

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF JULIUS BAER GROUP LTD.

SUMMARY

This Charter is based on the Articles of Incorporation of Julius Baer Group Ltd. (the Company) and its Organisational and Management Regulations (the OMR). It outlines the powers, duties and responsibilities of the Audit Committee of the Board of Directors (the ACB) of the Company as well as its organisation and reporting. Furthermore, it also takes into account the guidelines as set out in circular 2017/1 of the Swiss Financial Market Supervisory Authority (FINMA) “Corporate Governance Banks”.

KEY ASPECTS OF THIS CHARTER

- The ACB bases its work on internationally accepted good practice recommendations for corporate governance.
- In co-operation with representatives of the ExB, the Group Chief Risk Officer, the Group General Counsel, the Head of Internal Audit and the External Auditors, the ACB shall examine on a regular basis the appropriateness and effectiveness of the internal control systems by taking into account the risk profile of the Bank.
- The ACB shall examine compliance with the principles of fair and transparent public communication of financial information and compliance with the ad-hoc publicity rules of the relevant financial markets.

1. THE COMMITTEE’S POWERS, DUTIES AND RESPONSIBILITIES

According to the Articles of Incorporation of the Company, the Board of Directors may assign the preparation and carrying out of its resolutions or the supervision of transactions to committees or individual members.

The OMR of the Company stipulate the establishment of committees of the Board of Directors.

The specific powers, duties and responsibilities of the ACB are defined in the OMR and its Annex.

The ACB bases its work on internationally accepted good practice recommendations for corporate governance.

1.1.INTERACTION WITH THE EXECUTIVE BOARD (THE EB) OF JULIUS BAER GROUP LTD., THE GROUP CHIEF RISK OFFICER, THE GROUP GENERAL COUNSEL AND INTERNAL AND EXTERNAL AUDITORS

In co-operation with the EB, the Group Chief Risk Officer and the Group General Counsel, the Head of Internal Audit and the External Auditors, the ACB shall examine on a regular basis the appropriateness and effectiveness of the internal control systems by taking into account the risk profile of the Company and the Julius Baer Group. In particular, the ACB shall examine and assess:

- The Group Audit Plan of Internal Audit at least on a yearly basis, its coordination with the Group Audit Plan of the External Auditors and its coordination with the risk profile of the Julius Baer Group. For that purpose, the Group Chief Risk Officer and the Group General Counsel may act as consultants to the ACB;
- The budget and the staffing of Internal Audit on the level of the Company;
- The performance of the Head of Group Internal Audit. For that purpose, the ACB is represented by the Chairman of the ACB, who is empowered by the entire Board of Directors with regard to all questions relating to the contractual relationship with the Head of Group Internal Audit;
- The co-operation between Internal Audit and the External Auditors;
- Compliance with laws and regulations, articles of incorporation, internal regulations and policies.

At least once a year, the ACB is required to examine the scope and quality of the work and the independence of the External Auditors as well as the fee volume. The ACB shall discuss its findings with the External Auditors.

The EB, the Group Chief Risk Officer and the Group General Counsel, the Head of Group Internal Audit and the External Auditors have a duty to inform the Chairman of the ACB of any unusual events and incidents which fall within the area of responsibility of the ACB.

The ACB shall ensure that the Group Chief Risk Officer, the Group General Counsel, the Head of Group Internal Audit and the External Auditors have direct access to the ACB at all times.

1.2 YEAR-END AND HALF-YEAR FINANCIAL STATEMENTS AS WELL AS INTERIM STATEMENTS

The ACB shall:

- examine and subsequently submit for approval and release to the Board of Directors the consolidated Group accounts and the financial statements (full-year and half-year statements) of the Company together with related reporting;
- examine and approve the release of interim statements of the Company together with related reporting;
- examine the regulatory reports of the External Auditors for submission to the Board of Directors;
- determine the guidelines for financial reporting;
- discuss with the EB, Group Internal Audit and the External Auditors at least annually the consolidated Julius Baer Group accounts, the financial statements (full-year, half-year and interim statements), , the scope and quality of the audit work performed and the appropriateness of the internal control systems (financial and non-financial) within the Julius Baer Group. For that purpose, the Group Chief Financial Officer, the Group Chief Risk Officer and the Group General Counsel may act as consultants to the ACB;
- based on the information provided by the Group Chief Financial Officer and after consulting Group Internal Audit and the External Auditors, assess major issues connected with the applicable accounting standards;

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- based on the respective information provided by the EB, examine those areas of the consolidated Julius Baer Group accounts, financial statements and interim statements which leave room for material interpretations, e.g. provisions for credits and legal risks as well as restructuring charges;
 - familiarise itself with the major aspects of Group financial accounting.

2. THE COMMITTEE'S ORGANISATION

The ACB shall be composed of at least 3 members of the Board of Directors of the Company.

All members of the ACB shall meet the independence criteria as set out in FINMA circular 2017/1 "Corporate Governance Banks" and shall ensure that they have appropriate training with regard to their knowledge of financial and accounting matters and receive timely updates of important developments in the relevant areas.

The ACB shall convene at least quarterly. The ACB shall discuss its work and the assessment of its goals at least once a year. For that purpose, the ACB may consult with members of the Board of Directors who are not members of the ACB, especially the Chairman of the Board of Directors.

3. REPORTING

The Chairman of the ACB informs the Board of Directors of the Company at its meeting about the work of the ACB.

The Chairman of the ACB is expected to be in regular contact with the Chairman of the Board of Directors.

4. TAKING EFFECT

This Charter was approved and issued by the ACB at its meeting on 7 December 2017 and became effective as of 1 January 2018. It replaces the version dated 1 October 2009.