.

"**Substitution Documents**" has the meaning set out in Condition 10(d).

"**Swiss Paying Agent**" means Bank Julius Baer & Co. Ltd., solely for the purposes of compliance with article 24 of Listing Rules of the SIX Swiss Exchange, in its function as Swiss paying agent or any person appointed as its replacement in accordance with Condition 14.

"**Tax Event**" has the meaning set out in Condition 3(d).

"**Tax Event Redemption Date**" has the meaning set out in Condition 3(d).

"**Tax Event Redemption Notice Date**" has the meaning set out in Condition 3(d).

"**Terms of the Bonds**" means these terms and conditions of the 2021 USD Tier 1 Bonds.

"**Tier 1 Capital**" has the meaning ascribed to it under the National Regulations.

"**Tier 1 Instruments**" means any and all securities or other obligations issued by the Issuer that qualify, or are issued in respect of securities that qualify, in whole or in part as Tier 1 Capital, but excluding Equity Capital.

"**U.S. Treasury Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association or its successor recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. treasury securities.

"**U.S. Treasury Securities**" means securities that are direct obligations of the United States Treasury, issued other than on a discount rate basis.

"**USD**" means United States Dollars.

"**Viability Event**" has the meaning set out in Condition 9.

"**Viability Event Notice**" has the meaning set out in Condition 9.

"**Viability Event Notice Date**" has the meaning set out in Condition 9.

"**Write-down Amount**" has the meaning set out in Condition 8(c).

"**Write-down Date**" means the date on which the relevant Contingent Write-down or Subsequent Write-down shall become effective as specified in the relevant Write-down Trigger Event Notice, or the date on which the Prevailing Notional Amount shall be written down to zero as specified in the Viability Event Notice.

"**Write-down Threshold Ratio**" has the meaning set out in Condition 8(d).

"**Write-down Trigger Event**" has the meaning set out in Condition 8(d).

"**Write-down Trigger Event Notice**" has the meaning set out in Condition 8(d).

"**Write-down Trigger Event Notice Date**" has the meaning set out in Condition 8(d).

SUMMARY OF PROVISIONS RELATING TO 2021 USD TIER 1 BONDS WHILE IN GLOBAL FORM

The 2021 USD Tier 1 Bonds will, upon issue, be represented by a registered global certificate (the "**Global Certificate**"), without interest coupons, which will be deposited with, and registered in the name of a nominee for a common depository of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**").

The Global Certificate will become exchangeable in whole, but not in part, for duly authenticated and completed registered certificates in definitive form (each a "**Bond Certificate**"), without interest coupons, if Euroclear and Clearstream, Luxembourg are closed for business for a continuous period of fourteen days (other than by reason of holidays, statutory or otherwise) or announce an intention permanently to cease business or do in fact do so in accordance with the provisions of Condition 1(b) (*Form*) and the Agency Agreement.

The Global Certificate and the Bond Certificates will be the subject to an agency agreement dated as of the Issue Date (as may be amended, supplemented or otherwise modified from time to time, the "**Agency Agreement**"), among the Issuer, Citibank Europe Plc, as registrar (the "**Registrar**", which expression includes any successor Registrar appointed in accordance with the terms of the Agency Agreement), Citibank, N.A., London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor Principal Paying Agent appointed in accordance with the terms of the Agency Agreement) and Bank Julius Baer & Co. Ltd. as Swiss Paying Agent (the "**Swiss Paying Agent**", which expression includes any successor Swiss Paying Agent appointed in accordance with the terms of the Agency Agreement) and the other agents from time to time party thereto, which will be made available by the Registrar to any Holder upon request. The Agency Agreement is governed by English law.

The Global Certificate contains provisions which apply to the 2021 USD Tier 1 Bonds while they are in global form, some of which modify the effect of the terms of the 2021 USD Tier 1 Bonds set out in this Prospectus. The following is a summary of certain of those provisions:

Cancellation

Cancellation of any 2021 USD Tier 1 Bond by the Issuer following its redemption or purchase will be effected by a reduction in the principal amount of the 2021 USD Tier 1 Bonds in the register of Holders.

Payment

Payments of principal and interest in respect of the 2021 USD Tier 1 Bonds represented by the Global Certificate will be made without presentation or, if no further payment is to be made in respect of the 2021 USD Tier 1 Bonds, against presentation and surrender of the Global Certificate to or to the order of the Principal Paying Agent or such other Paying and Transfer Agent (as defined in the Agency Agreement) as shall have been notified to the Holders for such purpose.

Notices

Notwithstanding Condition 12 (*Notices*), so long as the Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg, notices to Holders represented by the Global Certificate may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and such notices shall be deemed have been given to Holders in accordance with Condition 12 (*Notices*) on the date of delivery to Euroclear and Clearstream, Luxembourg, except that, for so long as the 2021 USD Tier 1 Bonds are listed on the SIX Swiss Exchange and the rules of the SIX Swiss Exchange so require, such notices shall also be published on the internet website of the SIX Swiss Exchange (www.six-swiss-exchange.com), where notices are currently published under the address www.six-swiss-exchange.com/news/official_notices/search_en.html.

Write-down

For so long as all of the 2021 USD Tier 1 Bonds are represented by the Global Certificate and registered with the nominee for, and deposited with, the common depository for Euroclear and Clearstream, Luxembourg, any Contingent Write-down, subsequent Write-down or write-off upon the occurrence of a Viability Event of the 2021 USD Tier 1 Bonds will be effected in Euroclear and Clearstream, Luxembourg in accordance with their operating procedures by way of a reduction in the pool factor.

USE OF PROCEEDS

The net proceeds from the issue of 2021 USD Tier 1 Bonds (after deduction of commissions, selling concessions, fees, and estimated expenses) of USD [] will be used for general corporate purposes.

INFORMATION ABOUT JULIUS BAER GROUP LTD.

History and Structure

The Issuer's Group principal operating entity's origins date back to 1890. Since that time, the Issuer's Group has expanded its business and developed an international presence. In 1974, Julius Baer Holding Ltd. was formed and Bank Julius Baer & Co. Ltd. was incorporated in Zurich, Switzerland. Julius Baer Holding Ltd. became a publicly traded company in Switzerland in 1980, being the first specialised Swiss private banking group to do so. In 1995 and 1997, Julius Baer Holding Ltd. increased its stake in Bank Julius Baer (Geneva) Ltd. (formerly Société Bancaire Julius Baer SA, Genève) which it had acquired in 1986, from 51 per cent. to 75 per cent. and 100 per cent., respectively. Also in 1997, Julius Baer Holding Ltd. bought Lucerne-based Bank Falck & Co. Both acquisitions were subsequently integrated into the branch network. In 2003, Julius Baer Holding Ltd. sold its brokerage business, Julius Baer Brokerage SA, in order to refocus on wealth management for private clients and institutional investors. In 2005, Julius Baer Holding Ltd. purchased from UBS AG three independent private banks – Ferrier, Lullin & Cie SA, the oldest Geneva private bank dating back to 1795, Ehinger & Armand von Ernst AG with a strong presence in the German-speaking markets, and BDL Banco di Lugano with its sizeable Italian-speaking franchise – as well as Swiss & Global Asset Management AG ("GAM"), a specialised asset manager.

Following a strategic review conducted during early 2009, the Board of Directors of Julius Baer Holding Ltd. decided to separate Julius Baer Holding Ltd.'s businesses into two distinct, independent entities, both listed on the SIX Swiss Exchange, being:

- the Issuer, together with its subsidiaries, comprising Bank Julius Baer & Co. Ltd. as its principal operating entity, as well as certain related ancillary businesses; and
- GAM Holding Ltd., together with its subsidiaries (including Swiss & Global Asset Management, later renamed GAM as well), the former Julius Baer Asset Management, the exclusive manager of Julius Baer-branded investment funds, including the private label funds business that was formerly part of Julius Baer Holding Ltd.'s "Bank Julius Baer" reporting segment, and its stake in Artio (having become part of the Aberdeen Group), whose initial public offering was completed in 2009.

In 2009, the Issuer was established as a subsidiary of Julius Baer Holding Ltd. In order to facilitate the separation of Julius Baer Holding Ltd.'s former private banking and asset management businesses, the private banking business was transferred to the Issuer, and the shares of the Issuer were subsequently distributed as a dividend in kind to holders of Julius Baer Holding Ltd.'s registered shares and were listed according to the Main Standard of, and traded on, the SIX Swiss Exchange. Following this transaction, the Issuer became the leading Swiss pure private banking group. In connection with the separation transaction, the Issuer entered into an arm's-length royalty generating brand licence with GAM Holding Ltd., pursuant to which GAM Holding Ltd., until the end of August 2017, had the exclusive right to produce and manage "Julius Baer" branded investment fund products worldwide, including private label funds for customised and complex structures.

On 15 January 2010, the Issuer completed the acquisition of the private bank, ING Bank (Switzerland) Ltd. This transaction doubled the Issuer's presence in Geneva and added booking centre capability in Monaco, and also contributed to an increase in the business volume in Central and Eastern Europe, Russia and other growth markets. Also in 2010, the Issuer completed the acquisition of Milan-based Alpha SIM, a specialised investment manager focused on serving high net worth individuals, which at the time managed assets of approximately CHF 0.6 billion. In the same year, the Issuer upgraded its operations in Hong Kong by opening a branch in Hong Kong following the receipt of a banking licence from the Hong Kong Monetary Authority.

In May 2011, the Issuer acquired 30 per cent. of GPS Investimentos Financeiros e Participações S.A. ("GPS"), which included GPS Planejamento Financeiro Ltda and CFO Administração de Recursos Ltda.

In October 2011, the Issuer announced that it had entered into a strategic collaboration agreement with Macquarie Group Ltd., pursuant to which it would refer clients' investment banking transactions to Macquarie and Macquarie would then refer clients who require private banking services to the Issuer. Additionally, the Issuer agreed that Macquarie's Asian Private Wealth business would be transferred to the Issuer.

In July 2012, the Issuer entered into a strategic partnership with Bank of China Limited. Under the terms of the partnership, Bank of China Limited refers clients with international private banking needs outside the Chinese Mainland to the Issuer; and the Issuer refers clients requiring banking services on the Chinese Mainland to Bank of China Limited. The Issuer also cooperates with Bank of China Limited in the distribution of certain products

and the research of financial markets as well as in other areas. In addition, Bank of China (Suisse) SA has been integrated into Bank Julius Baer & Co. Ltd.

On 13 August 2012, the Issuer announced its agreement to acquire the International Wealth Management business of Bank of America Merrill Lynch outside the United States and Japan (the "**IWM**"), consisting (at that time), in particular, of USD 84 billion (CHF 81 billion) of assets under management and approximately 2,100 employees, including approximately 525 financial advisers.

On 3 June 2013, the Issuer announced that the Issuer and Milan-based Kairos Investment Management SpA, a leading independent Italian wealth manager ("**Kairos**"), with approximately Euro 4.5 billion of assets under management, have achieved completion of the transaction which was initially announced on 12 November 2012. The transaction comprised the contribution by the Issuer to Kairos of Milan-based Julius Baer SIM and the acquisition of a 19.9 per cent. stake in Kairos by the Issuer. The combined business in Italy operated under the name "Kairos Julius Baer SIM SpA" as of 1 June 2013.

On 19 November 2013, the Issuer announced the merger of Zurich-based independent wealth management companies Infidar Investment Advisory Ltd. ("**Infidar**") and WMPartners Wealth Management Ltd. The merger was completed on 1 April 2014 and resulted in the creation of one of the largest independent wealth management companies in Switzerland, with 50 employees and over CHF 4 billion in client assets held at around 30 different custodian banks. The consolidated company traded under the name of WMPartners Vermögensverwaltungs AG ("**WMPartners**").

Also in November 2015, the Issuer agreed to exercise its option and to increase its stake in Kairos by acquiring an additional 60.1 per cent. interest of the Milan-based company, following its initial purchase of 19.9 per cent. in 2013, bringing the Julius Baer Group's total ownership of Kairos to 80 per cent. at the time.

On 25 March 2014, the Issuer announced the acquisition of an additional 50 per cent. of São-Paulo-based GPS. This increased the Issuer's participation in GPS to 80 per cent. from the 30 per cent. acquired in May 2011. This increase followed a highly successful cooperation and underscored the Issuer's strategic goal of building a leading wealth management business in Brazil.

On 23 March 2015, the Issuer announced its strategic cooperation with Bank Leumi Private Bank AG ("**Bank Leumi**"), which included the acquisition of Bank Leumi's private banking business in Switzerland. Clients with assets under management of more than CHF 4.2 billion and more than 30 employees, including 20 relationship managers, were transferred from Bank Leumi in Geneva and Zurich to the Julius Baer platform in March 2015.

On 20 July 2015, the Issuer announced that it was to acquire a 40 per cent. participation in the leading independent financial advisory firm in Mexico, NSC Asesores, S.A. de C.V., Asesor en Inversiones Independiente. The transaction marked the Issuer's entry in the second-largest wealth management market in Latin America and underlined its commitment to further extend its footprint in this important growth region.

On 21 September 2015, the Issuer announced that it completed the transfer of IWM in India to the Issuer. The volume of the asset transfer in India corresponded to more than CHF 6 billion. With that step, the overall client assets transferred as part of the IWM transaction reached the target range of CHF 57 to 72 billion, albeit at the lower end.

On 3 November 2015, the Issuer acquired the Geneva-based Swiss independent wealth manager, Fransad Gestion SA ("**Fransad**"), with a staff of 19 people and managed assets of CHF 1.3 billion. Fransad complemented the Julius Baer Group's existing independent wealth management business and strengthened the Julius Baer Group's position in French-speaking Switzerland. Fransad continues to operate under its brand.

In December 2015, the Issuer agreed to acquire Commerzbank International S.A. Luxembourg, a fully licensed private bank which now operates under the name of "Bank Julius Baer Europe S.A.". The acquisition added approximately EUR 2.5 billion in assets under management and 150 employees, and took place on 4 July 2016.

On 1 March 2016, the Julius Baer Group exercised the forward contract to acquire the remaining 20 per cent. interest of its Brazilian subsidiary GPS being specialised in discretionary portfolio management and advisory services. GPS continued to operate under its brand.

On 1 April 2016, the Julius Baer Group exercised its call option to acquire the outstanding 40 per cent. interest in its Japanese-market-focused subsidiary Julius Baer Wealth Management AG ("**JBWM**"), formerly called TFM Asset Management AG. JBWM, a Swiss-registered independent asset management company, is specialised in

discretionary asset management services for high net worth Japanese and Swiss private clients, and holds an investment advisory and investment management licence granted by the Japanese FSA.

On 1 February 2017, the Issuer acquired Wergen & Partner Vermögensverwaltungs AG, a Swiss independent asset management company, which was established in 2010 and managed assets totalling more than CHF 600 million, focusing on the core markets of Switzerland, Germany and Austria.

On 23 June 2017, the Issuer announced its intention to merge WMPartners into Bank Julius Baer & Co. Ltd. to create a multi-custody platform within the bank, whilst the Group continues to operate the two asset managers Fransad and Wergen & Partner Vermögensverwaltungs AG under their respective own names.

On 9 January 2018, the Issuer announced its intention to increase its stake in Kairos Investment Management SpA (Kairos) to 100 per cent. (from initially 19.9 per cent. in 2013, followed by an increase to 80 per cent. in 2016) adding assets under management of EUR 11 billion.

On 31 January 2018, the Issuer announced that it had agreed to acquire 95 per cent. of the São Paulo-based Reliance Group ("**Reliance**") subject to certain performance conditions. Reliance, one of the largest independent wealth managers in Brazil, with a total staff of 70, was established in 1998 and had, at the time of its acquisition, client assets of approximately BRL 17 billion (CHF 5 billion). The acquisition significantly strengthened the Issuer's strategic position in Brazil, where the Group was already present with the wholly owned independent wealth manager GPS Investimentos (GPS). On 5 June 2018, the Issuer announced the successful closing of the transaction as of 4 June 2018.

On 8 March 2018, the Issuer and Siam Commercial Bank ("**SCB**"), the first commercial bank established in Thailand, announced their agreement to establish a strategic joint venture to offer unique and best-in-class wealth management services to Thai clients. The joint venture seamlessly combines SCB's strong brand credibility and wealth management expertise with the Issuer's full suite of international wealth management capabilities and advisory services. The joint venture operates via domestic and international companies in Thailand and Singapore, respectively, and provides a unique and holistic global wealth management proposition tailored to the needs of its Thai client base. At inception, the Issuer holds 40 per cent. in the joint venture, with the option to increase to 49 per cent. over time. On 25 April 2019, the Issuer and SCB announced that their joint venture company, SCB Julius Baer, had received the necessary approvals and licences to operate in Thailand, beginning with over 50 dedicated professionals.

On 27 September 2018, the Issuer and Nomura Holdings Inc. ("**Nomura**") announced the acquisition by Nomura of a 40 per cent. shareholding in Julius Baer Wealth Management Ltd., a wholly owned subsidiary of the Issuer which provides international wealth management services to high net worth clients in Japan. This equity investment by Nomura represents a significant step forward for both firms' strategic ambitions for the Japanese market and will provide the Issuer access to Nomura's high net worth franchise.

On 8 November 2018, the Issuer announced the opening of an Advisory Office in Johannesburg, Julius Baer (South Africa) Proprietary Ltd., allowing the Issuer to offer fully licensed investment advice to private clients in South Africa in order to give them access to its full breadth of sophisticated advisory and investment solutions.

On 21 December 2018, the Issuer announced its intention to sell its domestic business in the Netherlands to Wealth Management Partners N.V. in a strategic push to focus its investments and physical presence on core markets. The sale was completed on 2 September 2019.

On 26 February 2019, following an early-stage minority equity investment, the Issuer agreed on a close collaboration with Switzerland-based SEBA Crypto AG ("**SEBA**"). Founded in April 2018, and headquartered in Zug, SEBA is a pioneer in the financial industry, building a progressive technological bridge between the traditional and the digital asset worlds. The Issuer has entered into a partnership with SEBA to take advantage of its innovative platform and capabilities in order to provide the Issuer's clients with access to leading-edge solutions in the area of digital assets to meet an increasing demand. Through this partnership the Issuer extended its service range, providing storage, transaction and investment solutions for digital assets.

On 4 March 2019, the Issuer announced its intention to acquire an additional interest of 30 per cent. in its strategic partnership with NSC Asesores, S.A. de C.V., Asesor en Inversiones Independiente (NSC Asesores), one of the largest independent wealth management companies in Mexico. On the back of this successful initial partnership, the Issuer increased its overall participation to 70 per cent.

On 2 April 2019, the Issuer announced the opening of a new office in Barcelona. The Issuer has been present in Spain with an office in Madrid since 2013.

On 25 April 2019, the Issuer announced that the SCB-Julius Baer Securities Co., Ltd. (SCB Julius Baer), the strategic wealth management joint venture with the Siam Commercial Bank had received the necessary licences in Thailand for its formal operations. SCB Julius Baer will focus on bringing best-in-class global wealth management capabilities to clients in the growing Thai wealth management market.

On 2 May 2019, the Issuer announced that its fully owned subsidiary GPS had signed a partnership agreement with Magnetis Gestora de Recursos Ltd. ("**Magnetis**"), a leading digital financial advisor in Brazil and that, over the course of two years, GPS would acquire a minority stake in Magnetis, which manages BRL 250 million in assets under management. The partnership agreement underlines the Issuer's clear strategic commitment to smart and focused market coverage and will allow the Issuer to capitalise on the growing market of upcoming younger tech-conscious investors in one of its core markets.

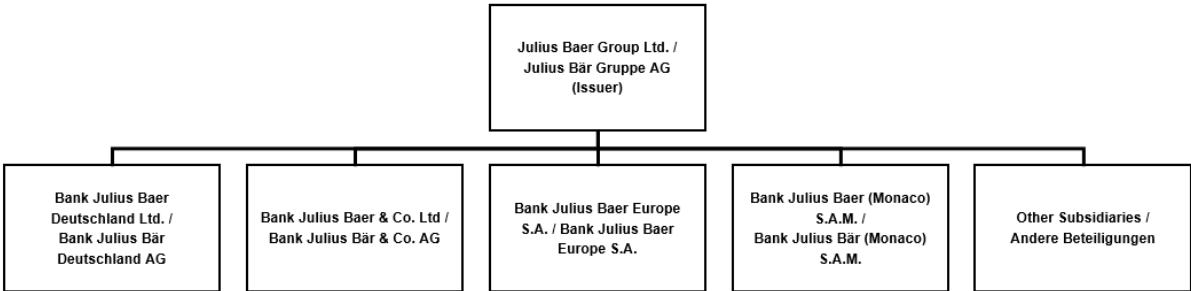
On 19 May 2020, the Issuer announced that it reached an agreement with Ansbacher (Bahamas) Ltd., which acquired Julius Baer Bank (Bahamas) Ltd. for an undisclosed amount with the closing of the transaction in October 2020.

On 20 August 2020, the Issuer announced a partnership with Beijing International Wealth Management Institute to combine Julius Baer's wealth management expertise with academic research conducted by the Institute in order to set the benchmark for the training and education of professionals in the Chinese wealth management industry.

On 21 July 2021, as part of its market strategy for Switzerland, the Issuer announced to acquire 83 per cent. of Kuoni Mueller & Partner (KMP), a leading integrated real estate service provider based in Zurich, to extend its real estate offering beyond the current focus on mortgage financing.

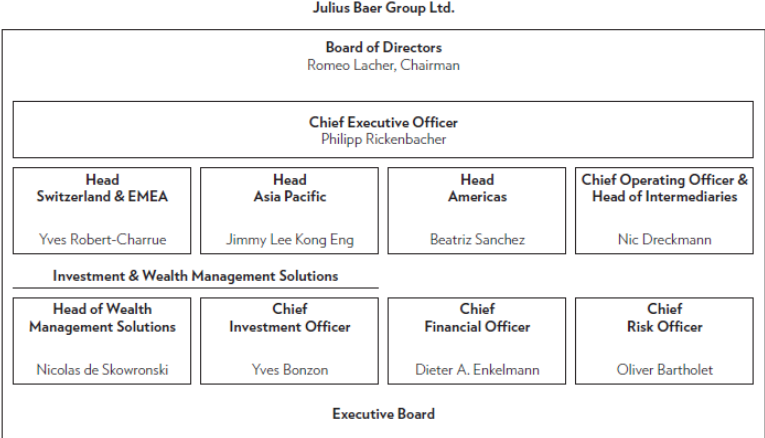
Group Structure

As illustrated in the simplified chart below, the Issuer is the holding company of the Julius Baer Group that comprises Bank Julius Baer & Co. Ltd., as principal operating entity, and other (consolidated) subsidiaries listed in Note 30A "Companies Consolidated" of the Financial Statements in the Issuer Consolidated Annual Report 2020 as at and for the year ended 31 December 2020.



Lines in the graph above represent 100 per cent. shareholdings.

The below chart shows the Issuer's operational group structure as at 30 June 2021.



Business

The Julius Baer Group is the leading Swiss pure private banking group in this global sector, focusing primarily on the demands of sophisticated private clients, family offices and independent asset managers from around the world. The Issuer has the largest international presence of all Swiss private banks, with over 60 locations in more than 25 countries, including a comprehensive pan-Swiss network. Switzerland and Asia are the Issuer's two home markets, with its head office being located in Zurich, Switzerland. The Julius Baer Group employed a staff (FTE) of 6,667 worldwide (as of 30 June 2021).

Private Banking Product Offering

Private banking products and services, such as those of the Julius Baer Group's principal operating entity, are often, but not exclusively, aimed at achieving capital protection and long-term investment performance. Other strategic aims that high net worth individuals look for when utilising these products and services include regular incomes or dividends from portfolio management, as well as performance stability. Private banks such as the Julius Baer Group's principal operating entity provide clients with advice and tailored solutions aimed at addressing their current and future financial situation and needs with respect to wealth management. These solutions include a broad range of services, such as investment advice, financial, tax and succession planning, family office services, asset consolidation, estate planning, trust services, and transaction execution, as well as more traditional banking services, such as accepting deposits, granting Lombard loans (loans extended against pledged collateral, which is typically in the form of liquid assets such as stocks and bonds) and other types of loans, executing foreign exchange transactions and providing custody services. Private banks such as the Julius Baer Group's principal operating entity may also provide support in other areas, such as the achievement of philanthropic goals or the protection of specific assets, such as artwork.

Clients' financial needs are often complex and specific in nature and thus require professional services and long-term relationships with specialised service providers. Moreover, clients are diverse and have different requirements and expectations. Clients are becoming increasingly sophisticated and self-directed, making use of alternative channels to access information and execute simple transactions. Private banks such as the Julius Baer Group's principal operating entity increasingly need to provide customised solutions in order to differentiate themselves from the offerings of other competitors. Investment strategies for private banking clients have become highly sophisticated through the use of well diversified portfolios, which can include investments in bonds, equities and alternative financial products, such as private equity, single hedge funds, funds of hedge funds and structured products. These alternative products generally aim to improve capital protection and absolute returns under different and often volatile capital markets scenarios. Due to the range of products with different risk profiles, return potential, correlations and liquidity characteristics, a private bank such as the Julius Baer Group's principal operating entity may have the ability to add significant value for its clients.

Private banks, such as the Julius Baer Group's principal operating entity, can provide in-house services or can acquire services from third party providers, or use a mix of the two approaches. The in-house product offering is driven by a bank's relative strength in developing and distributing competitive products. Private banks such as the Julius Baer Group's principal operating entity also tend to offer a range of third-party products to their clients,

designed to provide a "best in class" combined product offering. Outsourcing has also come to be seen as helpful in improving the efficiency of private banks. Private banking clients can generally choose between discretionary and non-discretionary services, depending on whether the private bank or the client makes the investment decision. In a discretionary portfolio, the responsibility for the investment decision is delegated to the bank, which chooses investments based on a pre-determined mandate. Non-discretionary clients make their own decisions regarding individual investments. These clients may use the banks' investment advice and decision support services, or may simply rely on the private banks to provide administrative services. When using the banks' investment advice clients receive solutions tailored to their investment needs and goals and are continually updated on new developments, opportunities and risks and have access to a variety of investment ideas.

Private banks' fees from discretionary accounts are usually based on a fixed percentage of the clients' assets under management. Non-discretionary services generate commissions that are often based on the volume and the nature of the transaction being executed. Margins earned on discretionary mandates tend to be higher than margins earned on non-discretionary mandates, reflecting the additional service provided and risks taken with respect to discretionary accounts. Private banks earn additional fees from services, such as custody and advisory fees, interest income on deposits and loans granted to clients and trading income stemming from the execution of clients' transactions and, to differing degrees, asset and liability management and proprietary activities.

Patent and licences

The Issuer and the Julius Baer Group are not dependent on any patent but on licenses to provide financial services such as banking, asset management and advisory licenses.

Management of the Issuer

Board of Directors of Julius Baer Group Ltd. ("Board of Directors")

The following table sets forth, as at the date of this Prospectus, the name, age and title of each member of the Issuer's Board of Directors (current) followed by a brief description of each director's business experience and education, including the names of all companies and partnerships of which such person has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years (other than at other Julius Baer Group companies).

Name	Born	Title	Elected until
Romeo Lacher (1)	1960	Non-executive Chairman	2022
Olga Zoutendijk (1)(2)	1961	Non-executive Director	2022
Gilbert Achermann (3)(4)	1964	Non-executive Director	2022
Richard Campbell-Breeden (1)(3)	1962	Non-executive Director	2022
Heinrich Baumann (2)(4)	1951	Non-executive Director	2022
Ivo Furrer (2)(4)	1957	Non-executive Director	2022
Claire Giraut (2)(4)	1956	Non-executive Director	2022
Eunice Zehnder-Lai (2)(3)	1967	Non-executive Director	2022
David Nicol (1)	1955	Non-executive Director	2022
Kathryn Shih (3)(4)	1958	Non-executive Director	2022

Notes:

- (1) Member of the Governance & Risk Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Nomination & Compensation Committee.
- (4) Member of the Development & Innovation Committee.

Romeo Lacher (born 1960, Swiss citizen); Master's Degree in Economics (lic. oec. HSG, 1987) and PhD in Economics (Dr. oec. HSG, 1995) of University of St. Gallen; 1990–02/2017 Credit Suisse Group, Switzerland: 2016 Chief Operating Officer, International Wealth Management and Member of the IWM Management Committee; 2011–2015 Head of Private Banking EMEA / Western Europe and Member of the Private Banking Management Committee; 2004–2011 Global Head of Operations and Product Management and Member of the Private Banking Management Committee; 2002–2003 Chief Operating Officer CS Corporate and Retail Banking, and Member of the Management Committee, CS Financial Services; 2000–2002 Head of e-Channels, Member of the Executive Board, e-Business; 1997–1999 Head of Retail Banking Switzerland and Member of Senior

Management; 1995–1996 Head Product Management Direct Banking Products and Member of Senior Management; 1990–1994 Direct Marketing / Project Manager, Marketing Department; 1987–1990 Institut für Versicherungswirtschaft, Project Manager, Junior Consultant; Mandates: (former) 2012–2016 Credit Suisse (Luxembourg) SA Chairman of the Board of Directors; 2012–2016 Bank Now AG Member of the Board of Directors and Member of the Nomination and Compensation Committee; 2006–2007 SIS AG Chairman of the Board of Directors; 2005–2012 CLS AG Member of the Board of Directors and Chairman of the Nomination and Governance Committee; 2004–2007 Fides Treasury Services AG Chairman of the Board of Directors; 2002–2016 Swisscard AECS Member of the Board of Directors and Member of the Nomination and Compensation Committee; 2002–2007 Telekurs Holding AG Member of the Board of Directors and Member of the Audit Committee; Wordline SA Member of the Board of Directors, incl. Chairman of the Nomination and Remuneration Committee, Vice-Chairman of the Investment Committee and Co-Chairman of the Strategy and Innovation Committee November 2018 to May 2019; SIX Group Chairman of the Board of Directors (2008–10/2016 Vice Chairman, Chairman of the Nomination and Compensation Committee), until 15 March 2020; Mandates (current) Swiss Finance Institute Vice-Chairman of the Board of Directors of Swiss Finance Institute; Vice-Chairman to the Band Council member of the Remuneration Committee of Swiss National Bank (since April 2021) Chairman of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2019.

Gilbert Achermann (born 1964, Swiss citizen); Bachelor of Business Administration, University of Applied Sciences (HWV), St. Gallen, 1988; Executive MBA, IMD Lausanne, 2000. UBS Investment Banking, 1988–1998: Graduate trainee programme Trading & Sales, 1988–1989; Associate Corporate Finance / Capital Markets; Assistant to Regional Head North America, 1990–1994; Director Corporate Finance Advisory, 1995–1998; Straumann Group, Basle, since 1998: Chief Financial Officer and Deputy CEO, 1998–2001; Chief Executive Officer, 2002–2010; Chairman of the Board of Directors since 2010. Vitra Group, 2012–2015: Chairman of the Board of Directors from July 2013 until December 2015; Co-CEO from July 2014 until December 2015. Chairman of the Board of Directors of Straumann Group, Basle, Switzerland. Mandates (current): Member of the Board of Directors of the ITI Association and ITI Foundation, Basle, Switzerland; Member of the Committee and its Executive Committee of Handelskammer beider Basel, Basle, Switzerland; Member of the Supervisory Board and Chairperson of the Audit And Risk Committee of IMD, International Institute for Management Development, Lausanne, Switzerland; Member of the Board of Directors and of the Compensation Committee of Ypsomed Holding AG, Burgdorf, Switzerland and Member of the Board of Swiss Medtech, Basle, Switzerland. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2012.

Heinrich Baumann (born 1951, Swiss citizen); PhD in Management, Technology and Economics, Swiss Federal Institute of Technology (ETH), Zurich, 1985. UBS AG, 1975–1998: Project Leader IT/Logistics and Finance, 1975–1985; COO Singapore Branch and Deputy Branch Manager, 1985–1987; Chief of Staff International Division and Section Head Management Support, 1987–1990; member of the Regional Management Committee (New York), Chief Operating Officer Region North America, 1990–1994; Department Head Finance and Controlling on Group level, 1994–1998; independent Management Consultant, 1998–1999; HSBC Guyerzeller Bank Ltd., 1999–2009: Chief Operating Officer, 1999–2002; Vice-President of the Executive Committee/Chief Operating Officer, 2003–2005; Chief Executive Officer, 2006–2009; independent Management Consultant since 2009. Mandates (current): Member of the Board of Directors of KSHB Holding AG, Berne, Switzerland (Holding company of Atlis AG, Biberist, Switzerland); Vice-President of the Board of Directors of Atlis AG, Biberist, Switzerland); Vice-President of the Foundation Board of International Foundation for Research in Paraplegia, Chêne-Bourg, Switzerland. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2011.

Richard M. Campbell-Breeden (born 1962, British citizen); Bachelor of Science in Mechanical Engineering, University of Bristol, UK, 1984. Rolls-Royce, sponsored undergraduate, Aero-Engine Division, 1980–1984; 3i Group plc, 1984–1987: Executive, City Office, Large LBOs, 1984–1985; Executive, Shipping Division, 1984–1987; Goldman Sachs & Co., 1989–2016: Associate, M&A, New York, 1989–1991; Vice-President Investment Banking Division, London, 1991–1999; Managing Director, Head of UK Investment Banking, London, 1999–2005; Head of M&A, Asia-Pacific Ex-Japan (APEJ), Hong Kong, incl. Chairman Industrials APEJ, 2008–2011; Vice-Chairman, Investment Banking Asia Pacific Ex-Japan (APEJ), Hong Kong, incl. member of APEJ Commitments Committee and member of APEJ Client & Business Standards Committee, 2011–2016; Mandates (current): Director of Omeshorn Holding Ltd, British Virgin Islands (and Founder and Chairman of the Board of Directors of Omeshorn Capital Advisors, London, UK, wholly owned by Omeshorn Holding Ltd.); Chairman of Arq Limited (incl. Arq International Limited, Arq UK Management Limited and Arq IP Limited), London, UK. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2018.

Ivo Furrer (born 1957, Swiss citizen); PhD in Law, University of Zurich, 1985. Winterthur Insurance, 1983–1999: Group Insurance Marketing and project management in Europe, Canada and the USA, 1983–1991; Winterthur

International, USA, Underwriting, 1992–1994; Winterthur International, London, different management positions, 1994–1997; Chief Underwriting Officer Global Corporate, 1998–1999; Credit Suisse Group, 1999–2002: Personal Financial Services, Head of the Executive Committee, amongst others implementation of an Internet bank in Luxembourg, 1999–2001; member of the Executive Committee e-Investment Services Europe, 2001–2002; Zurich Financial Services, 2002–2008: Zurich Financial Services, Germany, Head of international key account business, 2002–2005; member of the Global Corporate Executive Committee; responsible for the development of key accounts and distribution management globally, 2005–2007; CEO Life Switzerland, member of the Global Life Executive Committee, 2007–2008; Swiss Life Group, CEO Switzerland and member of the Corporate Executive Board from September 2008 until March 2017; Mandates: Member of the Board of Directors of Helvetia Insurance, St. Gallen, Switzerland; Member of the Board of Directors of inventx, Chur, Switzerland; Member of the Board of Directors of responsibility Investments AG, Zurich, Switzerland; Member of the Board of Directors of Fundamenta Group AG, Zug, Switzerland; Member of the Executive Committee of digitalswitzerland, Zurich, Switzerland; Member of the Foundation Board of "Schweizerische Stiftung für Arbeit und Weiterbildung (SSAV)"; Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2017.

Claire Giraut (born 1956, French citizen); Master in Biotech Engineering, Institut National Agronomique, Paris, 1978. Sanders Group, Paris, various positions, 1978–1985; Serete Group, Paris, various positions in finance and accounting, 1985–1996; Association of French Lawyers, Financial Controller, 1996–1997; Coflexip Stena Offshore, Paris, Chief Financial Officer and Group Head of Communications, member of the Executive Committee, 1997–2001; Technip Group, Paris, Chief Financial Officer of the offshore division and member of the Executive Board, 2002; Ipsen Group, Paris, Chief Financial Officer and member of the Executive Committee, 2003–2011; Europcar Groupe S.A., Guyancourt, Chief Financial Officer, 2011–2012; bioMérieux, Marcy l'Etoile, Corporate Vice-President Purchasing and Information Systems from September 2013 until March 2018, Chief Financial Officer from January 2014 until March 2018; DBV Technologies, Montrouge, member of the Board of Directors since June 2016. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2010.

David Nicol (born 1955, British citizen); University of Strathclyde, Glasgow, Scotland, BA (Hons) in Accountancy (1977) and Institute of Chartered Accountants Scotland ICAS, Chartered Accountant (1980). Peat Marwick Mitchel Hong Kong, 1981–1983, Deputy Manager; Morgan Stanley, 1984–2010, various leadership roles including Head of Operations (Europe & Asia), Head of Equity and EIS Infrastructure (Europe & Asia), Chief Administration Officer EMEA and Director of Morgan Stanley International plc and Morgan Stanley International Ltd; KPMG UK, 2011–2013, Special Adviser; Brewin Dolphin, 2012–2020, Chief Executive Officer (2013–2020) and non-executive Member of the Board of Directors (2012–2013). Mandates: Trustee of the Urology Foundation, UK. Member of the Board (since 2012) and Chairman of the Appointments Committee (since 2017) of Federated Hermes Property Unit Trust, UK. Member of the Board of Directors of Bank Julius Baer & Co. and of Julius Baer Group Ltd. since April 2021.

Kathryn Shih (born 1958, UK citizen); Bachelor of Arts, Indiana University, Bloomington, USA, 1978; Master in Business Management, Asian Institute of Management, Manila, Philippines, 1980; Advance Executive Program, Northwestern University, Evanston, USA, 1999. Citibank, Hong Kong, Assistant Vice President and Head Sales and Customer Service Consumer Lending, 1984–1986; UBS AG, 1987–2018; Various Wealth Management Leadership Roles 1987–2002, Chief Executive Officer, UBS Hong Kong, 2003–2008, Head Wealth Management Asia Pacific, 2002–2015, Group Managing Director, 2008–2015, President Asia Pacific and Member of the Group Executive Board of UBS AG, 2016–2018. Mandates (current): Temasek Fellow of the Wealth Management Institute, Singapore. Member of the Council of Advisors of the Hong Kong University of Science and Technology Business School, Hong Kong, Member of the Investment Committee of the Island Evangelical Community Church, Hong Kong. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 September 2020.

Eunice Zehnder-Lai (born 1967, Swiss and Hong Kong citizen); Harvard Business School, Boston, MA, USA Master of Business Administration (MBA, 1994) and Harvard University, Cambridge, MA, USA Bachelor of Arts (BA, 1989); IPM Institut für Persönlichkeitsorientiertes Management AG, Pfäeffikon, Switzerland, 2015–2018 Chief Executive Officer and 2014–2015 Managing Director; 2005–2014 LGT Capital Partners, Pfäeffikon, Switzerland, Executive Director; 2002–2004 Zehnder-Lai Investment Advisors, Baech, Switzerland; Founder; 1994–2001 Goldman, Sachs & Co., New York, London, Hong Kong, Zurich Executive Director, Equities and Private Wealth Management; 1993 Booz Allen Hamilton, Hong Kong Summer associate; 1991–1992 Procter & Gamble, Hong Kong Assistant Brand Manager; 1989–1991 Merrill Lynch Capital Markets, New York, Investment Banking Analyst; Mandates (current): Member of the Board of Directors of DKSH Group, Zurich, Switzerland; Member of the Board of Directors of Geberit Group, Rapperswil-Jona, Switzerland; President of the Foundation

Board of Friends of Asia Society Switzerland Arts & Culture Foundation, Zurich, Switzerland; Member of the Board of Directors of Asia Society Switzerland, Zurich, Switzerland, as well as member of the Global Board of Trustees, Asia Society, New York, USA; Member of the Foundation Board of “Insights for Education”, Zurich, Switzerland. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2019.

Olga Zoutendijk (born 1961, Australian and Dutch citizen); Graduate of the Australian Institute of Company Directors, Australia (2012), INSEAD, Fontainebleau, Paris/France, Advanced Management Program (1999), Thunderbird School of Global Management, USA, Master of International Management (Finance, 1985) and San José State University, USA, Bachelor of Science in Business Administration (1983); 2014–2018 ABN AMRO Group N.V. and ABN AMRO Bank N.V. Chair of the Supervisory Board (2016–2018), Vice-Chair of the Supervisory Board and Chair of the Risk & Capital Committee (2015–2016) and Member of the Supervisory Board (2014–2015); 2007–2011 Standard Chartered Bank, Group Head of Wholesale Banking Asia; 2001–2007 Westpac Banking Corporation, Group General Manager/Corporate and Institutional Banking (2003–2007), Group General Manager, Business and Consumer Banking Products (2002–2003) and General Manager, Business Banking Products (2001–2002); 1986–2001 ABN AMRO Bank N.V., CEO Portugal (1999–2001), Deputy CEO, Australia and New Zealand (1997–1999), Head of Wholesale Banking, Ireland (1995–1997), Banker, Corporate Clients, USA (1988–1995), Officer, Emerging Markets, the Netherlands (1987–1988) and International Career Banker Training Program, the Netherlands (1986–1987). Mandate (current): Member of the Board of Governors and Chair of the Audit Committee, Leiden University. Member of the Board of Directors of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 2019.

The business address of all members of the Board of Directors of Julius Baer Group Ltd. is Julius Baer Group Ltd., Bahnhofstrasse 36, P.O. Box, CH-8010 Zurich, Switzerland.

Committees of the Board of Directors

Governance & Risk Committee

The Governance & Risk Committee ("**GRC**") of the Board of Directors consists of at least three members of the Board of Directors who are specifically skilled and experienced in areas of finance, corporate governance and risk control. The GRC is responsible for governance, risk, business conduct and compliance topics.

The GRC generally convenes monthly. The Chief Executive Officer and the Chief Financial Officer are permanent guests while the other members of the Executive Board of the Issuer participate for specific reporting sessions in the meetings of the GRC.

At the date of this Prospectus, the members of the GRC are David Nicol (Chairman), Richard M. Campbell-Breeden, Romeo Lacher and Olga Zoutendijk.

Audit Committee

The Audit Committee ("**ACB**") of the Board of Directors is responsible for the integrity of controls for financial reporting and the review of the Issuer's financial statements, including the interim management statements, but in particular the consolidated statements of the Julius Baer Group and the annual and semi-annual financial statements before they are presented to the complete Board of Directors for approval. It also reviews the internal and external communication regarding the financial data and accounting statements and related information. The ACB monitors compliance by the Issuer with its respective legal and regulatory obligations and ensures the receipt of regular information as to compliance by its subsidiaries with such obligations as well as with regard to the existence of an adequate and effective internal control as regards financial reporting.

All members of the ACB are independent (according to article 14 of the Swiss Code of Best Practice for Corporate Governance of the Swiss business federation *economiesuisse* and the Swiss Financial Market Supervisory Authority FINMA's circular 2017/1 Corporate governance – banks) and, based on their education and professional expertise, are financial experts. The ACB performs an in-depth annual self-assessment with regard to its own performance. The ACB convenes at least four times a year for about four hours on average. The members of the Executive Board participate as guests in the meetings of the ACB. The Head of Group Internal Audit and representatives of the external auditor participate in every meeting.

At the date of this Prospectus, the members of the ACB are Heinrich Baumann (Chairperson), Ivo Furrer, Claire Giraut, Eunice Zehnder-Lai and Olga Zoutendijk.

Nomination & Compensation Committee

The Nomination & Compensation Committee ("NCC") has fundamentally assumed the functions and responsibilities of the former Nomination Committee and the previous Compensation Committee since April 2020. The NCC has compensation-related responsibilities and nomination-related responsibilities.

The NCC shall consist of members of the Board of Directors who are adequately skilled and experienced to assess remuneration and succession topics and assume the related responsibilities. The NCC consists of at least three members. As a rule, the NCC convenes once per quarter.

The Chairman of the Board of Directors shall not be a member of the NCC. The NCC elects its own chairperson. With respect to decisions of specialized nature, the NCC may seek advice from additional members of the Board of Directors.

At the date of this Prospectus, the members of the NCC are Richard M. Campbell-Breeden (Chairperson), Gilbert Achermann, Kathryn Shih and Eunice Zehnder-Lai.

Development & Innovation Committee

The Development & Innovation Committee ("DIC") is supporting the Board of Directors in its overall oversight responsibilities relating to long-term transformational challenges, business development, innovation and to respective plans as developed by the Executive Board.

The DIC identifies and assesses existing and future trends in the areas such as structural changes in the financial industry, the business and operating model of the Julius Baer Group, the applied technology and innovation, as well as assessing their possible impact on the Julius Baer Group and new business opportunities.

At the date of this Prospectus, the members of the DIC are Claire Giraut (Chairwoman), Heinrich Baumann, Ivo Furrer, Gilbert Achermann and Kathryn Shih.

Executive Board of Julius Baer Group Ltd. (the "Executive Board")

The Executive Board is responsible for the day-to-day operational management of Julius Baer Group Ltd. It develops and implements the strategic business plans for the Julius Baer Group overall as well as for the principal businesses subject to approval by the Board of Directors. It further reviews and co-ordinates significant initiatives, projects and business developments and establishes Julius Baer Group-wide policies.

The following table sets forth the name, age and title of each member of the Executive Board, followed by a brief description of each member's business experience and education, including the names of all companies and partnerships of which such person has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years (other than at other Julius Baer Group companies).

Name	Born	Title
Philipp Rickenbacher	1971	Chief Executive Officer
Yves Robert-Charrie	1973	Head Switzerland & Europe, Middle East, and Africa
Jimmy Lee Kong Eng	1962	Head Asia Pacific
Beatriz Sanchez	1956	Head Americas
Dieter A. Enkelmann	1959	Chief Financial Officer
Nic Dreckmann	1974	Chief Operating Officer & Head Intermediaries
Oliver Bartholet	1966	Chief Risk Officer
Yves Bonzon	1965	Investment & Wealth Management Solutions, Chief Investment Officer
Nicolas de Skowronski	1973	Investment & Wealth Management Solutions, Head Wealth Management Solutions

Philipp Rickenbacher (born 1971), Swiss citizen; Master of Science (MSc.) in Biotechnology, Swiss Federal Institute of Technology (ETH), Zurich, 1992–1997; Executive Program, Swiss Finance Institute, 2006; Advanced Management Program (AMP), Harvard Business School, 2013. Union Bank of Switzerland, Zurich, Trading support, 1996–1997; McKinsey & Company, Zurich and London, Associate Principal, 1997–2004; Bank Julius Baer & Co. Ltd., Zurich, 2004–2007: Head Business Development, Trading, 2004–2006; Co-founder and business management, Alternative Risk Trading, 2004–2007; GAM (Switzerland) Ltd., Zurich, Head GAM Structured Investments, 2008–2009; Bank Julius Baer & Co. Ltd., Zurich, since 2009: Head Structured Products, 2009 until July 2016; member of the Executive Board of Bank Julius Baer & Co. Ltd. and Head Advisory Solutions,

from August 2016 until 31 December 2018; member of the Executive Board of Bank Julius Baer & Co. Ltd. and Head Intermediaries & Global Custody from 1 January 2019 until 31 August 2019; member of the Executive Board and Chief Executive Officer of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 September 2019. Other mandates: Member of the Board of Directors of the Swiss Bankers Association, Basle, Switzerland; Councillor, Masayoshi Son Foundations for Scholarship, Tokyo, Japan; Member of the Foundation Board of IMD, International Institute for Management Development, Lausanne, Switzerland; Chairman (05/2020-06/2021 Vice-Chairman) of the Association of Swiss Asset and Wealth Management Banks, Zurich, Switzerland; Member of the Advisory Board of Beijing International Wealth Management Institute Co. Ltd., Beijing, China, and Member of the Advisory Board of Venture Foundation, Zurich, Switzerland.

Oliver Bartholet (born 1966), Swiss citizen; Master of Law, Universities of Basle and Lausanne, 1990; Attorney at Law, admission to the bar in Switzerland, 1992; PhD in Law, University of Basle, 1995; Chartered Financial Analyst, CFA®, 1999. Canton of Aargau, tax administration, legal department, 1991–1995; Swiss Bank Corporation, 1995–1998: Associate Director, projects, 1995–1997; Director, transfer pricing, Basle and New York, 1997–1998; UBS AG, 1998–2018: Regional Tax Counsel Europe, Middle East and Africa, tax counsel for the Bank's Private Equity Business, London, 1999–2001; International Tax, projects, Zurich, 2001–2002; Head International Tax, Zurich, 2002–2003; Global Head of Tax, incl. member of the Group Managing Board (2008–2009) and member of the Group Legal & Compliance Executive Committee, 2004–2009; General Counsel Wealth Management & Swiss Bank, incl. member of the Wealth Management Executive Committee and member of the Group Legal & Compliance Executive Committee, 2009–2013; Head Legal Regulatory Affairs & Strategic Initiatives, incl. member of the Group Legal Executive Committee and member of the Group Regulatory Relations & Strategic Initiatives Management Committee, 2013–2018; Group Managing Director, 2008 until February 2018. Member of the Executive Boards and Chief Risk Officer of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 March 2018. Other mandates: Vice-Director and Lecturer at the IFF, Institute of Public Finance, Fiscal Law and Law and Economics, University of St. Gallen (HSG), Switzerland and Member of the Board of the "Europa Institut" at the University Zurich, Switzerland.

Yves Bonzon (born 1965), Swiss citizen; Degree in Economics (lic. oec. HEC), University of Lausanne, 1986. Union Bank of Switzerland, graduate programme in wealth management and corporate banking, 1986–1989; Pictet Group, 1989–2015: Junior private banker, 1989–1990; member of the Pictet Group Investment Committee, 1990–1997; member of the Executive Committee Pictet Wealth Management, 1997–2015; Chief Investment Officer Wealth Management, 1998–2015; Equity Partner, 2006–2015. Entry into Bank Julius Baer & Co. Ltd. 2016: Head Investment Management, Chief Investment Officer and member of the Executive Board from 2016 until December 2019. Member of the Executive Boards and Chief Investment Officer of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020. Other mandates: Member of the Board of Directors of ISREC Foundation, Lausanne, Switzerland; Member of the Foundation Board of Verbier Festival, Verbier, Switzerland.

Nicolas de Skowronski (born 1973), dual Swiss and Polish citizen; Master of Science (MSc.) in Physics, Swiss Federal Institute of Technology (EPFL), Lausanne, 1993–1998; Chartered European Financial Analyst, Swiss Training Centre for Investment Professionals (AZEK), 2002–2003. UBS Warburg, Zurich, Market Risk Manager for Fixed Income desk, 1999–2001; Banque Cantonale Vaudoise (BCV), Lausanne, Quantitative Financial Analyst, 2001–2003; Ferrier Lullin & Cie SA, Geneva, Head Asset Allocation and member of the Investment Committee (IC), 2003–2005. Entry into Bank Julius Baer & Co. Ltd. 2005: Head of Advisory Geneva and member of the Executive Committee Private Banking French-speaking regions, 2005–2009; Head of Investment Advisory and member of the Investment Committee, 2009–2015; Chief of Staff, 2013–2015; Deputy Head Advisory Solutions and Head Advisory Operations and Development, 2015–2018; Head Advisory Solutions and member of the Executive Board from January until December 2019. Member of the Executive Boards and Head Wealth Management Solutions of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020.

Nic Dreckmann (born 1974), Swiss citizen; Degree in Business Administration and Corporate Finance (lic. oec. publ.), University of Zurich, 1999; various finance seminars, New York University, 2002; Financial Risk Manager, Global Association of Risk Professionals, 2003; Advanced Management Program (AMP), Harvard Business School, 2021. Accenture AG, Zurich, Business Project Manager, Consultant, 2000–2004. Entry into Bank Julius Baer & Co. Ltd. in 2004 as Product Manager private banking, 2004–2005; Business Development in private banking, 2005; Senior Project Manager in the post-merger integration of the acquired SBC Wealth Management businesses, 2005–2006; Head Strategic Management & Regional Coordination, 2006; Chief of Staff to the CEO and COO of Bank Julius Baer, 2006–2012; Global Head integration of the International Wealth Management business acquired from Bank of America Merrill Lynch, 2012–2015; Programme Director of JB 2.0 – the Group-wide operating model transformation programme, 2014–2016. Member of the Executive Board and Chief Operating Officer of Bank Julius Baer & Co. Ltd. since 1 August 2016, member of the Executive Board and Chief Operating Officer of Julius Baer Group Ltd. since 1 January 2017; additionally Head Intermediaries & Global

Custody a.i. of Bank Julius Baer & Co. Ltd. from 1 September to 31 December 2019. Member of the Executive Boards and Chief Operating Officer & Head Intermediaries of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020.

Dieter A. Enkelmann (born 1959), Swiss citizen; Law Degree, University of Zurich, 1985. Credit Suisse Group, various functions in Investment Banking in Zurich and London, 1985–1997; Swiss Re 1997–2003: Head Corporate Financial Management and Investor Relations, 1997–2000; Chief Financial Officer of the business unit Financial Services, 2001–2003; Barry Callebaut, Chief Financial Officer, 2003–2006; Cosmo Pharmaceuticals NV, Dublin, Ireland, member of the Board of Directors since 2006. Entry into Julius Baer Group Ltd. on 11 December 2006 as member of the Group Executive Board and Group Chief Financial Officer; Chief Financial Officer and member of the Management Committee of Bank Julius Baer & Co. Ltd., 2006–2007; member of the Executive Board and Group Chief Financial Officer since 15 November 2007; administrative and organisational manager of the Executive Board of Julius Baer Holding Ltd. from 1 September 2008 until 30 September 2009. Member of the Executive Board and Chief Financial Officer of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 October 2009. Mandates in exchange-listed companies: Member of the Board of Directors of Cosmo Pharmaceuticals NV, Dublin, Ireland, including Head of the Audit Committee and member of the Nomination Committee; Chairman of the Foundation Board of Stiftung für angewandte Krebsforschung, Zurich, Switzerland.

Jimmy Lee Kong Eng (born 1962), Singaporean citizen; Bachelor of Business Administration, National University of Singapore, 1986; Bachelor in Business Administration with honours, National University of Singapore, 1987. Swiss Bank Corporation, Singapore, Associate Director, 1994–1996; Morgan Guaranty Trust Company of New York, Singapore, Vice President, 1996–1998; Coutts Bank (Schweiz) AG, Singapore, Head of Private Banking South Asia, 1999–2000; Credit Suisse Private Banking, Singapore, Regional Market Director, 2000–2004; Deutsche Bank AG, Singapore, Head Private Wealth Management South East Asia/ South Asia, 2004–2009; Clariden Leu AG, Singapore, Chief Executive Officer Asia, 2009–2012; Credit Suisse AG, Asia Pacific, 2012–2015: Head Integration Manager from April 2012 until January 2013; Market Leader Malaysia from February 2013 until August 2013; Market Leader Hong Kong from September 2013 until January 2015; Market Group Head Hong Kong from February 2015 until September 2015. Entry into Bank Julius Baer & Co. Ltd. in October 2015: Designated Head Asia Pacific from October 2015 until December 2015; Head Asia Pacific and member of the Executive Board from January 2016 until December 2019. Member of the Executive Boards and Head Asia Pacific of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020. Other mandates: Member of the Board of Directors of SCB-Julius Baer Securities Co Ltd., Thailand; Member of the Board of the Julius Baer Foundation; Member of the Board of Directors of Beijing International Wealth Management Institute Co. Ltd., Beijing, China; Member of the Advisory Board for Wealth Management at the Singapore Management University.

Yves Robert-Charrue (born 1973), Swiss citizen; Degree in Economics (lic. oec. HSG), University of St. Gallen, 1992–1997; École Supérieure de Commerce, Lyon, 1995; London Business School, 2001. Credit Suisse Private Banking, 1998–2004: Project Management Fund Lab, 1998–1999; Development and structuring of alternative investment products, 2000–2002; Head of Product Development, Structuring & Implementation, 2003–2004; Sabbatical, various music projects, 2004–2005; Credit Suisse Group, 2006–2009: Head of Mergers & Acquisitions for the Asset Management division, 2006–2007; Global Head of Single Manager Hedge Funds, 2007–2009. Entry into Bank Julius Baer & Co. Ltd. 2009: Head of Funds and Product Management from April 2009 until December 2009; Head Investment Solutions Group and member of the Executive Board from January 2010 until July 2011; CEO Switzerland and member of the Executive Board from August 2011 until December 2012; Head Intermediaries and member of the Executive Board from January 2013 until August 2016; additionally Head Investment Solutions Group a.i. from May 2016 until August 2016; Head Europe and member of the Executive Board from September 2016 until December 2019. Member of the Executive Boards and Head Switzerland, Europe, Middle East & Africa of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020. Other mandates: Member of the Advisory Committee of the European and Central Asia Division of Human Rights Watch, New York, USA; Member of the CEO Action Group for the European Green Deal of the World Economic Forum.

Beatriz Sanchez (born 1956), dual Swiss and American citizen; Bachelor of Arts (BA), University of Miami, 1978; Master's Degree in Business Administration, University of Miami, 1979. Manufacturers Hanover Leasing Corporation, N.A., New York, Vice-President Project Financing, 1981–1983; Chase Manhattan Bank, N.A., New York, Vice-President, Private Banking, 1983–1991; Republic National Bank of New York (Suisse) SA, Geneva, Head of Hispanic Latin America, 1991–2000; HSBC Private Bank (Suisse) SA, Geneva, member of the Private Bank Executive Committee & Global Head Private Banking/Latin America, 2000–2008; Goldman Sachs & Co., Miami, 2008 until September 2017: General Manager of Goldman Sachs Bank AG, Switzerland, November 2008 until January 2010; Regional Head Private Wealth Management Latin America from May 2008 until July 2015;

Managing Director & Chairwoman Private Wealth Management Latin America from July 2015 until September 2017. Entry into Bank Julius Baer & Co. Ltd. 2017: Head Latin America and member of the Executive Board from 2017 until December 2019. Member of the Executive Boards and Head Americas of Bank Julius Baer & Co. Ltd. and of Julius Baer Group Ltd. since 1 January 2020; Chairwoman of the Advisory Board of Georgetown Institute for Women, Peace and Security, Washington DC, United States; Member of the Advisory Board of Foundation for Human Rights in Cuba, Miami, United States.

The business address of all members of the Executive Board of Julius Baer Group Ltd. is Julius Baer Group Ltd., Bahnhofstrasse 36, P.O. Box, CH-8010 Zurich, Switzerland.

Set out below are the committees of the Executive Board.

Name	Main Tasks	Members
Credit Committee	<ul style="list-style-type: none"> • Measuring and supervising credit risk • Developing of policies governing credit risk, passing resolutions of credit business and credit limits within its authorisation, delegating credit authority and sanctioning credit risk reports 	<ul style="list-style-type: none"> • CFO (Chair) • COO (Deputy Chair) • CRO • Representatives Legal, Markets and Regions
Risk Committee	<ul style="list-style-type: none"> • Reviewing and deciding on business conduct and risk standards, the ways in which risk is measured on an aggregate, Julius Baer Group-wide basis, the setting of aggregate and individual risk limits (quantitative and qualitative, as appropriate), and the policies and procedures in place to mitigate risks and the actions to be taken if risk limits are exceeded • Ensuring appropriate measures are in place for businesses with increased reputational, compliance, legal and operational risk profiles • Reviewing and assessing the Julius Baer Group's information/cyber security strategy and the Julius Baer Group's business continuity management strategy 	<ul style="list-style-type: none"> • CRO (Chair) • Head Compliance (Deputy Chair) • CFO / Deputy CFO • Heads CH & EMEA, Asia Pacific, Americas • Group COO & Head Intermediaries • One Co-Head IWMS • Group General Counsel • Head Risk Management and Head HR
Group Asset and Liability Management Committee	<ul style="list-style-type: none"> • Pursuing the Julius Baer Group's aims to ensure adequate liquidity and funding of activities and to optimize net interest earnings and present value of future cash flows • Steering, monitoring and developing management of the Julius Baer Group's financial assets and liabilities held in banking books or balance sheet in general 	<ul style="list-style-type: none"> • Group CFO, CRO, CIO • Head Strat. Controlling / Planning and ALM • Heads CH & Europe, Middle East and Africa, Asia Pacific • Heads Treasury, Risk Management, Markets, Credit Risk Management, Fixed Income Research • CFOs Switzerland & Europe, Middle East and Africa, Asia Pacific
Transformation Committee	<ul style="list-style-type: none"> • Defining and overseeing and steering the Julius Baer Group's transformation roadmap • Providing strategic steering of multiyear transformation programmes and significant individual projects as well as acting as escalation body for intra-project issues 	<ul style="list-style-type: none"> • Group COO, Head Intermediaries, CFO, CEO, CRO • Region Heads Americas, Asia Pacific, Switzerland & EMEA • One Co-Head IWMS
Sustainability Board	<ul style="list-style-type: none"> • Defines, oversees and steers the overall Corporate Sustainability and Responsible Investment strategy and roadmap of Julius Baer Group • Providing strategic guidance and ensure overall coordination, alignment and prioritization of the Corporate Sustainability and Responsible Investment roadmap within the Julius Baer Group 	<ul style="list-style-type: none"> • CEO, COO & Head Intermediaries, CRO, Co-Heads IWMS • Head CH&EMEA • Head Americas • Head of Corporate Sustainability & Responsible Investment (Secretary)
Information Security Committee	<ul style="list-style-type: none"> • Monitoring and supervising information security risks and related activities with the focus on confidentiality, integrity and availability of information 	<ul style="list-style-type: none"> • Head Risk Management • Head Information Technology

- Managing the risk types of information security, data privacy, business continuity (incl. IT service continuity), as well as applications operated by business and information technology
- CRO
- COO & Head Intermediaries
- CoS
- One Senior Representative of PB Front Regions
- Head Global Corporate Services
- Chief Information Security Officer

Corporate Governance

Corporate Governance is a decisive part of business management. Shareholders, clients and staff are usually considered the key stakeholder groups within the context of corporate governance. Moreover, the focus of the Issuer on achieving sustained success and consistency in the Group's business rests largely on the principle of retaining shareholders, clients and staff for as long as possible and actively nurturing the relationships over time. These stakeholders, therefore, have a right to know the individuals and internal bodies that determine the development of the Company, and who makes the strategic decisions and who bears the responsibility for them. The Issuer therefore aims to thoroughly satisfy these legitimate information needs through its respective publications.

The corporate governance information of the Issuer is presented in accordance with the Swiss Financial Market Supervisory Authority FINMA's circular 2017/1 Corporate Governance – Banks, the Directive Corporate Governance of the SIX Swiss Exchange (revised effective 1 May 2018), the guidelines and recommendations of the "Swiss Code of Best Practice for Corporate Governance" of the Swiss Business Federation (*economiesuisse*) (in its current version dated 29 February 2016) and the Federal Council's "Ordinance against excessive compensation in listed companies" (in force effective 1 January 2014).

For further information regarding Corporate Governance, refer to Chapter I – Corporate Governance in the Issuer Consolidated Annual Report 2020, incorporated herein by reference.

Incorporation, Company Name, Registered Office, Register and Legal Form

The Issuer's legal name is Julius Baer Group Ltd. (Julius Bär Gruppe AG, Julius Baer Groupe SA). The Issuer was incorporated on 18 June 2009 as a company limited by shares (*Aktiengesellschaft*) established under the laws of Switzerland (article 620 et seqq. of the Swiss Code of Obligations) for an indefinite period of time and registered in the commercial register of the Canton of Zurich, Switzerland (the "**Commercial Register**"), on 25 June 2009 under the number CHE-114.934.412. Its current registered office is at Bahnhofstrasse 36, CH-8001 Zurich, Switzerland. The Issuer's most recent articles of incorporation are dated 14 April 2021 (the "**Articles of Incorporation**").

The Issuer was incorporated on 18 June 2009 by Julius Baer Holding Ltd. (renamed GAM Holding AG) as founder, and registered in the Commercial Register on 25 June 2009.

Legal Entity Identifier

5299007MF0604ZGJER92

Purpose

According to article 2 below of the Articles of Incorporation, the main corporate purpose of the Issuer is the acquisition and management of its permanent participations, particularly in banks and other companies engaged in financial services.

Article 2 of the Articles of Incorporation reads as follows (translated from the German original):

"2. *Object and purpose of Company*

2.1 *The purpose of the Company shall be the acquisition and management of permanent participations, particularly in Banks and other companies of the financial services industry.*

2.2 *The Company may purchase, pledge as collateral and sell real estate.*

2.3 The Company may be active domestically and abroad.

2.4 Otherwise, the Company may execute all transactions directly or indirectly related to the purpose of the Company as well as all transactions which may further the purpose of the Company."

Share Capital Structure

The Shares

All of the shares in the Issuer are registered shares (*Namenaktien*) with a nominal value of CHF 0.02 each, are validly issued and fully paid-in. The shares are listed on the SIX Swiss Exchange and traded under the ticker symbol "BAER".

In accordance with the Articles of Incorporation and the requirements of the clearing arrangements of SIX SIS Ltd., the shares are issued in uncertificated form (*Wertrechte*, within the meaning of article 973c of the Swiss Code of Obligations) and entered in the Issuer's book of book-entry securities (*Wertrechtbuch*). The shares are registered in the main register (*Hauptregister*) maintained by SIX SIS Ltd and credited to the securities account of each holder of such shares and thus will become intermediated securities (*Bucheffekten*, within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*)). Shareholders are not entitled to request delivery of shares or share certificates. However, a shareholder may at any time request that the Issuer issues a confirmation of such shareholder's shareholding. Such confirmation is not a negotiable instrument.

Registered Issued Share Capital

As at 31 December 2020, the Issuer's registered issued share capital amounted to CHF 4,476,188.96, divided into 223,809,448 registered shares, fully paid-up, with a nominal value of CHF 0.02 each. With the completion of a capital reduction by cancellation of 2,585,000 shares following a share buy-back program the issued share capital as per 1 July 2021 and at the date of this Prospectus amounts to CHF 4,424,488.96, divided into 221,224,448 registered shares, fully paid-up, with a nominal value of CHF 0.02 each.

Conditional and Authorised Share Capital

As at 31 December 2020, the Issuer's Articles of Incorporation provided for a conditional share capital (*bedingtes Aktienkapital*) of CHF 200,000, divided into 10,000,000 registered shares, to be fully paid-up, with a nominal value of CHF 0.02 each.

Article 3.4 of the Articles of Incorporation reads as follows (translated from the German original):

"1 The Company's share capital is to be increased by the issue of up to 10,000,000 registered shares, to be fully paid up and each with a par value of CHF 0.02, in a maximum total amount of CHF 200,000.00 through the exercise of conversion or warrant rights in connection with bonds issued by the Company or its subsidiaries. Existing shareholders are excluded from subscription rights. The acquisition of shares through the exercise of conversion or warrant rights and the subsequent transfer of shares are subject to the entry limitations as set forth in article 4.3 et seq. of the Articles of Incorporation.

2 When issuing convertible or warrant bonds, the Board of Directors may rescind priority subscription rights of existing shareholders for important reasons.

3 Important reasons can be the securing of optimal conditions in issuing of loans and ensuring equal treatment of shareholders domestically and abroad.

4 In the event that the Board of Directors precludes the priority subscription rights, the following applies:

a) Conversion rights may be exercised only during a maximum of seven years, and warrant rights only during a maximum of four years from the date of issue of the relevant bond.

b) The new shares shall be issued according to the applicable conversion or warrant conditions. The convertible or warrant bonds must be issued in conformity to market conditions (including the usual market conditions with regard to protection against dilution). The conversion or option price must be not less than the average of the last prices paid on the Zurich stock exchange during the five days preceding the determination of the final issue conditions for the relevant convertible or warrant bonds."

As of the date of this Prospectus, no shares out of the Issuer's conditional capital have been issued. Application has been made to, and approval has been given by, the SIX Swiss Exchange to formally list according to the Main Standard of the SIX Swiss Exchange 10,000,000 additional registered shares with a nominal value of CHF 0.02 each that may be issued under the conditional share capital of the Issuer.

As at 31 December 2020 and the date of this Prospectus, the Issuer had no authorised capital.

Own Equity Securities

As of 31 December 2020, companies within the Issuer held 7,166,277 registered shares equalling 3.2 per cent. of the Issuer's registered issued share capital (including the shares in the Issuer held by the Julius Baer Group in the course of ordinary banking activities).

Shareholders' Rights

Each share carries one vote at the Issuer's shareholders' meeting. Voting rights may be exercised only after a shareholder has been recorded in the Issuer's share register (*Aktienregister*) as a shareholder with voting rights. The shares rank *pari passu* with each other, including with respect to dividends, to a share in the liquidation proceeds in case of a liquidation of the Issuer and to subscription rights (*Bezugsrecht*).

Share-based payments

The Group maintains various share-based payment plans in the form of share plans for its employees. When such payments are made to employees, the fair value of these payments at grant date serves as the basis for calculating the personnel expenses. Share-based payments that are not subject to any further conditions are expensed immediately at grant date. Share-based payments that are subject to the completion of a service period or to other vesting conditions are expensed over the respective vesting period starting at grant date. The amount recognised as an expense is adjusted to reflect the number of share awards for which the related services and non-market performance vesting conditions are expected to be met.

Share-based payment plans that are settled in own equity instruments (i.e. Julius Baer Group Ltd. shares) result in a corresponding increase in equity and are not remeasured for subsequent changes in the fair value of the underlying equity instruments.

Significant Shareholders / Participants

The Issuer publishes the current numbers and additional details regarding its significant shareholders / participants on its website under the address <https://www.juliusbaer.com/en/media-investors/share-information/significant-shareholders/>, and these are available on the SIX Swiss Exchange's website under the address https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#.

The percentage holding of voting rights, as well as the other terms as used above, have to be read in the context of the applicable SIX Swiss Exchange rules.

Historical Dividend Information

The following table sets forth the total ordinary dividends paid by the Issuer in respect of last five years:

Fiscal year	Total dividends	Dividends per share
	<i>(CHF in millions)</i>	<i>(CHF)</i>
2016	269 ⁽¹⁾	1.20
2017	313 ⁽¹⁾	1.40
2018	336 ⁽¹⁾	1.50
2019	336 ⁽²⁾	1.50
2020	392 ⁽³⁾	1.75

Note

(1) Paid out of reserves from capital contributions/share premium (*Reserven aus Kapitaleinlagen/ gesetzlichen Kapitalreserven*).

(2) Paid out in equal portions (each CHF 0.375) as dividend and of reserves from capital contributions/share premium (*Reserven aus Kapitaleinlagen/ gesetzlichen Kapitalreserven*). Following a request by the Swiss Financial Market Supervisory Authority

FINMA, the Board of Directors reviewed the initial proposal regarding the appropriation of disposable profit (CHF 336 million) as well as dissolution and distribution of "statutory capital reserve". Given the strong capital, funding and liquidity position of Julius Baer, the Board of Directors reconfirmed its intention in principle to pay the full dividend amount for the financial year 2019. However, in response to this regulatory request and in light of the overall economic challenges due to the COVID-19 pandemic, the Board of Directors proposed the full dividend amount for the financial year 2019 to be split equally and approved in the Annual General Meeting to be postponed to 18 May 2020. In the absence of a drastic change of circumstances, the Board of Directors, as announced on 16 September 2020, convened an Extraordinary General Meeting on 2 November 2020 to propose a second dividend distribution in the same amount to the shareholders.

- (3) Total distribution, charged to retained earnings (CHF 143,238,047) and statutory capital reserve (CHF 105,190,441 from tax-exempt capital contribution reserve foreign and CHF 143,238,047 from tax-exempt capital contribution reserve other).

Outstanding Bonds

For information regarding the Issuer's bonds as of 31 December 2020, see Note 15 "Debt Issued" of the Financial Statements in the Issuer Consolidated Annual Report 2020 incorporated herein by reference.

Statutory Auditors

The Issuer's statutory auditors are KPMG AG, Badenerstrasse 172, 8036 Zurich, Switzerland. KPMG AG is a member of EXPERTsuisse and subject to the supervision of the Federal Audit Oversight Authority. KPMG is registered in the register of the Federal Audit Oversight Authority under the number 501403. The Issuer's consolidated financial statements as at and for the year ended 31 December 2020 and the Issuer's consolidated financial statements as at and for the year ended 31 December 2019 have been audited by KPMG AG, statutory auditor, as stated in their reports incorporated by reference herein (see "*Documents Incorporated by Reference*").

Court, Arbitration and Administrative Proceedings

The Issuer and the Julius Baer Group are involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of their businesses. It is inherently difficult to predict the outcome of many of the legal, regulatory and other adversarial proceedings involving the Issuer's businesses, particularly those cases in which the matters are brought on behalf of various classes of claimants, which seek damages of material or indeterminate amounts or involve novel legal claims.

For further information regarding legal proceedings and the Issuer and Julius Baer Group's litigation provisions as of 31 December 2020, see Note 17 "Provisions" of the Financial Statements in the Issuer Consolidated Annual Report 2020 and Note 8 "Provisions" of the Issuer Half-Year Report 2021, both incorporated herein by reference, and the section "*Recent Developments*" below.

Ratings

The Issuer has been assigned an Issuer Rating of "Baa1 (positive)" by Moody's Investors Service, Inc. ("**Moody's**") on 28 February 2020. The outlook on the Issuer's long-term rating was changed from stable to positive on 13 July 2021. According to Moody's Long Term Rating Scale, obligations rated "Baa" are judged to be medium-grade and subject to a moderate credit risk. Moody's appends numeric modifiers to each generic rating classification. The modifier 1 indicates a ranking in the higher end of that generic rating category.

For a discussion of risks in relation to rating downgrades, see "*Risk Factors—Risks Related to the Issuer—Risk of a rating downgrade*".

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.

Fiscal Year

The fiscal year of the Issuer commences on 1 January and ends on 31 December of each calendar year.

The Issuer Consolidated Annual Report 2020 has been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and applicable International Financial Reporting Standards Interpretations Committee (IFRS Interpretations Committee) interpretations issued. The Issuer Half-Year Report 2021 was prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

Information Policy

The Issuer provides information to its shareholders and the public by means of annual and half-year reports and interim management statements. It also publishes press releases, presentations and brochures as needed. The documents are generally available to the public in electronic form on the website of the Issuer (<http://www.juliusbaer.com>) as well as in printed form. Current publication dates can be found online on the website of the Issuer (<http://www.juliusbaer.com>).

Unless otherwise specifically incorporated by reference herein, the information contained in these websites does not form a part of, and is not incorporated by reference in, this Prospectus.

Notices

According to the Articles of Incorporation, official notices of the Issuer to the shareholders are to be published in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*). Notices from the Issuer to registered shareholders shall be sent by letter to the addresses entered in the share register. Notices in respect of the 2021 USD Tier 1 Bonds will be published in accordance with the terms and conditions of the 2021 USD Tier 1 Bonds.

Financial Statements

Unless otherwise indicated, financial information in this Prospectus has been prepared in accordance with International Financial Reporting Standards ("**IFRS**"; formerly known as "**International Accounting Standards**" or "**IAS**") of the International Accounting Standards Board.

Recent Developments

On 1 March 2021, the Issuer announced the end of the share buy-back programme launched in November 2019, under which it had repurchased a total of 2,585,000 shares at an aggregate cost of CHF 113 million, and the start of a new programme to buy back up to CHF 450 million purchase value of Issuer shares to be launched on 2 March 2021 and expected to run until the end of February 2022 (for more information see <https://www.juliusbaer.com/sg/en/news/julius-baer-announces-end-of-2019-share-buy-back-programme-and-launch-of-new-programme/>, the information contained on this website does not form a part of, and is not incorporated by reference in, this Prospectus). As at close of business 10 September 2021, the Issuer has executed repurchases of CHF 236 million representing 3,909,000 shares.

On 31 March 2021, the Issuer announced that it had been informed by FINMA that it is formally lifting the ban imposed in February 2020 on the execution of acquisitions that lead to significant increases in operating risks and in organisational complexity as set out in the FINMA press release of 20 February 2020 (available at: <https://www.finma.ch/en/news/2020/02/20200220-mm-jb>, the information contained on this website does not form a part of, and is not incorporated by reference in, this Prospectus). This decision is based on a status report from FINMA's mandated auditor, which is supervising the implementation of the measures ordered by FINMA and Julius Baer Group's own measures. FINMA will continue to closely accompany the Julius Baer Group until the full implementation of these measures through the mandated auditor and additional supervisory measures. The Issuer welcomed the lifting of the ban on complex acquisitions given the significant progress the Julius Baer Group has made in strengthening its company-wide risk management, particularly with regard to money laundering prevention.

On 14 April 2021, the Issuer announced that at its Annual General Meeting, the shareholders passed all agenda items and proposals submitted by the Board of Directors as described in more detail in the AGM Press Release.

On 25 May 2021, the Issuer announced that Bank Julius Baer & Co. Ltd. has finalised the agreement reached with the U.S. Department of Justice (DOJ) in November 2020, to settle the FIFA-related investigation in the U.S, by entering into a three-year Deferred Prosecution Agreement, pursuant to which it paid the previously communicated amount of USD 79.7 million, which had already been charged against the 2020 financial results (see "*Documents Incorporated by Reference*").

The most recent material business developments have been published by the Issuer with the Issuer Consolidated Annual Report 2020 and the Basel III Pillar 3 June 2021, all incorporated herein by reference, as well as with the Issuer Half-Year Report 2021.

Main business prospects of the Julius Baer Group

The outbreak of COVID-19 in 2020 has also resulted in enormous economic damage. Global gross domestic product (GDP) has contracted significantly in 2020, and a sharp increase in the volatility of the prices for financial instruments was observed, especially at the beginning of the pandemic, therefore, management had to overhaul its significant judgements and assumptions, and the estimation uncertainty increased accordingly. However, the Issuer and the Julius Baer Group's relatively conservative lending policies related to Lombard loans and mortgages, as well as the Issuer and Julius Baer Group's treasury policy of investing in high-quality bonds, prevented it from material losses on its financial instruments across 2020 and the Julius Baer Group has maintained its mid-term targets for 2022.

The above includes statements that constitute "forward-looking statements". By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that prospects, predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. See "Cautionary statement regarding forward-looking statements". Furthermore, because the COVID-19 pandemic is unprecedented in recent history and the effects of a number of factors, including the emergence of new COVID-19 variants, slower than expected vaccine rollouts in Switzerland and EU member states, uncertainty about the efficacy of certain vaccines against new COVID-19 variants, the potential for third-waves of COVID-19 cases and further, prolonged lock-downs in 2021 as well as potential inflationary effects of historically unprecedented COVID-19 relief packages, are impossible to predict as at the time hereof, the inherent risks and uncertainties in forward-looking statements are substantially increased.

INFORMATION REGARDING THE CET1 RATIO AND SWISS CAPITAL RATIOS

Capital Requirements – Overview of the Swiss legal framework

Switzerland applies the internationally agreed capital adequacy rules of the Basel Capital Accord, but the implementation imposes a differentiated and stricter regime than the internationally agreed rules, including a more stringent definition of capital. The Capital Adequacy Ordinance for banks and securities dealers of 1 June 2012, as amended (*Verordnung über die Eigenmittel und Risikoverteilung der Banken und Wertpapierhändler*) ("CAO"), which implements Basel III, not only covers credit, market and operational risks, but also risk concentrations. Under the Federal Act on Banks and Savings Banks of 8 November 1934, as amended (*Bundesgesetz über die Banken und Sparkassen*), the Ordinance on Banks and Savings Banks of 30 April 2014, as amended (*Verordnung über die Banken und Sparkassen*), and the CAO, a bank must maintain an adequate ratio of capital resources to total risk-weighted assets. This requirement applies to the Issuer on a consolidated basis.

Pursuant to the CAO, bank regulatory capital is composed of the following capital categories: Figures of Julius Baer Group as at 31 December 2020:

- | | |
|---|----------------|
| (a) Tier 1 capital, consisting of: | |
| i. Common Equity Tier 1 ("CET1"); | 3,157.5 (mCHF) |
| ii. Additional Tier 1 ("AT1"); | 1,138.8 (mCHF) |
| (b) Tier 2 capital (supplementary capital); and | 133.5 (mCHF) |
| (c) Countercyclical Buffer including extended countercyclical buffer. | 21.9 (mCHF) |

CET1 includes paid-in share capital, open reserves, reserves for general banking risks, capital participations of minority shareholders in certain fully-consolidated subsidiaries as well as retained earnings and current year net profits less anticipated dividends. Subject to certain conditions, CET1 may also include share capital relating to preference shares (*Vorzugsaktien*) and to non-voting share capital (*Partizipationskapital*). CET1 is reduced by, among other things, losses carried forward and losses accrued in the current year, net long position in own shares, goodwill, uncovered valuation adjustments and uncovered provision requirements of the current year and the net long position of participations in companies active in the finance sector included in the consolidation. AT1 capital includes participations which do not qualify as CET1 capital and certain debt instruments, in both cases **provided that**, among other things, there is no formal maturity date, with repayment being at the discretion of the bank; repayment by the bank is only possible five years after issuance at the earliest and is subject to the approval of FINMA, the capital or debt instrument is subordinated to all unsubordinated claims; any compensation is independent of the creditworthiness of the bank; and, in the case of debt instruments, the instrument will be extinguished upon the reaching of a certain trigger point – the point of non-viability – or by conversion into CET1 or write-down of the debt.

Tier 2 capital includes subordinated debt instruments with a minimum term of five years which are either written off or converted into CET1 when the point of non-viability is reached, as well as value adjustment amounts and 45 per cent. of unrealised gains on financial assets measured at FVOCI (fair value through other comprehensive income). For Julius Baer Group, Tier 2 capital is composed primarily of the latter two categories.

Under the CAO, a Swiss bank is required to maintain on a consolidated basis a regulatory capital-to-risk ratio (the "**Total Capital Ratio**") of minimum 8 per cent., with 4.5 per cent. being covered by CET1 capital and 6 per cent. being covered by Tier 1 capital. The minimum Capital Conservation Buffer, in the form of CET1 capital, must be maintained at 2.5 per cent. of risk-weighted assets. In addition, the Swiss Federal Council, upon request of Swiss National Bank, may require banks to accumulate a Countercyclical Buffer representing up to an additional 2.5 per cent. in the form of CET1 capital of risk-weighted assets. FINMA retains its power to increase the capital requirements under the CAO.

The Issuer qualifies as a category 3 bank which must have a Total Capital Ratio of at least 12 per cent., a CET1 ratio of at least 7.8 per cent. and a Tier 1 capital ratio of at least 9.6 per cent. Furthermore, the SNB temporary countercyclical buffer for Swiss mortgages (which has been deactivated since 27 March 2020 by the Swiss Federal Council to give banks more flexibility in granting credits designed to cushion the economic impact of the coronavirus pandemic) and an additional countercyclical buffer for commitments outside Switzerland must be

added to the minimum 12 per cent. capital requirement which as of 31 December 2020 added 0.1 per cent. in the form of CET1 capital resulting in a minimum Total Capital Ratio of at least 12.1 per cent.

Regulatory Capital of the Issuer

The following information in this Section "*Information regarding the CET1 ratio and Swiss capital ratios — Regulatory Capital of the Issuer*" (including all subsections) has mostly been extracted from the Chapter "*Comment on Capital Management — Management of Capital including Regulatory Capital*" of the Financial Statements Julius Baer Group 2020 in the Issuer Consolidated Annual Report 2020, the Issuer Half-Year Report 2021, and the Basel III Pillar 3 June 2021, all as incorporated herein by reference.

Overview

In managing its capital, the Group considers a variety of requirements and expectations. Sufficient capital must be in place to support current and projected business activities, according to both the Group's own internal assessment and the requirements of its regulators, in particular its lead regulator, FINMA. Capital is also managed in order to achieve sound capital ratios and to ensure a strong external credit rating.

Ensuring compliance with minimum regulatory capital requirements and targeted capital ratios is central to capital adequacy management. In this ongoing process, the Group manages its capital on the basis of target capital ratios for common equity tier 1 capital and total capital. In the target-setting process, the Group takes into account the regulatory minimum capital requirements and regulatory expectations that the Group will hold additional capital above the minimum required for each capital category, the Group's internal assessment of aggregate risk exposure requiring equity capital provision, the views of rating agencies, and comparison to peer institutions based on the Group's business mix and market presence.

For the financial years ended 31 December 2019 and 31 December 2020 as well as the half-year ended 30 June 2021, the scope of consolidation used for the calculation of capital adequacy is identical to that applied for accounting purposes. Note 30A "Companies Consolidated" of the Financial Statements in the Issuer Consolidated Annual Report 2020 (as incorporated herein by reference) provides an overview of the Group's consolidated companies.

The Group's calculations of its risk-weighted assets published in the Annual Report are identical to those carried out for regulatory reporting purposes.

The Basel III international standard approach requires CET1 equivalent to at least 4.5 per cent. of risk-weighted assets, plus a CET1 capital buffer of 2.5 per cent., plus 1.5 per cent. of Additional Tier 1 (AT1) capital (or better-quality capital), plus 2 per cent. of supplementary Tier 2 capital (or better-quality capital). In aggregate, this amounts to an overall capital requirement of at least 10.5 per cent. of risk-weighted assets. FINMA minimum capital requirements for the Group are 7.8 per cent. for CET1, 1.8 per cent. for AT1 and 2.4 per cent. for tier 2, which puts its overall minimum capital requirement at 12 per cent. of risk-weighted assets. The Group is also required to hold a countercyclical CET1 capital buffer for mortgages on residential properties in Switzerland (this countercyclical buffer is currently deactivated as per the decision of the Swiss Federal Council on 27 March 2020) and an additional countercyclical CET1 capital buffer for commitments outside Switzerland. Taken together, these added a further 0.1 per cent. to its minimum capital requirement of 12 per cent. of risk-weighted assets as of 31 December 2020. The decision by the Swiss Federal Council to deactivate the countercyclical buffer on 27 March 2020 was taken to give banks more flexibility in granting credits designed to cushion the economic impact of the coronavirus pandemic.

Capital ratios

The following table sets forth the Issuer's capital ratios as at 30 June 2021 and 31 December 2020, 2019 and 2018 (CHF in millions):

	As at 30 June	As at 31 December		
	2021 ⁽¹⁾	2020 ⁽¹⁾	2019 ⁽¹⁾	2018 ⁽¹⁾
Risk-weighted positions				
Credit risk.....	13,928.6	13,755.5	13,749.3	14,527.7
Non-counterparty-related risk	548.7	580.5	612.9	352.8
Market risk	1,188.9	1,116.7	670.8	1,245.1
Operational risk	5,791.7	5,668.0	5,461.7	5,212.8

Total	21,457.9	21,120.7	20,494.6	21,338.4
Eligible capital				
CET1 capital.....	3,583.1	3,157.5	2,876.7	2,731.2
Tier 1 capital.....	4,753.6	4,296.3	4,420.9	3,933.0
of which hybrid tier 1 instruments ⁽²⁾	1,170.5	1,138.8	1,544.2	1,201.8
Tier 2 capital	136.2	133.5	100.8	58.2
of which lower tier 2 instruments	0.0	0.0	0.0	0.0
Total capital	4,889.8	4,429.7	4,521.7	3,991.2
CET1 capital ratio.....	16.7 per cent.	14.9 per cent.	14.0 per cent.	12.8 per cent.
Tier 1 capital ratio.....	22.2 per cent.	20.3 per cent.	21.6 per cent.	18.4 per cent.
Total capital ratio	22.8 per cent.	21.0 per cent.	22.1 per cent.	18.7 per cent.

(1) Non-compatible Basel III tier 1 and tier 2 capital instruments will be phased out between 2013 and 2022.

(2) The hybrid tier 1 instruments as of 30 June 2021 are tier 1 bonds issued by Julius Baer Group Ltd. in 2016, 2017, 2019, and 2020.

Capital components

The principal adjustment to the Group's total equity under IFRS for the purpose of determining total eligible capital is the deduction of intangible assets. These and other capital components are shown in the following table.

	As at 31 December		
	2020 ⁽¹⁾	2019 ⁽¹⁾	2018 ⁽¹⁾
	<i>(CHF in millions)</i>		
Gross common equity tier 1 capital.....	6,434.1	6,198.6	6,041.9
of which non-controlling interests.....	8.6	9.2	1.9
Goodwill and other intangible assets.....	(2,622.0)	(2,841.8)	(2,902.3)
Other deductions.....	(654.6)	(480.1)	(408.4)
Common equity tier 1 capital	3,157.5	2,876.7	2,731.2
Tier 1 capital instruments	1,138.8	1,544.2	1,201.8
of which tier 1 bond (Basel III-compliant capital instrument)	1,138.8	1,544.2	1,201.8
Additional tier 1 capital	1,138.8	1,544.2	1,201.8
Tier 1 capital	4,296.3	4,420.9	3,933.0
Tier 2 capital	133.5	100.8	58.2
of which other tier 2 capital	133.5	100.8	58.2
Total capital	4,429.7	4,521.7	3,991.2

(1) Non-compatible Basel III tier 1 and tier 2 capital instruments will be phased out between 2013 and 2022.

Capital requirements

Required capital (see table below) as of 31 December 2020 for credit risks arising from amounts due from banks, loans, financial assets measured at FVOCI (fair value through other comprehensive income) and derivative financial instruments accounts for 65 per cent. (2019: 67 per cent.) of the total required capital. Capital required for non-counterparty risk of 3 per cent. (2019: 3 per cent.) and market risk of 5 per cent. (2019: 3 per cent.) is of minor significance. The capital required to cover operational risk accounts for 27 per cent. of total required capital (2019: 27 per cent.).

	As at 31 December		
	2020	2019	2018
	<i>(CHF in millions)</i>		
Credit risk.....	1,100.4	1,099.9	1,162.2
Non-counterparty-related risk	46.4	49.0	28.2
Market risk	89.3	53.7	99.6
Operational risk	453.4	436.9	417.0
Total	1,689.7	1,639.6	1,707.1

TAXATION

SWITZERLAND

The following discussion of taxation under the heading "Switzerland" in this section is only an indication of certain tax implications currently in force under the laws of Switzerland as they may affect investors. It applies only to persons who are beneficial owners of the 2021 USD Tier 1 Bonds and may not apply to certain classes of person. The summary contains general information only; it is not exhaustive and does not constitute legal or tax advice and is based on taxation law and practice at the date of this Prospectus. Potential investors should be aware that tax law and interpretation, as well as the level and bases of taxation, may change from those described and that changes may alter the benefits of investment in, holding or disposing of, 2021 USD Tier 1 Bonds. The Issuer makes no representations as to the completeness of the information nor undertakes any liability of whatsoever nature for the tax implications for investors. Potential investors are strongly advised to consult their own professional advisers on the implications of making an investment in, holding or disposing of, 2021 USD Tier 1 Bonds under the laws of the countries in which they are liable to taxation and in light of their particular circumstances.

Swiss Withholding Tax

Interest payments by the Issuer in respect of 2021 USD Tier 1 Bonds are exempt from Swiss withholding tax (*Verrechnungssteuer*) under the statutory exemption of article 5(1)(g) of the Swiss Withholding Tax Act (*Bundesgesetz über die Verrechnungssteuer*) for write-down bonds.

On 3 April 2020, the Swiss Federal Council published draft legislation and opened the consultation procedure regarding the reform of the Swiss withholding tax system applicable to interest. If enacted in its current form, this draft legislation would, among other things and subject to certain exceptions, replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. Subject to certain exceptions, under the proposed new paying agent-based regime, (i) interest payments made by paying agents in Switzerland to individuals resident in Switzerland would be subject to Swiss withholding tax, including any such interest payments made on bonds issued by issuers outside Switzerland, and (ii) interest payments to all other persons, including to non-Swiss-resident investors, would be exempt from Swiss withholding tax. If such a paying agent system were introduced and a paying agent acting out of Switzerland were required to deduct or withhold Swiss withholding tax on payments in respect of the 2021 USD Tier 1 Bonds classifying as interest, the Issuer would have no obligation to pay additional amounts or otherwise indemnify a holder for any such withholding or deduction by the Issuer, a paying agent or any other party, as a result of the deduction or withholding of such amount. On 11 September 2020, the Swiss Federal Council has decided to submit a legislative project to the Swiss Federal Parliament in the second half of 2021 for the abolishment of the Swiss interest withholding tax on all forms of interest, except interests on deposits of private individuals resident in Switzerland with Swiss banks. On 14 April 2021, the Swiss Federal Council approved and published the dispatch (*Botschaft*) for this Swiss withholding tax reform for legislative consultation which is expected to be debated in parliament no earlier than towards the end of 2021 and, if ultimately adopted, the changes are expected to become effective at the earliest in 2024.

Swiss Securities Turnover Tax

The issue, sale and delivery, of the 2021 USD Tier 1 Bonds, on the Issue Date will not subject to Swiss securities turnover tax (*Umsatzabgabe*) (primary market). Secondary market transactions in the 2021 USD Tier 1 Bonds may be subject to Swiss turnover tax at a rate of up to 0.15 per cent. of the consideration paid for the 2021 USD Tier 1 Bonds traded, however, only if a Swiss securities dealer, as defined in the Swiss Stamp Tax Act (*Bundesgesetz über die Stempelabgaben*), is a party or an intermediary to the transaction and no exemption applies. Even if such a Swiss securities dealer is a party or an intermediary to the transaction, no Swiss turnover tax will apply to a transaction where both the seller and the purchaser of the 2021 USD Tier 1 Bonds are not residents of Switzerland or the Principality of Liechtenstein.

Swiss Income Taxation

Classification and Coupon Split

The 2021 USD Tier 1 Bonds are classified as transparent structured financial products composed of a bond and, relating to the interest cancellation and write-down features, one or more options or similar rights, and as concerns

the bond component, as bond without a predominant one-time interest payment (*Obligationen ohne überwiegende Einmalverzinsung; non-IUP*).

Based on such classification, each interest payment payable with respect to any 2021 USD Tier 1 Bond will be split for purposes of Swiss federal, cantonal and communal income taxes (*Einkommenssteuern*) into a taxable interest payment (the "**Embedded Interest Amount**") and a non-taxable option premium amount (the "**Embedded Premium Amount**"). The respective amounts will be determined by the Swiss Federal Tax Administration and following determination be disclosed on the Swiss Federal Tax Administration's price list (*Kursliste*).

2021 USD Tier 1 Bonds held by Non-Swiss Holders

Holders who are not residents of Switzerland for tax purposes and who during the relevant taxable period have not held 2021 USD Tier 1 Bonds through a permanent establishment within Switzerland are not subject to Swiss income tax in respect of their 2021 USD Tier 1 Bonds. See "*—Swiss Withholding Tax*" above for a summary of the taxation treatment of the 2021 USD Tier 1 Bonds in respect of Swiss withholding tax. See "*—International Automatic Exchange of Financial Accounts Information in Tax Matters*" as concerns the exchange of information in respect of 2021 USD Tier 1 Bonds held in accounts or deposits with financial institutions in Switzerland. See "*—FATCA*" below for a summary of the taxation treatment of the 2021 USD Tier 1 Bonds in respect of FATCA.

2021 USD Tier 1 Bonds held as Private Assets by Swiss Resident Holders

An individual who resides in Switzerland and holds 2021 USD Tier 1 Bonds as private assets is required to include all payments of Embedded Interest Amounts on the 2021 USD Tier 1 Bonds, converted into CHF at the exchange rate prevailing at the time of the interest payment, in his or her personal income tax return for the relevant tax period and is taxable on any net taxable income (including the Embedded Interest Amounts) for such tax period at the then prevailing tax rates.

The payment of Embedded Premium Amounts on the 2021 USD Tier 1 Bonds and a gain realised on the sale or other disposal of 2021 USD Tier 1 Bonds, including, in respect of the option(s) or similar right(s) embedded in the 2021 USD Tier 1 Bonds, interest accrued or foreign exchange rate or interest rate changes, is a tax-free private capital gain. The same applies for gain realised upon the redemption of 2021 USD Tier 1 Bonds, except when 2021 USD Tier 1 Bonds are redeemed early, in which case compensation for interest accrued paid by the Issuer to a Holder constitutes a taxable interest amount. Conversely, a loss, including in respect of foreign exchange rate or interest rate changes realised on the sale or other disposal or redemption of 2021 USD Tier 1 Bonds or a loss resulting from a Contingent Write-down or a Subsequent Write-down is a private capital loss which is not tax deductible. See "*—2021 USD Tier 1 Bonds held as Assets of a Trade or Business in Switzerland*" for a summary of the taxation treatment of Swiss resident individuals who, for income tax purposes, are classified as "professional securities dealers".

2021 USD Tier 1 Bonds held as Assets of a Trade or Business in Switzerland

Individuals who hold 2021 USD Tier 1 Bonds through a business in Switzerland, and Swiss-resident corporate taxpayers, and corporate taxpayers residing abroad holding 2021 USD Tier 1 Bonds through a permanent establishment situated in Switzerland, are required to recognise payments of Embedded Interest Amounts and Embedded Premium Amounts and gains or losses realised on the disposal or redemption of 2021 USD Tier 1 Bonds, and, as the case may be, losses realized from a Contingent Write-down or a Subsequent Write-down of 2021 USD Tier 1 Bonds in their income statement for the relevant tax period, and will be taxable on any net taxable earnings for such tax period at the then prevailing tax rates. The same taxation treatment also applies to Swiss-resident individuals who, for Swiss income tax purposes, classify as "professional securities dealers" for reasons of, *for example*, frequent dealings, or leveraged transactions, in securities.

International Automatic Exchange of Financial Accounts Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters (the "**AEOI Agreement**"). The AEOI Agreement became effective as of 1 January 2017, and applies to all 27 member states of the EU and also Gibraltar. In addition, on 1 January 2017 the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**"), and based on the MCAA, a number of bilateral AEOI agreements with other countries, became effective. Based on the AEOI Agreement and the bilateral AEOI agreements and the implementing laws of Switzerland, Switzerland collects and exchanges data in respect of financial assets, such as the 2021 USD Tier 1 Bonds, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in an EU member state or a treaty state. Switzerland has signed and will sign further

AEOI agreements with further countries, which, subject to ratification, will become effective at a later date. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Financial Matters (SIF).

FATCA

The Issuer and other financial institutions through which payments on the 2021 USD Tier 1 Bonds are made may be required to withhold at a rate of up to 30 per cent. on all, or a portion of, payments made after 31 December 2018 pursuant to Sections 1471 through 1474 of the US Internal Revenue Code (commonly referred to as "FATCA").

The Issuer is a foreign financial institution ("**FFI**") for the purposes of FATCA. If the Issuer is required, or agrees, to provide certain information about its account holders pursuant to a FATCA agreement with the US Internal Revenue Service (i.e. the Issuer is a "**Participating FFI**") then withholding may be triggered if: (i) payments on the 2021 USD Tier 1 Bonds are classified as "foreign passthru payments" for purposes of FATCA and (ii) (a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is a US person or should otherwise be treated as holding a "United States Account" of the Issuer, (b) an investor does not consent, where necessary, to have its information disclosed to the IRS or (c) any FFI that is an investor, or through which payment on the 2021 USD Tier 1 Bonds is made, is not a Participating FFI or otherwise exempt from being withheld upon under FATCA.

The United States and Switzerland entered into an intergovernmental agreement to facilitate the implementation of FATCA (an "**IGA**"). Under the US-Switzerland IGA, financial institutions acting out of Switzerland generally are directed to become Participating FFIs. The agreement ensures that accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. The United States has entered into IGAs with a number of jurisdictions besides Switzerland and is in the process of negotiating or in dialogue regarding IGAs with other jurisdictions.

If an amount in respect of FATCA were to be deducted or withheld from interest, principal or other payments on or with respect to the 2021 USD Tier 1 Bonds, the Issuer would have no obligation to pay additional amounts or otherwise indemnify a holder for any such withholding or deduction by the Issuer, a paying agent or any other party as a result of the deduction or withholding of such amount. As a result, investors may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected.

An FFI investor that is not a Participating FFI and that is withheld upon generally will be able to obtain a refund only to the extent an applicable income tax treaty with the United States entitles the investor to a reduced rate of tax on the payment that was subject to withholding under FATCA, provided the required information is furnished in a timely manner to the IRS.

There is a grandfathering rule that generally exempts payments made with respect to obligations that are classified as indebtedness for US federal income purposes that are issued before the date that is six months after the publication of regulations defining the term foreign passthru payment. However, the terms of the 2021 USD Tier 1 Bonds make it uncertain that they will be classified as indebtedness for these purposes.

Significant aspects of the application of FATCA are not currently clear. Investors should consult their own advisors about the application of FATCA, in particular if they may be classified as financial institutions under the FATCA rules.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the 2021 USD Tier 1 Bonds (including secondary' market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the 2021 USD Tier 1 Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the 2021 USD Tier 1 Bonds are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Citigroup Global Markets Limited, DBS Bank Ltd. and Bank Julius Baer & Co. Ltd. (the "**Managers**") have, in a bond purchase agreement dated [] 2021 (the "**Bond Purchase Agreement**") and made between the Issuer and the Managers upon the terms and subject to the conditions contained therein, severally agreed to subscribe for the 2021 USD Tier 1 Bonds at their issue price of [] per cent. of their Original Notional Amount. The Issuer has also agreed to reimburse the Managers for certain of their expenses incurred in connection with the management of the issue of the Securities.

General

Each Manager has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the 2021 USD Tier 1 Bonds or possesses, distributes or publishes this Prospectus or any other offering material relating to the 2021 USD Tier 1 Bonds. Persons into whose hands this Prospectus comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver 2021 USD Tier 1 Bonds or possess, distribute or publish this Prospectus or any other offering material relating to the 2021 USD Tier 1 Bonds, in all cases at their own expense.

United States

The 2021 USD Tier 1 Bonds have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Manager has agreed that, except as permitted by the Bond Purchase Agreement, it will not offer, sell or deliver the 2021 USD Tier 1 Bonds, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the issue date of the 2021 USD Tier 1 Bonds, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells 2021 USD Tier 1 Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the 2021 USD Tier 1 Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after commencement of the offering, an offer or sale of 2021 USD Tier 1 Bonds within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented, warranted and undertaken that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of the 2021 USD Tier 1 Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the 2021 USD Tier 1 Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any 2021 USD Tier 1 Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or

- (ii) a customer within the meaning of Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any 2021 USD Tier 1 Bonds to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression **retail investor** means a person who is one (or more) of the following:
 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Republic of Italy

The offering of the 2021 USD Tier 1 Bonds has not been registered pursuant to Italian securities legislation and, accordingly, no 2021 USD Tier 1 Bonds may be offered, sold or delivered, and no copies of this Prospectus or of any other document relating to 2021 USD Tier 1 Bonds may be distributed in the Republic of Italy.

Singapore

Each Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed *that* it has not offered or sold any 2021 USD Tier 1 Bonds or caused the 2021 USD Tier 1 Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any 2021 USD Tier 1 Bonds or cause the 2021 USD Tier 1 Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the 2021 USD Tier 1 Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Hong Kong

Each of the Managers has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any 2021 USD Tier 1 Bonds other than (a) to "**professional investors**" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the 2021 USD Tier 1 Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to 2021 USD Tier 1 Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

GENERAL INFORMATION

1. **Authorisation**

Pursuant to a resolution of the Board of Directors of the Issuer dated 6 September 2021, the Issuer has authorised the issue of the 2021 USD Tier 1 Bonds.

2. **Legal Entity Identifier ("LEI") code**

The LEI code of the Issuer is 5299007MF0604ZGJER92.

3. **Material Change**

Other than as disclosed in this Prospectus, there has been no material change in the assets and liabilities, financial position and profits and losses of the Issuer since 30 June 2021.

4. **Court, Arbitration and Administrative Proceedings**

Other than as disclosed herein (see "*Information about Julius Baer Group Ltd. — Court, Arbitration and Administrative Proceedings*", including in documents incorporated by reference), there are no pending or threatened court, arbitral or administrative proceedings that are of material importance to assets and liabilities or profit and losses of the Issuer and/or its Subsidiaries.

5. **Listing / Representative**

The 2021 USD Tier 1 Bonds have been provisionally admitted to trading on the SIX Swiss Exchange from [] 2021. The last trading day is expected to be the second dealing day prior to the date on which the 2021 USD Tier 1 Bonds are fully redeemed or the Write-down Date, as applicable, in accordance with the Terms and Conditions of the 2021 USD Tier 1 Bonds. Application has been made for the 2021 USD Tier 1 Bonds to be listed on the SIX Swiss Exchange.

In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has appointed Niederer Kraft Frey AG, Bahnhofstrasse 53, 8001 Zürich as its representative to file the application with the SIX Exchange Regulation Ltd in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the 2021 USD Tier 1 Bonds on the SIX Swiss Exchange.

6. **Notices and other Information**

For so long as the 2021 USD Tier 1 Bonds are listed on SIX Swiss Exchange, all notices in relation to the 2021 USD Tier 1 Bonds will be published, in accordance with Condition 12 (*Notices*), in electronic form (a) on the internet site of the SIX Swiss Exchange under the section headed "Official Notices" (currently: www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/), or (b) otherwise in accordance with the regulations of the SIX Swiss Exchange.

According to its Articles of Incorporation (as defined above), official notices of the Issuer to the shareholders are to be published in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*). Notices from the Issuer to registered shareholders shall be sent by letter to the addresses entered in the share register.

Annual and interim consolidated financial statements of the Issuer are available on Julius Baer Group's website at www.juliusbaer.com/en/media-investors/financial-reporting. Information about the Issuer and the 2021 USD Tier 1 Bonds will be published on Julius Baer Group's website at www.juliusbaer.com/en/media-investors.

The information contained on these websites do not form a part of this Prospectus unless otherwise specifically incorporated by reference herein (see "*Documents Incorporated by Reference*").

In addition, copies of the following documents, all of which are published in English, may be inspected during normal business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Issuer in Bahnhofstrasse 36, 8010 Zurich, Switzerland:

- (i) the Articles of Incorporation of the Issuer;

- (ii) a copy of the Global Certificate;
- (iii) a copy of the Agency Agreement;
- (iv) a copy of this Prospectus together with any amendment or supplement to this Prospectus; and
- (v) the Issuer Consolidated Annual Report 2020 and the Issuer Half-Year Report 2021.

7. **Security Numbers**

The International Securities Identification Number ("**ISIN**"), the Common Code and the Swiss Security Number of the 2021 USD Tier 1 Bonds are XS2387925501, 238792550 and [], respectively.

8. **Rating**

The Bonds are at the time of issue expected to be rated [] by Moody's.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time.

9. **Transactions by the Managers**

Certain of the Managers and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. For the purpose of this paragraph the term "affiliates" also include parent companies.

Within the context of the offering and sale of the 2021 USD Tier 1 Bonds, the Issuer, any of its affiliates or the Managers may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including any levied in association with the distribution of the 2021 USD Tier 1 Bonds, from third parties. Prospective investors should be aware that the Issuer, its affiliates and the Managers may retain fees in part or in full.

10. **Bondholder Provisions**

The provisions on bondholder meetings contained in Article 1157 *et seq.* of the Swiss Federal Code of Obligations apply in relation to meetings of Holders.

These provisions provide, *inter alia*, that (i) certain amendments to the Terms of the Bonds that restrict the rights of Holders can be approved by a meeting of Holders with a majority of two thirds of the outstanding nominal amount of the 2021 USD Tier 1 Bonds, subject to the approval of such amendments by the higher cantonal composition authority (here the higher court (*Obergericht*) of the Canton of Zurich) and (ii) amendments to the Terms of the Bonds that do not restrict the rights of Holders can be approved by a meeting of Holders with the majority of the nominal amount of the 2021 USD Tier 1 Bonds represented at such meeting.

Such amendments to the Terms of the Bonds are binding on all Holders, irrespective of whether they attended the meeting of Holders or voted in favour or against such amendments.

Registered Office of the Issuer

Julius Baer Group Ltd.

Bahnhofstrasse 36
CH-8001 Zurich
Switzerland

Joint Lead Managers

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United Kingdom

DBS Bank Ltd.

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Marina Bay Financial Centre
Tower 3
Singapore 018982

Senior Co-Lead Manager

Bank Julius Baer & Co. Ltd.

Bahnhofstrasse 36
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Switzerland

Principal Paying Agent

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Citigroup Centre
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United Kingdom

Registrar

Citibank Europe Plc

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Dublin 1
Ireland

Swiss Paying Agent

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Statutory Auditor

KPMG AG

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