Julius Bär

GOVERNANCE DISCLOURE

RELATING TO ARTICLE 38-11
OF THE LAW OF 5 APRIL 1993 ON THE FINANCIAL SECTOR

AS OF 15 APRIL 2026

0. Introduction

Bank Julius Baer Europe S.A. (the "Bank" or "BJBE") is a credit institution, in the legal form of a *société anonyme*, incorporated and existing under the laws of the Grand Duchy of Luxembourg with registered office at 14, rue Edward Steichen, L-2540 Luxembourg.

The Bank is subject to Luxembourg's legal and regulatory framework, i.a. to the Luxembourg Law of 5 April 1993 on the financial sector, as amended (the "LFS"). In accordance with Article 38-11 of the LFS, the Bank is obliged to disclose on its website how it complies with Articles 38-1 to 38-9 LFS. The required explanations are outlined in the following statement.

1. Governance disclosures

- Art. 38-1 LFS - Governance arrangements

The Bank, being a credit institution under Luxembourg Law, is authorised and regulated by the *Commission de Surveillance du Secteur Financier* (the "CSSF"). It is subject to all relevant corporate governance regulations imposed by the national and supranational legislative and regulatory bodies. In terms of governance arrangements, the Bank i.a. adheres to Circular CSSF 12/55 on central administration, internal governance and risk management (as amended) and Circular CSSF 22/806 on outsourcing arrangements.

The Bank is organized in a two-tier structure and its management body consists of:

(i) the Board of Managing Directors (the "BoMD" or "Authorized Management") which conducts the business of the Bank and manages it on the basis of the applicable laws and directives of the responsible legislative and supervisory authorities, its articles of association, dedicated rules of procedure, the strategies and guiding principles approved by the Supervisory Board and the respective employment contracts, always considering the Bank's long-term financial interests, solvency and liquidity situation. The BoMD determines the business divisions and departments of the Bank and establishes a business distribution plan with clear responsibilities, and

(ii) the Supervisory Board (the "SB") which defines, monitors and bears responsibility for the implementation of robust central administration, governance and internal control arrangements, ensuring the sound and prudent management of the Bank, preserving its continuity and protecting its reputation. The SB lays down the key elements of the central administration, internal governance and risk management arrangements.

The BoMD, its committees, as well as the SB and its specialized committees are governed by dedicated rules of procedures which are outlining the composition, the dedicated tasks but also the decision-making process. A conflict-of-interest policy, as well as a deriving register, accompany such rule book to prevent and/or manage potential conflict of interests.

- Art. 38-2 LFS - Management body

While selecting candidates for the management body (and also for Key Function Holders and dedicated other critical roles), the Bank aims to exercise a high degree of due diligence in selecting and appointing staff with high personal skills and financial integrity, reputation, independent mind as well as appropriate knowledge, skills, experience and availability.

To institutionalise this aim, the Bank implemented a comprehensive policy with the purpose to define minimum criteria as well as a clear framework and process in the appointment, assessment and replacement on functions identified as critical from a regulatory and organisational perspective such as identified material Key Function Holders as per the "prudential approval procedure of Key Function Holders in credit institutions and investment firms" of the CSSF. Especially for the management body, the policy further specifies how the members have to be assessed based on individual and collective knowledge, skills and experience as well as the good repute, honesty, integrity, and independence of mind.

The Bank is governed by Diversity, Equity and Inclusion Guidelines which apply to each employee. It aims at building an environment where Diversity, Equity and Inclusion forms the basis that empowers individuals, ensure everyone is heard and valued, looking for ongoing improvements to make people feel safe at work.
A positive and inclusive work environment helps the Bank to achieve better results for clients and the employees. Overarching aim and expectation are that each other is treated with respect and integrity. The Bank helps its employees to maintain their health and well-being and foster a 'health-friendly' workplace which positively engages employees, effectively protects them from health-related risks and assures health prevention. Harassment, discrimination, threats, bullying, and retaliation are clearly against the Bank's values and are not tolerated as defined in the Bank's Code of Ethics and Business conduct.

- Art. 38-3 LFS - Country-by-country reporting

The Bank discloses its annual statements for the entity in Luxembourg, as well as for its branches abroad, always in accordance with the applicable financial reporting obligations.

- Art. 38-4 LFS – Public disclosure of return on assets

For the FY 2024 the return on capital, which is calculated as the ratio of net profit to equity, stands at 12.2%. The return on assets, calculated as profit divided by total balance sheet, is at 0.8%.

- Art. 38-5 LFS – Remuneration policies |
  Art. 38-6 LFS - Variable elements of remuneration

Please refer to Annex I – Remuneration Report 2025.

- Art. 38-7 LFS – CRR institutions that benefit from government intervention, Art. 38-8 LFS - Nomination committee and Art. 38-9 LFS – Remuneration committee do not apply to the Bank.

ANNEX I – Remuneration Report 2025

Compensation Governance

Julius Baer applies a rigorous, multi-layered compensation governance framework to ensure accountability, alignment with strategy, and adherence to the highest corporate governance standards. The Julius Baer Group Ltd. (Group) Board of Directors (BoD) has ultimate responsibility for establishing and overseeing the Group's remuneration policy, including all compensation awarded to the BoD, Group Executive Board (ExB), and the Group Global Wealth Management Committee (GWMC). The BoD ensures that all compensation is aligned with the principles established in the Articles of Incorporation (cf. www.juliusbaer.com/cg), which define the structure and components as well as governance processes for BoD and ExB pay, including the setting, assessment, and approval of performance goals and related decision-making processes.

The JB Group Nomination & Compensation Committee (NCC) acts in a supportive and advisory capacity to the BoD, with specific duties including:

- Defining the Julius Baer Group's compensation principles and strategy (changes to which are submitted for approval to the BoD);
- Overseeing compensation of the BoD (including the Chairperson), ExB members (including the CEO), and employees of Julius Baer on a collective basis;
- Governing all share-based compensation plans;
- Managing the long-term succession planning for the BoD.

Where necessary, the NCC collaborates with other Board members or Group committees – such as the Audit Committee or the Governance & Risk Committee (GRC) – on matters requiring specialist oversight.

Annually, the NCC evaluates the compensation structures and share ownership programmes in light of the Group's evolving business strategy, prevailing market practices, emerging regulatory requirements, and input from key stakeholders. It also conducts a comprehensive review of the Group's compliance with internal policies and external standards, ensuring alignment with applicable national and international regulations. Please refer to the Group Remuneration Report for further details regarding the Group Nomination and Compensation Committee.

The Group has defined compensation governance standards that are applied throughout the Group to ensure sound, consistent and coherent policies and practices. Locally, the Bank Julius Baer Europe S.A. (BJBE) Supervisory Board has established a BJBE Remuneration and Nomination Committee (RNC) responsible for the Luxembourg based entity and its
branches in Ireland, Spain, Italy and Portugal, and, composed of the BJBE Supervisory Board Members, including the Chairman of the BJBE Supervisory Board responsible for BJBE related review and implementation in light of local and European applicable regulations.

Proportionality principle

The proportionality principle encoded in the remuneration regulations of the European Banking Authority and of the Commission de Surveillance du Secteur Financier (CSSF) aims to match remuneration policies and practices consistently with the risk profile, the risk appetite and the strategy of an individual financial institution. In assessing the application of the remuneration policy requirements in a proportionate manner, the BJBE Supervisory Board has considered a combination

of several criteria, including the Bank's size, internal organisation as well as the nature, scope and complexity of its activities. Taking into consideration both the threshold (in terms of balance sheet) laid out in the article 38-6 (2) (a) of the Luxembourg law of 5 April 1993 as amended ("LFS") on the financial sector, as amended, and additional elements such as the private banking operations of BJBE, its scope of action on the Luxembourg market (wealth management), its size and the functions of the staff members working for it (private banking), the BJBE Supervisory Board came to the conclusion that it can apply the proportionality principle at the level of the institution as provided for under the aforementioned provisions. Hence, the Bank would be allowed to disapply the variable remuneration payout rules (deferred payment of 40% to 60% of the initially awarded variable compensation over a period of 4 to 5 years, awarding 50% of the variable compensation in equity-based instruments which are subject to a further retention period). The proportionality principle applicability is reviewed on an annual basis based on the European applicable regulatory rules.

However, in a view to ensure consistent practices throughout the Julius Baer Group, it has nonetheless been decided to implement the payout rules in relation to all staff members, irrespective of their functions, newly based on a total compensation approach.

This year, the Group strengthened its compensation deferral framework by transitioning from a model based solely on variable compensation to a total compensation deferral approach. Effective from the 2025 calendar year, employees whose total compensation - comprising both base salary and annual variable compensation - equals or exceeds CHF 300,000 will be subject to mandatory deferral. Deferral rates are market-aligned and structured in brackets, ranging from 20% to 60% of total eligible variable compensation. Higher deferral rates may apply to Group Key Risk Takers (up to 60%), reinforcing long-term accountability and risk alignment.

In this regard, BJBE employees with higher total compensation are subject to: (i) deferral of at least 20% of the awarded variable compensation into cash- and/or equity-based deferred compensation plans and (ii) ex-post incorporation of risk for awarded variable compensation (forfeiture and clawback). The application of the aforementioned rules is made even in relation to staff members who are not considered as Key Risk Takers.

The application of the proportionality principle is reviewed at least annually as well as at any time during the year when a substantial corporate event occurs.

Compensation principles

At Julius Baer, we strongly believe in a performance culture where we recognise and reward high performance and support employees to grow and develop. We therefore follow a "pay for performance" approach which is embedded in a market-aligned total compensation framework consisting, in general, of fixed and variable compensation.

The Group pays only fixed and, potentially, variable compensation (which may be subject to deferral). There are no other categories of compensation (i.e. compensation components will either qualify as fixed or as variable compensation). The Group seeks to have an appropriate balance between these two elements allowing for a fully flexible variable compensation scheme (including the ability to pay no variable compensation) and the alignment of total compensation with the interests of stakeholders (company, employee, shareholders, etc.) in a sustainable manner. The primary compensation principles of the Bank are to (i) attract and retain industry professionals who are

dedicated to contributing value to BJBE and the Group; (ii) ensure that Compensation is determined and granted to Staff Members on a fair, equitable and gender-neutral basis whereby employees receive equal pay for equal work (or work of equal value); (iii) Incentivise management by rewarding achieved performance and by providing incentives for the creation of future shareholder value; (iv) prevent that the Compensation of Staff Members results in careless or unfair treatment of clients (as a result of for instance misadvising, mis-selling or product pushing); (v) ensure that the Variable Compensation is in line with the business strategy, objectives, values and long-term interests of BJBE and the Group, and incorporates measures to avoid conflicts of interest; (vi) contribute to sound and effective risk management and discourage the taking of unacceptable risks. Foster risk awareness and control, while ensuring regulatory compliance; (vii) ensure that the overall performance of BJBE, costs of capital and required liquidity, will be taken into account; (viii) ensure that the size and internal organisation, as well as the nature, scope, and complexity of the activities of BJBE will be taken into consideration when adopting and applying Remuneration policies; (ix) ensure that current and future risks will be taken into account; and (x) Ensure that performance-based variable compensation is in line with the Group's business strategy, regulatory standards and relevant current market practice.

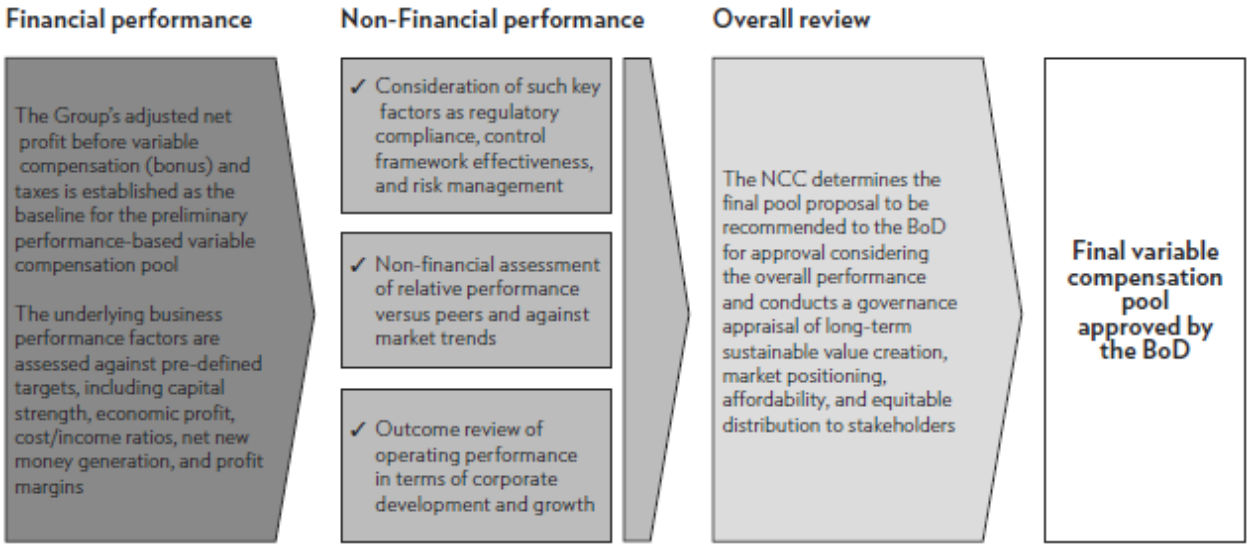
Peer benchmarking

The BJBE RNC and the BoMD place significant importance on ensuring that the compensation practices, structures, and performance-adjusted pay levels remain competitive and well-positioned relative to the external talent market.

To this end, BJBE conducts an annual review of its reference peer group's corresponding pay practices and compensation positioning. This reference peer group comprises financial institutions that share comparable business complexity and talent demands but is not limited exclusively to pure-play wealth managers. By taking a broader market perspective, the Bank strengthens its ability to attract, motivate, and retain key talent in a highly competitive environment. In 2025, McLagan (a business division of Aon) provided compensation survey data and analyses that were utilised locally for benchmarking purposes. KPMG AG was retained to provide global mobility advisory and expatriate income tax-related service, and the law firm Linklaters was engaged to support on European Pay Transparency (EUPT) regulatory implementation and an internal Equal Pay review was led by internal Compensation and Performance experts. HCM International Ltd. advised on equity-based award structures and valuation at Group Level.

Variable compensation funding

Variable compensation funding process



Financial performance assessment

The calculation of the Group's variable compensation pool is based on Adjusted Net Profit before Bonus and Taxes (ANPbBT, as reconciled by the Audit Committee) and its impact on Adjusted Group Cost / Income ratio (C/I ratio). These measures adjust the audited IFRS net profit by excluding non-recurring or non-operational items such as integration and restructuring costs as well as amortisation of intangible assets arising from prior acquisitions or divestments but include the impact of the net credit losses booked in 2025. A detailed reconciliation can be found in chapter VII. Alternative Performance Measures of this Annual Report.

ANPbBT and adjusted Group C/I ratio represent the Group's sustainable operating profitability and efficiency, effectively capturing the core performance of the business. By using these metrics as the foundation for determining the variable compensation pool, the Group ensures a direct and transparent link between financial results and reward outcomes.

In determining the variable compensation pool, the NCC considers a comprehensive set of financial metrics beyond ANPbBT and adjusted Group C/I ratio to ensure a balanced and forward-looking assessment of performance. These include:

- impact on employees' total compensation (including both fixed and variable compensations);
- capital ratios (e.g., CET1 ratio) and their trajectory, reflecting the Group's financial resilience and ability to withstand adverse conditions;
- adjusted cost/income ratio, measuring operational efficiency;

- economic profit, which captures returns above the Group's cost of capital; and
- Net New Money (NNM) generation, serving as a key indicator of client franchise strength and organic growth.

These quantitative/financial metrics are evaluated against the Group's mid-term financial plan, approved strategic objectives, and historical performance trends. Together, they enable the NCC to assess not only absolute performance but also progress toward sustainable, risk-adjusted value creation. This holistic approach ensures that the variable compensation pool reflects both short-term results and long-term strategic execution.

For further details regarding the Group's variable compensation pool funding please refer to the Group's Remuneration Report.

2025 Group variable compensation pool

The Group remains committed to linking variable compensation directly to overall performance while also reflecting individual and business unit contributions across the organisation.

As in prior years, the pool review encompassed key qualitative factors, including:

- operational achievements such as progress on strategic initiatives, digitalisation, regional performance, service enhancements, cost discipline, and risk management, considered in light of prevailing external market conditions;
- value creation measured by Economic Profit;
- relative performance compared to peers;
- the overall development of the Group's profit distribution, including proposed dividend allocations.

As in previous years, the determination of the variable compensation pool is directly linked to the Group's disclosed adjusted net profit. It thereby incorporates the net impact of legal and credit provisions recognised in 2025. As part of the qualitative review the NCC also took into account business sustainability, business unit performance, cost efficiency, and long-term profitability outlook; as well as the Group's ongoing investment in talent, its continued restructuring activities, and its commitment to disciplined resource allocation. This qualitative review resulted in a moderate increase to the overall pool. The determined pool dually reflects the strong underlying performance of the Group while ensuring that the overall spend was risk-appropriate and supported the Group's cost/income ratio targets.

The regional bonus pool is distributed by the Group CEO to the Region Heads. The BJBE variable compensation pool is determined by taking into consideration BJBE's annual performance, including its financial performance, target/goal achievements, cost/income ratio and compliance with regulatory requirements and risk behaviour assessment. Local performance review and calibrations are performed by the BJBE Board of Managing Directors in collaboration with Human Resources and final compensation for Employees and particularly Key Risk Takers is reviewed and approved by the Supervisory Board

Pay for performance principles

Staff members may be eligible for variable compensation in line with their individual and the business performance. In order to achieve BJBE's and the Group's strategic goals, each staff member on an annual basis receives specific and challenging qualitative and quantitative targets from his or her line manager and is held accountable for delivering results. During the annual performance review, each staff member receives a formal assessment of performance as well as value and risk behaviour, which results in an overall performance rating which is documented in a performance management tool. This assessment is one of the several factors considered in the determination of the total variable compensation. Other factors are total compensation levels in relation to internal peers, market benchmarks, the performance of BJBE and the performance of the relevant Division/Region/business unit as well as the overall size of the Group's variable compensation pool.

Sustainability in Compensation

Sustainability is a key enabler of Julius Baer's strategy. The Group recognises the importance of integrating sustainability throughout its business activities, including within its compensation systems. Sustainability-related elements are reflected in various aspects of the Group's compensation systems and governance, as well as through performance measurement standards (around values, including sustainability-linked, client satisfaction, and employee development) and risk management considerations.

ExB members have Group-level targets outlined in their performance assessment Scorecard. These targets are linked directly to the goals and priorities set by our Sustainability Committee and approved by the ExB and BoD. Those priorities also include climate-specific and DEI targets. They are quantitatively and qualitatively measured on an annual basis and taken into account in the ExB's variable compensation. These priorities and objectives are cascaded locally trough respective functions and divisions.

All employees are held to high conduct standards via the Code of Ethics and Business Conduct. Specifically, they are measured on their ability to reflect the core values (Care, Passion and Excellence) and risk behaviours throughout daily business activities via an annual Conduct Assessment, which includes sustainability-related elements. Effective for 2026, the Group will shift to a combined Culture and Conduct assessment framework, ensuring that cultural alignment becomes more central to the performance assessment process.

The Group's compensation framework is designed to ensure compliance with global rules and regulations in the context of sustainability. Group and business unit compensation decisions include assessments of metrics related to financial, market, legal, risk, and compliance to ensure that compensation properly reflects both internal and external factors. Compensation deferral mechanisms, with risk-adjusted performance metrics, are applied to deter excessive risk-taking.

The Group operates various sustainability-related initiatives with the ambition to empower clients, employees, and broader stakeholder groups to make a positive impact on society and the environment. Internally, this relates to talent management and development, inclusion, community

building, and employee engagement. These are areas that continue to evolve annually to support our ambition to become an employer of choice.

In BJBE, local goals included ESG related elements included in non-financial, Risk assessment, Value Behaviour Conduct Assessment for all staff and a local goal toward sustainable growth goal was implemented for non-front key functions.

Overview of 2025 variable compensation plans

The following table summarizes the key features of BJBE variable compensation plans funded by the pool, including the relevant population eligibility (including Board of Managing Directors):

Summary of 2025 deferred compensation plans

		Ongoing plans[1]				Hiring-related replacements[2]	Employee share purchase
		Restricted Stock Unit Plan (RSU)	Performance Stock Unit (PSU)	Deferred Cash Plan (DCP)	Premium Share Plan (PSP)	Long-Term Incentive Plan (LTI)	Staff Participation Plan (SPP)
Eligibility		Executive Board, GWMC and Group KRTs	Executive Board, GWMC and Group KRTs	All other employees	All other employees	New hires who lost compensation due to change in employer	All employees[3]
Purpose		Align with long-term performance and retention	Align with long-term performance and retention	Align with sustainable value creation	Align with long-term performance and retention	Attraction and long-term alignment	Shareholder alignment
Funding drivers		Company, business, and individual performance		Company, business, and individual performance		Business and company affordability checks	Mainly self-financed[4]
Duration		5 years	5 years	3 years	3 years	3 years	3 years
Pay-out factors	Instrument price	•	•		•	•	•
	Vesting performance conditions		•				
	Forfeiture clauses and clawback	•	•	•	•	•	• (additional shares)
Settlement		Shares	Shares	Cash	Shares/Funds[5]	Shares	Shares

[1] Staff who are participants of the RSU and PSU are not eligible to participate in the DCP and PSP, and vice versa. Minimum total compensation deferral basis of CHF 300,000 applies.
[2] The LTI may be used in exceptional cases for retention awards or in lieu of the PSP if restrictions on variable compensation apply. It is also utilised to deliver vested but blocked (if required) shares as part of immediate cash variable compensation to regulated staff.
[3] Employees in some locations are excluded from participating for legal, regulatory or administrative reasons. Group ExB members are ineligible.
[4] For every three shares purchased by the employee, one additional share is delivered free of charge at the end of the three-year vesting period.
[5] Deferral may also be into Julius Baer fund instruments (if required) for regulated employees.

BJBE Compensation

Supervisory board compensation

Members of the BJBE Supervisory Board are not compensated for their role within BJBE.

Board of managing directors compensation

This section provides the details of the compensation system for the four members of the BJBE Board of Managing Directors.

Structure of the compensation model

The Julius Baer Group tailors its compensation model structures per employee population segment. For selected senior management, including the BJBE CEO who is a member of the Board of Managing Directors, the compensation model is structured as follows:

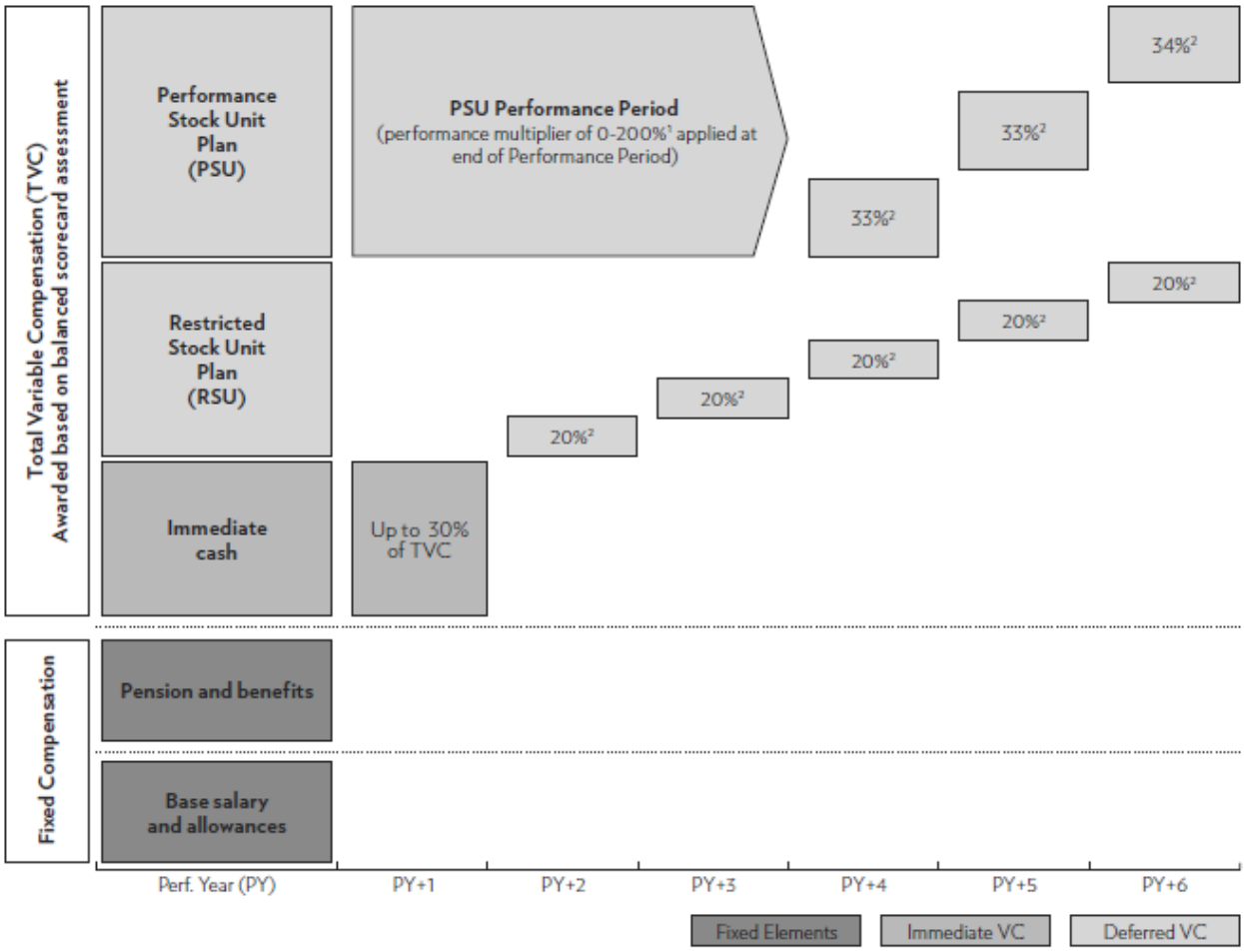
Summary of 2025 compensation components

	Element	Payment Structure	Description	Governance
Fixed compensation	Base salary and allowances	100% in cash (monthly)	Base salary is set individually taking into account the market value of the function based on role (benchmarked), responsibilities, experience, level of education, degree of seniority, and level of expertise. Similar to Group employees, senior management is eligible for allowances based on rank, function level, and their location of employment.	Provides an appropriate level of income by function at market rates, while permitting the Group to operate a fully flexible policy for variable compensation.
	Pension and other benefits		Senior management are entitled to the same pension and benefits as other employees within their employment location.	
Variable compensation	Immediate cash	100% in cash or partially deferred	Variable compensation determined annually based on the Group and individual performance (including via scorecard for Front roles). Developed to link compensation to business strategy and to ensure that participants continue to manage Julius Baer for sustainable long-term shareholder value creation, emulate Julius Baer values, and carry out all business activities in a regulatory-compliant manner. The BoMD and Group Key Risk Takers are subject to deferral rates from 20% to 60% of variable compensation determined for the performance year where applicable. For employees considered Group Key Risk Takers, the deferred portion of the variable compensation is awarded via the RSU and PSU plans. The deferral can exceed the maximum rate if the total non-deferred portion of variable compensation reaches the Variable Compensation Cash Cap (CHF 1.5 million). All amounts in excess of the Variable Compensation Cash Cap are deferred.	Links compensation to Group performance in a risk-aligned manner. Immediate cash payment is capped and is delivered to eligible Group KRTs only following Remuneration and Nomination Committee approval.
	Restricted Stock Unit (RSU) 75%	100% in equity delivered in 5 vesting tranches over 5 years (fully deferred)	Awards vest on a pro rata basis over five consecutive years subject to service-based vesting conditions. Granted awards are eligible for a dividend discount at grant and all awards are subject to forfeiture/clawback provisions.	Deferral promotes a long-term orientation, allowing for application of malus and clawback. Equity-based awards ensure alignment with shareholders' interests.
	Performance Stock Unit (PSU) 25%	100% in equity delivered in 3 vesting tranches over 5 years (in years 3, 4 and 5) (fully deferred)	The PSUs function as a retention element and link compensation to the Julius Baer share price and the Group's future performance via three KPIs (internal: cumulative economic profit [cEP][1] and Return on CET1 capital [RoCET1][1] and external: relative total shareholder return [rTSR][2]). The number of shares delivered under the PSU (assessed in year 3) is 0%–200% of the Performance Units granted. The cEP and RoCET1 targets are set based on the strategic three-year MTP that is approved by the BoD on an annual basis. KPI targets are set by the NCC each year for the upcoming grant: Minimum (0% KPI multiplier) / Target (100% KPI multiplier) / Maximum (200% KPI multiplier) cEP: –33.3% / MTP Target / +33.3% RoCET1: –25.0% / MTP Target / +25% rTSR: Lower Quartile / Median / Upper Quartile Performance of each KPI is measured on a linear basis within the target ranges. All awards are subject to forfeiture/clawback provisions.	Aligns compensation with shareholders' interests and ties it more closely to contributions to the future performance of the Group via internal and external metrics which are market-linked and risk adjusted. The internal KPIs are assessed based on figures approved by the Audit Committee at Group Level. The calculation is subject to audit review and the Group NCC approves the final multiplier.
Other	Other compensation		Senior Management are not entitled to receive any other special compensation elements which are not offered to other employees within their employment location.	

[1] cEP = ANPbB – Taxes – CoC; where ANPbB = adjusted net profit before variable compensation (as defined previously) adjusted for non-performance-related extraordinary events approved by the Group NCC. Fair value calculated externally using a probabilistic model of potential deviation from the Group's strategic plan (MTP). RoCET1 = average adjusted net profit / CET1 (the latter being fixed as 14% of Risk Weighted Assets) with an 11% CET1 underpin.

[2] As of 2025, the Julius Baer Group's TSR is compared against a bespoke peer group of 13 peers (refer to the Julius Baer Group Remuneration Report), measured in CHF.

Please see the graph below for an illustration of this mechanism.



[1] Subject to KPI Performance assessment on 3rd anniversary of the Grant Date, share allocation capped at 200% of Performance Units granted; vesting share value dependent on market performance at vesting date.

[2] Represents % of awards granted.

The NCC is responsible for ensuring that the structure and level of senior management compensation effectively incentivise executives to drive long-term, sustainable growth and deliver on the Group's financial objectives without excessive focus on short-term outcomes. In support of these objectives, the performance-driven component of senior management remuneration is delivered partly in immediate cash with the remainder allocated equally in equity through RSUs and PSUs.

The new RSU programme constitutes a service-based award, granted after the completion of the performance year and vesting in five equal instalments over a five-year period. The ultimate value realised by senior management is directly tied to the share price performance of Julius Baer. The PSU

awards are linked to three KPIs measuring growth (cEP), return (RoCET1) and relative (rTSR) performance over a three-year performance cycle. The two internal KPIs – cEP and RoCET1 – were selected to incorporate the Group's core operating performance targets, and, the external KPI – rTSR –ensures pay-for-performance alignment with peers.

For further details regarding the RSU/PSU vesting calculation, please refer to the Group's Remuneration Report.

Compensation caps

One of the central provisions of the European 'Capital Requirements Directive (CRD V)' requires that variable compensation paid to Key Risk Takers regulated under CRD V shall not exceed the value of their fixed remuneration unless shareholder approval is obtained to increase this cap. The Julius Baer entities within the European Economic Area requested and were granted approval by their respective shareholders to increase the variable compensation cap to maximum two times fixed compensation. As Key Risk Takers, this variable compensation cap of two times fixed compensation applies to the BJBE Board of Managing Directors as requested individually on an annual basis through the higher ration notification and based on pay for performance aspects.

For BJBE Board of Managing Directors, no outstanding deferred variable remuneration or paid-out variable remuneration allocated for previous performance year was reduced due to performance adjustments (i.e. ex-post risk adjustment) in 2025. Furthermore, no severance related payments have been made during the performance year.

The variable compensation awarded to the members of the BJBE Board of Managing Directors has not exceeded 200% of their fixed remuneration.

Outstanding variable compensation awards

Details of the outstanding variable compensation awards of the Board of Managing Directors can be found in the 'Key Risk Taker outstanding variable compensation awards' section of this Remuneration Report.

Other employee compensation

This section provides details of the ongoing compensation system for the employees of Julius Baer (excluding the member BJBE Board of Managing Directors noted above, whose compensation scheme was addressed in the previous section).

Summary of 2025 employee compensation components

Element	Payment structure	Description	Governance
Base salary and allowances	100% in cash (monthly)	Base salary is set individually based on the Group's functional model comprising ten function levels, each of which represents an increasing degree of job complexity. Salary bands are assigned to each function level which define the target base salary range for jobs assigned to the respective function level. Individual salaries are then determined in accordance with these salary bands, taking market benchmarks into account. Group employees are eligible for allowances based on rank, function level and their location of employment.	Provides an appropriate level of income by function at market rates while permitting the Group to operate a fully flexible policy for variable compensation.
Short-term variable compensation	100% in cash or partially deferred into cash- and equity-based awards	Individual variable compensation amounts depend on the formal year-end assessment of performance against a range of financial and non-financial objectives (e.g. adherence to compliance and regulatory standards and to the Group policies, core values and procedures) as well as skills, expertise, and conduct/value behaviours. In addition to the plans offered to the members of senior management (as described previously), Julius Baer also offers equity- and cash-based deferred plans to members of the global staff population. Participation in these plans depends on various factors such as function level and total compensation. The deferral structure is generally as follows: • Total compensation below the annual deferral basis threshold (CHF 300,000 as of 2025): 100% immediate cash payment • Total compensation at or above the annual deferral basis thresholds: deferral applies to the full variable compensation amount based on deferral brackets. Unless required otherwise by regulation, deferred awards are subject to 3-year pro rata vesting with service-based vesting, malus and clawback provisions. The deferral structure generally results in a maximum deferral of the following: • 50% of immediate cash (subject to the Variable Compensation Cash Cap of CHF 1.5 million) • 25% deferred cash (Deferred Cash Plan [DCP]) • 25% deferred equity (Premium Share Plan [PSP]) plus a premium equity component equal to one-third of the granted PSP Variable compensation in excess of the Group's Variable Compensation Cash Cap is fully deferred (equally under the DCP and PSP).	In line with market practice, the Group's balanced variable compensation scheme targets deferral for the more senior and/or high-performing members of staff and provides immediate cash to the remainder. For eligible staff members, the deferral programme serves as a retention mechanism, promotes long-term orientation allowing for clawback and aligns compensation with shareholders' interests. The Variable Compensation Cash Cap augments the deferral programme and increases the overall deferral for the Group's highest earners.
Pension and other benefits		Julius Baer offers competitive and market-appropriate pension and benefit programmes throughout its global offices. All programmes are in compliance with rules and regulations of the country in which they operate.	
Other compensation		Benefits and other compensation arrangements are offered globally by Group entities based on the prevailing market practices and the local rules and regulations.	

Key risk taker compensation

In accordance with European legislation, BJBE takes particular care in identifying staff whose professional activities may have a material impact on the Bank's risk profile. BJBE Key Risk Takers are identified on an annual basis. Quantitative and qualitative criteria are both taken into consideration in the identification process. Defined minimum compensation standards are applicable (in general) to members of the BJBE Board of Managing Directors as well as employees (including relationship managers) with a relatively high total compensation and/or who hold a function that has a high impact on the risk profile of BJBE or the Group. Regulated staff members (e.g. Key Risk Takers) are

reviewed by the BJBE Supervisory Board on an individual basis, which also takes the potential payout volatility (pay riskiness) of their total compensation into account. For the year of 2025, the BJBE Supervisory Board identified thirty-nine Key Risk Takers including six Supervisory Board members (incl. two replacements in the course of 2025), four Board of Managing Directors within BJBE and the newly appointed Key Risk Takers respectively in the Bank Julius Baer Europe S.A., Succursale in Italia and Bank Julius Baer Europe S.A., Sucursal Portugal.

As previously noted, the European 'Capital Requirements Directive (CRD V)' requires that variable compensation paid to Key Risk Takers regulated under CRD V shall not exceed the value of their fixed remuneration unless shareholder approval is obtained to increase this cap. BJBE requested and was granted approval by their respective shareholders to increase the variable compensation cap to two times fixed compensation for selected cases and on the basis of pay for performance principles. The awarded variable compensation to BJBE Key Risk Takers, including the BJBE Board of Managing Directors, was fully in line with this variable compensation cap. Additionally, Group Key Risk Takers, whose professional activities may have a material impact on the Group's risk profile are subject to higher rates of deferral than employees not in such roles; one BJBE Key Risk Taker has also been classified as a Group Key Risk Taker.

In 2025, one BJBE Key Risk Taker received a hiring/ replacement award and ten received LTI retention related awards.

High income earners

Nine BJBE Key Risk Takers have been remunerated a total compensation amount of above EUR 1 million for the 2025 reporting year based on the total compensation 2024.

Other Variable Compensation

Although Julius Baer only offers performance-based compensation to its current staff, it may in the course of its recruitment processes offer incentives (e.g. hiring and replacements of forfeited compensation from their previous employment) for specific new hires when they join the Group. Such incentives may be made in the form of cash (subject to a minimum one-year clawback from hiring date) and/or deferred shares (under the Group's Long-Term Incentive Plan [LTI]). As a general policy, Julius Baer offers such forms of remuneration only on an exceptional basis, typically in the first year of employment.

Additionally, retention payments may be made to current staff in extraordinary or critical circumstances (e.g. restructuring situations, change in control). Such incentives are generally in the form of deferred shares (under the Group's LTI Plan). Actual parameters may vary according to the applicable regulation and the specific circumstances of the employee.

Long-Term Incentive Plan (LTI)

In certain specific situations, the Group may also offer incentives outside the annual compensation cycle (as previously noted in the prior section of this report). Compensatory payments to new hires for deferred awards they have forfeited by resigning from their previous employer or retention

payments to key employees during extraordinary or critical circumstances may be made by granting individuals an equity-based LTI.

Group LTI awards generally run over a minimum plan period of three years (pro rata vesting permitted). The shares are transferred to participants at the time of vesting, subject to continued employment and any other conditions set out at grant. The plan allows for the addition of post-vesting blocking periods and/or performance metrics. In the event of termination of employment before the end of the plan period for any other reason than death, disability or retirement, unvested shares are forfeited.

Staff participation plan (SPP)

The SPP is available to most of Julius Baer's global employees, fostering broad-based ownership and alignment with shareholder interests. However, participation may be restricted for certain individuals, for instance, where local legal, regulatory, or administrative constraints prevent the offering of the SPP in a specific jurisdiction. Under the plan, eligible employees may voluntarily purchase Julius Baer Group Ltd. shares at the prevailing market price. For every three shares purchased, participants receive one additional matching share as a company contribution. These matching shares vest after a three-year holding period, conditional upon continued employment. Participation in the SPP occurs once annually. Notably, members of the ExB are excluded from the plan in accordance with the Group's differentiated compensation framework for senior leaders.

The objective of this plan is to strengthen the employee's identification with the Group, to encourage entrepreneurial spirit, to generate greater interest in the business through ownership, and to provide employees with financial recognition for their long-term dedication to the Group.