BERGOS

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REPORT ON
THE 35TH FINANCIAL YEAR

BERGOS

Since 2021, Bergos AG has been represented by its new logo. This is a powerful emblem that captures the history and identity of our bank: At its center, the ship is a reminder of our long-established ties to shipping. It is flanked by a lion and a bear, symbols on the one hand of our hometown of Zurich and on the other of our former parent company, Joh. Berenberg, Gossler & Co. KG. Driven by a tailwind, the ship sails on three waves that represent the three eras of our bank in Switzerland: Berenberg Bank (Schweiz) AG, Bergos Berenberg AG and now your private bank Bergos AG.

For the sake of readability, we address our valued clients and employees using gender-neutral formulations (“they/them” rather than “he or she/him or her”). Thank you for your understanding. We hope you enjoy reading this report!

SELECTED IMAGE CREDITS:
Gianni Krättli, IT System Administrator at Bergos
Thank you for the beautiful pictures ...

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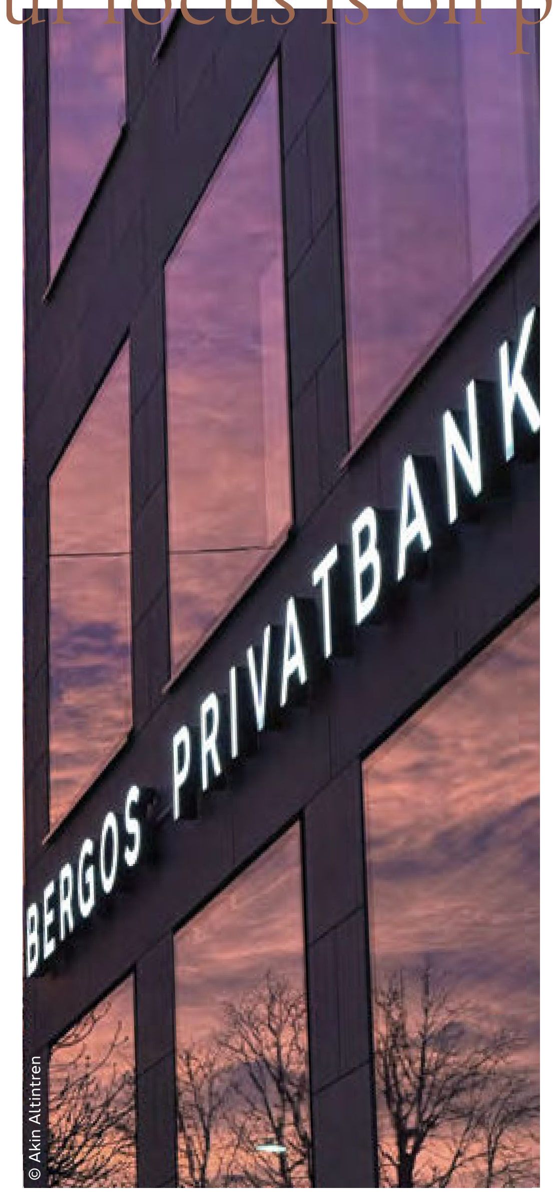
REPORT ON THE 35TH FINANCIAL YEAR

BERGOS PRIVATE BANK

BERGOS

in TCHF	2021	2022	2023
Operating profit	4,558	6,014	10,008
Operating income	4,380	5,482	9,802
Net fee and commission income	28,893	29,720	30,573
Income from trading activities	5,606	4,868	5,097
Net interest income	3,534	8,186	16,659
Operating expenses	32,606	35,405	41,279
In CHF million			
Total assets	828	751	584
Assets under management (incl. custody accounts)	7,272	7,096	7,331
Net new funds (incl. custody accounts)	-13	395	103
In % of assets under management	-0.2	+5.6	+1.4
Eligible equity	34	36	40
Required equity	15	15	14
Number of employees (full-time equivalent)	113.7	112.1	123.2

Bergos AG is an independent Swiss private bank. Our focus is on private wealth.



2023 marks our third year as independent Swiss private bank Bergos AG. However, our origins go back to 1590, the year in which the second-oldest bank in the world was founded: Joh. Berenberg, Gossler & Co. KG, our former parent company. The syllables BER and GOS recall the founding families, Berenberg and Gossler.

Based in Zurich and Geneva, our international team looks after private clients, family entrepreneurs, shipping clients and next-generation clients. We offer discretionary asset management and advisory mandates and advise on all liquid and non-liquid asset classes as well as alternative investments. We also focus on services beyond the financial sector, such as art consulting and multi-family office services.

Bergos – human private banking. Our brand philosophy embodies the bank’s aspiration, strength and conviction that people and qualities such as respect, empathy and openness should guide our private banking activities. This mindset shapes our initiatives and defines the attitude of Bergos towards its clients, employees and stakeholders.

GOVERNING BODIES

Governing Bodies

BOARD OF DIRECTORS

CHRISTOF KUTSCHER, CHAIRMAN*
Executive Chairman Climate Asset Management, London

ADRIAN T. KELLER, DEPUTY CHAIRMAN
Deputy Chairman of the Board of Directors of Diethelm Keller Holding AG, Zurich
Partner of Bergos AG, Zurich

CLAUS-G. BUDELMANN
Formerly personally liable partner of Joh. Berenberg, Gossler & Co. KG, Hamburg
Partner of Bergos AG, Zurich

PATRICIA GUERRA*
Partner of MLL Legal AG, Zurich

MICHAEL PIEPER
Chairman and CEO of Artemis Holding AG, Aarburg
Partner of Bergos AG, Zurich

DR. ANDREAS JACOBS
Entrepreneur, Hamburg
Partner of Bergos AG, Zurich

SYLVIE MUTSCHLER-VON SPECHT*
Entrepreneur, Küsnacht
Partner of Bergos AG, Zurich

HENDRIK DE WAAL*
Founder and partner of the DWI Group, Hamburg
Partner of Bergos AG, Zurich

BRUNO CHIOMENTO*
Chairman of the Board of Directors of Neutra Treuhand AG, Basel

* Independent members of the Board of Directors according to the definition in the provisions of the Swiss Financial Market Supervisory Authority FINMA

EXECUTIVE COMMITTEE

Dr. Peter Raskin, CEO, Managing Partner and CPB (ad interim)
Till Christian Budelmann, CIO
Markus Zwyssig, CFO and Managing Partner

EXECUTIVE BOARD

Dr. Peter Raskin, CEO, Managing Partner and CPB (ad interim)
Till Christian Budelmann, CIO
Markus Zwyssig, CFO and Managing Partner
Mathias Metzger, CPO
Danting Liu, COO and Deputy CFO
Jürg Sonderegger, CRO
Raffaela Ellersiek, CPC
Aurelia Rauch, CXO

PRIVATE BANKING

Vanessa Skoura, Head PB Geneva
Dr. Dominik Helberger, Head PB International
Philipp Würmli, Head PB Switzerland

“Does it just feel like it, or is the world genuinely more chaotic than it used to be?”

CHRISTOF KUTSCHER

01

FOREWORD

CHRISTOF KUTSCHER

Chairman of the Board of Directors

Dear Clients, Friends, and Colleagues

UNCERTAINTY, RISK AND HUMAN PRIVATE BANKING

Does it just feel like it, or is the world genuinely more chaotic than it used to be? As I get older, I ask myself if I just see the past through rose-tinted spectacles, or whether the geopolitical situation really is becoming increasingly opaque.

Economists draw a distinction between risk and uncertainty: risks can be estimated by calculating the probabilities of occurrence of future events. While the probability of occurrence of a risk is known, with uncertainty there is limited or no information on the probability of occurrence of possible events.

The uncertainties arising from current or potential crises are numerous and threatening. Be it the Russian invasion of Ukraine, the conflict in Gaza, the situation around Taiwan, threats from climate change, dwindling biodiversity, a new pandemic, or the impenetrable “side effects” of artificial intelligence – we are facing an endless number of scenarios, whose probabilities of occurrence are simply unknown. If the scenarios for different topics are then combined, things become infinitely complicated.

Our personal situations are also not without uncertainty: we usually do not know exactly how long we will live, how our family circumstances will change, or how successful a company will be. Uncertainty is inevitable. Especially when we assume that there is no pure determinism and that we are people able to make decisions. If we are correct in assuming that we can make decisions for ourselves, then so can other people. This leaves us exposed to the whims, preferences and interests of others. So we have to face up to uncertainty – there is no way to avoid it.

Risks, on the other hand, are something we can get a better grip on with data. Annual returns on the US equity market fluctuate around 15% around their statistical mean over the long term. There is a vast quantity of historical performance numbers to calculate this volatility. Actual returns on equities fluctuate greatly, but the range of fluctuation is surprisingly stable over time. Hence we can make a pretty good assessment of the long-term risks of investing in equities, bonds and other asset categories. There are widely accepted risk models; while they are not perfect, they do provide valuable information.

The challenge is to combine an extensive qualitative assessment of uncertainties with risk management.

Many of the sources of uncertainty I mentioned are ambivalent. Artificial intelligence (AI) is the subject of much discussion. Negative “side effects” are hard to predict, and I do not want to deny them. On the positive side, AI will increase labor productivity and thus boost incomes and tend to reduce inflation rates. On a dynamic, relative view, more labor will go into innovation and current production will become more efficient. This in turn should

boost economic growth and reward innovative companies. Venture capital should also benefit; it will be easier to automate large parts of the work involved in setting up a company. Venture entrepreneurs will be able to focus more on creating a service than worrying about of the logistical details of the payroll.

As was the case with the introduction of the euro, the year 2000 problem, the Task Force on Climate-Related Financial Disclosures-Initiative and other changes, there will be one sure winner from AI: the consulting firms. We can already see that companies making huge investments to implement AI strategically and operationally typically require extensive external assistance.

One big difference between companies when it comes to adapting AI is already apparent. Unless it has a deep understanding of technology and a vision combined with the emotional skills to engage employees, is competent at decision-making authority and has a matching budget, no company can hope to be a leader in this area. The wheat will be separated from the chaff.

Even the positive consequences of AI are complex and should not be underestimated.

Be prepared for different scenarios: if you always assume the worst, you will never invest in volatile assets and never benefit from the positive long-term relationship between systematic risk and return. Financial markets are largely efficient, i.e. information available on the market is included in asset prices. They do not take account of surprises, however, and the gloomier the outlook, the greater the chance of a positive surprise.

But what do the consequences of the increasingly complex environment and growing uncertainties have to do with Private Banking?

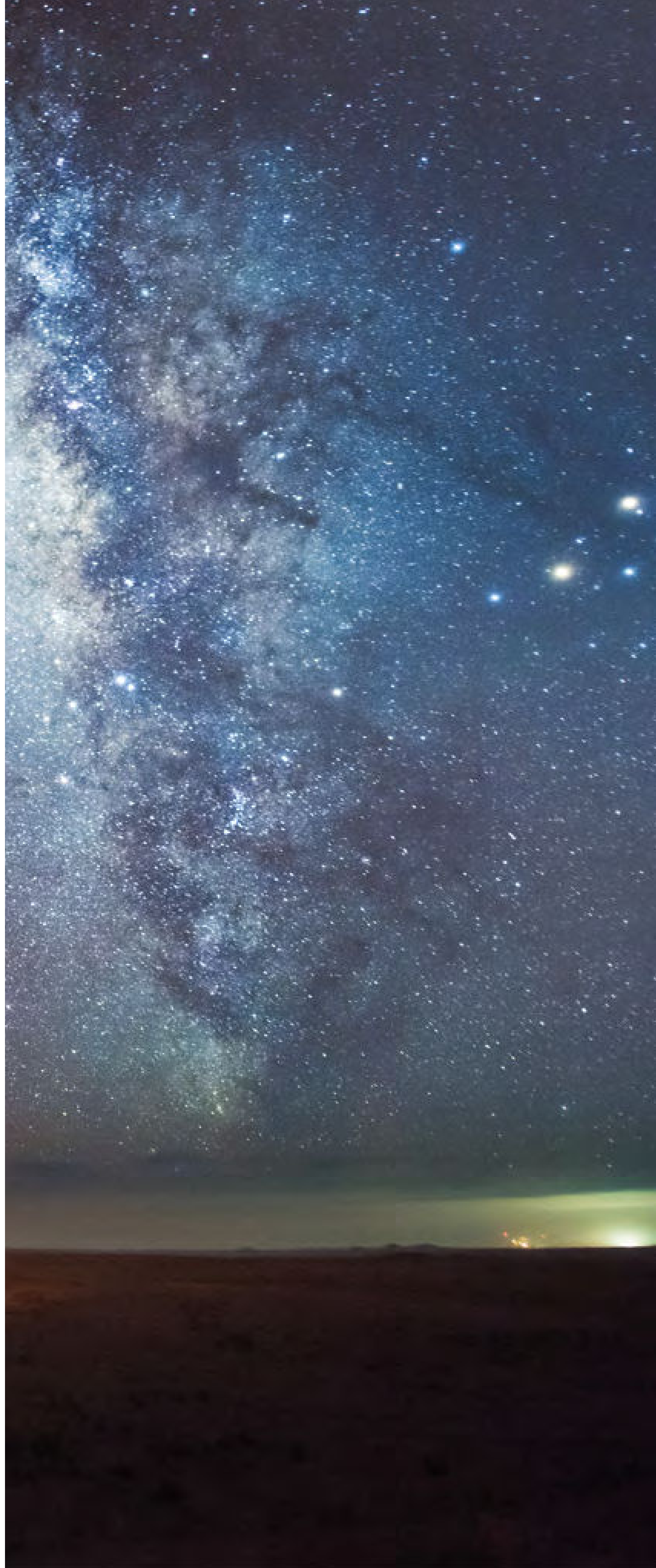
A personal anecdote perhaps illustrates why these thoughts come to me when I think of our bank: I was recently asked by a very successful venture capital investor what we actually do at a private bank like Bergos. He has a digital trading account and a robo advisor, which he considered to be sufficient. I asked him if he could use digital tools on issues like family, inheritance and domicile, and whether they also cover different topics related to global insecurity. The answer was a questioning look and a request to fix an appointment with the CEO of Bergos, which of course I was happy to do.

At Bergos, we have made it our mission to offer human private banking. Quantitative analysis is important; it makes it possible to estimate the statistical risks of a portfolio. The uncertainty in the world and the uncertainties in our own personal situations can only be explored through conversations. Investing is not just statistical activity, it also has a psychological component. Whether you feel comfortable with a portfolio or not has an impact on your well-being. These emotional aspects cannot and should not be ignored. Only with an ongoing relationship based on trust between client and advisor is it possible to identify personal circumstances and thus, indirectly, the right investment strategy.

It is important to stay calm when investing. Significantly changing the risk profile of your investments based on strong positive or negative trends can result in pro-cyclical over-activity, which leads to long-term disadvantages. By contrast, adding less liquid alternative investments to the mix improves the risk return profile and can help to eliminate unnecessary portfolio turnover. Investing successfully does not mean being frantically proactive, nor being caught like a rabbit in the headlights and missing out on spectacular opportunities. The best way to implement a strategy consistently is through a discretionary mandate or, alternatively, in ongoing dialog with your advisor.

In these conversations, you will probably realise that you are not alone if you are the sort of person who is more inclined to view the general overall picture with mixed feelings. That said, there will always be new opportunities.

We would like to thank you for your trust and look forward to an in-depth dialog with you.



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OBSERVATIONS

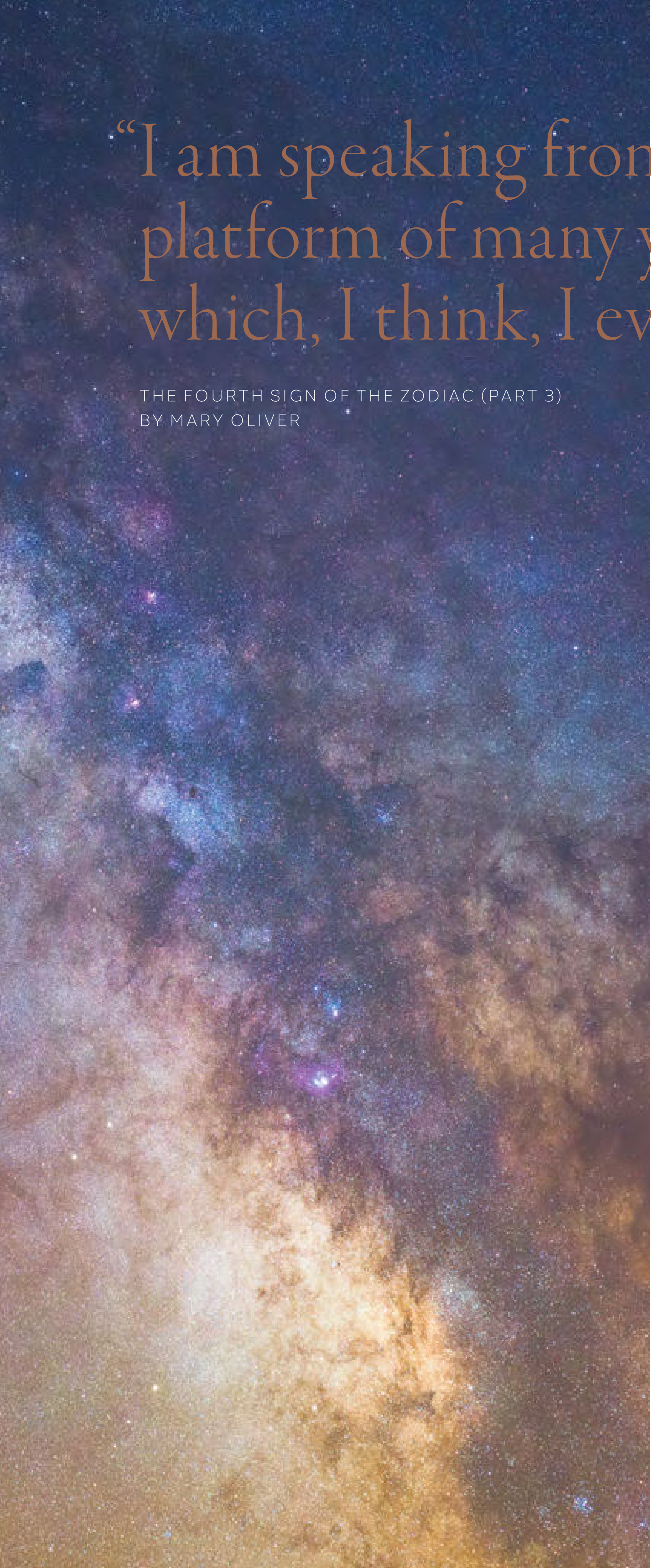
DR. PETER RASKIN

CEO and Partner

Value. A complex concept.

As a private bank, we are constantly asking: What is value? What does value mean? How can we create real added value? Is there any real value? Is value something inherent? Or is it something we create, that responds to specific needs?

Bergos has the vision to be a unique Swiss private bank dedicated to human private banking. Accordingly, the focus is always on people, both clients and employees. Through excellent service, we not only want to create value for people, but also protect it. In doing so, we go far beyond investing assets, beyond money. But why?



"I am speaking from the fortunate platform of many years, none of which, I think, I ever wasted."

THE FOURTH SIGN OF THE ZODIAC (PART 3)
BY MARY OLIVER

Our concept of what is valuable can change according to context, culture and time, but the very attempt to find an answer shapes our understanding of the world and our place in it. It shapes our decisions, our relationships and our business strategies. This is a topic we like considering in depth at Bergos.

For me personally, Mary Oliver's words remind me that our time, and the way we spend it, is unquestionably of the utmost value. For our clients, our colleagues and the society in which we live. Our vision commits us to striving for excellence to create and protect what is of value. Saying this is our vision is the easy part. What matters is that the bank and its employees align themselves accordingly and that the pursuit of excellence in this sense becomes internalized. What is it that counts?

Identifying, understanding and responding to clients' needs. We firmly believe that challenges arising from a client's specific circumstances, such as a family situation, can sometimes pose significantly greater risks to assets than the question of whether the assets should be invested in fund A or fund B, for example. It is therefore important to identify clients by their needs rather than their size, and to develop specific needs and appropriate solutions for each group of them.

Products and services must be strictly focused on meeting the needs of the clients, not the needs of the bank, its employees or its owners. They must also be innovative, contemporary and comprehensive. You have to take the best-in-class approach and not think that you have to be able to provide everything yourself in superlative quality. This approach also helps avoid conflicts of interest.

Employees need special training, because they should not see themselves merely as investment experts; they also need to be able to interact with their clients on an equal footing on issues that go beyond investments. They have to be inquisitive and open-minded. In addition to an outstanding education, generally at university level, they must also be interested in cultural life and open to innovation.

The management and owners of the bank also need to know the demands of the clients as if they were their own. This is the case with Bergos. The owners and management are predominantly successful entrepreneurs. Their needs and those of their families are identical to those of the clients and their families.

You have to have a very low risk exposure. Not "big is beautiful", but "small is beautiful". The balance sheet should be kept deliberately small and lending should only be offered to a limited extent and at low risk. The bank should also not provide services that increase risk, or subsidiaries that offer such services. After all, the ultimate objective is to protect the assets entrusted to you and not put them at risk. The trigger for all major banking crises in the past few decades has always been a management decoupled from client needs taking disproportionately high risks for its bank and hence also its clients.

Anyone who knows Bergos knows that we take these points to heart. But that is not enough for us. We also used 2023 to align our organizational structure with our vision. We have further flattened our structure and reduced hierarchies. We have also appointed an expert for each important area, who must manage and develop their area independently. We also have created new, and in some cases unexpected responsibilities.

As Chief Product Officer (CPO), Mr. Mathias Metzger is now responsible for all products and how they are developed in future. His task is to orient them consistently to the needs of our clients and develop them further.

We have also created the role of Chief Experience Officer (CXO). Ms. Aurelia Rauch holds the position, which is an extremely rare one for a private bank. At the highest level, she represents the interests and needs of our clients and ensures they are enjoying an excellent experience while they are being served. She is also responsible for ensuring the excellence we strive for across all points of contact with clients and business partners.

Human Private Banking focuses also on the needs of employees. We want to be a modern and very attractive employer that also responds to the changing needs of its employees. We are also keen to devote considerable attention to promoting talent and developing leaders. We have therefore created the position of Chief People and Culture, and appointed Ms. Raffaela Ellersiek to the role. In 2024 we will offer colleagues a special cultural program to ignite and promote their passions in different cultural fields. Zurich offers so many unique opportunities that we want them to experience. The words of Matthew Arnold remind us why this is so important: "Culture is about acquainting ourselves with the best that has been known and said in the world, and thus with the history of the human mind."

In addition to these organizational changes, we have also adapted our range of products and services to be more closely aligned towards the needs of our clients. We have added a new offering to our real estate advisor platform NBS Alliance and our NBS Real Estate Opportunity Fund: We have succeeded in creating a one-of-a-kind private markets service for our clients and will supplement this with further expertise in 2024.

In line with our human private banking approach, we are also facing up to the great opportunities offered by artificial intelligence. We want to be able to use these in the future in order to give our employees even more time for what is most important to us: being able to spend time with and for clients.

VALUE. A COMPLEX CONCEPT.

Human private banking is our vision, and also our passion. In 2024, we will continue to systematically develop the bank in this spirit for our clients and employees.

We have only one goal: highly satisfied clients.

Report on the 35th Financial Year

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MANAGEMENT REPORT

EXECUTIVE COMMITTEE

DR. PETER RASKIN

TILL C. BUDELMANN

MARKUS ZWYSSIG

The Executive Committee of Bergos AG

MACROECONOMIC ENVIRONMENT

As expected, 2023 was a difficult year both economically and politically. In the end, however, the economy performed better than many had feared at the beginning of the year. The US has not slipped into recession, but looks to be having a soft economic landing, with the economy expanding 2.9% in 2023. Europe got through the winter without gas shortages or serious power cuts. A severe recession, which was something that could not be ruled out at the beginning of 2023, was averted. The eurozone economy managed a small increase, growing by 0.5%. The end of the strict coronavirus policy did not usher in an economic boom for China, though the economy did grow by 5% for the year as a whole. And in the UK, Prime Minister Sunak's government seems to be returning to calmer waters. The British economy grew marginally in 2023, up 0.3%. The world economy as a whole grew by 2.9%.

For the financial markets, the focus was once again on inflation and monetary policy. The economy has cooled noticeably due to the sharp interest rate hikes by the major central banks. The aim of counteracting the rapid rise in prices by tightening monetary policy has fortunately been achieved. Inflation rates fell almost as fast as they had risen before. In many countries, inflation was still above the 2% target set by central banks at the end of the year, but the trend is clearly pointing in the right direction. In addition, monetary policy has a delayed effect, meaning that previous interest rate hikes have not yet had the full effect of slowing things down. As a result, it became increasingly apparent in the final months of 2023 that central banks' interest rates had peaked. At that time, financial market players were looking ahead as usual and already discussing possible rate cuts. At the turn of 2023/24 it looks like the US Fed and ECB will start cutting interest rates from the summer onwards. The economy would thus again be supported by monetary policy.

Switzerland stood out on the positive side in the fight against inflation: price rises have been below 2% since June 2023. The Swiss National Bank tightened monetary policy at an early stage and even at the peak kept the inflation rate significantly lower than in the US, the eurozone and the UK, aided by the strong Swiss franc.

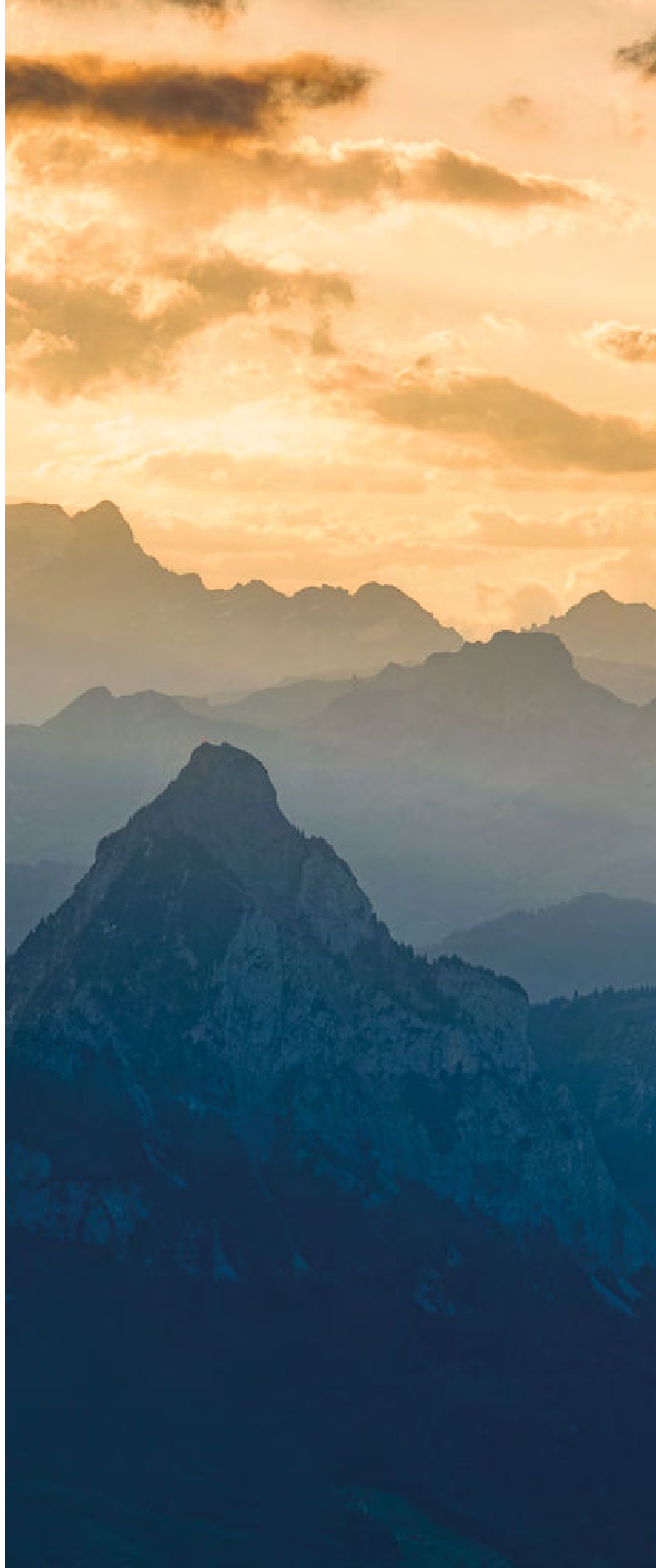
The weaker inflation may also have been due to the fact that the proportion of prices which are administered, i.e. politically influenced, is significantly higher than in the eurozone, for example. There were occasional fears that inflation could rise more sharply with a lag as a result. However, it now seems that Switzerland has come through the inflation phase comparatively well. With economic growth of 0.7%, the country also performed slightly better than the eurozone in economic terms.

The European economy looks set to improve somewhat in 2024 compared to last year. However, it will once again face many challenges. First, the somewhat brighter economic outlook is based on the assumption that inflation will be largely under control, so central banks will actually be able to start loosening monetary policy. If prices rise unexpectedly – e.g. due to second-round effects from higher wage settlements – this could come as a negative surprise for the economy and the financial markets. There are also a number of political risks. The geopolitical situation remains fragile. China could decide to subordinate its economic interests to its political interests, at least temporarily. An escalation of the Taiwan conflict, which would mean a significant economic setback for China and the rest of the world, cannot be completely ruled out. As a result, China – once the growth engine of the global economy – remains a risk factor both economically and politically.

2024 is also the year of the US presidential election. 5 November 2024 may see Joe Biden and Donald Trump slugging it out for a second time. For the financial markets and political observers, a comeback by Donald Trump would be particularly significant. From an economic point of view, Trump would probably be less of an unknown quantity as president than he was at the beginning of his first term. Many of the actions he took, such as his tough stance against China and protecting domestic industry, were seen as breaching taboos at the time, but have been kept up by Joe Biden. The key question is how the US would position itself geopolitically under Donald Trump.

DR. JÖRN QUITZAU

Dr. Jörn Quitzau is Chief Economist of the Bergos AG. Previously Head of Economic Trends at Bankhaus Berenberg, he studied economics in Hamburg before earning a doctorate in economic policy. His career has included positions at the Financial Times Germany and Deutsche Bank Research in Frankfurt. He has written books on economic policy and launched economic podcasts (“Economic Freedom”, “Economics to go”). He has also been a Non-Resident Fellow at the American-German Institute in Washington, D.C. since 2014.



Executive Board of Bergos AG

DR. PETER RASKIN
Chief Executive Officer (CEO)
Chief Private Banking (CPB) ad interim
Member of Executive Committee

TILL CHRISTIAN BUDELMANN
Chief Investment Officer (CIO)
Member of Executive Committee

MARKUS ZWYSSIG
Chief Financial Officer (CFO)
Member of Executive Committee

MATHIAS METZGER
Chief Product Officer (CPO)

DANTING LIU
Chief Operating Officer (COO)
Deputy Chief Financial Officer

JÜRG SONDEREGGER
Chief Risk Officer (CRO)

RAFFAELA ELLERSIEK
Chief People & Culture (CPC)

AURELIA RAUCH
Chief Experience Officer (CXO)

Financial Year

PROFIT

International stock exchanges ended 2023 with significant gains. Following the pessimism prevailing in the markets the previous year, it was above all hopes of slackening inflationary pressure and falling interest rates that triggered price rises in the main asset classes and correspondingly pleasing investment results in client custody accounts.

The favorable market environment led to higher turnover in securities and foreign exchange trading and an increase in commission income.

Thanks to the inflection point in interest rates, net interest income improved significantly and, in addition to the slightly improved commission income, contributed to the significant increase in the operating result.

Operating income, which had been CHF 5.48 million the previous year, increased 78.8% to CHF 9.80 million. Profit after tax amounted to CHF 7.83 million and was 77.3% higher than the previous year.

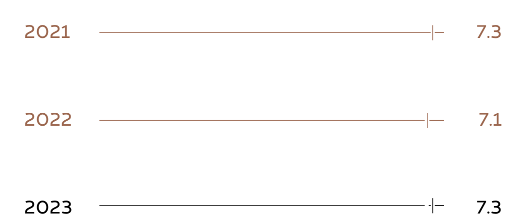
ASSETS UNDER MANAGEMENT

Client assets under management and administration rose 3.6% in the year under review to CHF 6.52 billion. The trend in net new money was up only 2.5%, below expectations.

New client business performed more positively. 2023 saw CHF 341 million of newly deposited client assets. Net new assets amount to CHF 157 million.

ASSETS UNDER MANAGEMENT

in CHF billion (incl. custody accounts)



BALANCE SHEET

Due to the inflection point in interest rates in 2022, the focus is increasingly on managing the bank's balance sheet. The interest rate environment, with consistently high rates in the main currencies, once again offered good opportunities to improve net interest income in 2023. Active treasury management made a significant contribution to the company's success. The focus of investments was on high-quality fixed interest securities, interbank investments and interest rate swaps.

Due to the attractive yields, clients increasingly switched their liquidity into fiduciary and other fixed-rate investments. At the same time, demand for adequate interest on client deposits increased. For this reason, our product range was supplemented with attractive interest rate products in the year under review.

Total assets declined by CHF 166 million to CHF 584 million as a result of the interest rate-driven reallocation of client sight deposits. Due to the bank's focus on off-balance sheet business, lending is essentially limited to secured Lombard loans to clients. At the end of the year, the bank held first-class bonds with an equivalent value of just under CHF 100 million under financial investments.

EQUITY CAPITAL

Eligible equity capital was slightly higher at the end of the reporting year, at CHF 40.4 million. As a result, the capital adequacy is significantly higher than the minimum level required by FINMA.

At 22.7%, the total capital ratio was higher than in 2022 (19.2%) and well above the regulatory minimum of 10.5%. Bergos AG also satisfies the FINMA regulations on bank lending and liquidity without any problems. The leverage ratio under Basel III for our company is 6.7% and therefore more than the prescribed minimum value of 3%.

The liquidity coverage ratio (LCR) was 196.6% at the end of 2023, well above the 100% threshold. This is a ratio of short-term liquidity and is intended to ensure that a bank has sufficient liquid assets available to be able to meet short-term liquidity outflows.

INCOME FROM OPERATING BUSINESS

Total operating income in 2023 amounted to CHF 52.3 million, an increase of around 22.3% over the previous year. Commissions and service fees continue to form the bank's main source of income. Income generated from this business was CHF 40.4 million, 2.9% higher than the previous year. The current interest rate environment offered attractive opportunities in balance sheet management and made a significant contribution to the improved operating result in the reporting year. Net interest income more than doubled to CHF 16.7 million.

The higher transaction volumes also had a positive impact on net trading income and the fair value option, which amounted to CHF 5.1 million, showing year-on-year growth of 4.7%. In line with a cautious risk policy, the bank engages in trading solely on behalf of clients and does not run its own trading book.

OPERATING EXPENSES

Bergos AG continues to pursue a strategy of continuous and sustainable growth. Such a growth strategy can only succeed with the aid of employees who are committed to providing holistic support on the basis of a business model that is completely geared to fulfilling the needs of clients. For this reason, the focus of our investment activities in the past financial year was once again on human resources and further developing the product range for our clients.

Operating expenses increased 16.6% from CHF 35.4 million to CHF 41.3 million. The strong growth primarily resulted from a significant increase in variable remuneration in personnel expenses. Due to the higher costs of the new software platform introduced last year, other operating expenses were up around CHF 1.5 million or 14.9% to CHF 11.2 million.

Thanks to the significant increase in earnings the cost/income ratio improved despite higher costs, falling from 82.8% to 78.9%.

PERSONNEL AND OTHER OPERATING EXPENSES

Personnel expenses increased by a substantial CHF 30 million, a rise of 17.2% from the previous year. The increase in personnel costs resulted on the one hand from the increase in headcount and on the other from the significant increase in variable salary components. The bank may, on a voluntary basis, pay variable remuneration to employees in addition to their contractually fixed salaries. The decision to do so depends on the bank's operating result and individual performance contributions.

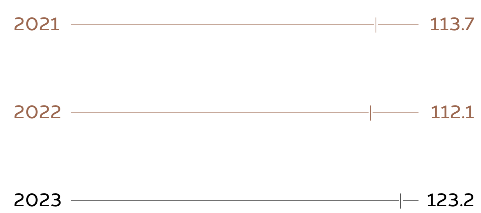
We want to impress our discerning clientèle with first-class, long-term and comprehensive advice. Based on our belief that personal support, a high level of professionalism and a comprehensive advisory approach are the most important success factors in private banking, we not only invest in new employees, but also in their ongoing professional development.

EMPLOYEES

At the end of 2023, our company employed 123.2 people on a full-time equivalent basis (previous year: 112.1). This represents an increase of around 10%.

EMPLOYEES

on a full-time equivalent basis



DEVELOPMENT ACTIVITIES

The bank expanded its range of products and services in the year under review. In addition to a US tech equity strategy, the Bergos Alternative Credit Fund was launched, which invests in the semi-liquid credit market. The advisory business was increased by adding an ESG offering.

In real estate, an investment platform was developed with the NBS Alliance which will cover investments across the entire capital structure and according to individual risk/return preferences. In addition to Bergos AG, the NBS Alliance is backed by the real estate investor NAS Invest and corporate finance and asset management firm Sollors & Co. The first joint real estate project implemented by the NBS Alliance was the Horizon Tower Frankfurt Eschborn, as part of a club deal. The bank's cooperation activities were

extended to include a new partner whom we advise on the management of its asset management mandates.

TECHNOLOGY

The bank introduced a new software platform in 2023, which was further refined and adapted to our needs during the year under review.

With the aim of sustainably improving digital support for client advisory services and simplifying advisory processes, a powerful advisory tool has been implemented and the client onboarding process has been redesigned and made more client-friendly. At the same time, compliance processes were recalibrated and streamlined.

Thanks to the associated reduction in the administrative workload and the leeway this has created, client advisors will be able to focus even more strongly on the individual needs of their clients in future.

RISK MANAGEMENT

The Board of Directors deals with the main risks to which the bank is exposed on an ongoing basis. To this end, it has adopted a framework that defines the bank's risk policy, risk tolerance and risk limits. The tools used and the organizational structures for identifying, assessing, monitoring and reporting the defined risks within each risk category have also been set down.

Suitable processes have been established to identify risks and assess new risks in a timely manner. The bank's independent control bodies monitor risks, compliance with internal guidelines and legal and regulatory requirements. Compliance and Risk Control regularly present their activity and risk report to the bank's top governing body. This serves to illustrate the most important risks to which the bank is exposed, and the risk mitigation measures and controls implemented to avoid financial damage and reputational risks.

04

REPORT

PRIVATE BANKING/

EMPLOYEES

DR. DOMINIK HELBERGER
Head PB International

VANESSA SKOURA
Head PB Geneva

PHILIPP WÜRMLI
Head PB Switzerland

Private Banking

PRIVATE BANKING

Human Private Banking – our corporate philosophy makes it clear that people are at the heart of our services. We provide our clients with holistic support and take into account their situation in life – in other words, all matters that may have a direct or indirect impact on their wealth.

In addition to specific investment decisions, that means everything arising from the client's circumstances in life. These include marriage and family as well as activities and passions. Specific elements in life can sometimes have a more serious impact on wealth than the question of which fund or which stock is being invested in.

That is why using the amount of assets as a way of segmenting clients, a popular approach in the industry, does not sit well with our philosophy. Instead, we put together teams who specialize in the situations in life our clients find themselves in:

FAMILY BUSINESSES

Bergos is a bank owned by entrepreneurial families. That is why we are very well aware of the special needs of family businesses. We often serve families over several generations and we see long-term protection and growth of wealth as our primary mission.

WEALTHY INDIVIDUALS

We have a deep understanding of the opportunities and challenges of complex private assets. Such assets are often established after a company has been sold. Together with the client, we draw up a financial plan, structure the assets and recommend investments that meet their needs.

MARITIME

Bergos has a long tradition of serving clients in the shipping industry. We have worked closely with international shipowners, shipping companies, holding and treasury companies, brokers and P&I clubs in an atmosphere of trust and confidence for many years. As a result, we have in-depth industry expertise and are able to provide forward-looking and needs-based support. In addition to traditional asset management we also offer access to alternative forms of financing as well as effective cash and currency management.

NEXT GENERATION

Taking responsibility for great wealth requires skill and experience. It should not become a burden for succeeding generations. That is why we have established a specialized Next Generation Desk as part of our NEXT Initiative. This is where we serve younger clients and teach them about investment through education programs and networking events. This initiative helps the next generation find their way in the world of finance and often also in the world of business. It also helps them build a network of contacts. It allows us to share ideas with each other and learn from the younger generation. We listen actively and add to our service offerings with the aim of meeting the special needs of a new generation of entrepreneurs, investors, thinkers and doers.

We have defined several core markets in which the majority of our clients are based. Our clientèle is very international. For that reason, our advisors possess extensive expertise in serving clients from many different parts of the world and taking their specific needs into account. We have significantly expanded our client base in Switzerland. To this end, we have also increased our headcount and hired Swiss advisors. In addition to our headquarters in Zurich we have a very active branch in Geneva, the second most important financial center in Switzerland, from which we serve both Swiss and international clients.

INVESTMENTS

Bergos advises individual and institutional clients based on their particular needs and preferences. We see ourselves as a long-term partner, one that first devises a strategy in consultation with the client and then implements the strategy either by way of an asset management mandate or an advisory mandate (“Advisory”). The Chief Investment Officer’s team is responsible for developing the capital market strategy. They drive the bank’s top-down analysis. Interdisciplinary teams of experts draft in-depth assessments of macroeconomic developments (including central bank policies), equities, bonds, alternative investments and currencies. These assessments are presented to the Investment Committee, which is chaired by the Chief Investment Officer

and serves as the central decision-making body for all questions related to the bank’s investment strategy. The house opinion it adopts forms the basis for all investment decisions.

ASSET MANAGEMENT

Our asset management services are ideal for clients who do not wish to be constantly preoccupied with markets and investment issues. Once we have worked out the strategy and defined objectives, our experienced investment specialists manage the portfolio. Our clients can choose from a wide range of discretionary investment strategies. In addition to bespoke strategies, our clients often take a strong interest in our core strategies such as “Core”, “Global ETF” and “Direct”.

We have expanded our selective stock-picking approach by considerably enlarging our analysis and portfolio management capacities. Our clients can choose from a number of different regional portfolio modules: Global, Europe, USA and Switzerland. We also offer specific strategies both on a single-stock and a fund basis.

ADVISORY

Those clients who would rather make their own investment decisions on the basis of sound advice are well served by our Chief Product Officer’s team. Clients can determine the level of support themselves, choosing one of three models that differ in terms of the amount of support provided, frequency of advice and scope of monitoring.

In cooperation with external partners, we offer our clients an extensive investment universe comprising a large number of stocks, bonds and funds. Our experts generate recommendations for all key asset classes on the basis of the bank’s official capital markets strategy.

ESG

We have further expanded the integration of ESG-compliant investment opportunities and implemented ESG in our advisory process. Our clients have the option of pursuing sustainable investment strategies in discretionary portfolio management, advisory mandates and/or investment funds.

BERGOS FLEMING LTD

The joint venture between Bergos (51%) and R.J. Fleming & Cie (49%) is an internationally active multi-family office.

It provides analytic support and advises clients in the investment of complex assets in all common asset classes. Particular emphasis is placed on structuring wealth for future generations. Aside from monitoring and supervising the asset managers we employ, coordinate and supervise the overall investment strategy. We also offer services for succession planning and governance, as well as international corporate finance transactions.

ART CONSULT

Bergos Art Consult is a service unit focused on the art sector. It makes proposals and provides assistance on buying and selling art. Depending on the work, the price and the location, we say whether it is a good idea – or not. The objective is to support clients in making decisions and to protect them against mistakes. At the end of the year, we determine the market value of the collections entrusted to us. Owning art is emotionally important, but if chosen correctly it can also be a stable asset that often increases in value.

In addition, we arrange and organize loans to exhibitions, visit artists' studios and produce publications.

EMPLOYEES

At Bergos, we put people at the heart of everything we do. As our Human Private Banking positioning indicates, this applies to services to clients, but equally to our employees.

As a values-driven company, we can only be successful if our employees – both client advisors and members of central staff departments– work together with our clients in an atmosphere of trust: all of them represent our bank.

Values are shaped by personal context, experience and personal convictions. That is why we at Bergos do not dictate corporate values; instead, we live out a culture that embraces a pluralism of values. Every employee is driven, supported and inspired by different values in their day-to-day lives. We have, however, agreed on three principles that represent the non-negotiable basis for our activities:

RESPECT

Respect for the wishes and rights of others is the foundation of our culture. It is an indispensable prerequisite for our business and our lives. We always show respect in all our dealings.

EMPATHY

The ability and willingness to understand the wishes and needs of other people from their perspective are essential for us. We always seek to understand our counterparts.

CURIOSITY

We appreciate the infinite curiosity of human beings. The strong desire to know more and a keen interest in everything around us are important traits of character. We approach all things with an open mind.

We can only be successful in the market if we are able to attract and retain skilled and committed employees. That is why we have taken further initiatives to make Bergos an attractive employer. In order to specifically promote the careers of women in the financial sector, we have established a women's networking community and organized eight Ladies Lunches in 2023. The highlight was an evening entitled "Women in careers – How to find your passion, overcome challenges and thrive".

In the field of further education, we have expanded our digital offering, among other things, through regular "Lunch & Learn" sessions with our Board Member Silvie Mutschler-von Specht. This enables our employees to pursue their training independently of fixed times.

We have supplemented our company healthcare arrangements with an external consultancy and further strengthened pension provision.

At the end of 2023, our company employed 123.2 people (full-time equivalent), of whom 58 were female and 75 male. The average age of the women is 40, that of the men 43.

We employ people from ten countries. We are very happy with the diversity of cultural backgrounds, because they are what make our team what it is. Our colleagues are the face and soul of our bank and shape our clients' experience with us every day. We would like to thank all of them from the bottom of our hearts for their dedication!

Focus topic: Art in 2023 – visual arts as a mirror of society

DR. THOMAS KELLEIN
Head of Art Consult

Initially, 2023 looked set to be a threatening year for the art market. The war against Ukraine continued unabated. Economies were struggling with high inflation. The sanctions against Russia in 2022 had already begun to weaken the idea of globalization.

China was increasingly burdened by its own domestic problems and, despite its undiminished presence on world markets, seemed culturally isolated. Another Art Basel was held in Hong Kong in March 2023, but this time there were far fewer collectors from the west. The Shanghai art fair in 2023 had a provincial feel and was disappointing.

The tense global situation put heavy pressure on the auction house to keep coming up with good sales figures. Prophecies of doom flourished in the run up to June, compounded by the steady increases in interest rates by central banks, which appeared to put pressure on art as an asset class, because all of a sudden call deposits seemed to offer a better return.

Ultimately, however, 2023 was a year of undiminished and impressive stability for the world of art. Total sales of USD 65-70 billion, which have been customary for almost ten years now, were reached once again. None of the big houses had to close. The art sector was not tainted by any scandals like those involving the insolvent real estate group Signa or the temporary firing of the CEO of Open AI.

There were a few serious problems, though. As was the case during the years of the coronavirus, almost all small galleries had to worry about their survival. Medium-sized ones often continued to feel the squeeze too. With the exception of the auction houses in Hong Kong, China was no longer a notable participant in the world art market.

At the auctions themselves, there was one nasty surprise: a sale of works by the owners of the Long Museum in Shanghai valued at USD 150 million did not achieve even half that amount. What was certainly lacking in 2023 was something like the auction of the private collection of late Microsoft founder Paul G. Allen, which went for a memorable USD 1.6 billion. In terms of sales, however, auction house Sotheby's unexpectedly pulled ahead of Christie's. The six or seven largest galleries again invested huge sums in new sites in 2023. They also remained willing to take on top artists for their programs and deal with a large number of artists' estates. Lévy Gorvy Dayan opened its doors on 64th Street in New York - not just a new gallery, but a veritable palace. Hauser & Wirth, Gagosian and Zwirner continued to build their leadership in terms of sales and now each support around one hundred renowned artists. Exhibitions such as "Mark Rothko" at the Fondation Louis Vuitton in Paris and "Manet/Degas" at the Metropolitan Museum of Art in New York showed such a brilliant striving for quality among museums that 2023 could almost be considered the very best year of all time for art.

In terms of taste, however, there were some changes. While the old names remain resonant, ranking in descending order with Picasso ahead of Monet, Monet ahead of Basquiat, and him ahead of Bacon, Richter and Ruscha, and Warhol and Twombly seventh and eighth, 2023 saw the rise of selected people of color. The brightest lights in the firmament were Kerry James Marshall and Henry Taylor, who was born in New York in 1958 and had a retrospective at the Los Angeles MOCA and then the Whitney Museum of American Art, as well as a major exhibition in the new branch of Hauser & Wirth in Paris.

There was a gentle but persistent change in favor of female artists, who are gradually moving into asset territory. Georgia O'Keeffe's paintings have long brought in millions or tens of millions. The price of Louise Bourgeois's work also remained stable. The same was true of Joan Mitchell and Agnes Martin, both of which are, if anything, moving upwards slightly. Lee Krasner, who was not only the artistic companion of Jackson Pollock, is also gaining increasing recognition. Helen Frankenthaler finally ranks alongside the greats of New York Abstract Expressionism. Further signs of the increasing openness to female artists were the excellent museum exhibitions for the much younger Cecily Brown in New York and Dana Schutz in Paris. There are now entire collections devoted solely to female artists.

We would sum up last year by saying that it is conceivable women will come to dominate the market over the coming decades, and the title of the 2022 Venice Biennale – The Milk of Dreams – may prove prophetic for the first half of the 21st century. The discoveries in this exhibition include not only surrealists such as Leonora Carrington and Leonor Fini, but also British artist Jadé Fadojutimi, born in 1993, whose results at auction are simply astonishing.

THE ART MARKET IS ALIVE.
LONG LIVE ART!

Reflecting on our Bergos AIR artists in 2023

NICOLETA SAVVIDOU

Nicoleta is a classically trained pianist born and raised in Paphos, Cyprus. She is currently completing her M.M. in piano performance at Bard College's Longy School of Music, where she is studying with Donald Berman on the Christopher Horner Endowed Scholarship. She earned her B.M. in piano performance with a minor in creative entrepreneurship at the Boston Conservatory at Berklee, where she studied with Max Levinson. Nicoleta has been living in Boston for six years, which has allowed her to broaden her musical horizons and points of view through various collaborations.

HUGH CUTTING

Hugh is a renowned countertenor, educated first at St. John's College, Cambridge and subsequently the Royal College of Music. He has received many prestigious awards, including the Tagore Gold Medal, presented to him by King Charles III. In 2021 he made history by becoming the first countertenor to win the Kathleen Ferrier Award and was named a BBC New Generation Artist (2022-2024). His opera appearances include roles at Zurich Opera House and RCM International Opera Studio, and he is about to make his debut at Teatro alla Scala. Hugh has performed on the concert stage at Carnegie Hall and Wigmore Hall and has collaborated with prestigious ensembles. He has recorded important works that demonstrate his extraordinary talent as a countertenor.

Hugh dedicates himself to expanding the repertoire for countertenors and frequently gives recitals and concerts, often in collaboration with well-known musicians.

05

INFORMATION ON

CORPORATE GOVERNANCE

Corporate structure

As of 1 April 2024, Bergos AG was structured as follows:

EXECUTIVE COMMITTEE

DR. PETER RASKIN
(CEO)

STRATEGIC TRANSFORMATION
PRIVATE BANKING

TILL C. BUDELMANN
(CIO)

MACRO ECONOMICS
INVESTMENT PROCESS
CAPITAL MARKET STRATEGY & COMMUNICATIONS
ASSET MANAGEMENT
STRATEGIC PARTNERS & B2B

MARKUS ZWYSSIG
(CFO)

TREASURY & RISK

EXECUTIVE BOARD

DR. PETER RASKIN
(CEO)

STRATEGIC TRANSFORMATION
PRIVATE BANKING

TILL C. BUDELMANN
(CIO)

MACRO ECONOMICS
INVESTMENT PROCESS
CAPITAL MARKET STRATEGY & COMMUNICATIONS
ASSET MANAGEMENT
STRATEGIC PARTNERS & B2B

MARKUS ZWYSSIG
(CFO)

TREASURY & RISK

MATHIAS METZGER
(CPO)

CLIENT PORTFOLIO MGT.
PRODUCT MGT. & OPERATIONS
PRIVATE MARKETS
ASSET LIABILITY MANAGEMENT
NEXT GEN
ART CONSULT

DANTING LIU
(COO/Dep. CFO)

ACCOUNTING & CONTROLLING
BUSINESS INTELLIGENCE
CLIENT SUPPORT SERVICE
TRADING & EXECUTION
IT
BUSINESS PROJECT MANAGEMENT

JÜRG SONDEREGGER
(CRO)

CLIENT ONBOARDING
RISK CONTROLLING
COMPLIANCE
LEGAL
CREDIT
TAX SERVICES

RAFFAELA ELLERSIEK
(CPC)

PEOPLE MANAGEMENT
CULTURE
CLIENT RECEPTION
TRAVEL MANAGEMENT

AURELIA RAUCH
(CXO)

CLIENT EXPERIENCE & ENGAGEMENT
EVENTS & COMMUNICATIONS
BRAND

DR. PETER RASKIN
(CPB ad interim)

PRIVATE BANKING INTERNATIONAL
PRIVATE BANKING SWITZERLAND
PRIVATE BANKING GENEVA

Ownership structure

Since 31 October 2018, Bergos AG (formerly Bergos Berenberg AG) has been an independent Swiss private bank.

The owners are family entrepreneurs as well as the management of Bergos AG.

The significant shareholders are:

24% — **DIETHELM KELLER HOLDING AG**
ZURICH
Andreas W. and Adrian T. Keller Family

24% — **CENTINOX B AG**
HERGISWIL
Michael Pieper Family

10% — **CLAUS-G. BUDELMANN**
HAMBURG

10% — **NIANTIC HOLDING GMBH**
HAMBURG
Dr. Andreas Jacobs

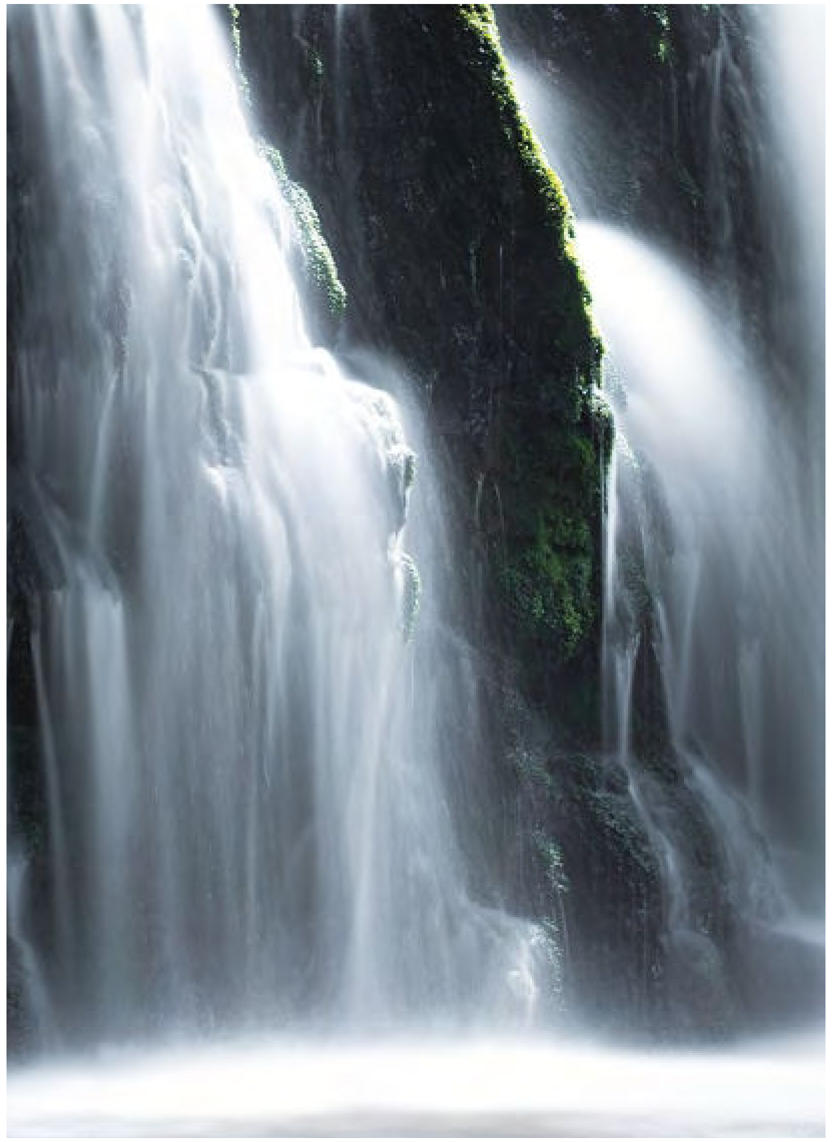
9.5% — **A & S BETEILIGUNGEN AG**
ZUG
Sylvie Mutschler-von Specht Family

7.5% — **CARETINA VERMÖGENSVERWALTUNG GMBH**
HAMBURG
Hendrik de Waal

6% — **SAMUM VERMÖGENSVERWALTUNG GMBH**
HAMBURG
Dr. Hans-Wilhelm Jenckel

5% — **DR. PETER RASKIN**
GRÜNINGEN ZH

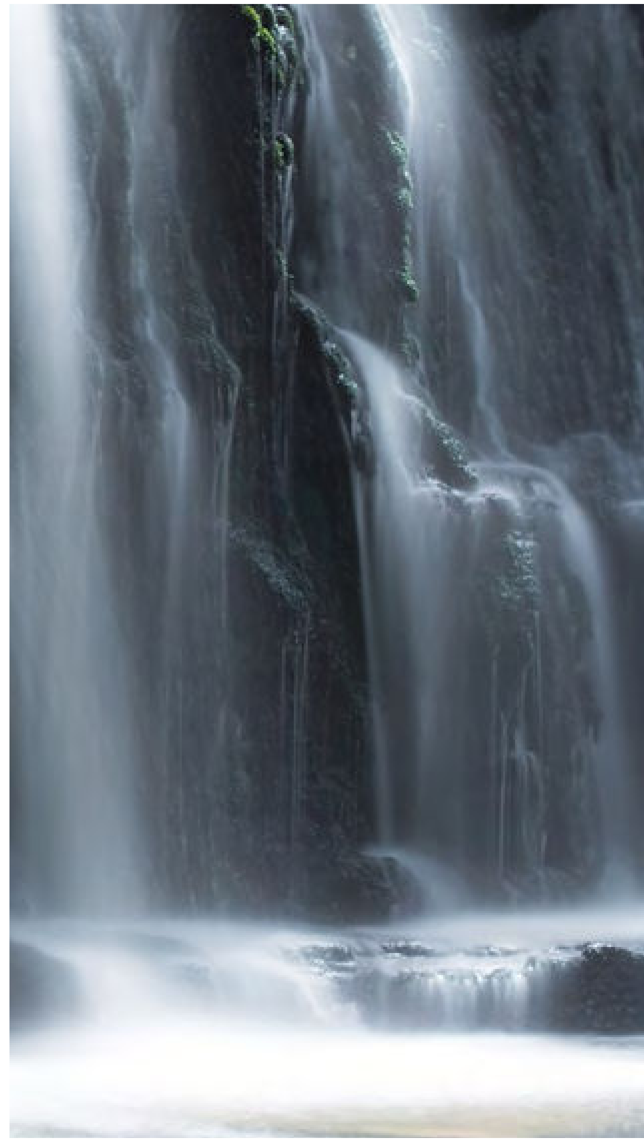
4% — **OTHERS**



Equity capital

The bank meets the more stringent equity capital requirements (Basel III), effective since 2017, without having to take any additional measures. In the year under review, Bergos AG's eligible equity amounted to CHF 40 million.

The ratio of eligible equity to required equity, as stipulated by Basel III, was 240%. Our ratio therefore remains significantly above the equity capitalization requirements.



The Executive Committee of Bergos AG

DR. PETER RASKIN, CEO

Banking apprenticeship

Studied law in Freiburg im Breisgau and Mainz

Appointed as assessor in law by the Higher Regional Court of Koblenz

Research associate and doctorate (Dr. rer. pol.) at the Technical University of Darmstadt

German and Swiss citizen

Member of the Executive Committee since 2009, CEO since 2009

Partner of Bergos AG, Zurich

TILL CHRISTIAN BUDELMANN, CIO

Shipping apprenticeship at Hamburg Süd/Oetker Group

Studied economics at the University of Cologne

German citizen

At Bergos AG since 2004

On the Executive Committee since 2022

MARKUS ZWYSSIG, CFO

Executive MBA at the Lucerne University of Applied Sciences and Arts,
Swiss certified expert in accounting and controlling,
Certified accountant

Swiss citizen

On the Executive Committee since 2009

Partner of Bergos AG, Zurich

Executive Committee

The Executive Committee of Bergos AG acts as one body and takes decisions on a collegiate basis. In the event of differences of opinion, the Board of Directors decides. The Executive Committee develops the strategy for the attention of the Board of Directors, implements its decisions and manages day-to-day business in accordance with the budget, the annual targets and the risk policy.

The Executive Committee ensures that the bank adheres to the regulatory provisions and the applicable industry standards.

Decisions regarding new products, business activities and markets likewise fall within the remit of the Executive Committee. In the event that these fundamentally affect the bank's business policies, it takes the matter directly to the Board of Directors for a decision.

The Board of Directors of Bergos AG

CHRISTOF KUTSCHER, CHAIRMAN*

Executive Chairman Climate Asset Management, London

German citizen

Studied economics at the University of Freiburg im Breisgau

Member of the Board of Directors since 2019

ADRIAN T. KELLER, DEPUTY CHAIRMAN

Deputy Chairman of the Board of Directors of Diethelm Keller Holding AG, Zurich

Partner and Deputy Chairman of Bergos AG, Zurich

Studied business administration at the University of St. Gallen

Swiss citizen

Member of the Board of Directors since 2006

CLAUS-G. BUDELMANN

Formerly personally liable managing partner at Joh. Berenberg, Gossler & Co. KG, Hamburg

Partner of Bergos AG, Zurich

Banking apprenticeship

German citizen

Member of the Board of Directors since 1988

Chairman from 1999 to 2009

BRUNO CHIOMENTO*

Chairman of the Board of Directors of Neutra Treuhand AG, Basel

Studied economics and business administration at the University of Basel

Swiss and Italian citizen

Member of the Board of Directors since 2021

HENDRIK DE WAAL*

Founder and partner of the DWI Group, Hamburg

Partner of Bergos AG, Zurich

Studied aeronautical engineering and mechanical engineering at the Swiss Federal Institute of Technology in Zurich

Dutch citizen

Member of the Board of Directors since 2021

PATRICIA GUERRA*

Partner at MLL Legal AG

Swiss and Ecuadorian citizen

Studied law at the University of Geneva

Master in Law (LLM) from the University of Michigan, Ann Arbor, USA

Member of the Board of Directors since 2019

* Independent members of the Board of Directors according to the definition in the provisions of FINMA.

DR. ANDREAS JACOBS

Entrepreneur, Hamburg

Partner of Bergos AG, Zurich

Studied for a doctorate in law in Munich
and Freiburg, MBA at INSEAD

German citizen

Member of the Board of Directors since 2018

SYLVIE MUTSCHLER-VON SPECHT*

Owner and director of a family office
(real estate, equity investments), Zurich

Partner of Bergos AG, Zurich

Studied business administration
at the University of St. Gallen

German and Swiss citizen

Member of the Board of Directors since 2018

MICHAEL PIEPER

CEO and owner of Artemis Holding AG, Aarburg

Partner of Bergos AG, Zurich

Studied business administration
at the University of St. Gallen

Swiss citizen

Member of the Board of Directors since 1993

* Independent members of the Board of Directors according to the definition in the provisions of FINMA.

The Board of Directors

The Board of Directors fulfills its duties in compliance with the Swiss Code of Obligations and the Swiss Banking Act. The members of the Board of Directors do not perform any executive functions in Bergos AG. Four of the eight members of the Board of Directors are independent according to the definition in the provisions of FINMA. The annual general meeting of Bergos AG elects the members of the Board of Directors and the Chairman. The Board of Directors determines its own membership as well as the signatory power and manner of signing of its members. It also appoints its Deputy Chair. The members of the Board of Directors are elected for a term of one year and are eligible for re-election. The Board of Directors meets as often as business requires, but at least four times a year. Four meetings were held in the year under review.

The Board of Directors is quorate if an absolute majority of its members are present. According to the rules of procedure of the Board of Directors, votes and elections require an absolute majority of members present. In the event of a tie, the Chair has the casting vote. The majority of all members of the Board of Directors must approve circular resolutions. The Board of Directors exercises the overall management, supervision and control of the Executive Committee of Bergos AG. It is specifically responsible for appointing and dismissing the members of the Executive Committee. The Board of Directors regularly revises and adopts the strategy of the bank, issues the necessary directives, and determines the bank's organization and risk policy. It also designs and adopts the bank's financial plans and reviews reports on the existence, appropriateness and efficacy of the internal control system.

The Board of Directors has established an Audit & Risk Committee (ARC) and a Nomination & Compensation Committee (NCC) as standing committees. Each of these committees must consist of at least three members. The Board of Directors has adopted rules of procedure defining the objectives, composition, authorities, tasks and competencies of the standing committees. The overall responsibility for these delegated duties and powers remains with the Board of Directors.

The Board of Directors appoints the committee members and chairs from among its members. It may relieve these members of the Board of Directors of their special functions at any time. The committees are quorate if a majority of the members of the relevant committee are present. Resolutions of the committees are passed by an absolute majority of the members present. Unanimity is required if only two members are present.

The members of the ARC must be sufficiently separate from other committees. The majority of the members of the ARC are independent. The Chairman of the Board of Directors must not be a member of the ARC. The ARC supports the Board of Directors in carrying out the tasks assigned to the committee, in particular with regard to:

- Formulating the general guidelines for the internal audit function and financial reporting to the full Board of Directors
- Evaluating the risk strategy and the basic principles of bank-wide risk management
- Monitoring and evaluating the effectiveness of the internal control system, in particular the risk control and compliance functions
- Considering and approving loan applications and investment requests and limits, as well as adopting regulations that fall within the scope of responsibility of the ARC

The NCC supports the Board of Directors in certain HR matters and setting the compensation policy. Its responsibilities include:

- Determining the compensation strategy and guidelines, as well as defining the bonus policy and pension solutions
- Approving the annual changes in salaries and bonuses of the Executive Committee, Managing Directors and authorized signatories of the bank
- Appointing authorized signatories up to Managing Director level
- Recruiting and dismissing employees at Managing Director level and setting their terms of employment

Auditing body

The financial statements of Bergos AG are audited by BDO AG. The external statutory auditor is elected by the annual general meeting for a term of one year. BDO AG was first appointed to audit the financial statements for the financial year 1993. The lead auditor is Patrick Heiz, who is also the supervisory lead auditor for the year under review.

The Board of Directors is responsible for supervising and controlling the external auditors. Its remit covers the handling the reports of the internal and external auditors.

Bergos AG is subject to supervision by FINMA. Both the requirements stipulated in Article 728 of the Swiss Code of Obligations (independence of the auditor) and the FINMA provisions pursuant to Circular 13/3 ("Auditing") therefore have to be complied with when selecting the external auditing body. Other key selection criteria for the Board of Directors are the auditing body's proven expertise, including in relation to complex finance and valuation matters, and continuity of business relations with the auditor.

Financial Statements

Balance sheet

	31.12.2023 TCHF	31.12.2022 TCHF
Assets		
Cash and cash equivalents	35,039	88,532
Due from banks	188,866	263,361
Due from clients	242,527	260,107
Trading transactions	0	0
Positive replacement values of derivative financial instruments	5,949	3,159
Financial assets	99,643	124,469
Accrued income and prepaid expenses	4,489	3,970
Participations	56	56
Fixed assets	4,049	3,522
Other assets	3,487	3,325
Total assets	**584,105**	**750,501**
Liabilities		
Due to banks	3,835	2,487
Due to client deposits	513,715	697,074
Negative replacement values of derivative financial instruments	5,184	3,250
Accrued expenses and deferred income	11,799	7,676
Other liabilities	4,814	942
Provisions	595	599
Share capital	10,000	10,000
Statutory capital reserve	137	137
Statutory profit reserve	4,863	3,100
Voluntary profit reserves	24,363	23,851
Treasury shares	-3,063	-3,063
Retained earnings carried forward	31	31
Profit	7,832	4,417
Total liabilities	**584,105**	**750,501**

Off-balance sheet transactions	31.12.2023 TCHF	31.12.2022 TCHF
Contingent liabilities	11,041	9,642
Irrevocable commitments	1,830	1,470

Income

Income and expenses from ordinary banking activities	2023 TCHF	2022 TCHF
Interest income		
Interest and discount income	21,135	6,757
Interest and dividend income on trading activities	3	1
Interest and dividend income on financial assets	3,523	405
Interest expenses	-8,002	1,023
Gross interest income	16,659	8,186
Changes to valuation adjustment for default risks and interest losses	0	0
Subtotal net interest income	**16,659**	**8,186**
Net fee and commission income		
Commission income on securities and investments	32,034	30,601
Commission income on lending activities	74	128
Commission income on other services	687	1,152
Commission expenses	-2,222	-2,161
Subtotal commission and service-fee income	30,573	29,720
Income from trading activities and the fair value option	**5,097**	**4,868**
Other ordinary income		
Results from the sale of financial assets	0	0
Sundry ordinary income	0	0
Subtotal sundry ordinary income	0	0
Operating expenses		
Personnel expenses	-30,031	-25,616
Other administrative expenses	-11,248	-9,789
Subtotal operating expenses	-41,279	-35,405
Valuation adjustments to shareholdings, depreciation and amortization	-1,184	-1,370
Changes to provisions and other valuation adjustments, and losses	-64	-517
Operating income	**9,802**	**5,482**
Extraordinary income	0	27
Taxes	-1,970	-1,092
Profit	**7,832**	**4,417**

Appropriation of retained earnings

	31.12.2023 TCHF	31.12.2022 TCHF
Profit	7,832	4,417
Retained earnings carried forward	31	31
Unallocated retained earnings	**7,863**	**4,448**
Appropriation of retained earnings		
– Allocation to the general statutory profit reserve	0	-1,763
– Allocation to voluntary profit reserves	-4,033	-512
– Distribution from retained earnings*	-3,799	-2,142
Retained earnings carried forward	**31**	**31**

* The distribution relates to the capital entitled to dividends.

Statement of changes in equity

	Capital resources	Statutory capital reserve	Statutory profit reserve	Reserves for general banking risks	Voluntary retained earnings and profit/loss carried forward	Own equity interest (minus position)	Profit for the period	Total
	TCHF	TCHF	TCHF	TCHF	TCHF	TCHF	TCHF	TCHF
Equity at the start of the reporting period	10,000	137	3,100	0	23,882	-3,063	4,417	38,473
Further contributions/deposits		0						0
Acquisition of treasury shares								0
Sale of treasury shares								0
Effect of remeasurement of treasury shares								0
Dividends and other distributions							-2,142	-2,142
Other allocations to (withdrawals from) reserves for general banking risks								0
Other allocations to (withdrawals from) other reserves			1,763		512		-2,275	0
Profit/loss (profit for the reporting period)							7,832	7,832
Equity at the end of the reporting period	10,000	137	4,863	0	24,394	-3,063	7,832	44,163

Notes to the financial statements

NOTES ON BUSINESS ACTIVITY, GENERAL INFORMATION AND DETAILS OF PERSONNEL

GENERAL INFORMATION AND DETAILS OF PERSONNEL

Bergos AG is based in Zurich, operates as a bank within the meaning of Art. 1 et seq. of the Swiss Federal Act on Banks, Savings Banks and Securities Dealers. It mainly provides investment advice and asset management services. Adjusted for part-time staff, headcount at the end of the year was 123.2 employees (previous year: 112.1). The average number of full-time equivalents for the year was 119.1.

BALANCE SHEET OPERATIONS

Due to the bank's focus on off-balance sheet business, lending is essentially limited to secured Lombard loans to clients. Interbank business is primarily conducted in the short-term segment via various third-party banks. The bank held CHF 100 million of first-class bonds as financial assets at the end of the year. Depending on developments in liquidity on the one hand and the assessment of risk on the other, the acquired portfolios are intended to be held until maturity and are not used for active speculation or asset growth. A very conservative investment strategy is pursued, with various monitoring limits.

COMMISSION AND SERVICE FEE ACTIVITIES

Commission and services fee activities are the main source of income and essentially comprise income from securities trading and from custody and asset management activities. These services are used by both private and institutional clients.

TRADING

The bank implements and executes all standard trading transactions for its clients. In all of these activities, the bank acts as a commission agent and does not engage in any active trading. There is only a small degree of own account trading with foreign currencies, which is limited to currencies with a liquid market.

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NOTES ON RISK MANAGEMENT

RISK ASSESSMENT

The Board of Directors deals with the main risks to which the bank is exposed on an ongoing basis. The independent risk management presents the progress report and risk report to the Board of Directors for the purposes of assessing the appropriateness of the bank's risk management. The risk report serves to outline the relevant risks and their possible impacts on the bank's financial accounting, and to highlight the steps taken to measure, manage and limit these risks (risk management). The Board of Directors did not identify any risks in the course of the financial year which might necessitate a material correction to the assets, liabilities, financial position and profit or loss as presented in the annual financial statements. For information on risk management, please see below.

RISK MANAGEMENT

The risks related to the bank's activities are systematically recorded, managed and limited on the basis of uniform guidelines and standards whose appropriateness is examined on a regular basis. The bank complies with the guidelines and standards stipulated by FINMA and approved by the Swiss Bankers Association. The bank's executive bodies are regularly notified about the performance of the bank's assets, liabilities and financial position.

The Board of Directors employs an Audit & Risk Committee and a Nomination & Compensation Committee as standing committees. The Board of Directors delegates certain duties and powers to these standing committees. Overall responsibility for these delegated duties and powers remains with the Board of Directors.

KEY TYPES OF RISK FOR THE BANK

As its core line of business is asset management and advisory services, the bank is primarily exposed to risks concerning its reputation and legal issues. By granting Lombard loans, the bank is exposed to default and interest rate risks. There are also operational risks.

DEFAULT RISKS

The credit policy covers all exposures from which a loss may arise if counterparties are unable to fulfill their obligations. To minimize the credit risk, conservative lending limits have been laid down which draw on, amongst other things, the ratings of the main rating agencies in order to ascertain a counterparty's default risk. Currency risks, country risks and other risks such as diversification and liquidity risks are likewise considered when determining lending amounts. Loans are issued in accordance with uniform guidelines and credit limits. Loan applications are assessed by a body independent of the bank's front office. Individual loan applications are evaluated on the basis of the bank's lending guidelines in accordance with a uniform procedure which recognizes four different risk categories.

Group A	Loans which are fully covered
Group A–	Loans which are fully covered, but which entail a diversification risk and therefore merit special attention
Group B	Loans which merit special attention (e.g. when lending amount exceeded or as a result of a request placed by the responsible member of the management board, the Credit department or the account manager)
Group C	Loans with a risk of loss that are classed as in need of explanation according to the bank's lending guidelines

Investments with banks and the selection of counterparties for the settlement of banking transactions are subject to strict internal quality requirements and limits. Loans are evaluated and monitored on a daily basis. Violations of limits and loans requiring special attention are reported to the Executive Committee immediately and to the Board of Directors every quarter. In order to manage the financial assets, minimum criteria have been defined for issuer credit ratings along with maximum limits.

MARKET RISKS

Substantial interest rate risks are avoided by refinancing the loans issued with maturities and currencies that are as closely matched as possible. The risk of loss due to changes in interest rates is limited by a limit system. Interest rate risks resulting from balance sheet and off-balance sheet operations are evaluated on the basis of the funds transfer pricing system and focus on the sensitivity of the net present value of equity. The bank has put interest rate swaps in place with selected counterparties to more actively manage and limit interest rate risks. Industry-standard ALM software is used to calculate interest rate risks.

Credit spread change risks are relevant if bonds or similar investments are not held to maturity. These are limited by selecting prime debtors and the shortest possible maturities.

Market price risks are checked by means of a system of lines and monitored using suitable metrics.

Trading in currency and foreign notes is primarily driven by client transactions and limited to liquid markets. All other currency risks are kept to a minimum by means of a system of limits.

OTHER MARKET RISKS

All other market risks are kept to a minimum by means of a system of limits. There are no market liquidity risks in foreign exchange trading, as trading does not take place in tight markets. Trading positions are evaluated and monitored on a daily basis. Responsibility for risk control is separate from responsibility for trading at department level.

LIQUIDITY RISKS

The bank's liquidity risk management is monitored and ensured in line with the provisions of banking law. Short-term ability to pay is ensured through the Execution Desk's active cash management, in accordance with the currency and bank limits approved by the Executive Committee. The bank's Executive Committee manages liquidity risk within the scope of the business competencies allocated to them by the Board of Directors and the provisions of banking legislation. The Board of Directors sets the counterparty limits and defines requirements for financial investments. In order to minimize liquidity risks, high-quality liquid investments which count for the liquidity coverage ratio (LCR) are generally selected. In the event of a liquidity shortage, a three-stage emergency

plan has been developed. A liquidity stress test is carried out once a quarter; the results are reported to the Executive Committee and once a year to the Board of Directors. The calculation is based on the figures from the interest rate risk reporting in the accounting system. The liquidity coverage ratio (LCR) is calculated daily as an indicator of the bank's liquidity.

OPERATIONAL RISKS

Article 89 of the Capital Adequacy Ordinance (CAO) defines operational risks as "the danger of losses resulting from the inadequacy or failure of internal procedures, individuals or systems, or from external events." The definition covers all legal risks, including fines from supervisory authorities and settlements.
For the sake of simplified presentation in the risk taxonomy, the bank classifies operational risks into the following areas: codes of conduct and securities compliance, business risks and risk management, compliance risk, cross-border risk, client tax risk, risk of dormant assets, IT risk, handling of electronic client data, cyber risks, outsourcing, business continuity management, physical security, fraud risks and personnel risk.
The Board of Directors has defined and regularly reviews a framework for managing operational risks, in particular determining risk appetite and risk tolerance. The form, type and level of the operational risks to which the bank is exposed and which it is prepared to accept are recorded. The overall concept is based on the COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission). In particular, various risk management techniques have been adopted from this. For example, for the overall risk assessment, risk metrics and risk indicators.
In order to implement the framework concept, Risk Control informs the Board of Directors in its annual risk report of the operational risks that the bank considers particularly critical.
The criticality of an operational risk is assessed by Risk Control. The risks selected in this way are described on the basis of the principles specified by FINMA and the measures taken to limit the risk are explained. The bank uses the basic indicator approach to calculate operational risk.

COMPLIANCE AND LEGAL RISKS

The Executive Committee and Compliance ensure that business activities comply with the applicable regulatory requirements and the due diligence obligations of a financial intermediary. They are responsible for reviewing requirements and developments by the supervisory authority, legislator or other organizations. They also ensure that directives and internal regulations are amended in accordance with regulatory developments and adhered to.
The Legal department handles all legal issues relating to the bank. In particular, it takes appropriate measures to minimize the inherent risks associated with cross-border business.

OUTSOURCING OF BUSINESS DIVISIONS

The bank has outsourced the operation and maintenance of its core banking systems to the global wealth management platform FNZ. SIC and euroSIC interbank payments are processed by Bottomline Technologies AG, Zurich. An external provider is commissioned with linking anonymous transaction data with the corresponding tax information to create client tax breakdowns. Physical mailing has been outsourced to Avaloq Outline, Zurich. Internal auditing has delegated to Grant Thornton AG, Zurich, and payroll accounting to PWC AG, Zurich.

ACCOUNTING AND VALUATION METHODS

PRINCIPLES

The accounting and valuation methods are subject to the Swiss Code of Obligations, the Swiss Federal Act on Banks and its associated ordinance, and the statutory provisions and directives of FINMA. The annual financial statements give an impression of the bank's assets, liabilities, financial position and profit or loss in accordance with the financial reporting regulations applicable to banks and securities dealers.

RECOGNITION AND REPORTING

All business transactions are recorded in the companies' books on the trade date and contribute to the calculation of income as of that date. Balance sheet transactions with a fixed time to maturity and futures are recognized as of their respective value dates. Securities and precious metals transactions as well as payment transactions for clients are recognized in the balance sheet as of their respective settlement dates.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are recognized at the respective daily exchange rates. Monetary assets are translated at the prevailing exchange rate on the balance sheet date and recognized in the income statement.

Differences in the exchange rate arising between the trade date and the settlement date of a transaction are recognized in the income statement. The following rates of exchange were used for foreign currency translation:

Currency	Rate on balance sheet date 31.12.2023	Rate on balance sheet date 31.12.2022
EUR	0.9297	0.9850
USD	0.8406	0.9249
GBP	1.0707	1.1160
JPY	0.5965	0.6999
CAD	0.6366	0.6823
SEK	8.3635	8.8415

GENERAL VALUATION METHODS

The individual items reported under a balance sheet item are valued on an individual basis (item-by-item valuation). Receivables and obligations in foreign currencies and foreign banknotes and coins held for exchange business are valued on the basis of their mid-rates on the balance sheet date.

CASH AND CASH EQUIVALENTS, AMOUNTS DUE FROM BANKS, DEPOSITS

These items are recognized at their par value or at cost less specific valuation adjustments for impaired receivables.

LOANS (AMOUNTS DUE FROM CLIENTS)

Impaired receivables, i.e. receivables where it is unlikely that the debtor will be able to honor their future obligations, are valued on an individual basis and the impairment is covered by specific valuation adjustments. Off-balance sheet transactions such as firm commitments, guaranties and derivative financial instruments are likewise included in this valuation. At the very latest, loans are deemed to be impaired when the fair value of the collateral falls below the outstanding credit amount or if the contractually agreed payments of capital and/or interest have been outstanding for more than 90 days. Interest outstanding for more than 90 days is deemed to be overdue. Overdue interest and interest which is unlikely to be paid are no longer recognized, but is allocated to valuation adjustments and deducted from the receivables. Loans are made interest-free if the collectability of the interest is so doubtful that accrual and deferral of said interest is no longer considered to be prudent.

Impairment is calculated on the basis of the difference between the carrying amount of the receivable and the likely recoverable amount, considering the counterparty risk and the net proceeds from the realization of collateral held.

If a receivable is classified as wholly or partially irrecoverable or if collection of the receivable is waived, the receivable is written off and is recognized as part of the corresponding valuation adjustment. Amounts which are recovered after previously being written off are credited to the valuation adjustments for default risks.

SECURITIES AND PRECIOUS METALS TRADING PORTFOLIOS

Securities and precious metals trading portfolios are measured and recognized at fair value. The fair value is considered to be the price determined on an efficient and liquid market or a price determined on the basis of a valuation model. If, in exceptional circumstances, no fair value is available, these trading portfolios are measured and recognized on the principle of the lower of cost or market.

Price gains or losses resulting from the valuation are recognized as “Income from trading transactions and the fair value option”. Interest and dividend income from securities trading portfolios is recognized as “Interest and dividend income from trading portfolios. Refinancing expenses for trading positions are charged to interest cost.

FINANCIAL ASSETS

Fixed-income securities and convertible and warrant bonds not held for trading are valued at the lower of cost or market, unless there is an intention to hold to final maturity. Valuation adjustments are netted and are recognized as “Sundry ordinary expenses” or “Sundry ordinary income”. An asset may be written up to no higher than its original cost if its fair value has fallen below that original cost but subsequently recovers. The valuation adjustment is recognized as described above.

Debt securities acquired with the intention of holding to maturity are valued according to the accrual method. The premium or discount in the balance sheet item is accrued over the term to maturity. Interest-related gains or losses resulting from the early sale or redemption of an instrument are accrued over the course of its remaining term, i.e. until the original final maturity. Impairments or reversals of impairment losses triggered by a counterparty’s credit quality are recognized in the income statement as under “held to maturity.

FIXED ASSETS

Investments in new fixed assets are capitalized and carried at cost if they are used in more than one accounting period and if their value exceeds the lower threshold for capitalization.

Investments in existing fixed assets are capitalized if this will lead to a sustained increase in their fair value or utility value or substantially lengthen their useful life.

In subsequent measurement the fixed assets are carried at cost less accumulated depreciation. Depreciation is on a scheduled basis over an asset’s estimated useful life. Assets are tested for impairment annually. If the impairment test reveals a change in the useful life or impairment, the residual carrying amount is written down over the remainder of the asset’s useful life or an impairment is recognized. Scheduled depreciation, and unscheduled if any, are recognized in the income statement under “Depreciation of fixed assets”. Impairments are reversed if the reasons for an earlier impairment no longer apply.

The estimated useful life for individual categories of fixed assets are as follows:

5 years	Fixed assets
5 years	Software, IT and communication systems

Gains realized on the sale of fixed assets are recognized under “Extraordinary income”, while losses are recognized under “Extraordinary expenses”.

PENSION OBLIGATIONS

The bank has joined a defined-contribution pension scheme with Bâloise-Sammelstiftung for employees over the age of 17. Retirement age is reached on the first day of the month following the employee’s 65th birthday (64th birthday for women). However, insured employees who are willing to accept a lower pension have the option of retiring at the age of 58.

The bank’s pension obligations and the assets to cover these are outsourced to the above collective pension foundation. The pension plans are organized, managed and financed in accordance with the legal provisions, the foundation deeds and the applicable pension plan regulations. The bank recognizes its employer contributions as personnel expenses. There were no obligations to the pension fund at the end of the year.

TAXES, CURRENT TAXES

Current taxes are recurring, usually annual, taxes on income. Non-recurring or transaction-related taxes do not form part of current taxes. Current taxes on profit or loss for the period are determined in accordance with local tax regulations and recognized as expense in the accounting period in which the corresponding profits are incurred. Direct taxes due from current profit are recognized as deferred income.

CONTINGENT LIABILITIES, IRREVOCABLE COMMITMENTS, LIABILITIES TO PAY IN CAPITAL OR ADDITIONAL CAPITAL ON SHARES

These are recognized under off-balance sheet items at their par value. Provisions are set aside for foreseeable risks.

VALUATION ADJUSTMENTS AND PROVISIONS

Specific valuation adjustments and provisions for all identifiable risks of loss are recognized in accordance with the principle of prudence. In addition to specific adjustments, the bank also recognizes valuation adjustments for latent default risks in order to cover any latent risks existing on the valuation date. Latent default risks are those that are known to exist in the apparently flawless loan portfolio at the balance sheet date, but which only become apparent at a later date. Determining latent default risks is based on experience and defaults in the past. As the bank has not had any defaults in recent years and has not identified any indications of latent default risks in its current loan portfolio, no allowances for latent default risks were recognized in the year under review.

DERIVATIVE FINANCIAL INSTRUMENTS

All derivative financial instruments are measured at fair value. They are recognized as positive or negative replacement values under “Positive replacement values of derivative financial instruments” or “Negative replacement values of derivative financial instruments”. Fair value is based on market prices, price quotations from dealers, and discounted cash flow and option pricing models.

In the case of transactions with derivative financial instruments effected for trading purposes, realized and unrealized gains and losses are recognized as “Income from trading transactions and the fair value option”.

CHANGES TO ACCOUNTING AND VALUATION METHODS

There has been no change in accounting and valuation methods.

Information on the balance sheet

**Overview of collateral for receivables, off-balance sheet transactions and impaired receivables
in TCHF**

Type of collateral	Mortgage cover	Other cover	Without cover	Total
Loans (before netting with valuation adjustments)				
Due from clients	0	238,819	3,708	242,527
Total loans (before netting with valuation adjustments)				
Reporting year	0	238,819	3,708	242,527
Previous year	0	257,248	2,859	260,107
Total loans (after netting with valuation adjustments)				
Reporting year	0	238,819	3,708	242,527
Previous year	0	257,248	2,859	260,107
Off-balance sheet				
Contingent liabilities	0	10,980	61	11,041
Irrevocable commitments	0	1,830	0	1,830
Total off-balance sheet				
Reporting year	0	12,810	61	12,871
Previous year	0	11,047	65	11,112

	Gross claims	Estimated liquidation value of collateral*	Net claims	Specific valuation adjustments
Non-performing loans				
Reporting year	0	0	0	0
Previous year	0	0	0	0

* Credit or realizable value per client:
the lower amount is taken.

**Trading transactions and other financial instruments measured at fair value (assets and liabilities)
in TCHF**

Trading transactions – assets	31.12.2023	31.12.2022
Trading transactions	0	0
– Debt instruments, money market instruments and transactions	0	0
– of which listed	0	0
– Equity securities	0	0
Other financial instruments measured at fair value	0	0
– Debt instruments	0	0
Total trading transactions and other financial instruments (assets)	0	0
– of which determined on the basis of a valuation model	0	0
– of which securities eligible for repo transactions pursuant to liquidity requirements	0	0

Trading transaction – liabilities	31.12.2023	31.12.2022
Total trading transactions and other financial instruments (liabilities)	0	0

Open derivative financial instruments (assets and liabilities) in TCHF	Trading instruments			Hedging Instruments		
	Positive repl. val. 31.12.2023	Negative repl. val. 31.12.2023	Contract volumes	Positive repl. val. 31.12.2023	Negative repl. val. 31.12.2023	Contract volumes
Interest instruments						
– Forward contracts incl. FRAs	0	0	0	0	0	0
– Swaps	0	0	0	1,152	234	196,380
Foreign exchange						
– Forward contracts	1,736	2,826	52,325	3,061	2,124	285,143
Total before netting agreements						
Reporting year	1,736	2,826	52,325	4,213	2,358	481,523
Previous year	3,159	2,982	315,542	0	268	31,713

Total after netting agreements	Pos. replacement values (cumulative)	Neg. replacement values (cumulative)
Reporting year	5,949	5,184
Previous year	3,159	3,250

Breakdown by counterparty	Central clearing houses	Banks and securities dealers	Other clients
Positive replacement values after netting agreements	0	4,212	1,737

Financial assets in TCHF	Book value		Fair value	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Debt instruments	99,643	124,469	98,895	122,682
– of which intended to be held to maturity	99,643	124,469	98,895	122,682
Total financial assets	99,643	124,469	98,895	122,682
– of which securities eligible for repo transactions pursuant to liquidity requirements	38,621	43,900	38,263	43,013

Breakdown of counterparties by rating in the reporting year[1]	Highest credit rating to secure investments with a negligible default risk	Secure investments barring any unforeseen events	Good investments on average	Speculative to highly speculative investments
Debt instruments at book value in the reporting year	80,001	19,642	0	0

Participations in TCHF	Valuation adjustments accumulated			Reporting year				
	Cost of acquisition	Valuation adjustments	Book value 31.12.2022	Reclassifi-cations	Investments	Divest-ments	Valuation adjustments	Book value 31.12.2023
Other participations[2]								
With market price	0	0	0	0	0	0	0	0
Without market price	0	0	56	0	0	0	0	56
Total participations	0	0	56	0	0	0	0	56

Permanent direct or indirect significant participations

Company name and domicile	Business activities	Capital TCHF	Proportion in %	Proportion of votes in %	Direct ownership	Indirect ownership
Bergos Fleming AG, Zurich	Family office management services	100	51	51	Yes	–

[1] Bergos AG uses the ratings system of FINMA-recognized ratings agencies to assign financial assets to various credit rating categories.

[2] The participations do not have a market value.

Fixed assets in TCHF

	Cost of acquisition	Depreciation accumulated	Bookvalue 31.12.2022	Reclassifications	Investments	Divestments	Depreciation	Bookvalue 31.12.2023
Bank building	0	0	0	0	0	0	0	0
Software developed internally or purchased externally	7,576	4,460	3,116	0	1,481	0	-1,018	3,579
Other fixed assets	8,598	8,192	406	0	269	-39	-166	470
Leased assets	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Total fixed assets	16,174	12,652	3,522	0	1,750	-39	-1,184	4,049

The acquisition value and accumulated depreciation to date were reduced by disposals in the current year.

Other assets and liabilities in TCHF

	31.12.2023		31.12.2022	
	Other assets	Other liabilities	Other assets	Other liabilities
Settlement account	1,963	2,926	138	32
Strict clearing accounts	624	685	789	910
Other assets and liabilities	900	1,203	2,398	0
Total	3,487	4,814	3,325	942

Assets pledged or assigned to secure own liabilities and assets subject to reservation of title in TCHF

	31.12.2023	
	Book value	Effective obligations
Securities assigned as margin	0	0
Account balance pledged as margin for futures transactions	7,731	1,994

Pension funds

The bank offers a contributory pension scheme for its employees (Bâloise-Sammelstiftung für die obligatorische Vorsorge, Basel). Retirement age is reached on the first day of the month following the employee's 65th birthday (64th birthday for women). However, insured employees who are willing to accept a lower pension have the option of retiring at the age of 58.

Economic benefit/economic liability and pension scheme expenses	Surplus/deficit	Economic proportion attributable to Bank		Change in economic proportion from previous year (economic benefit or economic liability)	Contributions paid for the reporting period	Pension expenses in personnel expenses	
	31.12.2023	31.12.2023	31.12.2022			2023	2022
Pension schemes without surplus/deficit in TCHF	0	0	0	0	0	2,039	1,903

As in the previous year, there are no liabilities to own pension schemes and no reserves for employer contributions. There are also no company welfare funds or company pension schemes.

Occupational pensions are provided through a pension plan with a collective pension foundation at Basler Leben AG. An insurance solution was chosen that completely covers all insurance and investment risks. According to the collective foundation, the pension plan may not be underfunded as of the balance sheet date.

Any surpluses are credited to the retirement assets of insured members, which is why there is no surplus in the pension plan and therefore no economic benefit to the employer.

Value adjustments, provisions and reserves for general banking risks in TCHF

	31.12.2022	Specific use	Transfers	Recoveries, overdue interest, currency differences	Recognized through income	Released through income	31.12.2023
Provisions for deferred taxes	0	0	0	0	0	0	0
Provisions for default risks	0	0	0	0	0	0	0
Provisions for other business risks	599	-4	0	0	0	0	595
Provisions for restructuring	0	0	0	0	0	0	0
Provisions for pension liabilities	0	0	0	0	0	0	0
Other provisions	0	0	0	0	0	0	0
Total provisions	599	-4	0	0	0	0	595
Valuation adjustments for default and country risks	0	0	0	0	0	0	0
of which valuation adjustments for default risks from impaired receivables	0	0	0	0	0	0	0
of which valuation adjustments for latent risks	0	0	0	0	0	0	0

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Capital resources and shareholders with more than 5% of all voting rights

Capital resources			31.12.2023			31.12.2022
	Total nominal value TCHF	Number of units	Dividend-bearing capital TCHF	Total nominal value TCHF	Number of units	Dividend-bearing capital TCHF
Share capital	10,000	5,000	10,000	10,000	5,000	10,000
– of which paid in	10,000	5,000	10,000	10,000	5,000	10,000
Total capital resources	10,000	5,000	10,000	10,000	5,000	10,000

Treasury shares	Number of units	in TCHF
Balance as at 01.01.2022	150	3,063
Variable purchase price component from 2022	0	0
Disposals	0	0
Balance as at 31.12.2022	150	3,063
Purchases	0	0
Disposals	0	0
Balance as at 31.12.2023	150	3,063

Report on the 35th Financial Year

Significant shareholders and shareholder groups with voting ties

With voting rights	31.12.2023 Nominal TCHF	31.12.2023 Share in %	31.12.2022 Nominal TCHF	31.12.2022 Share in %
Centinox B AG, Hergiswil	2,400	24.00	2,400	24.00
Diethelm Keller Holding AG, Zurich	2,400	24.00	2,400	24.00
Niantic Holding GmbH, Hamburg	1,000	10.00	1,000	10.00
Claus-G. Budelmann, Hamburg	1,000	10.00	1,000	10.00
A & S Beteiligungen AG, Zug	950	9.50	950	9.50
Caretina Vermögensverwaltungs GmbH, Hamburg	750	7.50	750	7.50
Samum Vermögensverwaltungs GmbH, Hamburg	600	6.00	500	5.00
Dr. Peter Raskin, Grüningen	500	5.00	500	5.00
Other (shareholders up to and including 5%)	400	4.00	500	5.00
Total capital resources	10,000	100.00	10,000	100.00

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Indirect shareholders through a stake of more than 5% in

Centinox B AG, Hergiswil:	Centinox Holding AG, Hergiswil	100.00	100.00
Diethelm Keller Holding AG, Zurich:	DKH Holding AG, Zurich	100.00	100.00
Niantic Holding GmbH, Hamburg:	Dr. Andreas Jacobs, Hamburg	100.00	100.00
A & S Beteiligungen AG, Zug:	C+H Development Holding AG, Zug	75.00	75.00
	Andreas von Specht, Hamburg	12.50	12.50
	Henry Mutschler, Zurich	6.25	6.25
	Céline Mutschler, Zurich	6.25	6.25
Caretina Vermögensvewaltungs GmbH, Hamburg	Hendrik de Waal, Hamburg	100.00	100.00
Samum Vermögensverwaltungs GmbH, Hamburg	Dr. Hans-Wilhelm Jenckel, Hamburg	100.00	100.00

Amounts due to and from related parties in TCHF

	Receivables 31.12.2023	Receivables 31.12.2022	Liabilities 31.12.2023	Liabilities 31.12.2022
Qualified shareholders	527	986	5,277	1,569
Group companies	0	0	257	254
Governing bodies	2,829	2,126	3,122	3,525

Transactions with related parties
The on- and off-balance sheet transactions were carried out on market terms.

Maturity structure of financial instruments and debt capital in TCHF	Demand	Callable	Due: Within 3 months	Due: after 3 months, up to 12 months	Due: after 12 months, up to 5 years	Due: after 5 years	Immobi-lized	Total
Assets/financial instruments								
Cash and cash equivalents	35,039	0	0	0	0	0	0	35,039
Due from banks	93,438	43,398	52,030	0	0	0	0	188,866
Due from clients	0	113,046	37,615	90,267	1,599	0	0	242,527
Trading transactions	0	0	0	0	0	0	0	0
Positive replacement values of derivative financial instruments	5,949	0	0	0	0	0	0	5,949
Financial assets	0	0	26,932	48,939	23,772	0	0	99,643
Total reporting year	134,426	156,444	116,577	139,206	25,371	0	0	572,024
Previous year	197,431	158,261	174,227	92,128	117,581	0	0	739,628
Debt capital/financial instruments:								
Due to banks	3,835	0	0	0	0	0	0	3,835
Due to client deposits	403,238	99,921	9,998	558	0	0	0	513,715
Negative replacement values of derivative financial instruments	5,184	0	0	0	0	0	0	5,184
Total reporting year	412,257	99,921	99,998	558	0	0	0	522,734
Previous year	682,981	0	19,830	0	0	0	0	702,811

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Balance sheet by domestic and foreign origin based on domicile in TCHF

	31.12.2023 Domestic	31.12.2023 Foreign	31.12.2022 Domestic	31.12.2022 Foreign
Assets				
Cash and cash equivalents	35,039	0	88,532	0
Due from banks	89,370	99,496	144,323	119,038
Due from clients	76,722	165,805	80,059	180,048
Trading transactions	0	0	0	0
Positive replacement values of derivative financial instruments	1,830	4,119	760	2,399
Financial assets	20,125	79,518	20,403	104,066
Accrued income and prepaid expenses	4,117	372	3,113	857
Participations	56	0	56	0
Fixed assets	4,049	0	3,522	0
Other assets	3,487	0	3,301	24
Capital resources not paid in	0	0	0	0
Total assets	234,795	349,310	344,069	406,432

	31.12.2023 Domestic	31.12.2023 Foreign	31.12.2022 Domestic	31.12.2022 Foreign
Liabilities				
Due to banks	556	3,279	388	2,099
Due to client deposits	75,895	437,820	81,924	615,150
Negative replacement values of derivative financial instruments	2,124	3,060	1,114	2,136
Accrued expenses and deferred income	11,754	45	7,665	11
Other liabilities	4,814	0	942	0
Provisions	595	0	599	0
Capital resources	10,000	0	10,000	0
Statutory capital reserve	137	0	137	0
Statutory profit reserve	4,863	0	3,100	0
Voluntary profit reserves	24,363	0	23,851	0
Treasury shares	-3,063	0	-3,063	0
Retained earnings carried forward	31	0	31	0
Profit	7,832	0	4,417	0
Total liabilities	139,901	444,204	131,105	619,396

FINANCIAL STATEMENTS

Assets by country/region (based on domicile)

Assets	31.12.2023 Absolute TCHF	31.12.2023 Share in %	31.12.2022 Absolute TCHF	31.12.2022 Share in %
Switzerland	234,795	40.20	344,069	45.85
Other Europe	241,849	41.41	253,175	33.73
North America	44,285	7.58	52,409	6.98
Caribbean	15,352	2.63	14,905	1.99
Latin America	5,777	0.99	7,714	1.03
Africa	15,682	2.68	16,118	2.15
Asia	8,387	1.44	27,910	3.72
Rest of the world	17,978	3.07	34,201	4.55
Total assets	584,105	100.00	750,501	100.00

Assets by credit rating of region (risk domicile)

Rating class*	31.12.2023 Absolute TCHF	31.12.2023 Share in %	31.12.2022 Absolute TCHF	31.12.2022 Share in %
Rating class 1	341,350	98.94	342,097	96.53
Rating class 2	0	0.00	0	0
Rating class 3	675	0.20	391	0.11
Rating class 4	0	0.00	319	0.09
Rating class 5	175	0.05	267	0.08
Rating class 6	87	0.03	663	0.19
Rating class 7	2	0.00	7,975	2.25
No rating	2,724	0.78	2,684	0.75
Total foreign assets	345,013	100.00	354,396	100.00

* The country rating of Swiss Export Risk Insurance is applied.

Report on the 35th Financial Year

Balance sheet by currency in TCHF	CHF	EUR	USD	GBP	JPY	Others	Total
Assets:							
Cash and cash equivalents	34,810	195	25	9	0	0	35,039
Due from banks	15,937	30,106	119,877	16,933	1,923	4,090	188,866
Due from clients	62,788	134,474	38,057	4,436	1,617	1,155	242,527
Trading transactions	0	0	0	0	0	0	0
Positive replacement values of derivative financial instruments	5,949	0	0	0	0	0	5,949
Financial assets	20,125	44,581	34,937	0	0	0	99,643
Accrued income and prepaid expenses	2,887	659	912	15	1	15	4,489
Participations	56	0	0	0	0	0	56
Fixed assets	4,049	0	0	0	0	0	4,049
Other assets	1,809	574	913	191	0	0	3,487
Total assets recognized in the balance sheet	148,410	210,589	194,721	21,584	3,541	5,260	584,105
Delivery claims from forward foreign exchange transactions	80,127	84,195	146,597	20,779	0	6,750	338,448
Total assets	228,537	294,784	341,318	42,363	3,541	12,010	922,553
Liabilities:							
Due to banks	96	3,397	119	10	0	213	3,835
Due to client deposits	98,023	162,654	223,823	21,296	3,360	4,559	513,715
Negative replacement values of derivative financial instruments	5,184	0	0	0	0	0	5,184
Accrued expenses and deferred income	11,591	138	70	0	0	0	11,799
Other liabilities	3,003	593	1,027	191	0	0	4,814
Provisions	595	0	0	0	0	0	595
Capital resources	10,000	0	0	0	0	0	10,000
Statutory capital reserve	137	0	0	0	0	0	137
Statutory profit reserve	4,863	0	0	0	0	0	4,863
Voluntary profit reserves	24,363	0	0	0	0	0	24,363
Treasury shares	-3,063	0	0	0	0	0	-3,063
Retained earnings carried forward	31	0	0	0	0	0	31
Profit	7,832	0	0	0	0	0	7,832
Total liabilities recognized in the balance sheet	162,655	166,782	225,039	21,497	3,360	4,772	584,105
Delivery obligations under forward foreign exchange transactions	68,947	126,582	114,862	20,779	156	7,122	338,448
Total liabilities	231,602	293,364	339,901	42,276	3,516	11,894	922,553
Net position per currency	-3,065	1,420	1417	87	25	116	0

Information on off-balance sheet transactions

Contingent assets and liabilities in TCHF	31.12.2023	31.12.2022
Credit guarantees and similar items	11,041	9,642
Other contingent liabilities	0	0
Total contingent liabilities	11,041	9,642
Contingent assets from tax loss carry-forwards	0	0
Other contingent assets	0	0
Total contingent assets	0	0

Fiduciary transactions in TCHF	31.12.2023	31.12.2022
Fiduciary deposits with third-party banks	1,029,258	882,232
Fiduciary deposits with subsidiaries and affiliated companies	0	0
Fiduciary loans	0	0
Total	1,029,258	882,232

Assets under management in TCHF	31.12.2023	31.12.2022
Type of assets under management:		
Assets in collective funds managed by the Bank	97,600	116,138
Assets in funds managed by the Bank	2,204,423	1,990,754
Other assets under management	4,217,027	4,185,754
Total assets under management (incl. double counting)	6,519,050	6'292'646
of which double counting	61,823	68,355
Total assets under management (incl. double counting) at the start of the reporting year	6,292,646	6,472,205
+/– Net inflow of new funds or net outflow of funds	156,615	387,541
+/– Price performance, interest, dividends and currency performance	69,789	-567,100
Total assets under management (incl. double counting) at the end of the reporting year	6,519,050	6,292,646

Client assets include account balances, fiduciary deposits and all valued custody account holdings. Only assets held for safekeeping only (custody assets) are not taken into account. This includes shares held by clients in their own companies.

Net new money in/out is the balance of all incomings and outgoings of money and securities. Interest credited or charged to clients is treated as an internal accounting entry and therefore disregarded.

Information on the income statement

Significant refinancing income in interest and discount income and significant negative interest in TCHF	2023	2022
Negative interest on lending activities (reduction in interest income)	-6	-962
Negative interest on deposit-taking activities (reduction in interest expense)	0	843

Personnel expenses in TCHF	2023	2022
Salaries (attendance fees and fixed compensation to banking authorities, salaries and supplements)	24,994	21,553
Bank contributions to staff pension funds	2,039	1,903
Other social security contributions	2,339	1,686
Other personnel expenses	659	474
Total	30,031	25,616

Other operating expenses in TCHF	2023	2022
Premises costs	1,712	1,665
Costs of information and communication technology	4,915	3,781
Costs of vehicles, machinery, furniture and other equipment	199	213
Auditors' fee	130	285
– of which for accounting and regulatory auditing	130	285
– of which for other services	0	0
Other operating expenses	4,292	3,845
Total	11,248	9,789

Notes on significant losses, extraordinary income and expenses, significant releases of hidden reserves, reserves for general banking risks, value adjustments and provisions:
There was no significant extraordinary income or extraordinary expense.

Current and deferred taxes and tax rate in TCHF	2023	2022
Current taxes	1,970	1,092
Deferred taxes	0	0
Total taxes	1,970	1,092
Weighted average tax rate based on annual profit	20%	20%

Link between tables in FINMA Circular 2016/01 and regulatory reporting

KM1: regulatory key figures in TCHF		31.12.2023	31.12.2022
Eligible equity			
1	Common Equity Tier 1 (CET1)	40,364	36,331
2	Tier 1 capital (T1)	40,364	36,331
3	Total capital	40,364	36,331
Risk-weighted assets (RWA)			
4	RWA	177,800	188,988
4a	Minimum own funds	14,224	15,119
Risk-based capital ratio (% of RWA)			
5	CET1 ratio	22.70%	19.22%
6	Tier 1 capital ratio	22.70%	19.22%
7	Total capital ratio	22.70%	19.22%
CET1 buffer requirements (% of RWA)			
8	Own funds buffer under Basel minimum standards (2.5% from 2019)	2.50%	2.50%
9	Countercyclical buffer (Art. 44a CAO) under Basel minimum standards	0.00%	0.00%
10	Additional capital buffer due to international or national systemic importance	0.00%	0.00%
11	Total CET1 buffer requirements under Basel minimum standards	2.50%	2.50%
12	CET1 available to meet buffer requirements (after deduction of CET1 to meet minimum requirements and, where applicable, TLAC requirements)	14.70%	11.22%
Target capital ratios under Annex 8 CAO (% of RWA)			
12a	Capital buffer under Annex 8 CAO		
12b	Countercyclical buffer (Art. 44 and 44a CAO)	2.50%	2.50%
12c	Target CET1 ratio under Annex 8 CAO plus countercyclical buffer	0.00%	0.00%
	under Art. 44 and 44a CAO	7.00%	7.00%
12d	Target T1 ratio under Annex 8 CAO plus countercyclical buffer under Art. 44 and 44a CAO	8.50%	8.50%
12e	Total capital target ratio under Annex 8 CAO plus countercyclical buffer under Art. 44 and 44a CAO	10.50%	10.50%
Basel III leverage ratio			
13	Total exposure		
14	Basel III leverage ratio (Tier 1 capital as % of total exposure)	599,650	765,071
		6.73%	4.75%
Liquidity coverage ratio (LCR)			
15	Total high-quality liquid assets		
16	Total net cash outflow	78,475	161,702
17	LCR (liquidity coverage ratio)	39,923	65,318
		196.57%	247.56%
Net stable funding ratio (NSFR)			
18	Available stable funding		
19	Required stable funding	377,225	467,373
20	NSFR	169,693	202,614
		222.30%	230.67%

Liquidity coverage ratio (LCR) in TCHF	4th quarter	3rd quarter	2nd quarter	1st quarter	4th quarter Previous year
15 Total high-quality liquid assets	84,463	104,674	108,731	113,237	182,174
16 Total net cash outflow	42,041	48,279	59,497	58,169	71,355
17 LCR (liquidity coverage ratio) in %	200.91%	216.81%	182.75%	194.67%	255.31%

OV 1: Overview of risk-weighted positions	31.12.2023 TCHF RWA	31.12.2022 TCHF RWA	31.12.2023 TCHF Minimum own funds	in % RWA deviation
1 Credit risk	91,525	118,975	7,322	-23.07%
20 Market risk	3,063	875	245	250.06%
24 Operational risk	83,213	69,138	6,657	20.36%
25 Amounts below the threshold for deduction (subject to 250% risk weight)	0	0	0	0.00%
27 Total	177,801	188,988	14,224	-5.92%

LIQA: Liquidity – management of liquidity risk
Please see the section entitled "Liquidity risks".

CR1: Credit risk – credit quality of assets in TCHF	Gross book values of		Adjustments/ write-downs	Net value (a + b – c)
	Defaulted positions	Non-defaulted positions		
	a	b	c	in %
1 Receivables (excluding debt instruments)	0	431,393	0	431,393
2 Debt instruments	0	99,643	0	99,643
3 Off-balance sheet items	0	12,871	0	12,871
4 Total reporting year	0	543,907	0	543,907
Total previous year	0	659,049	0	659,049

More detailed definitions of internal default are given in the section entitled "Default risk".

CRB: Credit risk – additional disclosures on the credit quality of assets

There are no outstanding or overdue receivables (more than 90 days) as defined in the section entitled "Loans". These were disclosed in the note entitled "Overview of collateral for receivables, off-balance sheet transactions and impaired receivables".

CR3: Credit risk – credit risk mitigation techniques – overview in TCHF	Unsecured positions/ book values	Positions secured by collateral, effectively secured amount	Positions secured by financial guarantees or credit derivatives, effectively secured amount
	a	c	e&g
Receivables (incl. debt instruments)	300,439	227,263	3,334
Off-balance sheet positions	2,199	10,672	0
Total reporting year	302,638	237,935	3,334
of which defaulted	0	0	0
Total previous year	400,391	256,241	2,417

CR5: Credit risk – standardized approach – exposures by asset classes and risk weights in TCHF

31.12.2023	a	b	c	d	e	f	g	h	i	j
Asset class/ risk weight	0%	10%	20%	35%	50%	75%	100%	150%	Other	Total credit exposures
1 Central governments and central banks	89,158									89,158
2 Banks and securities dealers			185,528		36,779		4			222,311
3 Public-sector corporations			5,548							5,548
and multilateral development banks							7,041			7,041
4 Corporate	10				3,930	11,694	1			15,635
5 Retail								56		56
6 Participations	366						9,552			9,918
7 Other positions	89,534	0	191,076	0	40,709	11,694	16,598	56	0	349,667
8 Total										0
9 of which mortgage-backed										
10 of which overdue										0
Total previous year	156,744	0	247,137	0	61,141	2,436	14,755	57	0	482,270

CCR3: Counterparty credit risk – exposures by exposure category and risk weight under the standardized approach
in TCHF

31.12.2023	a	b	c	e	f	g	h	i	j	j
Asset class/ risk weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposures	Total previous period
1 Central governments and central banks									0	0
2 Banks and securities dealers			645	5,610					6,255	4,668
3 Public-sector corporations and multilateral development banks			305						305	0
4 Corporate									0	0
5 Retail					0	5			5	1,344
6 Participations									0	0
7 Other positions									0	0
8 Total	0	0	950	5,610	0	5	0	0	6,565	6,012
Total previous year	0	0	2,323	2,345	1,322	22	0	0	6,012	

ORA: operational risks – general information
Please see the section entitled “Operational risks”.

Interest rate risks: objectives and policies for interest rate management in the banking book (IRRBBA)

DISCLOSURE OF QUALITATIVE INFORMATION

A) IRRBB FOR THE PURPOSES OF RISK MANAGEMENT AND MEASUREMENT

The following three forms of interest rate risks are taken into account:

- Interest rate resetting (mismatches between interest rate repricing maturities and final maturities)
- Basis risk (change in interest rates)
- There are no contracts with implicit options

B) STRATEGIES TO MANAGE AND MITIGATE IRRBB

The Board of Directors has established an appropriate monitoring policy that is consistent with the business strategy of the risk policy. This defines the key points of the limit system and the most important reporting points. It also specifies the maximum interest rate risk positions by means of global limits. The Executive Committee is responsible for the operational implementation of the risk policy for interest rate risks in the banking book. It submits a request for strategic limits to the Board of Directors and is responsible for controlling interest rate risks within the limits set by the Board of Directors and it approves the replicating products offered by the bank every year or as required. Accounting is responsible for measuring and monitoring compliance with the limits set by the Executive Committee and approved by the Board of Directors and submits the interest rate risk report (ZIRU statistics) to the Swiss National Bank on a quarterly basis. Risk Control reports to the Board of Directors on its findings every quarter.

C) PERIODICITY AND DESCRIPTION OF IRRBB MEASURES

Interest rate risk metrics are recalculated every quarter. EVE and NII calculations are performed using FiRE.

D) INTEREST RATE SHOCK AND STRESS SCENARIO

EVE interest rate shock scenarios:
– Parallel shift up and down
– Steepener/flattener shock
– Increase and decrease in short-term interest rates

NII interest rate shock scenarios:
– Base scenario
– Parallel shift up and down

For us as a category 5 bank, no further scenarios are required.

E) DIFFERING MODEL ASSUMPTIONS

In the internal interest rate risk measurement system, the bank currently uses model assumptions with a static income effect and a currency-independent interest rate curve difference of 100 basis points. These are different from the information provided in Table IRRBB 1.

F) HEDGES

Bergos offers short-term, marketably covered Lombard loans with a maximum fixed-rate risk of one year. As a result, there is a relatively low risk of interest rate changes. The bank does not generally enter into special hedging transactions.

G) MODEL AND PARAMETER ASSUMPTIONS

Credit extensions are rolled over with the same maturity. Financial assets with a fixed maturity are generally held until maturity.

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CHANGE IN THE ECONOMIC VALUE OF EQUITY (EVE)

1. Cash flows include interest margins from an external interest point of view.

2. Bergos uses the exact remaining term for fixed positions and its own replication table for positions with an indefinite remaining term.

3. Cash flows are discounted using the Libor swap curve for the currency in question.

4. For the change in net interest income (NII), Bergos utilizes the specification in FINMA Circular 2016/1 “Regulatory Disclosure Requirements”.

5. The bank uses static replication keys for variable positions.

6. The bank does not hold any behavior-dependent exposures with early repayment options.

7. There are also no behavior-dependent fixed-term deposits with early withdrawals.

8. Bergos has no exposures with automatic interest rate options in the banking book.

9. The bank uses interest rate derivatives to manage interest rate risk.

10. There are no other assumptions.

Report on the 35th Financial Year

IRRBBA1: Interest rate risks: quantitative information on position structure and resetting of interest rates [QC/fix]

31.12.2023	in TCHF			Average repricing period (in years)	
	Total	of which CHF	of which other significant currencies accounting for more than 10% of assets or liabilities	Total	of which TCHF
Specified repricing date	1,278,996	318,634	946,204		
Due from banks	52,273	10,015	42,258	0.04	0.03
Due from clients	131,830	55,204	76,069	0.43	0.47
Money market mortgages					
Fixed-rate mortgages					
Financial assets	101,630	20,250	81,380	0.65	0.45
Other receivables					
Receivables from interest rate derivatives	492,893	115,646	370,603	0.62	0.59
Due to banks					
Due to client deposits	10,248	7,109	3,139	0.09	0.08
Medium-term notes					
Bond issues and mortgage-backed loans					
Other liabilities					
Liabilities from interest rate derivatives	490,122	110,410	372,755	0.28	0.29
Unspecified repricing date	757,219	105,370	635,467		
Due from banks	136,836	5,937	124,885	0.08	0.08
Due from clients	113,046	8,413	102,396	0.00	0.00
Variable-rate mortgage loans					
Other receivables on demand					
Liabilities on demand in personal accounts and current accounts	503,502	90,924	404,660	0.94	0.93
Other liabilities on demand	3,835	96	3,526	0.08	0.08
Liabilities in respect of customer deposits, callable, but non-transferable (savings)					
Total	2,036,215	424,004	1,581,671		

IRRBB 1: Interest rate risks: quantitative information on present value and interest income (QC/fix) in TCHF

	EVE (change in economic value of equity)		NII (Change in net interest income)	
Period	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Parallel shift up	4,070	-4,260	2,968	-2,371
Parallel shift down	-4,256	4,471	-2,912	2,336
Steepener shock[1]	-1,094	726		
Flattener Shock[2]	1,925	-1,475		
Increase in short-term interest rates	3,269	-2,706		
Decrease in short-term interest rates	-3,378	2,804		
Maximum	4,256	4,260	2,912	2,371
Tier 1 capital	40,364	36,331	40,364	36,331

Comment on the significance of the values shown:
The materiality of published values and all significant changes since the previous reporting period must be explained.

[1] Decrease in short-term interest rates combined with an increase in long-term interest rates.

[2] Increase in short-term interest rates combined with a decrease in long-term interest rates. Excluding Tier 1, which is used to meet going-concern requirements.

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STATUTORY AUDITOR'S REPORT

To the general meeting of Bergos AG, Zürich

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bergos AG (the Company) which comprise the balance sheet as at December 31, 2023, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements (pages 76 to 108 of the annual report) comply with Swiss law and the articles of incorporation.

Basis for our Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Audits of Financial Statements (SA-CH). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the provisions of Swiss law, the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

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

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

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

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

Responsibilities of the board of directors for the Financial Statements

The board of directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law, and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

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concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located at EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

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

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

Zurich, 22 March 2024

BDO Ltd

Patrick Heiz
Auditor in Charge
Licensed Audit Expert

Andreas Lenzenweger

Licensed Audit Expert

BDO Ltd, a limited company under Swiss law, incorporated in Zurich, forms part of the international BDO Network of independent member firms.

The English version of the annual report for the year 2023 of Bergos AG is a faithful translation of the German original. In the case of deviations between the two versions, the German version shall be decisive.

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