BERGOS

2020

REPORT ON
THE 32nd FINANCIAL YEAR

BERGOS

As of 1 January 2021, Bergos AG is represented by its new logo. It is a meaningful emblem that captures the history and identity of our bank: in its center, the ship points to our historically grown connection to the shipping industry. It is flanked by a lion and a bear, symbols for our home city of Zurich and on the other for our former mother house, Joh. Berenberg, Gossler & Co. KG., respectively. The ship sails, strengthened by tailwind, on three waves that stand for the three ages of our bank in Switzerland: Berenberg Bank (Schweiz) AG, Bergos Berenberg AG and now your private bank Bergos AG.

2020

REPORT ON THE 32nd FINANCIAL YEAR

BERGOS PRIVATE BANK

In TCHF	2018	2019	2020
Operating profit	7.166	4.197	4.052
Operating income	6.151	4.619	3.960
Net fee and commission income	30.465	27.453	27.473
Income from trading activities	4.684	4.213	4.899
Net interest income	5.298	4.965	3.582
Operating expenses	31.983	31.454	30.736
In CHF million			
Total assets	707	567	714
Assets under management (incl. custody accounts)	5.851	6.834	6.854
Net new funds (incl. custody accounts)	-481	463	388
In % of assets under management	-8.2	+6.8	+5.7
Eligible equity	32	32	32
Required equity	14	11	13
Number of employees (full-time equivalent)	103.6	102.2	103.9

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

Bergos AG has been active in the heart of the Swiss financial centre for over 30 years and can trace its history back to its founding in 1590 by Joh. Berenberg Gossler & Co. KG. With offices in Zurich and Geneva the internationally educated team is dedicated to all aspects of asset management and advisory with a focus on private clients, family businesses, shipping clients and next generation clients. With a business model oriented towards pure private banking, it offers advice for all liquid asset classes and alternative investments.

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Governing Bodies

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

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Dr Reiner Schrupkowski, Partner
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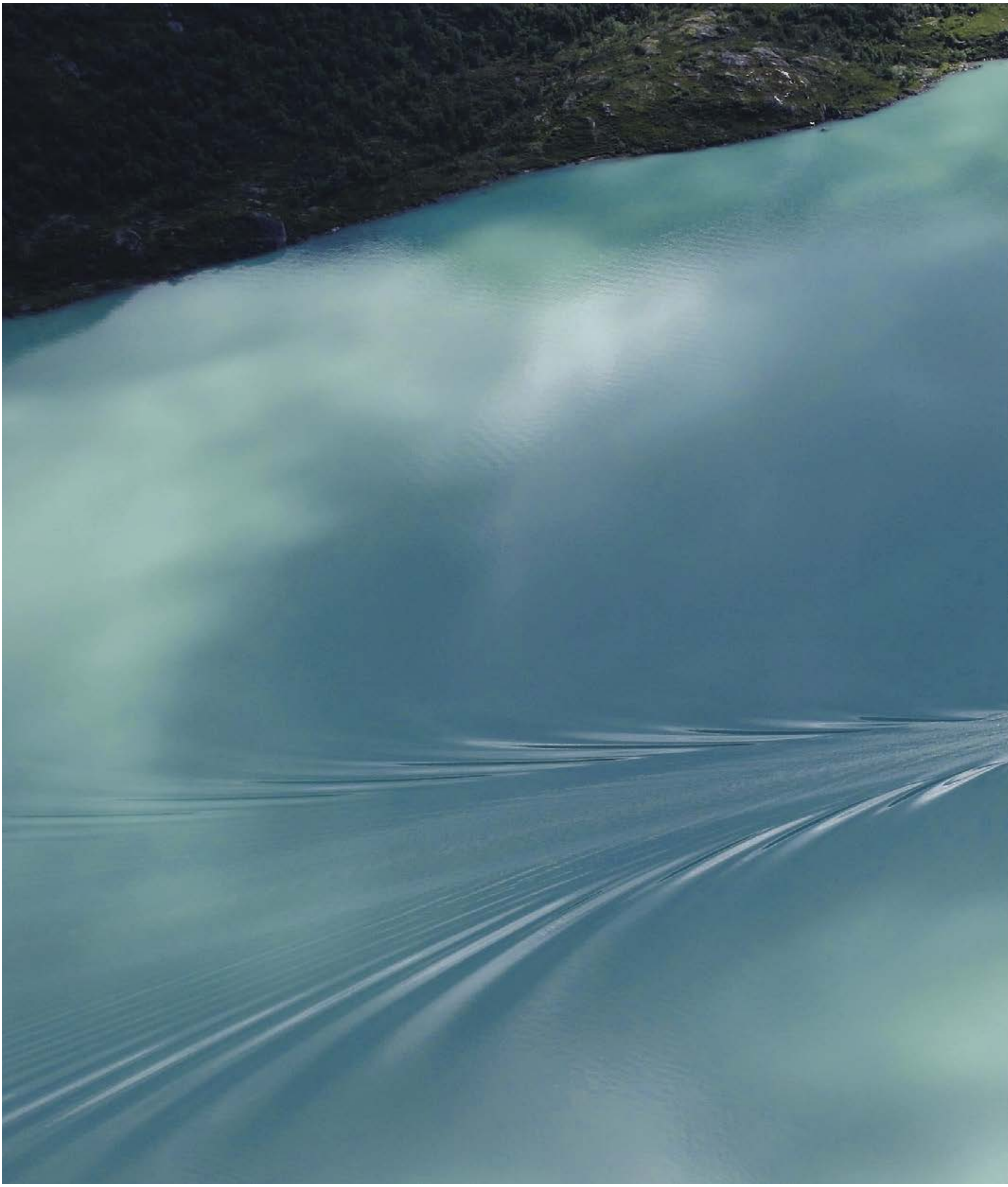


"We are a speedboat, not a tanker."

SYLVIE MUTSCHLER-VON SPECHT

01

FOREWORD

CHRISTOF KUTSCHER

Chairman of the Board of Directors

Dear clients, friends and colleagues

CHANGING VALUES

During the first phase of the pandemic in 2020 – almost a year to the day before this report would be published – I decided to walk at least 10,000 steps very early every morning, either parallel to the closed-off lake shore in Zurich or on the Zürichberg.

This represented a major change compared with the previous 30 years, during which I spent my time flying on a weekly basis to other European countries, the United States or Asia. Life suddenly became much more local and less international. Small things took on greater importance, with more depth and less breadth. I found myself focusing on quite different matters and taking a much more microeconomic approach. My family played a more central role and my attention shifted increasingly to everyday activities. The changes taking place in the natural world from early March through to May also captured my interest to a greater extent than they ever had done in the spring of any previous year. At the same time, I had the chance to have Covid-Compliant conversations with friends, colleagues and clients during my morning walks.

I am certain that the pandemic experience has made many people rethink what is really important to them and what quality of life means. I often discussed these and similar topics in my conversations with clients. We asked ourselves what our priorities are and which values are of genuine importance. We needed to understand the consequences of these upheavals affecting our lives and our well-being.

PROGRESS

The pandemic has brought to the forefront "behind-the-scenes" technical advances that have enabled us to overcome many of the challenges presented to us.

Quantum leaps in IT and building up a digital infrastructure enabled most office-based employees to switch to working from home at very short notice. This switch went off virtually without a hitch at Bergos thanks to the professional and dedicated work done by our IT team.

On a global level, the latest DNA sequencing techniques made it possible to identify the “offending” virus only a few weeks after it first emerged and have enabled vaccines to be developed, manufactured on an industrial scale and administered within the space of only a year. What used to take five years or more can now be done in just a few months. In addition, technical developments that we were often unaware of have helped us to get through this crisis. Despite all the dramatic consequences and the loss of so many loved ones, the world seems to have escaped relatively unscathed thus far, in comparison, for example, to the vast number of victims of the Spanish Influenza pandemic of 1919.

Change processes that would normally last years are suddenly being completed in the blink of an eye. After many years of very small productivity increases on a macroeconomic level, we are now seeing technical revolutions combined with significant efficiency gains in many areas. The simultaneous release of creative destruction as a result of dramatic progress in the field of biotechnology and in the digital world are indications of the start of a new Kondratiev cycle. The combustion engine is being superseded by the battery electric powertrain. Intelligent assistance systems are helping to prevent accidents and will eventually make drivers redundant. Enormous cloud computing networks are enabling decentralised working models and efficient data analysis. In addition, hydrogen technology, although not yet on industrial-scale manufacturing levels, is attracting huge investment.

CHALLENGES

At the same time, monetary and fiscal policy measures on an unprecedented scale have helped many existing businesses to survive, even though they realistically have no future (the “zombie companies”). Government debt has been increased dramatically all over the world and central banks have poured unparalleled amounts of money into the market. We are living through a dichotomy: on the one hand, innovative, disruptive technologies that are enjoying significant market success; on the other hand, companies are being kept on life support by well-meaning government relief measures. On one side, we have Schumpeter’s process of creative destruction working away in areas such as digital media, vehicle powertrains and biotechnology, while, on the other, the transformation is being blocked for well-intentioned reasons.

The rapid intervention by these institutions, with very little red tape involved, has prevented a much more serious economic crash in the short term but, in so doing, has lined up challenges for the future. Structural change that has been pushed further down the line will happen eventually, while monetary and fiscal policy will be consolidated sooner or later – with asymmetrical consequences. Investors must be able to navigate this rapidly changing environment. It is reasonable to assume that we will be handed the bill for all these measures in the not-to-distant future.

The term “stranded assets” has entered common vernacular in this context to refer to companies, projects or associations that have no future in their current form. What is the value of a listed company with a coal-fired power station that will be shut down in five years? It may have a positive cash flow in the short term, but it lacks a sustainable business model. This is where fast-paced entrepreneurial action is needed to identify the possibilities for making this company tradable again. In a period of technological and social upheaval, the wheat will be separated from the chaff. Which businesses and business owners are taking a forward-looking, dynamic approach?

A debate on the subject of moral hazard is unavoidable. In the future, will every crisis or every crash – either small, large or even expected – be counteracted by a flood of monetary and fiscal measures? If the answer to this question is yes, then this creates the incentive to take risks that will only pay off if the responses by central banks and finance ministries always follow a similar pattern. How often and for how long can policy reactions of this kind be extended and repeated? How long will voters, taxpayers and therefore also governments believe in the sustainability of policies like these?

A FOCUS ON CLIMATE CHANGE

A comparison of the post-COVID programmes of governments from Australia to the UK and from the EU to the USA highlights one common feature: a large part of government funding will be spent on measures to counteract climate change, including promoting renewable energies, investing in energy infrastructure, biodiversity, sustainable agriculture, and forestry and carbon capture. This means we are also likely to see increased taxes on high-emission energy sources and additional regulatory measures. In November 2021, the British government will host the COP 26 in Glasgow. Alongside the usual non-binding commitments, we can expect significant binding international agreements to be reached, and this will result in a shift in relative prices. We need to identify the companies that are prepared for this and those that are not.

Governments do not function in a vacuum, and this reflects a change in public opinion on the climate crisis, which brings us full circle. Amongst other things, Covid has made us aware of ever increasing changes in the environment which in turn has made us appreciative of our own immediate surroundings. Quality of life has acquired a broader definition, and our environment and its own quality now play a more important role. Subjects that used to be pigeon-holed as “green” can now be found in almost all party manifestos. This change in perspective will thus have an impact on economic policy too.

As Bill Gates said: “We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten. Don't let yourself be lulled into inaction.”

IDENTIFYING AND EXPLOITING OPPORTUNITIES

This is what we expect of the quality of Bergos customer advisory services. The issues described above are so complex that we have to make our entire expertise available to our clients so that we can hold informed discussions about all the matters that are relevant to them in this context. Alternative investments ranging from venture capital to private debt will also make it possible to transform the opportunities presented by changing circumstances into investment decisions.

We would like to thank all of our clients for their loyalty and their trust in us. As a partner-managed private bank owned by entrepreneurs, we will continue to focus on all the relevant issues, from the major strategic themes and their tactical implementation in your investments right through to a sound understanding of your personal situation and values. We are looking forward to many more interesting discussions, which we would be happy to combine with a walk beside Lake Zurich.

02

REFLECTIONS

Dr PETER RASKIN

CEO & Partner

The freedom of a private bank

At the end of 2020, as planned, Berenberg is no longer a main shareholder of the bank. Since then, we have not only been operating under the name Bergos AG, we have also been able to welcome new shareholders to our ownership structure. I heartily welcome the Hamburg entrepreneurs, Mr. Hendrik de Waal and Dr Hans-Wilhelm Jenckel, as new co-shareholders of Bergos AG. The family of Mrs. Sylvie Mutschler-von Specht and Mr. Claus-G. Budelmann have substantially increased their shares. I am particularly pleased with this strong commitment. We informed you about this development and introduced the new shareholders to you. Our target structure, which we have been striving for since the end of 2017, has thus been completed. It stands for successful entrepreneurship, experience, closeness, authenticity, foresight, security and a long-term approach.

Many clients and business friends congratulated us on finally reaching our goal to be - finally free! But what does it actually mean for a private bank? What does it mean for your Bergos Private bank!

„Freedom consists primarily not of privileges, but of duties". ALBERT CAMUS

INDEPENDENCE

To be free, as a bank, means first and foremost to be independent. It is directly linked to the certainty that the focus is not on selling our own products or the services of other units and departments of the bank, its parent, subsidiaries or sister companies, but that the client alone, his goals and circumstances are decisive for the individual advice and investment strategy. We have the freedom and duty to focus entirely on the needs of clients. An independent bank also avoids the conflicts of interest typical of many banks. If it cannot avoid such conflicts, it discloses them. This enables us to offer our clients only those products and services that are ideally suited to them.

A free, independent bank also takes a stand and has a clear opinion, not only on investment issues, but also on all socially relevant challenges. It stands up for its opinion. It does not hide, nor does it saturate its views with exaggerated political correctness until they are no longer opinions.

An independent bank has courage, dares to do new things and treads new paths driven exclusively by inner conviction, even if they may be arduous and may not seem opportune at first. It adapts, resembling a speedboat rather than a super tanker that is difficult to manoeuvre and whose size alone seems to determine everything.

As an independent bank, it recognizes its own limitations and cooperates where it makes sense for its clients. It is free in its choice of partners and is guided only by quality and the corporate culture of the cooperation partner.

It does not allow itself to be “externally” controlled and acts independently of states, politics, religions and all influences that may not be in line with the interests of the customers.

RESPONSIBILITY

Being free as a bank also means, above all, recognizing and accepting one's responsibility. You are responsible for what you do and for what you don't do! Making excuses, blaming others, blaming someone else in the Group: This is not possible in an independent bank. Hiding or running away, should something get out of hand, is not an option. As an independent bank, you are always responsible. Also, and especially, for the clients, the employees and the society in which we live.

It may sound desirable and attractive to be responsible for everything yourself. The benefits are obvious, but let's not forget that independence also brings challenges and unavoidable responsibilities. First and foremost, you are responsible for your own reputation. It must be protected, expanded and further revived in a positive way.

It is no longer influenced by other Group units. Suddenly, you are the sole focus of attention. You are being watched. Many people want to see whether we can do the same as an independent bank. Another responsibility is to build up our own corporate culture. The way we deal with clients and employees, but also with other stakeholder groups, the way we work, advise and communicate make a decisive contribution to this. Values are essential - as well as personal. We believe that an ethically driven company can only exist if we allow for a diversity of individual values. This is why we don't define our corporate codes of conduct but rather promote an atmosphere of lived value based diverseness. Nevertheless, there are certain principles that are irrevocable for us and that determine how we act among ourselves and with others. These are our non-negotiables: respect, open-mindedness and empathy. The ability the ability and willingness to consider both the perspective and the desires and experiences of other people from their point of view, to make room for them and to respond to them is imperative for us.

BERGOS - THE BRAND

Bergos is now no longer manoeuvring "under the sail," meaning the logo, of a parent company, but must establish its own identity. As an independent bank, you have a duty to build your own brand and to keep building on it. We are proud of our new logo. It not only embodies our historically grown, close connection to shipping, but also points to our connection to our headquarters in Zurich through the lion, as well as to our history as part of Berenberg through the bear. The three waves on which the ship sails represent the three cycles of our emergence: Berenberg Bank (Switzerland) Ltd, Bergos Berenberg and Bergos Ltd. With strength and a strong tailwind, we now want to set sail!

TAKING THE HELM - ACTIVELY SHAPING THE FUTURE OURSELVES

It may sound desirable. One of the noblest duties and responsibilities of an independent private bank is certainly to take the future and the strategy of the bank into our own hands and to shape it under our own responsibility. No parent company, no institutional investor, no other bank, no super smart bank manager, but we as entrepreneurs with our different enterprises decide ourselves what we want to move in the next decades together for our clients, with our employees. From our own experience we know the needs of our clients and align ourselves with them. However, this is easy to state - implementation will always create its own challenges given our wish to be better than our competitors and offer a completely unique service. It's all about the success of our clients and therefore also about our success as a bank. How can we achieve this?

Under the title **Bergos Next**. we are increasingly targeting representatives of the Next Generation. We want to offer them a platform for interesting presentations, knowledge transfer, mutu-

Bergos Next.
Please scan here to learn more

al exchange and networking. We will also offer an interesting range of services and products geared to the needs of the Next Generation. We also want to consider the strongly growing ESG criteria.

With **Bergos 2.0** we change the way we want to work for you. We put the client at the centre and organize ourselves as a bank around him/her in such a way that, on the one hand, we know and understand the needs in the best possible way. On the other hand, we ensure that our client also has access to our entire expertise. And finally, we place much more emphasis than other banks on the independent work of our employees. We also want to position ourselves as an employer in such a way that we will continue to be highly attractive to talented young people in the future. They expect a different working environment than the traditional banker used to have.

Our specialised team is dedicated to providing the best service for families and their vision looking to the future. Again, we will not copy what others are already doing. Our goal is not only to offer entrepreneurs and investors special products and services, but also to create a platform for exchanging experiences and getting to know each other. In doing so, we not only want to make the great experiences of our owner tangible to our clients, but also those of our clients and business partners.

We will continuously expand our offering in the area of illiquid and non-traditional investments and build access to them for our clients under **Bergos Alternatives**. In doing so, we will build not only on our own expertise but also on our large network and provide our clients with access to opportunities that are often difficult to access.

We are dedicating ourselves to the opportunities of digitalization with the **Bergos Digital** project. In addition to the continuous optimization of our processes, we will work out where we can use digitization for our clients in a more modern and client-friendly way in the future. Despite all the opportunities that digitization offers, we are convinced that it cannot replace the personal contact between clients and our account managers that is one of core values. We also want to take this into account.

OUR CRISIS MANAGEMENT

Being free and independent is challenging, especially in crisis. No shoulders to lean on, no unit to tell you what to do. You have to manage the crisis yourself.

The year 2020 brought special challenges for all of us with the Corona crisis. As a free and independent bank, we ourselves had to recognize the crisis as such in good time, assess its extent on our clients and ourselves, and act quickly accordingly. As an independent bank, we were very successful in doing this, we were fast and extremely focused. We were one of the first banks to be able to send 80% of our employees to the home office without any problems, we set our priorities correctly and were always there for our customers and employees.

Certainly, the Corona crisis slowed us down significantly in our growth plans for 2020. Even though we were still able to grow well, much more would of course have been possible in a year without such a global shock. However, the crisis also showed us that our business model was able to demonstrate significant resilience even in the face of the one of the biggest disasters since both World Wars. The high level of security based on our structure and our business model provided great reassurance to existing clients and won over many new clients. It also demonstrated what is particularly important in such a crisis: the highly personal and highly professional service provided by our clients' advisors, who were on hand around the clock and successfully guided our clients through this calamity. For a bank for which personal proximity to its clients is particularly important, such a crisis, in which distance is imposed, becomes a special challenge. However, we have used the time to set the course for our future as a successful and perhaps unique bank. We are very well prepared, precisely because of the new freedom we have gained, to be successful with and for our clients and employees.

We as Bergos are “committed.” That means we have a clear goal and the courage to do everything to achieve it. Our goal is the success and satisfaction of our customers. In order to achieve this goal, we have the courage to take different and, for banks, perhaps untypical and unconventional paths. We recognize our limits and cooperate for the benefit of our clients in areas where we cannot be good enough.

In addition, the Bank responded to the urgent needs highlighted by the Corona crisis, and created Bergos AIR, short for Artists in Residence, a program that supports young artists.Details about AIR can be found at www.bergos.ch/air or scan the QR code below.

We are independent! Together with you, we look forward to new horizons!

03

PANDEMIC REPORT

JÜRG SONDEREGGER

Extended Executive Board

Head of Compliance & Risk Control

Pandemic Team Leader

Working with the pandemic - challenges and opportunities

Since the beginning of March 2020, responsibility for all measures taken to combat the coronavirus pandemic rested with an especially appointed, dedicated pandemic team, consisting of seven internal members. All the efforts of the pandemic team are aimed at achieving two objectives simultaneously: ensuring trouble-free banking operations and protecting the health of staff. Even if at the beginning of the crisis - due to the need to quickly move into a decentralized home office organization - the focus of attention was still on the technology, every decision made by the pandemic team was consistently put at the service of the employees, who - unlike technology - would be and are directly threatened, health-wise, by the virus.

Challenged by the crisis, we as a pandemic team quickly became a hierarchy-free unit. Many things had to be decided for the first time. And this was done under time pressure and with great initial uncertainty about how the epidemiological situation would develop. The fact that we are still able to act well today with most of these decisions, some of which were made a year ago, is also due to the pragmatism of the pandemic team, to which each member contributes their expert knowledge and draws on his or her many years of experience.

One of these decisions is to rely on the detailed planning of the respective manager at an early stage to ensure that the teams, which are divided between home office and the bank, are deployed as efficiently as possible. Not only do supervisors know the exact performance capabilities of each team member, but also their private circumstances. For example, taking care of school-age children or caring for a sick partner can greatly affect working from home.

A team leader can strengthen the commitment of his team in the long term by considering such factors that influence performance. Overall, the bank thus benefits on one hand from stable personnel planning with maximum consideration of the individual factors of each person, and on the other hand from the promotion of the planning competence of its team leaders. Both of these factors are becoming increasingly important as the pandemic progresses.
At the beginning of last year, the idea of a “bank from home office” was still as abstract to me as a pandemic team leader as the idea of a bank on the moon or at the bottom of the ocean.

The year 2020 has taught us not to be afraid of drastic organizational changes. What is more important is the determination with which these changes are approached. The home office infrastructure will be here to stay. It is already part of the much-cited “new normal” and opens up the prospect of more flexible working time models and methods of collaboration.
The end of the pandemic team is not in sight as of yet. Twice a week, its members discuss the current epidemiological situation, the implementation of requirements imposed by the political authorities, special organizational and

personnel measures for operational pandemic preparedness, and internal and external crisis communication in short reports. We will continue do so until one day, hopefully soon, we will be obsolete.

Stay healthy!

Please scan here to hear all episodes of our podcast **Bergos Now**. In November 2020, our Pandemic Chief Jürg Sonderegger spoke about the current situation.

04

BUSINESS DEVELOPMENT STATEMENT/ STATUS REPORT

The Management of Bergos AG

ECONOMIC DEVELOPMENTS

The Covid-19 pandemic pushed the world's economy in 2020 into the worst recession of the post war period. After expanding by 2.3% in 2019, global economic output contracted by 3.4% in 2020. Many countries managed to overcome the first wave of the pandemic from April onwards by restricting personal contacts and switching off major parts of the economy. Following a stepwise easing of lockdowns, the global economy recovered noticeably from May to October. With the advent of Autumn and cooler weather, most countries in the Northern hemisphere had to impose new lockdowns and restrictions to contain the second wave of the pandemic. Fortunately, these new lockdowns hit economic activity much less than they had in March and April because the measures were more targeted and many households and companies had learned how to better cope with them. In addition, international supply chains were not disrupted again as China had not been hit significantly by the second wave of the pandemic. Instead, buoyant demand for some industrial products caused some supply bottlenecks and a significant rise in transport costs. With a contraction of 6.8% in 2020, real GDP in the Eurozone fell back to its 2015 level. Severe losses for some sectors, notably consumer services requiring close contact, could not be offset by pandemic-related gains in some sectors such as online shopping. With a multitude of government support programmes, including generous furlough schemes, the member countries of the Eurozone managed to contain the rise in unemployment from 7.3% at the start of 2020 to 8.3% in December.

Largely due to an especially sizeable fiscal stimulus, the US economy weathered the pandemic in 2020 with a comparatively modest loss in output of 3.5%. Reflecting these support packages, the US fiscal deficit surged to 16% of GDP, far above the shortfalls of 5% in Germany, 8.5% in the Eurozone and roughly 4% in Switzerland. Whereas Japan and many emerging economies also suffered a significant drop in economic output in 2020, the Chinese economy expanded by 2%. China largely managed to avoid a second wave of the pandemic. A major credit-financed fiscal stimulus also contributed to China's comparatively resilient performance. Although the outward-looking Swiss economy had been hit roughly as hard as its neighbours such as Germany by the trade tensions in 2019,

MARKUS ZWYSSIG

DR PETER RASKIN

DR REINER SCHRUPKOWSKI

The Management of Bergos AG

Switzerland incurred less economic damage from the pandemic in 2020 than most other advanced economies. To some extent, luck played a role. Because Covid-19 had hit Italy, France and Spain first before spreading widely to other European countries, Switzerland could learn from the experiences of these countries. In addition, some of the hard-hit service sectors play a smaller role in the export-oriented Swiss economy than in many other advanced countries despite the strength of the tourist sector in Switzerland.

After the deep contraction in GDP in March and April 2020 and the new setback in late 2020 and early 2021, the global economy will probably recover from Spring 2021 onwards. Over time, the ongoing vaccination programmes against the SARS-CoV-2 virus should help to contain the pandemic. As a result, many of the restrictions on daily life and economic activity can hopefully be eased at least somewhat from Spring onwards. This could unleash pent-up demand from households, who had saved more money than usual in 2020, partly because opportunities to spend it were restricted. In addition, the new US President Joe Biden looks set to pursue a much calmer foreign and trade policy than his predecessor. As a result, domestic demand should return to growth and global trade should remain robust in 2021. Unless virus mutations were to cause a new serious setback despite ongoing vaccination progress, the US, France, Germany and Switzerland could return to their pre-pandemic level of GDP before the end of 2021. Some sectors, however, may not be able to recoup the losses of 2020.

As a result of the deep recession, inflation pressures eased further in 2020 almost across the globe, including Europe and the US. In Switzerland, the price level even fell by 0.7%. This gave central banks the room to combat the recession with historically unprecedented measures. Central bank rates look set to remain at ultra-low levels in 2021 on both sides of the Atlantic. The Swiss National Bank will likely maintain its very expansionary policy stance throughout 2021 and beyond.

Financial year

PROFIT

The stock market year was characterized by strong market fluctuations. After the most important stock markets recorded record levels in February, a historic slump followed in March as the coronavirus reached Europe. This was followed by an impressive recovery up to the end of the year, which even drove share prices above the February highs. In this environment, the bank benefited from significantly higher securities turnover, which resulted in commission volumes that were around 20% higher than in the previous year. While income from asset-based fee types such as custody/asset management or flat fees was slightly up on the previous year, the bank recorded a substantial slump of almost 30% in interest business. On the one hand, this was due to loan repayments, especially in the first quarter of the year, as well as the significant decline in short-term U.S. dollar interest rates. On the other hand, negative interest rates on CHF and EUR balances additionally burdened the net interest result. As a result, net operating income decreased from CHF 4.62 million in the previous year to CHF 3.96 million. Profit after tax amounted to CHF 3.17 million and was 12.4% below the previous year.

ASSETS UNDER MANAGEMENT

Client assets under management and administration increased again in the year under review by 0.4% to CHF 6.9 billion (incl. custody accounts), which was partly due to the positive market performance and new money growth of over 3%.

ASSETS UNDER MANAGEMENT

in CHF billion

BALANCE SHEET

The unattractive bond yields and the already high valuations on the equity markets kept many customers away from further investments in the traditional asset classes. Accordingly, the proportion of liquidity in client custody accounts increased, and with it the bank's total assets, which rose by CHF 147 million to CHF 714 million.

The Swiss National Bank continues to impose negative interest rates on the deposits of Swiss banks of 0.75%, as does the ECB, which charges banks EUR liquidity at -0.5%. Due to the bank's focus on off-balance sheet business, lending business is mainly limited to lombard-secured customer loans. Interbank business is mainly conducted in the short-term area.

At the end of the year, the bank held first-class bonds in the amount of CHF 20 million in financial investments.

EQUITY CAPITAL

At the end of the year under review, eligible equity capital was slightly lower at CHF 31.9 million. This means that the equity ratio is still well above the minimum required by the Swiss Financial Market Supervisory Authority (FINMA). At 19.8%, the total capital ratio was below the figure for 2019 (24.1%), but well above the minimum ratio (incl. countercyclical buffer) of 10.5% required by the regulator. Bergos AG also easily complies with FINMA regulations on bank lending and liquidity. The leverage ratio required by "Basel III" is 5.4% for our company, which is well above the specified minimum of 3%. At the end of 2020, the liquidity coverage ratio (LCR) was 215.1%, significantly higher than the threshold of 100%.

This ratio for short-term liquidity is intended to ensure that a bank holds sufficient liquid assets at all times to be able to offset short-term liquidity outflows.

INCOME FROM OPERATING ACTIVITIES

Operating income generated in 2020 totalled CHF 35.8 million, a decrease of 2% from the previous year. The bank's main source of income is commission and service fee business. At CHF 27.5 million, income generated from this business was on a par with the previous year. In contrast, income from the trading business and the fair value option increased significantly by almost 16% to CHF 4.7 million. In line with a prudent risk policy, the bank conducts trading business trading business exclusively on behalf of its clients and does not maintain its own trading book. Net income from the interest business decreased from CHF 5.0 million to CHF 3.5 million compared to the previous year, not least due to the higher negative interest rates payable by the bank.

OPERATING EXPENSES

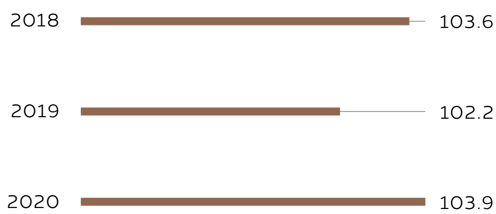
Bergos AG is adhering to its strategy of continuous and sustainable growth. Such a growth strategy can only be pursued with employees who are committed to providing holistic support and a business model that is consistently geared to the needs of clients. For this reason, our investment activities in the past fiscal year again focused on human resources and, in particular, on the development of individual solutions for our clients. Operating expenses decreased by 2% from CHF 31.1 million to CHF 30.5 million. The decrease resulted mainly from lower travel and event costs due to the severe restrictions on travel and events. Nevertheless, the cost-income ratio increased from 83.8% to 85.5% due to the noticeable decline in revenues.

NUMBER OF EMPLOYEES

At the end of 2020, our company had 103.9 employees (previous year 102.2). In the year under review, the bank strengthened its Private Banking with new experienced client advisors which strengthened the attractiveness of Bergos AG as an as an employer for successful and internationally client advisors under the new underlines the new shareholder structure.

NUMBER OF EMPLOYEES

Full-time equivalent



PERSONNEL AND NON-PERSONNEL EXPENSES

Personnel expenses remained stable year-on-year at CHF 22.3 million. We want to serve our demanding clientele with first-class, long-term and comprehensive advice. It is our conviction that the success of our private banking lies not only in personal service, utmost professionalism and a comprehensive approach but also in investing in not only our new employees but our existing staff through continued training. General and administrative expenses decreased decreased by 8% to CHF 8.4 million compared to 2019.

DEVELOPMENT ACTIVITIES

In the year under review, the bank developed new advisory and service models that are even better tailored to the personal needs of our clientele. Depending on their specific situation, wishes and requirements, clients decide which model is most suitable for managing their assets, giving them exclusive access to our comprehensive and renowned investment and advisory expertise. Supported by state-of-the-art information technology, the bank continuously monitors the investments, points out specific risks and makes suggestions for portfolio optimization based on the opportunities that arise.

RISK MANAGEMENT

The Board of Directors continuously addresses the main risks to which the bank is exposed.
To this end, it has adopted a framework defining the bank's risk policy, risk tolerance and risk limits. It also described the tools and organizational structures used to identify, assess, monitor and report the defined risks within each risk category. Appropriate processes have been established for the timely identification and assessment of new risks.

Processes have been established for the timely identification and assessment of new risks. The bank's independent control units monitor risks, compliance with internal policies, and legal and regulatory requirements. Compliance and Risk Control regularly present their activity and risk report to the governing body. This serves to present the most important risks to which the bank is exposed, with the risk-minimizing measures and controls implemented to avoid financial damage and reputational risks.

05

REPORT

BUSINESS DIVISIONS

PRIVATE BANKING

The Private Banking division is dedicated to serving the bank's private clients, focusing on their needs, goals and success. Employing a holistic approach that spans several generations we go beyond offering investment solutions and seek to create security, neutrality and openness. Our efforts are centred around the lives of our clients, aiming to identify and address challenges at an early stage and presenting a solution. The great distinction of our approach is that we do not segment our clients according to the amount of assets entrusted to us. Instead, our holistic approach is based on the conviction that the threats, risks and opportunities for wealthy individuals arise from their direct and indirect environment. Therefore, we bundle our competencies in specialized teams that are solely focused on our clients' needs.

We focus on family entrepreneurs, private individuals, shipping clients and the next generation. We pay particular attention to the needs and priorities of the next generation.

The 2020-defining Corona pandemic made clear that - enabled by our structure, approach and tailored offering - we can stand by our clients as a strong partner even in troubled times. We were able to communicate quickly and transparently and were always focused on the needs of our clients, responding flexibly and promptly.

It, too, sharpened our focus on what is important: first and foremost, the trust between our clients and the bank, which in some cases has grown over many years, proves to be the foundation of cooperation, especially in a crisis. However, trust must first work from within before it can be authentically and tangibly conveyed to others. The internal structures, intrinsic values, as well as closeness to our owners have allowed us to pass on lived trust and competence to our clients.

With an entrepreneurial mind-set, Private Banking is looking ahead to 2021 with confidence. The changes resulting from Bergos 2.0 will strengthen and further develop our division so that we can work optimally for our clients in a solution-oriented, adaptable and

TILL C. BUDELMANN
Chief Investment Officer

VANESSA SKOURA
Head Geneva Branch

DR. DOMINIK HELBERGER
Head Private Banking

Other members of the extended Executive Board

future-oriented manner. This includes further aligning our core services with the standards of mandated asset management already common in the industry, but without diminishing the individualized character of our tailored approach.

PRIVATE BANKING AT GENEVA BRANCH

The Geneva branch continued to successfully serve its clients in 2020, following the bank's holistic approach to Private Banking.

While the year was in many ways a year of transition due to the pandemic, it also provided a good opportunity to reflect on the themes and ideas that were presented to our clients 2018 & 2019 and to re-contextualize them accordingly.

The conversations with our clients allowed a small team of experienced professionals in Geneva to focus on developing new and existing relationships, confident that all relevant services and asset classes would be available quickly and individually for client use.

INVESTMENTS

Within the Investments business unit, all asset management competencies are bundled in three teams: Asset Management, Active Advisory and CIO Office. The range of services includes traditional asset management for private and institutional investors as well as various investment advisory models, which are used to recommend investment solutions tailored to specific needs. The cross-team investment process combines all competencies. The bundling of resources in the three highly specialized units enables in-depth analyses as a prerequisite for developing a sound capital market opinion.

ASSET MANAGEMENT

The Asset Management team is responsible for a wide range of discretionary investment strategies. Various multi-asset class and single-asset class solutions are offered to meet different client's needs. The offering for asset management clients has been conceptually restructured. With three clearly differentiated investment approaches, individual client needs can be served more ideally in the future. The structural change from centrally managed mandates is accompanied by the new designations "Core Strategy," "Global ETF Strategy," and "Direct Solutions." The development of net new assets under discretionary management in the bank was remarkable in the year under review - net new assets grew by 14%. The development of returns on the most important strategies was also encouraging, both relative to the benchmark indices and in absolute terms. Among other things, the global focus of the main strategies and the consistent implementation of the new investment process, established in the beginning of 2019, contributed to this positive result. After the capital markets had still developed extremely positively throughout 2019, the market conditions obviously presented a real test during the reporting period.

ACTIVE ADVISORY

The Active Advisory team is responsible for the product range and the management of the securities portfolios of our advisory clients. For this purpose, the team provides a central investment universe covering a wide variety of asset classes and investment instruments. The securities included in the universe are assigned a vote. By cooperating with external partners, our clients are offered a very broad investment universe with a large number of stocks, bonds, and funds, and are ensured optimal advice that meets their needs. Derived from the Bergos house view, the team's experts generate high-conviction recommendations for all major asset classes. To better meet the individual needs of our discerning clients, new advisory models with different service levels were introduced last year, giving our clients access to our comprehensive investment and advisory expertise and individualized, systematized investment advice. The three models allow clients to decide for themselves how much advice they wish to receive. They differ in terms of intensity of support, frequency of advice and scope of monitoring.

CIO-OFFICE

The CIO-Office team focuses on developing the capital market strategy and communicating the Bergos house view. In doing so, the team manages the bank's top-down capital market analysis. In cross-divisional teams, an informed opinion is formed on the economy, equities, bonds, alternative investments and currencies. The CIO-Office ensures that the divisions' individual competencies are interlinked and optimized. Recommendations from the individual asset class teams are voted on by the Investment Committee, which continues to function as the central investment policy decision-making body of the bank and is chaired by the Chief Investment Officer. The uniform capital market view regarding the individual asset classes is reflected in a matrix with characteristics in five steps and forms the bank's house view. The CIO-Office communicates the developed view in formats such as the regular market commentaries, a blog, or via participation in internal and external podcast episodes, thus making it available to a wide range of clients and interested parties. The house view forms the basis for investment decisions in asset management and advisory business.

MARITIME/ SHIPPING

Working with maritime clients has a long tradition within our bank. With its specialized knowledge, our team of experts in Zurich and Geneva offers a comprehensive range of services for the national and international shipping industry.

Our links to the shipping industry, as well as the first shipping activities of our former parent company, Joh. Berenberg, Gossler & Co. KG, date back to the year 1779. Today, our maritime business extends worldwide to the major shipping centers in Europe and Asia. Our specialists have an extensive network and many years of experience in the industry, combined with the highest service orientation. Our international clients in the maritime sector include shipping companies, holding companies and P&I clubs. We know and understand that our clients' requirements and needs are as individual as their businesses. Our house view expertise as well as our extensive network enable us to offer access to alternative financing options in addition to a wide range of commercial services related to traditional portfolio management solutions.

ART CONSULT

Many big banks collect art. Several major banks are sponsors of leading art fairs. Bergos Art Consult is neutral in this aspect. We serve our clients by visiting fairs with the interested parties individually if possible. By examining their collections very carefully, we become active when it comes to building up collections for wealthy individuals or appraising and selling their collections. This is more important than ever since 2020. This year has shown that speed and change are a constant companion - especially in the field of "art". What was Blue Chip Art yesterday is sometimes called Red Chip Art today. Prices for young art, fresh from the studios, sometimes shoot up steeply. We are, today, conservative and contemporary at the same time. In the first year of the pandemic, many museums, theatres, concert halls and private galleries were suddenly closed. The art sector experienced a sharp drop in sales. One almost expected a crash in March and April. It was a matter of crisis management almost everywhere. In many places, not only in the USA, there were layoffs in museums and galleries. In Europe, the State as a public sponsor alleviated the fear of total loss of income and museum insolvencies. Exhibitions, however, could not be visited for a long time. Self-employed people suffered hardship in many cases. Culture, to the chagrin of almost all producers, seemed to suddenly cease to be an economic factor. Art Basel cancelled their dates in Hong Kong, Basel and Miami and this precluded almost all art fairs being cancelled from Spring 2020 onwards. What appeared to be a nightmare for sellers did not really mean a chance for buyers, especially hazarders. To be sure, auction houses were also struggling. Sotheby's initially recorded around 75% and Christie's apparently more than 85% in revenue decline due to the consequences of the pandemic. But by June 2020, the tide was turning. The major art fairs opened online showrooms. The strongest auction houses successfully advertised digital global sales. As if all at once, almost all major players in the art field, including Art Basel with its galleries, had designed and implemented new digital formats. Art was presented online on a scale never seen before. Virtually, it was possible to study details of works, take tours of galleries and museums, and make purchases online. The leading employees of Sotheby's, Christie's and Phillips presented themselves as a highly networked sales community. Oliver Barker of Sotheby's not only stood at the podium, he conducted a television show. As usual, bids from either London, Hong Kong, or New York added up to millions in value from minute to minute. Online, the works appeared to be sold in the same way - but the market values in 2020 were confirmed to a high degree, and there was no crash. The buyer behaviour changed noticeably. No longer a Rudolf Stingel, hardly a Christopher Wool were the drawing cards, the focus was again and again on very young artists, for example women like Dana Schutz, or the art of people of color, especially artists with African roots, who had trained at British or American academies. Back in 2008, Beyoncé and Jay-Z shot their film "Apeshit" at the Musée du Louvre in Paris, and in 2020 Beyoncé's "Black Is King" was made with Disney Studios. The clicks on these videos exceeded the number of visitors to the most successful museums and galleries, here it was a matter of clicks in the range of 30 to 45 million. The art market is still a business of Europeans, Americans, Chinese or Japanese, who serve a predominantly white, often very educated upper class. At the same time, since 2020 at the latest, all market participants feel that a "recontextualization" of almost all art historical themes and narratives is imminent. Bergos Art Consult tracks both the old and the new narrative strands in the art field. We analyze and bundle them. 2020 was despite all predictions a strong year for our team due to our valued clients wish to invest consciously and we are happy to say we are picking up where we left off.

SUBSIDIARIES: BERGOS FLEMING AG

In April 2019, together with R.J. Fleming & Cie Scsp, Luxembourg, we jointly established the Family Office Bergos Fleming AG, headquartered in Zurich. With this joint venture, in which Bergos (formerly Bergos Berenberg AG) holds 51% and R.J. Fleming & Cie Scsp 49% of the shares, all services of an internationally operating multifamily office are offered platform-independently.

R.J. Fleming & Cie Scsp in Luxembourg is an associated company of R.J. Fleming & Co Ltd in London and was founded by Roderick J. Fleming, the Chairman of Robert Fleming & Co, one of the oldest British "Merchant Banks", which was sold to Chase Manhattan (now JP Morgan) in 2000. Robert Fleming & Co was the pioneer of "Investment Trusts" in Scotland in the 19th century and grew, among other things through joint ventures with T Rowe Price in America as well as Jardine Matheson in Asia, to become one of the largest international asset managers at the time.

Bergos Fleming AG specializes in providing support in structuring and advising on complex assets, which include all common asset classes. Special emphasis is placed on structuring assets appropriately for future generations. Transparency is used to create a solid basis for important investment decisions, based on the individual and personal needs of each family. Bergos Fleming AG, with its centuries of experience in serving and advising wealthy international clients, offers an independent, client-oriented and discreet service with transparent, professional monitoring and management of their assets.

The range of services offered by Bergos Fleming AG is modular. The basis is the "Monitoring/Controlling" module, which comprises the consolidation and control of individual assets distributed among various asset managers and asset classes. In the "Investment Advisory" area, the Bergos Fleming team coordinates and controls the implementation of an overall asset strategy that includes both liquid and illiquid asset classes. Depending on the client's needs, Bergos Fleming also offers additional, specific services in the form of the "Family Services" and "Special Projects" modules. These focus on succession planning or governance issues, advice on real estate and art, and support for international corporate finance transactions.

In the year under review, Bergos Fleming successfully demonstrated its competence as a loyal and discreet partner for all wealth-related matters and plans to further expand its services in 2021.

06

DETAILS

CORPORATE GOVERNANCE

Corporate structure

As of December 31, 2020, Bergos AG is structured as follows

BOARD OF DIRECTORS

INTERNAL AUDITING

GENERAL MANAGEMENT

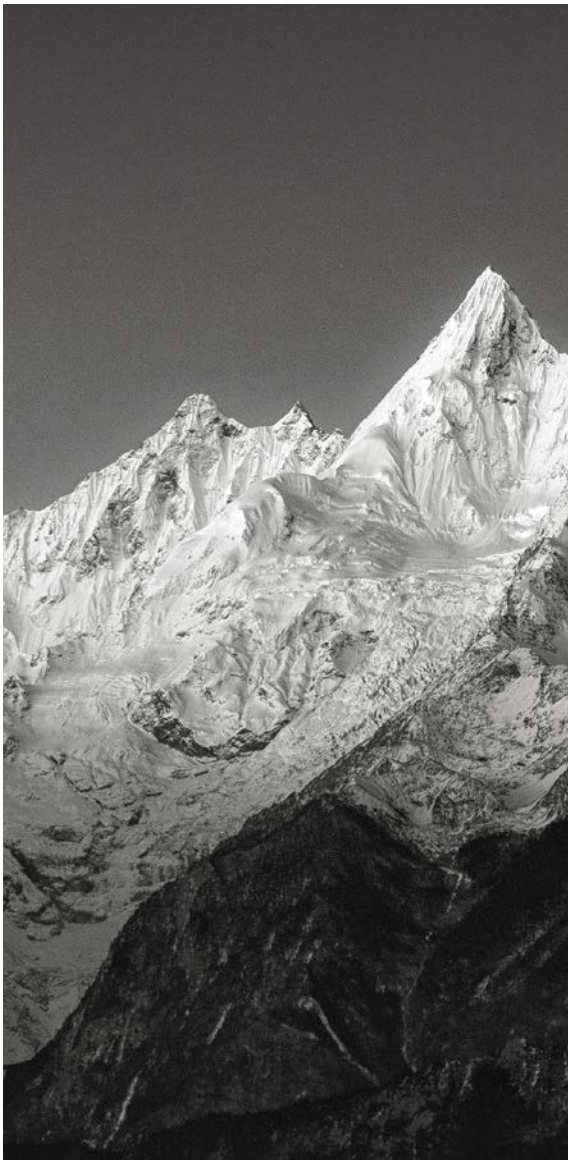
DR PETER RASKIN (CEO)	DR REINER SCHRUPKOWSKI	MARKUS ZWYSSIG
PRIVATE BANKING	INVESTMENT SERVICES Asset Management Active Advisory CIO-Office	COMPLIANCE
GENEVA OFFICE	HUMAN RESOURCES	RISIK CONTROL
NEXT GENERATION	LEGAL	BUSINESS PROJECT MANAGEMENT
BUSINESS MANAGEMENT	TAX SERVICES	CLIENT SUPPORT SERVICES
CEO OFFICE		TRADING & EXECUTION
COMMUNICATIONS		IT
ART CONSULT		CREDIT SERVICES
BERGOS FLEMING AG		ACCOUNTING/ CONTROLLING

Ownership structure

Since October 31, 2018 Bergos AG (former Bergos Berenberg AG) is an independent Swiss private bank. The owners are family entrepreneurs as well as the management of Bergos AG.

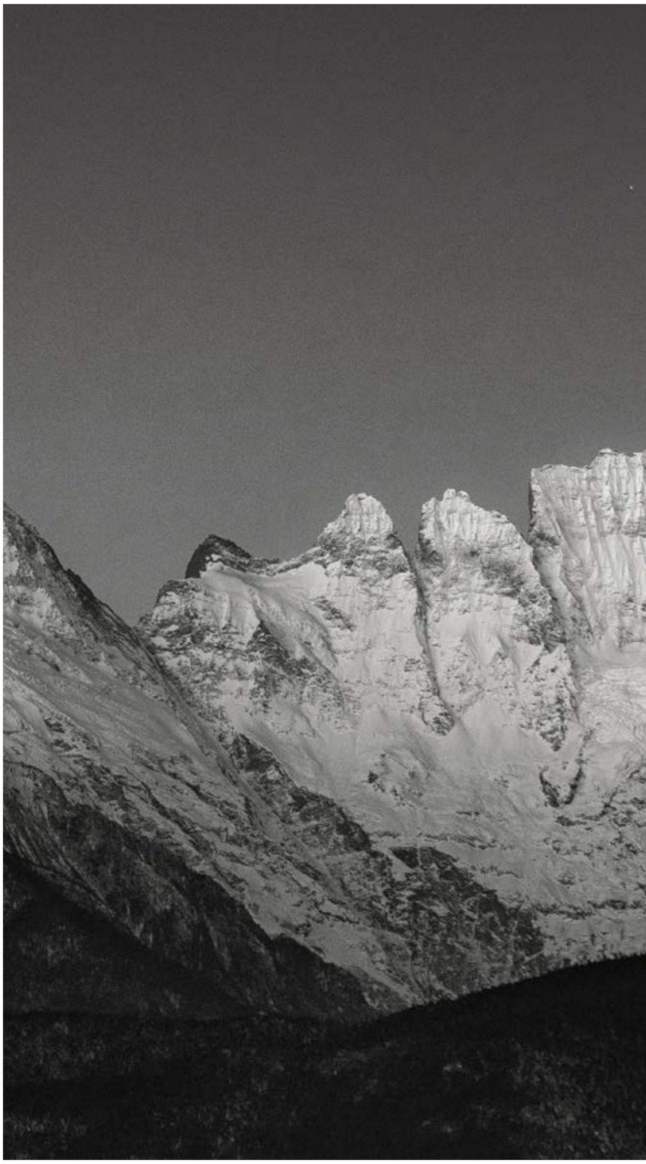
Significantly involved are:

24%	**DIETHELM KELLER HOLDING AG** ZURICH *(Family Adrian T. and Andreas W. Keller)*
24%	**CENTINOX B AG** HERGISWIL *(Family Michael Pieper)*
10%	**CLAUS-G. BUDELMANN** HAMBURG
10%	**NIANTIC HOLDING GMBH** HAMBURG *(Dr Andreas Jacobs)*
9.5%	**A & S BETEILIGUNGEN AG** ZUG *(Family Sylvie Mutschler-von Specht)*
7.5%	**CARETINA VERMÖGENSVERWALTUNG** HAMBURG *(Hendrik de Waal)*
5%	**SAMUM VERMÖGENSVERWALTUNG** HAMBURG *(Dr Hans-Wilhelm Jenckel)*
5%	**DR PETER RASKIN** GRÜNINGEN ZH
5%	**OTHER**



Equity capitalisation

The Bank meets the more stringent equity capital requirements (Basel III), effective since 2017, without having to take additional measures. In the year under review, Bergos Berenberg AG's eligible equity amounted to CHF 32 million. The ratio of eligible equity to required equity, as stipulated by Basel III, was 301%. Therefore, our ratio remains significantly above the equity capitalisation requirements.



ADRIAN T. KELLER

SYLVIE MUTSCHLER-VON SPECHT

CLAUS-G. BUDELMANN

PATRICIA GUERRA

MICHAEL PIEPER

DR ANDREAS JACOBS

CHRISTOF KUTSCHER

HENDRIK DE WAAL
not included in the picture

Board of Directors

The members of the Board of Directors are not invested with any executive functions within Bergos AG. Four of the eight members of the Board of Directors are independent in accordance with the provisions of the Swiss Financial Market Supervisory Authority FINMA. Bergos AG's General Meeting elects the chairman and the other members of the Board of Directors. The Board of Directors is self-constituting and determines its members' signatory powers and the form of signing required. The Board also appoints its chairman and deputy chairman. The members of the Board of Directors are appointed for one year and may be re-elected. The Board of Directors convenes as often as is necessitated by the business operations and meets at least four times a year. There were four meetings in the year under review. The Board of Directors is quorate when the absolute majority of its members are present. In accordance with the Board of Directors' Organisation Regulations, votes and elections within the board require the absolute majority of the members present to be valid. In the event of a parity of votes, the chairman has the casting vote. In the event of circular resolutions, the majority of all the members of the Board of Directors must give their approval. The Board of Directors is responsible for the overall management, supervision and controlling of the General Managers of Bergos AG, and is responsible for appointing and dismissing the General Managers and the head of Internal Auditing. It also approves the appointment and promotion of the Bank's authorised signatories. The Board of Directors regularly revises and passes the Bank's mission statement and strategy, issues the necessary instructions and stipulates the Bank's organisational structure and risk policy. It also devises and passes the Bank's finance and capital plans, and receives the reports written regarding the existence, suitability and effectiveness of the internal control system. The Board of Directors has established a committee. This Committee of the Board of Directors must comprise at least two members. The Chairman of the Board of Directors is an ex officio member of this committee and acts as its chairman. All other members are appointed by the Board of Directors based on the chairman's proposals. The distinction between the remits of the Board of Directors, the Committee of the Board of Directors, and the General Managers is stipulated in the Bank's Organisation Regulations.

THE MEMBERS OF THE BOARD OF DIRECTORS ARE:

CHRISTOF KUTSCHER, CHAIRMAN *

Executive Chairman HSBC Pollination Climate Asset Management

German citizen

Master's degree in Economics from the University of Freiburg i.Br.

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

Member of the Board of Directors of DKSH, Zurich

Partner of Bergos AG, Zurich

Degree in Business Administration (lic. oec. HSG) from the University of St. Gallen

Swiss citizen

Member of the Board of Directors since 2006

CLAUS-G. BUDELMANN

Former personally liable Managing Partner of Joh. Berenberg, Gossler & Co. KG, Hamburg

Partner of Bergos AG, Zurich

Qualified banker

German citizen

Member of the Board of Directors since 1988; Chairman from 1999 to 2009

PATRICIA GUERRA *

Partner at Meyerlustenberger Lachenal AG, Baar

Swiss and Ecuadorian citizen

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

Member of the Board of Directors since 2019

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

DR ANDREAS JACOBS

Entrepreneur, Hamburg

Partner of Bergos AG, Zurich

Dr. jur., Universities of Munich and Fribourg, MBA from INSEAD

German citizen

Member of the Board of Directors since 2018

SYLVIE MUTSCHLER-VON SPECHT

Entrepreneur, Küsnacht

Partner of Bergos AG, Zurich

Degree in Business Administration (lic. oec. HSG) from the University of St. Gallen

German and Swiss citizen

Member of the Board of Directors since 2018

MICHAEL PIEPER

President and CEO of Artemis Holding AG, Aarburg

Partner of Bergos AG, Zurich

Degree in Business Administration (lic. oec. HSG) from the University of St. Gallen

Swiss citizen

Member of the Board of Directors since 1993

HENDRIK DE WAAL *

Founder and Partner of DWI Group, Hamburg

Partner of Bergos AG, Zurich

Degree in Aeronautical and Mechanical Engineering from the ETH Zurich

Dutch citizen

Member of the Board of Directors since 2021

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

General Management

The General Managers of Bergos AG act as one body and make decisions as a council. In the event of differences of opinion, the Board of Directors casts the deciding vote. The General Managers develop the strategy for the attention of the Board of Directors, implement the board's decisions and conduct the day-to-day business in accordance with the budget, the objectives for the year, and the risk policy. The General Managers ensure that the Bank adheres to the regulatory provisions and the applicable industry standards. Decisions regarding new products, business activities and markets like - wise fall within the remit of the General Managers. In the event that these fundamentally affect the Bank's business policies, the General Managers take the matter directly to the Board of Directors for a decision to be made.

THE GENERAL MANAGERS OF BERGOS AG ARE:

DR PETER RASKIN, CHAIRMAN

Assessor jur., doctorate (Dr. rer. pol.) from TU Darmstadt

German and Swiss citizen

General Manager since 2009, Chairman since 2009

Partner of Bergos AG, Zurich

DR REINER SCHRUPKOWSKI

Assessor jur., doctorate (Dr. iur.) from the University of Basel

German and Swiss citizen

General Manager since 2013

Partner of Bergos AG, Zurich

MARKUS ZWYSSIG

Executive MBA from the Lucerne University of Applied Sciences and Arts, Swiss certified accounting and controlling expert (Dipl. Experte), certified accountant (Dipl.-Buchhalter)

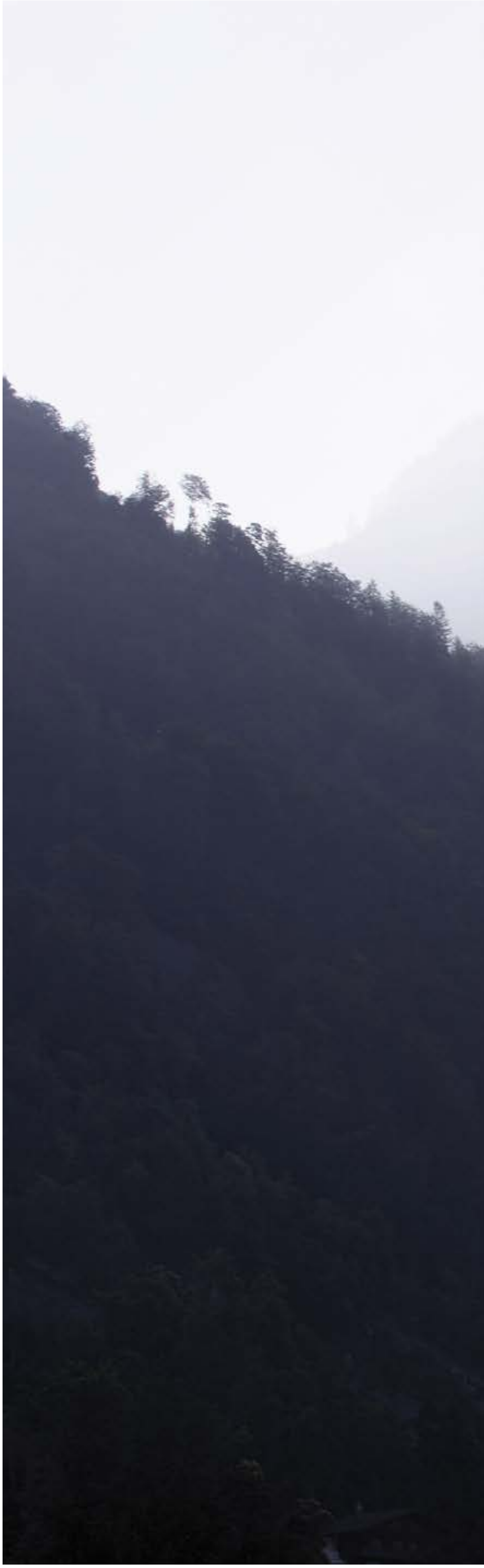
Swiss citizen

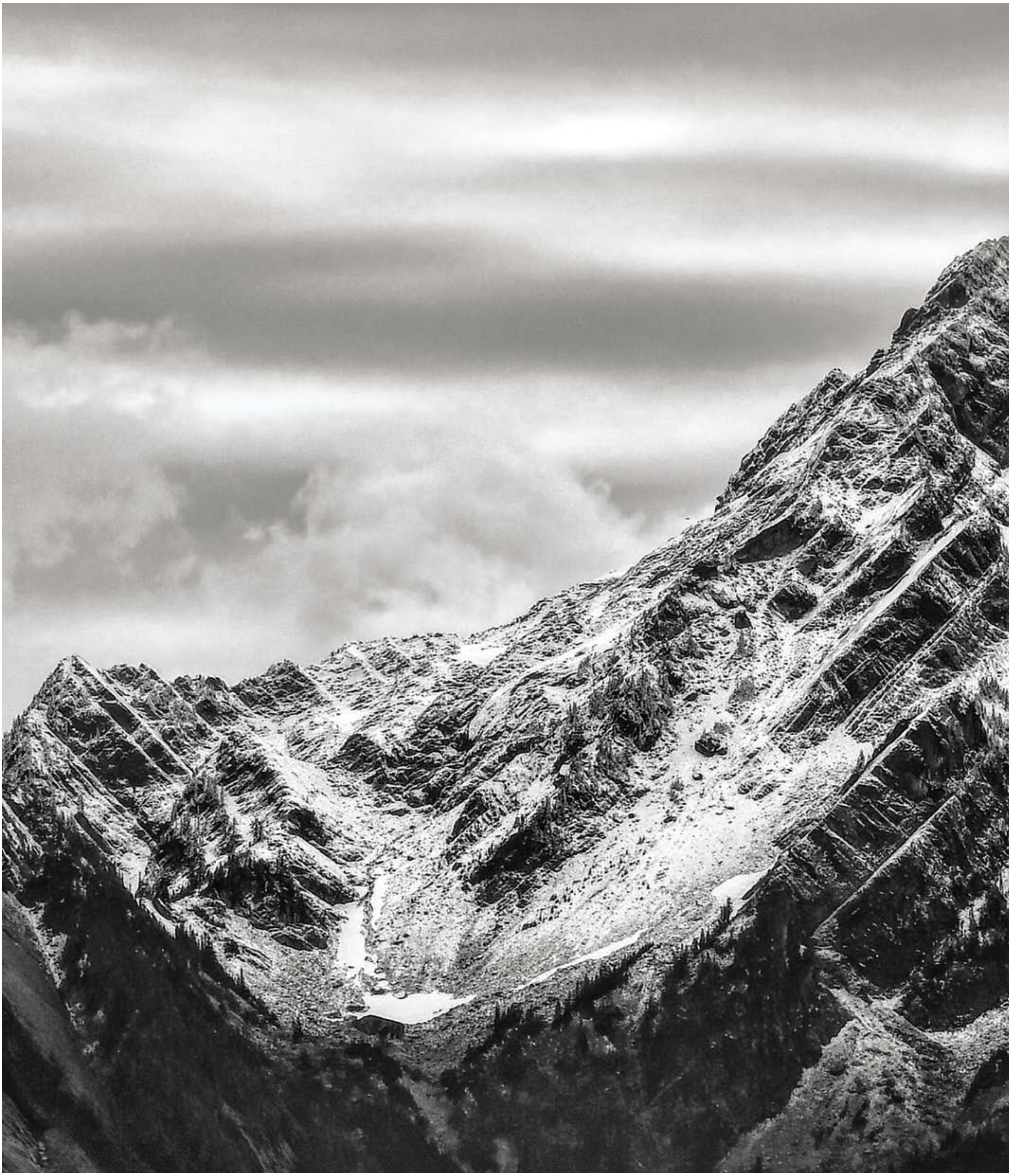
General Manager since 2009

Partner of Bergos AG, Zurich

Auditing body

The financial statements of Bergos AG are audited by BDO AG. This external statutory auditor is appointed for a year at each ordinary General Meeting. BDO AG was first appointed to audit the financial statements for the financial year 1993. The chief auditor is Erik Dommach, who started in this capacity in the 2014 financial year and who is also the leading supervisory auditor for the year under review. In accordance with the provisions of banking law, this position is rotated every seven years. Supervision and control of the external audit is the responsibility of the Board of Directors. Its remit includes handling the reports of the internal and external auditors. Bergos AG is subject to supervision by the Swiss Financial Market Supervisory Authority 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 Audit matters« 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

	31.12.2020 TCHF	31.12.2019 TCHF
Cash and cash equivalents	136.934	114.916
Due from banks	301.129	163.233
Due from clients	244.849	256.461
Trading transactions	0	0
Positive replacement values of derivative financial instruments	3.210	1.898
Financial assets	19.734	20.814
Accrued income and prepaid expenses	4.235	4.913
Participations	56	56
Fixed assets	1.812	1.553
Other assets	2.260	3.484
Total assets	**714.219**	**567.328**
Liabilities		
Due to banks	2.247	52.502
Due to client deposits	668.701	472.244
Negative replacement values of derivative financial instruments	3.020	1.682
Accrued expenses and deferred income	5.422	5.204
Other liabilities	1.152	1.040
Provisions	199	199
Share capital	10.000	10.000
Statutory profit reserve	2.700	2.500
Voluntary profit reserves	20.573	19.304
Equity capital	-3.000	-1.000
Retained earnings carried forward	31	31
Profit	3.174	3.622
Total liabilities	**714.219**	**567.328**

Off-balance-sheet transactions	31.12.2020 TCHF	31.12.2019 TCHF
Contingent liabilities	11.668	12.319
Irrevocable commitments	1.418	1.588

Income statement

Income and expenses from ordinary banking activities	31.12.2020 TCHF	31.12.2019 TCHF
Interest income		
Interest and discount income	2.564	4.237
Interest and dividend income on trading activities	1	6
Interest and dividend income on financial assets	65	6
Interest expenses	952	716
Gross interest income	3.582	4.965
Changes to valuation adjustment for default risks and interest losses	0	0
Subtotal net interest income	**3.582**	**4.965**
Commission and service-fee income		
Commission income on securities and investments	29.001	28.897
Commission income on lending activities	131	310
Commission income on other services	692	1.050
Commission expenses	-2.351	-2.804
Subtotal commission and service-fee income	27.473	27.453
Income from trading activities and the fair value option	**4.899**	**4.213**
Other ordinary income		
Results from the sale of financial assets	0	0
Sundry ordinary income	0	675
Subtotal sundry ordinary income	0	675
Operating expenses		
Personnel expenses	-22.287	-22.234
Other administrative expenses	-8.449	-9.220
Subtotal operating expenses	-30.736	-31.454
Valuation adjustments to shareholdings, depreciationand amortisation	-1.222	-1.232
Changes to provisions and other valuation adjustments as well as losses	-36	-1
Annual profit	3.960	4.619
Extraordinary income	162	85
Taxes	-948	-1.082
Profit	**3.174**	**3.622**

Allocation of retained earnings

	31.12.2020 TCHF	31.12.2019 TCHF
Profit	3.174	3.622
Retained earnings	31	31
Unallocated retained earnings	3.205	3.653
Allocation of retained earnings		
- Allocation to the general statutory profit reserve	-200	-200
- Distribution from unallocated retained profit	-1.435	-1.269
- Distribution from retained earnings*	-1.539	-2.153
Retained earnings carried forward	31	31

*The distribution relates to the dividend-bearing capital

Statement of equity

	Capital resources	Statutory sources reserves	Statutory profit reserves	Reserves for general banking risks	Voluntary profit reserves 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	0	2.500	0	19.335	-1.000	3.622	34.457
Acquisition of equity capital						-2.000		-2.000
Dividends and other distributions							-2.153	-2.153
Other allocations (withdrawals) to the reserves for general banking risks								0
Other allocations (withdrawals) to the other reserves	0		200		1.269		-1.469	0
Profit/loss (profit for the reporting period)							3.174	3.174
Equity at the end of the reporting period	10.000	0	2.700	0	20.604	-3.000	3.174	33.478

Notes to the financial statements

NOTES ON BUSINESS ACTIVITIES, GENERAL NOTES AND DETAILS OF PERSONNEL

GENERAL NOTES AND DETAILS OF PERSONNEL

Bergos AG (formerly Bergos Berenberg AG) 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 and mainly provides investment advice and asset management services. Adjusted for part-time staff, its headcount at the end of the year was 103.9 employees (previous year: 102.2). The average annual number of full-time positions is 105.0.

BALANCE SHEET OPERATIONS

With the Bank's focus on off-balance-sheet business, its lending activities are limited first and foremost to collateralised customer loans. Interbank business is primarily conducted in the short-term segment. The Bank held CHF 20 million of first-class bonds as financial assets at the end of the year. The acquired portfolios should - depending on the liquidity development on the one hand and the respective risk assessment on the other - be held to maturity and used neither for active speculation nor for capital gains. A very conservative investment strategy is pursued with various monitoring limits.

COMMISSION AND SERVICE-FEE ACTIVITIES

Income from commission and service-fee activities constitutes the primary source of income for the Bank and essentially comprises income from securities trading and from portfolio and asset management activities. These services are used by both private customers 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 and this is limited to currencies with a liquid market.

Notes on risk management

RISK ASSESSMENT

The Board of Directors continually assesses the primary risks to which the Bank is exposed. 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 major revision of the assets, liabilities, financial position and profit or loss as presented in the annual financial statements. Please read the following statements for more details of risk management.

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 periodically examined. The Bank complies with the guidelines and standards stipulated by the Swiss Financial Market Supervisory Authority FINMA and approved by the Swiss Bankers Association. The Bank's executive bodies are regularly notified about the development of the Bank's assets, liabilities and financial position.

The Board of Directors has opted not to set up an Audit Committee, since the size criteria stipulated in FINMA circular 2017/1 do not apply to Bergos AG. This task is performed by the full 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 collateral loans, the Bank exposes itself to default risks and interest rate risks. It is also subject to operational risks.

DEFAULT RISKS

The Bank's credit policy comprises all activities which can generate a loss if counterparties are unable to fulfil their obligations. To minimise 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 recognises 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 which therefore merit special attention.
Group B	Loans which merit special attention (e.g. when lending amount is 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

Bank investments and the choice of counterparties for bank transactions are subject to stringent 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 General Managers immediately and to the Board of Directors every quarter.

In order to manage the financial assets, minimum criteria have been defined for the issuer's credit rating along with maximum limits.

MARKET RISKS

Substantial interest rate risks are avoided by refinancing the loans issued with as closely matching maturities and currencies as possible. Financial assets with the shortest fixed-interest period possible are selected so as to avoid interest rate risks. The risk of losses due to interest rate changes is lowered by a system of limits. Interest rate risks resulting from balance sheet and off-balance-sheet operations are evaluated on the basis of the funds transfer pricing system, and the evaluations focus on the sensitivity of the present value of the equity. Industry-standard ALM software is used to calculate interest rate risks. Credit spread change risks are relevant if fixed-income securities or other similar investments are not held to final maturity. These are limited by selecting prime debtors and the shortest maturities possible.

Market price risks are checked by means of a system of lines and monitored using suitable KPIs such as Value at Risk (VaR).

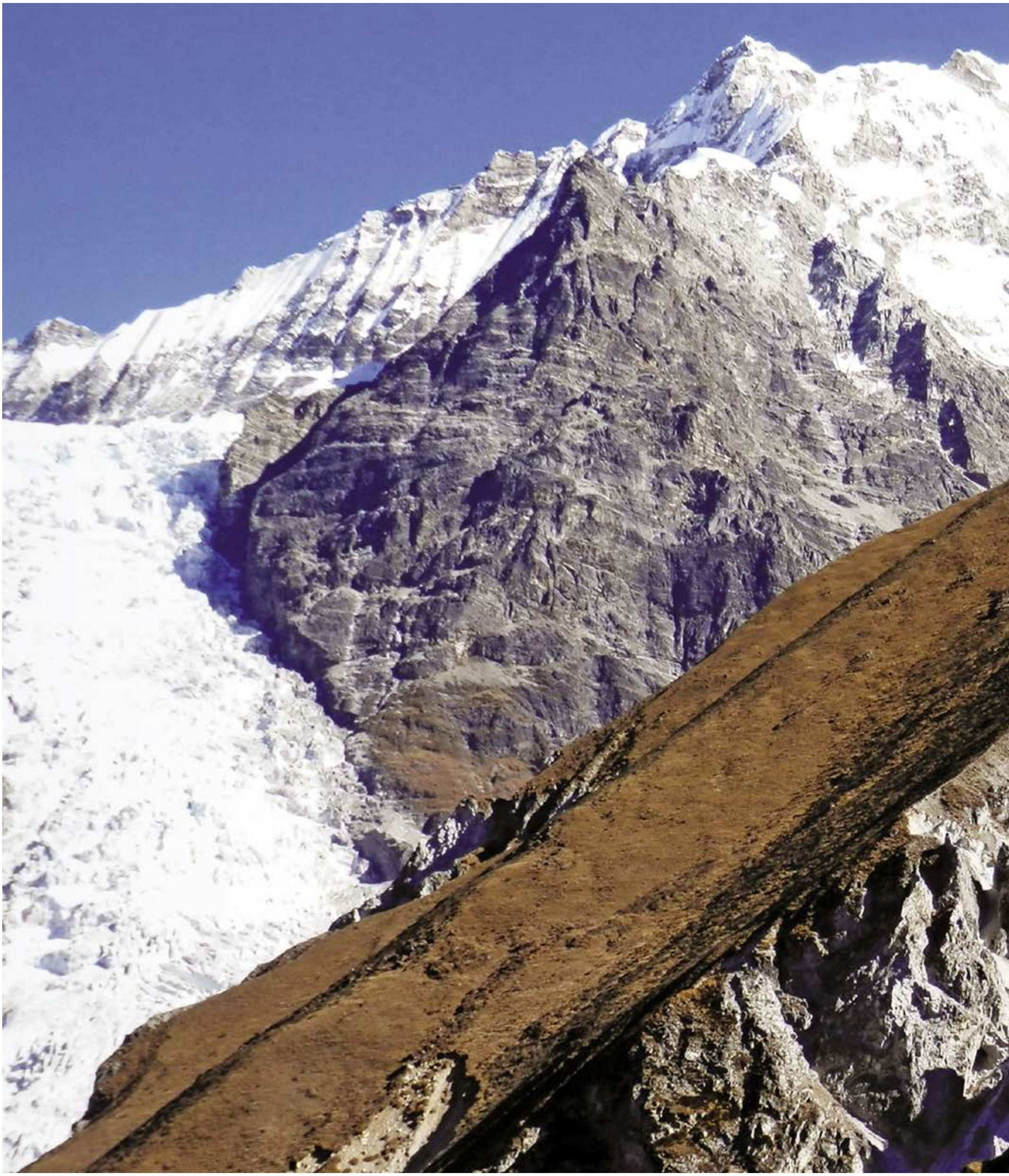
Foreign currency and retail trade is conducted primarily in connection with client transactions and is restricted to liquid markets. All other currency risks are kept to a minimum by means of a system of limits.

OTHER MARKET RISKS

All other market risks are kept to a minimum by means of a system of limits. In relation to derivatives, the Bank has no exposures on its own account. There are no market liquidity risks relating to foreign exchange trading, as no transactions are made in tight markets. Trading transactions are evaluated and monitored daily. At the departmental level, responsibility for risk control is kept distinct from responsibility for trading.

LIQUIDITY RISKS

The Bank's liquidity risk management is monitored and secured by the provisions of banking legislation. 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 General Managers. The Bank's General Managers control the 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 minimise liquidity risk, high-quality liquid assets which can be credited to the liquidity coverage ratio should generally be selected. In the event of a liquidity shortfall, a four-stage emergency plan has been developed. On a quarterly basis, a liquidity stress test is carried out and the results are reported to the General Managers and once a year additionally to the Board of Directors. The calculation is based on figures from interest-



rate risk reporting in the accounting system. The Liquidity Coverage Ratio (LCR) as a KPI for the liquidity of the Bank is calculated on a daily basis.

OPERATIONAL RISKS

Pursuant to article 89 of the Capital Adequacy Ordinance (ERV), operational risks are defined 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 regulatory authorities and settlements.
The Bank allocates operational risks into the following areas for simplified presentation of risk classification: codes of conduct and securities compliance, business risks and risk management, compliance risk, crossborder risk, client tax risk, risk of dormant assets, information technology 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 management of operational risks, in particular the determination of 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 should be re - corded. The overall concept is based on the COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission). In particular, various risk management techniques were adopted, for example for the overall risk assessment, risk metrics and risk indicators.
To implement the framework agreement, Risk Control shows the Board of Directors, as part of the annual risk report, those operational risks that the Bank considers to be particularly critical. The criticality of an operational risk is assessed by Risk Control. The risks selected in this way are described using the principles laid down by FINMA and measures taken to limit the risk are explained. The Bank uses the basic indicator approach to calculate operational risk.

COMPLIANCE AND LEGAL RISKS

The General Managers and the Compliance department ensure that the Bank's business activities are carried out in accordance with the applicable regulations and the due diligence requirements of a financial intermediary.
They are responsible for compliance with the requirements and developments of the supervisory authority, the legislature and other organisations. They are also responsible for ensuring that directives and regulations are amended in accordance with regulatory developments and that these are complied with. The Bank's legal department handles all of the Bank's legal issues. In particular, it works

to minimise the risks inherent in cross-border transactions using appropriate measures.

OUTSOURCING OF BUSINESS DIVISIONS

The Bank has outsourced its SIC and European SIC interbank payments to AnaSys AG, Zurich. An external provider is commissioned with linking anonymous transaction data with the corresponding tax information for the creation of customer tax breakdowns. Internal audit activities have been outsourced to Grant Thornton AG, Zurich, while physical mailing activities have been outsourced to Avaloq Outline, 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 regulation, and the statutory provisions and directives of the Swiss Financial Market Supervisory Authority 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 this date. Balance sheet transactions with a fixed time to maturity and futures are recognised as of their respective value dates. Securities and precious metals transactions as well as payment transactions for clients are recognised in the balance sheet as of their respective settlement dates.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are recognised at their respective daily rates of exchange. Monetary assets are translated on the basis of the rate of exchange on the balance sheet date and are recognised in the income statement. Differences in the exchange rate arising between the trade date and the settlement date of a transaction are recognised in the income statement.

The following rates of exchange were used for foreign currency translation:

Currency	Rate on balance sheet date 31.12.2020	Rate on balance sheet date 31.12.2019
EUR	1.0829	1.0859
USD	0.8807	0.9690
GBP	1.2024	1.2727
JPY	0.8541	0.8918
CAD	0.6907	0.7428
SEK	10.7405	10.3430

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, RECEIVABLES FROM BANKS, LIABILITIES

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

LOANS (RECEIVABLES FROM CLIENTS)

Impaired receivables, i.e. receivables where it is unlikely that the debtor will be able to honour their future obligations, are valued on an individual basis and the impairment is covered by specific valuation adjustments. Off-balancesheet transactions such as firm commitments, warranties 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 which is outstanding for more than 90 days is classed as overdue. Overdue interest and interest which is unlikely to be paid on schedule is no longer collected, 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 utilisation of existing collateral.

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 recognised as part of the corresponding valuation adjustment. Amounts which are recovered having previously been 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 recognised 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 recognised on the principle of the lower of cost or market value.

Price gains or losses resulting from the valuation are recognised as »Income from trading transactions and the fair value option«. Interest and dividend income from securities trad ing portfolios is recognised as »Interest and di vidend income from trading portfolios«. Refinancing expenses for the trading positions are charged to interest cost.

FINANCIAL ASSETS

At the lower of cost or market value insofar as they are not due to be held until their final maturity. Valuation adjustments are netted and are recognised as »Sundry ordinary expenses« or »Sundry ordinary income«. An asset may be written up to no higher than its original cost provided its fair value that has fallen below said original cost subsequently increases.
This valuation adjustment is recognised as described above.

Debt instruments acquired with the intention of being held until their final maturities are measured in accordance with the accrual method. In this case, premiums and discounts are accrued in the balance sheet for the entire term of the instrument until its final 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 its original final maturity. Impairments or reversals of impairment losses triggered by a counterparty's credit quality are recognised in the income statement as explained as »Held to final maturity«.

FIXED ASSETS

Investments in new fixed assets are capitalised and carried at cost if they are used in more than one accounting period and if their value exceeds the lower threshold for capitalisation.
Investments in existing fixed assets are capitalised if this will lead to a sustained increase in their fair value or utility value or if this substantially lengthens their useful life.

In subsequent valuations, the fixed assets are carried at cost less cumulative write-downs. Write-downs are affected over the estimated useful life of an asset. Assets are tested for impairment annually. If impairment testing 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 recognised. Write-downs and any additional impairment are recognised in the income statement under »Depreciation of fixed assets«. Impairments are reversed if the reasons for impairment no longer exist.

The estimated useful life of individual fixed asset categories is as follows:

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

Gains realised through the sale of fixed assets are recognised under »Extraordinary income« and losses are recognised under »Extraordinary expenses«.

PENSION OBLIGATIONS

The Bank has joined a defined-contributed pension scheme with Bâloise-Sammelstiftung, which is mandatory for employees over the age of 17. Retirement age is reached on the first day of the month following the employee's 65th birthday (female employees: 64th birthday). However, insured employees who are willing to accept pension cuts have the possibility of retiring at the age of 58.

The Bank bears the costs of the occupational pensions of all of its employees and their surviving dependants in accordance with the legal provisions. The Bank's pension obligations and the assets to cover these are outsourced to the collective pension foundation named above. The pension plans are organised, managed and financed in accordance with the legal provisions, the foundation deeds and the applicable pension plan regulations. The Bank recognises its employer contributions as personnel expenses. At the end of the year, there were no liabilities in relation to the pension plan.

TAXES, CURRENT TAXES

Current taxes are recurring, usually annual, taxes on income. One-time or transaction-specific taxes are not classed as current taxes. Current taxes on the profit for the period are determined on the basis of the local taxation regulations for the assessment of profit and are carried as an expense in the accounting period in which the profits were accrued. Direct taxes owed on the Bank's current profits are recognised as accrued expenses and deferred income.
Contingent liabilities, irrevocable commitments, liabilities to pay in capital or additional capital on shares. These are presented under off-balance-sheet items at their par value. Provisions are made on the liabilities side of the balance sheet for foreseeable risks.

VALUATION ADJUSTMENTS AND PROVISIONS

Specific valuation allowances and provisions are recognized for all identifiable risks of loss in accordance with the principle of prudence.
In addition to specific allowances, the Bank establishes allowances for latent default risks to cover latent risks existing at 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. The determination of the latent default risks is based on empirical values as well as 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 reporting year.

DERIVATIVE FINANCIAL INSTRUMENTS

All derivative financial instruments are measured at fair value. They are recognised 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, realised and unrealised gains and losses are recognised as »Income from trading transactions and the fair value option«.

CHANGES TO THE ACCOUNTING AND VALUATION METHODS

There were no changes to the accounting and valuation methods.

Information on the balance sheet

Collateral for coverage of receivables and off-balance-sheet transactions as well as impaired receivables

Type of collateral	Mortage cover TCHF	Other cover TCHF	Without cover TCHF	Total TCHF
Loans (before netting with valuation adjustments) Due from clients	0	242.643	2.216	244.859
Total loans (before netting with valuation adjustments)				
Reporting year	0	242.643	2.216	244.859
Previous year	0	254.495	1.976	256.471
Total loans (after netting with valuation adjustments)				
Reporting year	0	242.643	2.206	244.849
Previous year	0	254.495	1.966	256.461
Off-balance sheet				
Contingent liabilities	0	11.630	38	11.668
Irrevocable commitments	0	1.418	0	1.418
Total off-balance-sheet				
Reporting year	0	13.048	38	13.086
Previous year	0	13.888	19	13.907

Non-performing loans	Gross claims TCHF	Estimated liquidation value of collateral * TCHF	Net claims TCHF	Specific valuation adjustments TCHF
Reporting year	10	0	10	10
Previous year	10	0	10	10

Note: * Loan or realisable value per client: the smaller amount is authoritative.

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

Trading transactions – assets	31.12.2020 TCHF	31.12.2019 TCHF
Trading transactions	0	0
- Debt instruments, money market instruments and transactions	0	0
- Thereof 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
- Thereof: determined on the basis of a valuation model	0	0
- Thereof: securities eligible for repo transactions	0	0

Trading transactions – liabilities	31.12.2020 TCHF	31.12.2019 TCHF
Total trading transactions and other financial instruments (liabilities)	0	0

Open derivative financial instruments (assets and liabilities)

	Trading instruments			"Hedging instruments"		
	Positive repl. val. 31.12.2020	Negative repl. val. 31.12.2020	Contract volumes	Positive repl. val. 31.12.2020	Negative repl. val. 31.12.2020	Contract volumes
Interest instruments						
- Future contracts incl. FRAs	0	0	0	0	0	0
- Swaps	0	0	0	0	0	0
Foreign exchange						
- Future contracts	3.210	3.020	359.206	0	0	0
Total before netting agreements						
Reporting year	3.210	3.020	359.206	0	0	0
Previous year	1.898	1.682	261.307	0	0	0

Total after netting agreements	Pos. replacement values (cumulative)	Neg. replacement values (cumulative)
Reporting year	3.210	3.020
Previous year	1.898	1.682

Breakdown according to counterparties	Central clearing offices	Banks and securities dealers	Other clients
Positive replacement values after netting agreements	0	2.008	1.202

Financial assets	Book value 31.12.2020 TCHF	Book value 31.12.2019 TCHF	Fair value 31.12.2020 TCHF	Fair value 31.12.2019 TCHF
Debt instruments	19.734	20.814	19.756	20.792
- Thereof: intended to be held to final maturity	19.734	20.814	19.756	20.792
Total financial assets	19.734	20.814	19.756	20.792
- Thereof: securities eligible for repo transactions	0	5.432	0	5.434

Breakdown of counterparties according to 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 instrument at book value in the reporting year in TCHF	17.557	2.177	0	0

Participantions	Cost of acquisition TCHF	Valuation adjusments accumlated TCHF	Book value 31.12.2019 TCHF	Reclassifi-cations TCHF	Investments TCHF	Divestments TCHF	Valuation adjustments TCHF	Book value 31.12.2020 TCHF
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-recognised ratings agencies to assign financial assets to various credit rating categories.
2 The participations do not show any market value.

Fixed assets TCHF

	Procurement value	Depreciation accumulated	Book value 31.12.2019	Reclassi-fications	Investments	Divestments	Depreciation	Book value 31.12.2020
Bank building	0	0	0	0	0	0	0	0
Software developed in-house or pur-chased externally	8.252	7.140	1.112	0	879	0	-818	1.173
Other fixed assets	8.894	8.453	441	0	602	0	-404	639
Objects in financial leasing	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Total fixed assets	17.146	15.593	1.553	0	1.481	0	-1.222	1.812

The acquisition cost and the accumulated deprecia-tion thus far were reduced in the current year by the outflows

Other assets and liabilities	31.12.2020		31.12.2019	
	Other assets TCHF	Other liabilities TCHF	Other assets TCHF	Other liabilities TCHF
Balancing account	0	190	0	216
Strict clearing accounts	953	962	658	824
Other assets and liabilities	1.307	0	2.826	0
Total	2.260	1.152	3.484	1.040

Pledged or relinquished assets to hedge own liabilities as well as assets subject to reservation of ownership	31.12.2020	
	Book value TCHF	Effective obligations TCHF
Relinquished account balances as security for futures	14.293	1.411
	3.482	435

Pension commitments

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 (female employees: 64th birthday). However, insured employees who are willing to accept pension cuts have the possibility of retiring at the age of 58.

Economic benefit/ economic liability and pension scheme expenses in TCHF	Surplus/ under-funding	Economic propotion attributable to Bank		Change compared with previous year of the economic share	Paid pension scheme contributions for the reporting year	Personnel expenses	
	31.12.2020	31.12.2020	31.12.2019	(economic benefit or economic liability)		31.12.2020	31.12.2019
	TCHF	TCHF	TCHF	TCHF	TCHF	TCHF	TCHF
Pension schemes without surplus/ underfunding	0	0	0	0	0	1.576	1.551

As in the previous year, there are no liabilities to own pension schemes and no reserves for employer contributions. There are also no welfare funds or welfare pension schemes. Occupational pensions are provided for 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 pension foundation, it is not possible that the pension plan provides insufficient coverage at the reporting date. Any surpluses will be credited to the pensions of those insured, which is why the pension plan cannot be excessively covered and there cannot be any economic benefit to the company.

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

	31.12.2019	Specific usa	Transfers	Recoveries, overdue interest, currency differences	New creation charged to income statement	Reversal credited to income statement	31.12.2020
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	199	0	0	0	0	0	199
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	199	0	0	0	0	0	199
Valuation adjustments for default and country risks	10	0	0	0	0	0	10
Thereof: valuation adjustments for default risks from impaired receivables	10	0	0	0	0	0	10
Thereof: valuation adjustments for deferred risks	0	0	0	0	0	0	0

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

	31.12.2020			31.12.2019		
	Total nominal value		Dividendbearing capital	Total nominal value		Dividendbearing capital
Capital resources	TCHF	Number of units	TCHF	TCHF	Number of units	TCHF
Share capital	10.000	5.000	10.000	10.000	5.000	10.000
- Thereof: 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

Own shares	Number of units	in TCHF
Status 01.01.2019	0	0
Purchases	50	1.000
Disposals	0	0
Status 31.12.2019	50	1.000
Purchases	100	2.000
Disposals	0	0
Status 31.12.2020	150	3.000

Significant shareholders and shareholder groups with voting ties	31.12.2020		31.12.2019	
	Nominal	Share	Nominal	Share
	TCHF	in %	TCHF	in %
With voting right				
Centinox B AG, Hergiswil	2.400	24.00	2.450	24.50
Diethelm Keller Holding AG, Zurich	2.400	24.00	2.450	24.50
Niantic Holding GmbH, Hamburg	1.000	10.00	1.000	10.00
Claus-G. Budelmann, Hamburg	1.000	10.00	510	5.10
A & S Beteiligungen AG, Zug	950	9.50	800	8.00
Caretina Vermögensverwaltungs GmbH, Hamburg	750	7.50	0	0.00
Samum Vermögensverwaltungs GmbH, Hamburg	500	5.00	0	0.00
Dr Peter Raskin, Grüningen	500	5.00	500	5.00
Other (respective capital owners up to and including 5%)	500	5.00	300	3.00
Joh. Berenberg, Gossler & Co. KG, Hamburg	0	0.00	1.990	19.90
Total capital resources	10.000	100.00	10.000	100.00

Indirect participants through a stake of more than 5% in

Centinox B AG, Hergiswil::	Cetinox Holding AG, Hergiswil	100.00		100.00
Diethelm Keller Holding AG, Zurich:	DKH Holding AG, Zurich	100.00		100.00
Joh. Berenberg, Gossler & Co. KG, Hamburg:	PetRie Beteiligungsgesellschaft mbH, Hamburg			21.00
	Prof Dr Jan Philipp Reemtsma, Hamburg			15.00
	Christian Erbprinz zu Fürstenberg, Donaueschingen			15.00
	Compagnie du Bois Sauvage S.A., Brussels			12.00
	Joachim v. Berenberg-Consbruch, Hamburg			10.26
	Dr Hans-Walter Peters, Hamburg			5.08
	Other (respective capital owners up to and including 5%)			21.66
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 Vermögens-verwaltungs GmbH, Hamburg	Hendrik de Waal, Hamburg	100.00		0.00
Samum Vermögens-verwaltungs GmbH, Hamburg	Dr Hans-Wilhelm Jenckel, Hamburg	100.00		0.00

Amounts due to and from related parties TCHF

	Receivables		Liabilities	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Qualified stakeholder	2	13.772	3.498	17.277
Group companies	0	0	135	129
Governing bodies	2.268	0	3.397	794

Transactions with related parties

Balance sheet and off-balance transactions are administered in line with market requirements.

Maturity structure of financial instruments and debt capital TCHF

	Demand	Callable	Within 3 months	Due after 3 months up to 12 months	Due after 12 months up to 5 years	Due after 5 years	Immobilised	Total
Assets / financial instruments								
Cash and cash equivalents	136.934	0	0	0	0	0	0	136.934
Due from banks	81.040	80.288	139.801	0	0	0	0	301.129
Due from clients	0	87.943	42.936	85.746	28.224	0	0	244.849
Trading activities	0	0	0	0	0	0	0	0
Positive replacement values of derivative	3.210	0	0	0	0	0	0	3.210
Financial instruments	0	0	0	6.509	13.225	0	0	19.734
Total Reporting year	221.184	168.231	182.737	92.255	41.449	0	0	705.856
Previous year	220.849	133.698	88.283	88.434	26.058	0	0	557.322
Debt capital / financial instruments								
Due to banks	2.247	0	0	0	0	0	0	2.247
Due to client deposits	668.701	0	0	0	0	0	0	668.701
Negative replacement values of derivative finance	3.020	0	0	0	0	0	0	3.020
Total Reporting year	673.968	0	0	0	0	0	0	673.968
Previous year	526.428	0	0	0	0	0	0	526.428

Balance sheet by domestic and foreign origin according to the domicile principle TCHF

	31.12.2020		31.12.2019	
	Domestic	Foreign	Domestic	Foreign
Assets				
Cash and cash equivalents	136.934	0	91.385	23.531
Due from banks	168.127	133.002	109.800	53.433
Due from clients	63.000	181.849	52.828	203.633
Trading activities	0	0	0	0
Positive replacement values of derivative financial instruments	1.438	1.772	403	1.495
Financial assets	0	19.734	0	20.814
Accrued income and prepaid expenses	3.857	378	4.433	480
Participations	56	0	56	0
Fixed assets	1.812	0	1.553	0
Other assets	2.260	0	3.484	0
Non-paid-in capital resources	0	0	0	0
Total assets	377.484	336.735	263.942	303.386
Liabilities				
Due to banks	0	2.247	28	52.474
Due to client deposits	68.332	600.369	65.557	406.687
Negative replacement values of derivative financial instruments	1.039	1.981	1.108	574
Accrued expenses and deferred income	5.422	0	5.204	0
Other liabilities	1.152	0	1.040	0
Provisions	199	0	199	0
Capital resources	10.000	0	10.000	0
Statutory profit reserve	2.700	0	2.500	0
Voluntary profit reserves	20.573	0	19.304	0
Equity capital	-3.000	0	-1.000	0
Retained earnings carried forward	31	0	31	0
Profit	3.174	0	3.622	0
Total liabilities	109.622	604.597	107.593	459.735

Assets by country/region (domicile principle)

	31.12.2020		31.12.2019	
Assets	Absolute TCHF	Share in %	Absolute TCHF	Share in %
Switzerland	377.484	52.85	263.942	46.52
Other Europe	237.964	33.32	180.730	31.86
North America	7.498	1.05	5.131	0.90
Caribbean	27.765	3.89	25.714	4.53
Latin America	6.517	0.91	6.849	1.21
Africa	23.910	3.35	45.471	8.01
Asia	3.402	0.48	6.736	1.19
Other countries	29.679	4.15	32.755	5.78
Total assets	714.219	100.00	567.328	100.00

Assets by credit rating of regions (risk domicile)

	31.12.2020		31.12.2019	
Rating class*	Absolute TCHF	Share in %	Absolute TCHF	Sharel in %
Rating class 1	268.625	95.47	231.544	95.27
Rating class 2	0	0	0	0.00
Rating class 3	0	0	0	0.00
Rating class 4	11	0	11	0.00
Rating class 5	369	0.13	673	0.28
Rating class 6	541	0.19	310	0.13
Rating class 7	9.113	3.24	10.496	4.32
No Rating	2.715	0.97	0	0.00
Total foreign assets	281.374	100.00	243.034	100.00

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

Balance sheet by currency TCHF

	CHF	EUR	USD	GBP	JPY	Others	Total
Assets							
Cash and cash equivalents	136.695	193	41	5	0	0	136.934
Due from banks	11.365	34.053	207.027	31.374	575	16.735	301.129
Due from clients	51.040	113.727	60.301	14.170	2.805	2.806	244.849
Trading activities	0	0	0	0	0	0	0
Positive replacement values of derivative financial instruments	3.210	0	0	0	0	0	3.210
Financial assets	0	15.261	4.473	0	0	0	19.734
Accrued income and prepaid expenses	3.882	165	144	27	5	12	4.235
Participations	56	0	0	0	0	0	56
Fixed assets	1.812	0	0	0	0	0	1.812
Other assets	2.260	0	0	0	0	0	2.260
Total assets recognised in the balance sheet	210.320	163.399	271.986	45.576	3.385	19.553	714.219
Claims deriving from forward exchange securities	39.369	186.812	105.697	15.012	887	11.429	359.206
Total assets	249.689	350.211	377.683	60.588	4.272	30.982	1.073.425
Liabilities							
Due to banks	32	1.803	405	7	0	0	2.247
Due to client deposits	81.605	247.806	275.163	45.464	872	17.791	668.701
Negative replacement values of derivative financial instruments	3.020	0	0	0	0	0	3.020
Accrued expenses and deferred Income	5.225	120	77	0	0	0	5.422
Other liabilities	1.152	0	0	0	0	0	1.152
Provisions	199	0	0	0	0	0	199
Capital resources	10.000	0	0	0	0	0	10.000
Statutory profit reserve	2.700	0	0	0	0	0	2.700
Voluntary profit reserves	20.573	0	0	0	0	0	20.573
Equity capital	-3.000	0	0	0	0	0	-3.000
Retained earnings brought Forward	31	0	0	0	0	0	31
Profit	3.174	0	0	0	0	0	3.174
Total balance sheet liabilities	124.711	249.729	275.645	45.471	872	17.791	714.219
Delivery payables from forward exchange transac.	126.101	100.076	101.712	15.003	3.363	12.951	359.206
Total liabilities	250.812	349.805	377.357	60.474	4.235	30.742	1.073.425
Net position per currency	-1.123	406	326	114	37	240	0

Information on off-balance-sheet transactions

Contingent receivables and liabilities TCHF	31.12.2020 TCHF	31.12.2019 TCHF
Credit guarantees and similar items	11.668	12.319
Other contingent liabilities	0	0
Total contingent liabilities	11.668	12.319
Contingent receivables deriving from tax loss carried forward	0	0
Other contingent receivables	0	0
Total contingent receivables	0	0

Fiduciary transactions TCHF	31.12.2020 TCHF	31.12.2019 TCHF
Fiduciary placements with third-party banks	564.098	870.957
Fiduciary placements at Group companies and affiliated companies	0	0
Fiduciary credits for third-party accounts	0	0
Total	564.098	870.957

Assets under management TCHF	31.12.2020 TCHF	31.12.2019 TCHF
Type of assets under management		
Assets in funds managed by the Bank	145.062	205.927
Assets in funds managed by the Bank	1.765.890	1.721.000
Other assets under management	4.139.388	4.121.055
Total assets under management (incl. double-counted)	6.050.340	6.047.982
Thereof: double-counted	89.713	121.227
Total assets under management (incl. double-counted) at the start of the reporting year	6.047.982	5.704.985
+/- Net inflow of new funds or net outflow of funds	187.949	-99.096
+/- Price development, interest, dividends and foreign currency development	-185.591	442.093
Total assets under management (incl. double-counted) at the end of the reporting year	6.050.340	6.047.982

The clients' assets include account balances, trust funds and all portfolio holdings. Only assets held for custody purposes (custody assets) are not included. These comprise shares held by clients in their companies.

The net inflow/outflow of new funds is the balance of all incomings and outgoings of money and securities. The interest credited to or invoiced to the clients is regarded as an internal accounting entry and is therefore not taken into account.

Information on the income statement

Significant refinancing income under the interest and discount income item as well as from significant negative interest TCHF

	31.12.2020 TCHF	31.12.2019 TCHF
Negative interest on lending activities (reduction of interest income)	-1.107	-1.126
Negative interest on deposit-taking activities (reduction of interest expense)	1.067	794

Personnel expenses TCHF

	31.12.2020 TCHF	31.12.2019 TCHF
Salaries (attendance fees and fixed remuneration payable to banking authorities, salaries and supplements)	19.039	18.800
Bank contributions to staff pension funds	1.576	1.551
Other social benefits	1.410	1.412
Other personnel expenses	262	471
Total	22.287	22.234

Other administrative expenses TCHF

	31.12.2020 TCHF	31.12.2019 TCHF
Premises costs	1.614	1.657
Costs of information and communication technology	3.374	2.982
Costs of vehicles, machinery, furniture and other equipment	126	151
Auditors' fee	135	180
- Thereof: for accounting and regulatory auditing	135	180
- Thereof: for other services	0	0
Other operating expenses	3.200	4.250
Total	8.449	9.220

Notes regarding significant losses, extraordinary income and expenses, significant reversals of hidden reserves, reserves for general banking risks and released valuation adjustments and provisions. There are no significant extraordinary income and no extraordinary expenses

There is no significant extraordinary income and no extraordinary expenses.

Link between the tables of FINMA Circular 2016/01 and regulatory reporting

KM1: Regulatory key figures

		31.12.2020 TCHF	31.12.2019 TCHF
	Eligible equity		
1	Tier 1 capital ratio (CET1)	31.939	32.304
2	Tier 1 capital (T1)	31.939	32.304
3	Total capital	31.939	32.304
	Risk-weighted positions (RWA)		
4	RWA	160.963	134.113
4a	Minimum own funds	12.877	10.729
	Risk-based capital ratio (% of RWA)		
5	CET1 ratio	19.84%	24.09%
6	Tier 1 capital ratio	19.84%	24.09%
7	Total capital ratio	19.84%	24.09%
	CET1- buffer requirement (% of RWA)		
8	Own funds buffer under Basel minimum standards (2.5% from 2019)	2.50%	2.50%
9	Anti-cyclical buffer (Art. 44a ERV) under Basel minimum standards	0.00%	0.00%
10	Additional equity buffer because of international or national system relevance	0.00%	0.00%
11	Total buffer requirements under Basel minimum standards in CET1 quality	2.50%	2.50%
12	Available CET1 to cover buffer requirements under Basel minimum standards (after deduction of CET1 to cover minimum require ments and where applicable to cover TLAC requirements)	11.84%	16.09%
	Target capital ratios under Appendix 8 ERV (% of RWA)		
12a	Own funds under Appendix 8 ERV		
12b	Anti-cyclical buffer (Art. 44 and 44a ERV)	2.50%	2.50%
12c	Target CET1 ratio under Appendix 8 ERV plus anti-cyclical buffer under Art. 44 and 44a ERV	0.00%	0.00%
12d	Target T1 ratio under Appendix 8 ERV plus anti-cyclical buffer under Art. 44 and 44a ERV	7.00%	7.00%
12e	Target total capital ratio under Appendix 8 ERV plus anti-cyclical buffer under Art. 44 and 44a ERV	8.50%	8.50%
		10.50%	10.50%
	Basel III leverage ratio		
13	Total commitment (in TCHF)	595.121	586.397
14	Basel III leverage ratio (core capital as % of total commitment)	5.37%	5.51%

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	Liquidity ratio (LCR)	**4th quarter**	**3rd quarterl**	**2nd quarter**	**1st quarter**	**4. quarter previous year**
15	Total-high-quality, liquid assets (in TCHF)	153.829	158.801	140.413	113.437	101.968
16	Total net outflows (in TCHF)	78.233	81.736	84.205	70.706	65.508
17	LCR (Liquidity Coverage Ratio)	196.63%	194.29%	166.75%	160.43%	155.66%

OV1: Overview of risk-weighted positions

	31.12.20 TCHF RWA	31.12.19 TCHF RWA	31.12.20 TCHF Minimum own funds	in % RWA deviation
1 Credit risk	85.638	57.944	6.851	47.79%
20 Market risk	1.138	1.020	91	11.57%
24 Operatioanl risk	70.650	73.596	5.652	-4.00%
25 Amounts below the threshold de ductions (with 250% according to positionsto be risk-weighted)	0	0	0	0.00%
27 Total	157.426	132.560	12.594	18.76%

LIQA: Liquidity - Management of liquiditiy risk

Please see the notes to the “Liquidity risk” section.

CR1: Credit risk – Credit quality of assets TCHF

TCHF	a	b	c	in %
	Gross book value of defaulted positions	Gross book value of not defaulted positions	Adjustments/ write-downs	Net value (a + b - c)
1 Receivables (excluding debt instruments)	0	545.988	10	545.978
2 Debt instruments	0	19.734	0	19.734
3 Off-balance-sheet positions	0	13.086	0	13.086
4 Total reporting year	0	578.808	10	578.798
Total previous year	0	454.425	10	454.415

More detailed definitions of internal default are given in the notes to the “Default risk” section.

CRB: Credit risk - additional disclosures on the Credit quality of assets

Outstanding or overdue receivables of more than 90 days, in line with our notes to the “Receivables” section, only amount to a negligible TCHF 10.

These have been disclosed in the section "Collateral for coverage of receivables and off-balance sheet transactions. As well as impaired receivables.

TCHF	a	c	e&g
	Unsecured positions/book value	Positions secured by collateral, effectively collateralised amount	Positions secured by financial guarantees or credit derivatives, effectively collater-alised amount
Receivables (incl. debt instruments)	335.786	227.709	2.217
Off-balance-sheet positions	1.520	11.566	0
Total reporting year	337.306	239.275	2.217
of which defaulted	0	0	0
Total previous year	195.662	254.333	4.420

CR5: Credit risk – Positions according to positions category and risk weighting under the standard approach

TCHF 31.12.2020	a	b	c	d	e	f	g	h	i	j
Positions category / risk weighting	0%	10%	20%	35%	50%	75%	100%	150%	Other	Total credit risk positions
1 Central governments and central	146.487									146.487
2 Banks and security dealers	0		303.511		2.177					305.688
3 Public corporation and multilateral development banks			8.409							8.409
4 Companies										0
5 Retail						2.709	14.353	288		17.350
6 Participations								56		56
7 Other positions	362						1.812			2.174
8 Total reporting year	146.849	0	311.920	0	2.177	2.709	16.165	344	0	480.164
9 of which mortage-backed receivables										0
10 of which overdue receivables										0
Total previous year	96.844	0	178.736	0	8.556	2.549	11.825	1.717	0	300.227

CCR3: Counterpark risk – Positions according to positions category and risk weighting under the standard approach

TCHF 31.12.2020	a	b	c	d	e	f	g	h	i	j
Positions category / risk weighting	0%	10%	20%	50%	75%	100%	150%	Others	Total of credit risk position	Total previous period
1 Central governments and central									0	0
2 Banks and security dealers			6.132	732					6.864	6.867
3 Public corporation and multilateral development banks			97						97	64
4 Companies									0	2
5 Retail						2	4		6	921
6 Equities									0	0
7 Other positions									0	0
8 Total reporting year	0	0	6.229	732	0	2	4	0	6.967	7.854
Total previous year	1.072	0	6.247	512	0	23	0	0	7.854	

ORA: Operational risks – General information

Please refer to the comments in the »Operational risks« section.

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

DISCLOSURE OF QUALITATIVE INFORMATION

A) IRRBB FOR PURPOSES OF RISK CONTROL AND MEASUREMENT

The following three forms of interest rate risks are considered:

- 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 FOR THE CONTROL AND REDUCTION OF IRRBB

The Board of Directors has established an appropriate monitoring policy that is consistent with the business strategy of the risk policy. It defines the key points of the limit system and the most important report points. It also specifies the maximum interest rate risk positions by means of global limits. The Executive Board 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 the control of interest rate risks within the scope of the limits set by the Board of Directors. It approves the replicating products offered by the bank once a year or when necessary. The Accounting Department is responsible for the measurement and monitoring of compliance with the limits set by the Executive Board 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. The Risk Control Department submits a quarterly report on its findings to the Board of Directors.

C) PERIODICITY AND DESCRIPTION OF THE IRRBB MEASURES

Interest rate risk measures are recalculated on a quarterly basis. EVE and NII calculations are performed using ALM Focus and FiRE, respectively.

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 measurement system, the Bank currently uses model assumptions with static income effect and acurrency-independent interest rate curve difference of 100 basis points. These are different from the disclosures made in the IRRBB1 table.

F) HEDGES

Bergos offers short-term, currently secured Lombard loans with a maximum interest rate commitment risk of one year. This gives rise to a relatively low interest rate risk. The Bank does not conduct special hedging trades, as a general rule.

G) MODELLING AND PARAMETRIC ASSUMPTIONS

Loan extensions are done with the same maturities. Fixed-term financial assets are held to maturity, as a general rule.

ECONOMIC VALUE OF EQUITY (EVE)

1. The cash flows include interest rate margins from an external interest rate perspective.

2. Bergos uses the exact residual maturity for fixed positions and for positions with indefinite residual maturities, own replication key.

3. Cash flows are discounted to present value with the currency-dependent LIBOR swap curve.

4. For the change in net interest income (NII), Bergos utilises the specification in FINMA-RS 2016/1 »Regulatory Disclosure Requirements«.

5. The Bank uses static replication keys for the variable positions.

6. The Bank does not hold behaviour-dependent positions with early repayment options.

7. Moreover, no behaviour-dependent term deposits with early withdrawals are taken into account.

8. Bergos holds no positions with automatic interest rate options in the banking book.

9. The Bank uses interest rate derivatives to manage interest rate risk only in exceptional cases.

10. There are no further assumptions.

IRRBBA1: Interest rate risks: Quantitative information on the position structure and resetting of interest rates

31.12.2020	TCHF			Average repricing maturities (in years)	
	Total	Thereof CHF	Thereof: other significant currencies that represent more than 10% of assets or liabilities in the balance sheet total	Total	Thereof CHF
Determined repricing maturity	306.620	49.642	240.063		
Receivables from banks	140.371		140.371	0.09	0.00
Receivables from customers	158.676	49.642	92.119	1.12	0.64
Money market mortgages					
Fixed-rate mortgages					
Financial investments	7.573		7.573	0.31	0.00
Other receivables					
Receivables from interest derivatives					
Liabilities to banks					
Liabilities from client deposits					
Medium-term notes					
Bonds and mortgage-backed loans					
Other liabilities					
Liabilities from interest derivatives					
Undetermined repricing maturity	920.056	94.795	691.221		
Receivables from banks	161.327	11.365	83.108	0.08	0.08
Receivables from customers	87.953	1.793	83.108	0.22	0.22
Variable mortgage claims					
Other demand receivables					
Demand liabilities in personal and current accounts	668.529	81.605	522.797	0.22	0.22
Other demand liabilities	2.247	32	2.208	0.08	0.08
Liabilities from client deposits, callable but not transferrable (savings)					
Total	1.226.676	144.437	931.284		

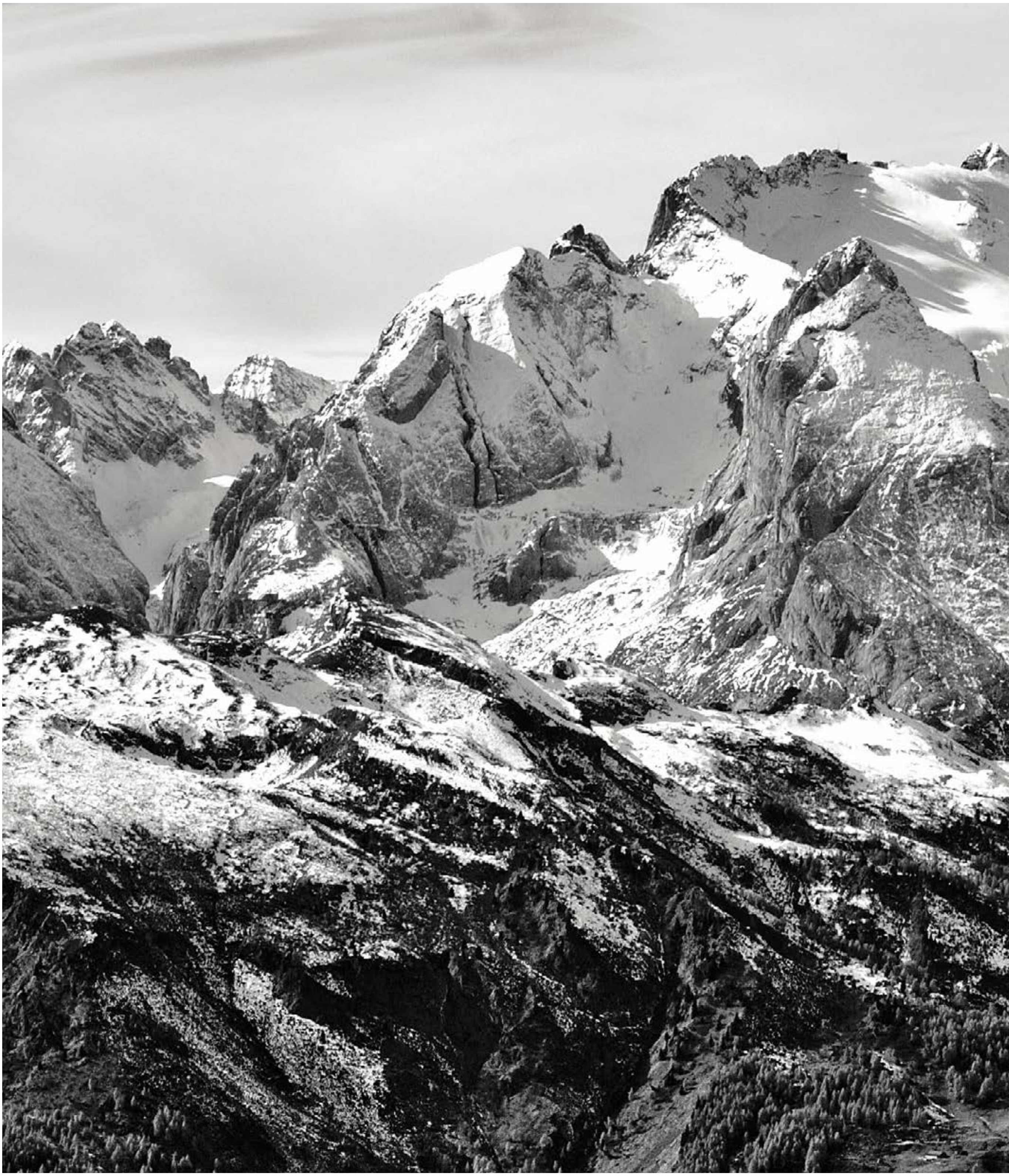
IRRBB1: Interest rate risks: Quantitative information on present value and interest income

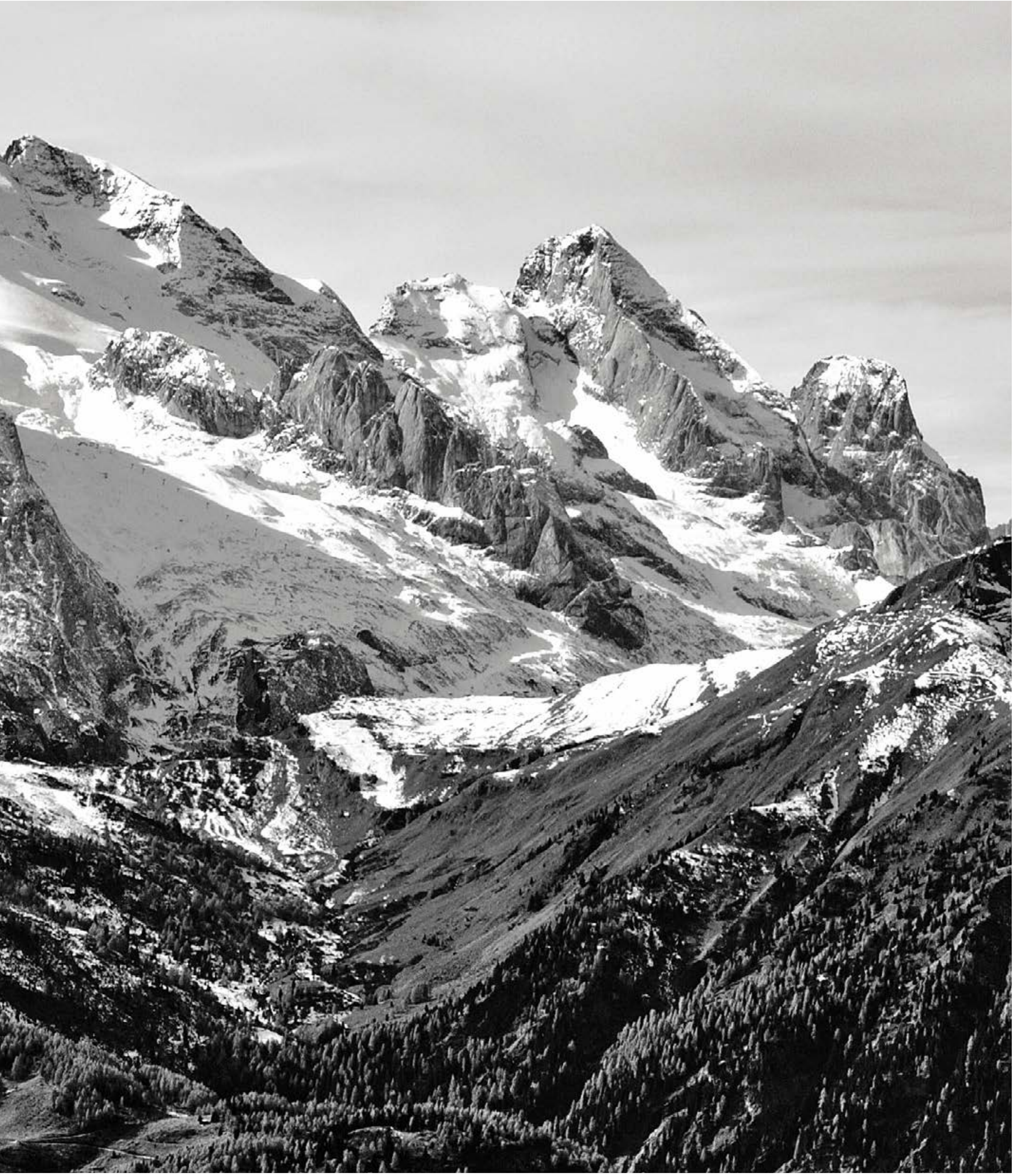
TCHF	EVE (change in economic value)		NII (change in net interest income)	
Period	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Parallel shift up	-56	178	-1.540	3.737
Parallel shift down	106	-174	1.523	-3.669
Steepener shock (1)	-524	-208		
Flattener shock (2)	550	239		
Increase in short-term interest rates	556	279		
Decrease in short-term interest rates	-553	-280		
Maximum	553	279	1.523	3.737
Tier 1 capital	31.939	30.835	31.939	30.835

Commentary on the significance of the values reported. The materiality of the published values and all significant material changes since the previous reporting reporting period must be explained.

(1) Decrease in short-term interest rates in combination with increase in long-term interest rates.

(2) Increase in short-term interest rates in combination with a decrease in long-term interest rates. Excluding Tier 1, which used to meet gone-concern requirements.





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Report of the statutory auditor

to the general shareholder's meeting of

Bergos AG, Zurich

As statutory auditor, we have audited the accompanying financial statements of Bergos AG which comprise the balance sheet, income statement, statement of changes in equity and notes (pages 68 - 101) for the year ended 31 December 2020.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

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

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

Zurich, 26 March 2021

BDO Ltd

Erik Dommach	ppa. Andreas Lenzenweger
Auditor in Charge Licensed Audit Expert	Licensed Audit Expert

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