

IMPORTANT NOTICE

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

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

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

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

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

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

FOR THE ADMISSION TO TRADING OF THE BONDS ON SIX SWISS EXCHANGE, THE ISSUER RELIED ON THE EXEMPTION FROM THE OBLIGATION TO PUBLISH A PROSPECTUS APPROVED BY A SWISS REVIEW BODY UPON PROVISIONAL ADMISSION TO TRADING OF THE BONDS ON SIX SWISS EXCHANGE PURSUANT ARTICLE 51(2) OF THE FINSA AND ARTICLE 60 OF THE SWISS FINANCIAL SERVICES ORDINANCE (THE FINSO). AFTER ADMISSION TO TRADING OF THE BONDS, THIS PROSPECTUS HAS BEEN SUBMITTED TO A SWISS REVIEW BODY FOR REVIEW AND APPROVAL IN COMPLIANCE WITH THE SO-CALLED "EX-POST" REVIEW PROCEDURE PURSUANT TO ARTICLE 51(2) FINSA AND ARTICLE 60 FINSO IN RELATION TO THE ADMISSION TO TRADING OF THE BONDS.

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

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

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

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

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturer's target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

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

defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

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

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

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

Julius Bär

BANK JULIUS BAER & CO. LTD.

(incorporated with limited liability in Switzerland)

EUR 500,000,000 0.000% Bonds 2021 – 2024

This prospectus (the **Prospectus**) relates to (i) the offering of EUR 500,000,000 in aggregate principal amount of 0.000% Bonds 2021 – 2024 due on 25 June 2024 (the **Maturity Date**) (the **Bonds**) to be issued by Bank Julius Baer & Co. Ltd. (the **Issuer**) on or about 25 June 2021 (the **Issue Date**), and (ii) the admission to trading and listing of the Bonds on the SIX Swiss Exchange. The Bonds will bear interest from 25 June 2021 at 0.000% per annum, payable annually in arrear on 25 June. See the terms in the "*Terms of the Bonds*" beginning on page 25 (the **Terms of the Bonds**).

The Issuer is a wholly-owned subsidiary of Julius Baer Group Ltd. (Julius Baer Group Ltd. together with its subsidiaries the Julius Baer Group). The Bonds will be obligations solely of the Issuer and will not be guaranteed by or otherwise the responsibility of Julius Baer Group Ltd., any other subsidiary of Julius Baer Group Ltd. or any other entity referred to in this Prospectus.

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

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

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

This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to and has not been updated as per the date of approval by any Swiss review body pursuant to article 52 of the FinSA.

An investment in the Bonds will involve certain risks including the risk that Bondholders will lose parts of or their entire investment in the Bonds. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any Bonds, see "*Risk Factors*" beginning on page 11 of this Prospectus.

The Bonds are expected to be rated A3 by Moody's Investors Service, Inc. (**Moody's**). A credit rating is not a recommendation to buy, sell or hold the Bonds and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

It is expected that the Bonds will be provisionally admitted to trading on the SIX Swiss Exchange as of or about 24 June 2021. Application will be made for definitive admission to trading and listing of the Bonds on the SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last trading day for the Bonds on the SIX Swiss Exchange is expected to be the second SIX trading day prior to the date on which the Bonds are fully redeemed or written-off in accordance with the Terms of the Bonds.

Capitalized terms used but not defined below have the meanings assigned to such terms in Terms of the Bonds or elsewhere in this Prospectus. The Bonds will not be rated.

Joint Lead Managers

BNP PARIBAS

Deutsche Bank

Senior Co-Lead Manager

Bank Julius Baer

Prospectus dated 21 June 2021

This Prospectus has been approved by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act (the **Swiss Review Body**) on 25 August 2021. The Prospectus is not required to and has not been updated as per the date of approval of the Prospectus.

IMPORTANT NOTICES

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland accepts responsibility for the accuracy and completeness of the information contained or incorporated by reference in this Prospectus and declares that the information contained or incorporated by reference herein is, to the best of its knowledge, correct and no material facts or circumstances have been omitted here from.

This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as per the date of the approval by the Swiss Review Body. Consequently, neither the delivery of this Prospectus nor the offering, sale or delivery of any Bonds shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the Bonds is correct as of any time subsequent the date indicated in the document containing the same.

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

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

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

This Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Bonds and for the admission to trading and listing of the Bonds on the SIX Swiss Exchange. The Issuer has not authorized the use of this Prospectus for any other purpose.

This Prospectus is to be read in conjunction with all documents incorporated by reference herein. This Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Prospectus. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PRIPs Regulation / Prohibition of Sales to EEA Retail Investors – The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended or superseded, **MiFID II**); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that

customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturer's target market assessment; however, a distributor subject to FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

CERTAIN DEFINITIONS AND CONVENTIONS

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

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

FORWARD-LOOKING STATEMENTS

This Prospectus, including the documents incorporated by reference therein, contains various forward-looking statements, including statements of future financial and operational developments and results as well as other projections and statements that are forward-looking or contain subjective assessments, regarding the intent, belief or current expectations of the Issuer or its management, that are subject to risks and uncertainties that could cause the actual results and financial position of the Issuer to differ materially from the information presented herein. When used in this Prospectus, words such as "will", "assumes", "plans", "believes", "is of the opinion", "estimates", "projected", "intends", "anticipates", "expects", "should" and similar expressions are intended to identify such prospectus and/or forward-looking statements and/or subjective assessments but are not the exclusive means of identifying such prospects and other statements. Such statements are made on the basis of assumptions, estimates and expectations which, although reasonable at this time, may prove to be erroneous or unfounded in the future.

The risks and uncertainties facing the Issuer that could affect the future accuracy of these forward-looking statements include, but are not limited to, the factors discussed under "*Risk Factors*" and elsewhere. If any of these risks or uncertainties materialises or if underlying assumptions prove to be incorrect, actual outcomes may vary materially from those indicated in the forward-looking statements.

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

Except as required by the FinSA, neither the Issuer, nor the Managers undertake an obligation to update any prospects or forward-looking statements after the date hereof, even if new information, future events or other circumstances have made them incorrect or misleading.

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SUMMARY

This summary should be read as an introduction to this Prospectus and constitutes a summary within the meaning of article 40 para. 3 and article 43 FinSA. Any decision to invest in the Bonds should be based on a consideration of this Prospectus as a whole, including any documents incorporated by reference into this Prospectus, and not only this summary. This summary is necessarily incomplete and prospective investors are urged to read the entire Prospectus carefully for more detailed information. This summary is therefore subject to, and to be read in conjunction with, the remaining information in this Prospectus.

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

Capitalized terms that are used but not defined here have the meanings assigned to them elsewhere in this document.

Information on the Issuer

Company name and registered office:	Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich
Legal form:	Swiss law; company limited by shares (<i>Aktiengesellschaft</i>) according to the Swiss Code of Obligations (article 620 ff. CO).
Legal Entity Identifier (LEI): ..	PNWU8O0BLT17BBV61Y18
Issuer's auditor:	KPMG AG, R�ffelstrasse 28, 8045 Zurich

Information on the Bonds

Description and Nature of the debt instruments:	EUR 500,000,000
Currency:	Euro (EUR)
Interest rate:	0.000% p.a. The Issuer will not pay any interest on the Bonds, therefore, all relevant clauses throughout this Prospectus shall be read and construed accordingly.
Day Count Convention:	Following Business Day Convention, unadjusted / Actual/Actual (ICMA).
Duration:	3 years
Issue date:	25 June 2021
Maturity date	25 June 2024, redemption at par
Denomination:	EUR 100,000 and integral multiples of EUR 1,000 in excess thereof.
Form of the Bonds:	The Bonds will be in the form of uncertificated securities (<i>Wertrechte</i>) in accordance with article 973c of the Swiss Code of Obligations (CO) and will be issued as intermediated securities (<i>Bucheffekten</i>) within the meaning of the Swiss Intermediated Securities Act pursuant to Condition 2.
Reopening / Further issues:	The Issuer reserves the right to reopen this issue of Bonds at any time.
Swiss Security No. / ISIN / Common Code:	112041807 / CH1120418079 / 235778955
Swiss Withholding Tax:	Interest payments on bonds are subject to Withholding Tax of currently 35%, however because the periodic and one time interest rate on the Bonds is

0.000% no Withholding Tax will be deductible. All payments with respect to the Bonds will be made without deduction for or on account of Withholding Tax imposed by Switzerland, subject as mentioned under Condition 5.

Redemption upon a Tax Event:	Upon the occurrence of a Tax Event the Issuer may, at any time, redeem the Bonds, in whole but not in part, at par (together with any accrued, but unpaid interest to (but excluding) the Tax Event Redemption Date), by giving not less than fifteen (15) days' notice to the Bondholders in accordance with Condition 10 and notifying the date fixed for redemption. See Condition 5.2.
Negative Pledge:	None.
Early Redemption:	Subject to a period of not less than thirty (30) nor more than sixty (60) days prior notice to the Bondholders in accordance with Condition 10, the Issuer may redeem the Bonds at par at any time after the Issue Date and prior to the Maturity Date, in whole, but not in part only, at par (together with unpaid interest accrued up to and including the date determined by the Issuer for early redemption), if eighty-five (85) percent or more of the aggregate Principal Amount of the Bonds have been purchased and cancelled at the time of such notice. See Condition 4.3.
Bondholders' Representative: .	BNP Paribas, 16, boulevard des Italiens, 75009 Paris, France

Information on the Offering and Admission to Trading and Listing

Offering:	The offering described herein consists of a public offering of the Bonds in Switzerland, and of private placements of the Bonds to prospective investors outside of Switzerland and the United States of America (the United States or the U.S.) in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the Securities Act), in each case in compliance with applicable laws and regulations. See also " <i>Subscription and Sale</i> " beginning on page 43 of this Prospectus.
Issue Price:	100%
Placement Price:	According to demand.
Listing:	The Bonds have been provisionally admitted to trading on SIX Swiss Exchange with effect from or about 24 June 2021. Application will be made for the Bonds to be listed on SIX Swiss Exchange. The last day of trading is expected to be on the second SIX trading day prior to the date on which the Bonds are fully redeemed or written-off in accordance with the Terms of the Bonds.
Governing Law and Jurisdiction:	Swiss law / Zurich
Selling Restrictions:	The Bonds are subject to restrictions on their offering, sale, delivery and transfer both generally and specifically in the United States (Regulation S Category 2), the European Economic Area and the United Kingdom. These restrictions are described under " <i>Subscription and Sale</i> " beginning on page 43 of this Prospectus.
Joint Lead Managers:	BNP Paribas and Deutsche Bank AG, London Branch
Managers:	BNP Paribas, Deutsche Bank AG, London Branch and Bank Julius Baer & Co. Ltd.
Principal Paying Agent:	BNP Paribas Securities Services Paris, Succursale de Zurich
Rating Agency:	Moody's Investors Service, Inc. (Moody's)

Rating:..... The Bonds are at the time of issue expected to be rated A3 by Moody's.
A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time.

Information on Prospectus Approval

Swiss Review Body:..... SIX Exchange Regulation Ltd (the **Swiss Review Body**)

Prospectus date and Approval This Prospectus is dated 21 June 2021 and was approved by the Review Body on the date specified on page 1 of this Prospectus.

Because the minimum denomination of the Bonds of EUR 100,000 is in excess of CHF 100,000, the offering of the Bonds in Switzerland is exempt from the requirement to publish a prospectus pursuant to article 36(1)(d) FinSA. Accordingly, this Prospectus does not constitute a prospectus pursuant to the FinSA, has not been reviewed or approved by a Swiss review body pursuant to the FinSA, and may not comply with the disclosure requirements thereunder.

In addition, the Issuer is relied on the exemption from the obligation to publish a prospectus approved by a Swiss review body upon admission to trading of the Bonds on SIX Swiss Exchange pursuant article 51(2) of the Swiss Financial Services Act (the **FinSA**) and article 60 of the Swiss Financial Services Ordinance (the **FinSO**). Pursuant to article 51(2) of the FinSA, the Prospectus has been submitted to a Swiss review body for review and approval after completion of the offering and provisional admission to trading of the Bonds.

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

RISK FACTORS

An investment in the Bonds involves risks, including the risk of loss of a Bondholder's entire investment in the Bonds. Investors should reach their own investment decision with regard to the Bonds and only after consultation with their own financial and legal advisers about risks associated with an investment in the Bonds, and the suitability of investing in the Bonds in light of their particular circumstances.

The following is a disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. Prospective Bondholders should consider these risk factors carefully and/or consult with their professional advisor before deciding to purchase Bonds. The risk warnings set out below cannot serve as a substitute for individual advice and information which is tailored to the individual requirements, objectives, experience, knowledge and circumstances of each prospective Bondholder. In addition, prospective Bondholders should be aware that the risks described may combine and thus intensify. In any such case, the market price of the Bonds may be materially adversely affected, and an investor could lose all or part of its original investment. Investment decisions should not be made solely on the basis of the risk warnings set out below, since such risk information does not purport to be an extensive and comprehensive list of all possible risks associated with an investment in the Bonds. Accordingly, the risks described below are not the only ones the Issuer is facing.

The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their economic consequences or importance. Additional investment considerations not currently known, or which are currently deemed immaterial may also impair the Issuer's business operations. The business, financial condition or results of operations of the Issuer could be materially adversely affected by any of these risks.

Risks related to global economic and financial market conditions and systemic risk in the financial services industry

As a private bank with international operations and a global client base, the Issuer's business is sensitive to changes in financial markets, in particular foreign exchange rates, interest rates and equity markets as well as to general economic conditions in the markets in which the Issuer operates. Severe economic and financial market disruptions and/or extreme market volatility have occurred in recent years (such as the global financial crisis of 2007/8, the European sovereign debt crisis of 2011 or the COVID-19 pandemic since 2020, see "*Risks related to the business activities of the Issuer—Pandemic risk*") and may occur again in the future, which could result in significant losses for the Issuer. It is difficult to predict when economic or market downturns or other market disruptions will occur, and which markets will be most significantly impacted.

If economic or market conditions in Switzerland or elsewhere in Europe, or global markets more generally, were to further deteriorate, not improve as quickly as expected or severe financial market disruptions were to occur, the Issuer's operations could be disrupted or severely impacted, and its business, results of operations and financial condition could be adversely affected.

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

Risks related to the financial situation of the Issuer

Credit risk or other problems experienced by third-parties

The Issuer is exposed to the risk that third parties that owe the Issuer money, securities or other assets default on their payment or other obligations. These parties include the Issuer's clients, trading counterparties, clearing agents, exchanges, clearing houses and other financial institutions. These parties may default on their obligations to the Issuer due to lack of liquidity, operational failure, bankruptcy or other reasons. Market conditions in the global financial crisis of 2007/08 led to the failure or merger under distressed conditions of a number of prominent financial institutions. Financial institution failures or near failures have resulted in losses, including to the Issuer, as a consequence of defaults on securities issued by such institutions, and defaults under bilateral derivatives and other contracts entered into with such entities as counterparties.

Generally, the largest portion of the Issuer's credit activities consist of secured lending and margin trading activities as well as mortgages for its clients, which are secured by pledges of marketable equity and debt securities and

real estate located in Switzerland and selected international locations, respectively, to mitigate the Issuer's credit risk. The Issuer's risk management procedures focus on the value of the collateral securing the Issuer's credit risk. However, the Issuer may become under-collateralized, for example, as a result of sudden declines in market values of the collateral. In such case, the Issuer may incur losses up to the amount by which the obligation owed to the Issuer exceeds the value of the collateral securing such obligation.

Therefore, the realization of any such credit risk may result in financial losses and, hence, have a material adverse effect on the Issuer's results of operations and financial condition and the Issuer's ability to fulfil its obligations under the Bonds. Although the Issuer regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as, for instance, fraud. The Issuer may also fail to receive full information with respect to the credit or trading risks of a counterparty.

For information on the Issuer's management of credit risk, see the chapters "*Comment on Risk Management*" and "*Comment on Capital Management*" of the "*Financial Statements IFRS Bank Julius Baer & Co. Ltd. 2020*" in the Issuer Consolidated Financial Statements 2020 incorporated herein by reference. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

Treasury risk

Treasury risk is inherent in the basic banking activities of the Issuer such as accepting deposits and providing loans and credits. The treasury risk of the Issuer consists of the financing risk and the liquidity risk. Liquidity risk is the risk of the Issuer being unable to meet its payment obligations when they fall due. Financing risk is the risk of the Issuer being unable to finance its existing or planned activities on an ongoing basis at acceptable prices. Liquidity is critical to the Issuer's ability to fulfil its obligations to its clients and fund and operate its businesses, in particular in relation to providing loans and credits. As at 31 December 2020 the Issuer's activities were largely financed by client sight deposits and the Issuer may be unable to obtain alternative financing on the interbank market in the event of a liquidity impairment. The Issuer's liquidity could be impaired at any given time by various developments in the banking market, e.g.:

- market-wide illiquidity or disruption;
- unforeseen cash or capital requirements;
- unanticipated outflows of cash or collateral;
- unexpected loss of consumer deposits caused by changes in consumer behaviour; and
- lack of client confidence in the Issuer or financial institutions in general.

A diminution of the Issuer's liquidity may be caused by events over which it has little or no control. Failure by the Issuer to effectively manage its liquidity could constrain its ability to fulfil its obligations and fund or invest in its businesses in particular in relation to accepting deposits, providing loans and credits. A realization of the treasury risk could therefore materially adversely affect the Issuer's results of operations and financial condition and the Issuer's ability to fulfil its obligations under the Bonds.

Risk of a rating downgrade

The Issuer is rated by credit rating agencies. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. As of the date of this Prospectus Moody's assigned the Issuer an "Issuer Rating" of "A3" (for more details, see "*Information about the Issuer—Rating*").

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

Moody's published in April 2021 a request for comment on a number of proposed changes to the banks rating methodology. Moody's has not published a timeline for the any changes to enter into force. It cannot be excluded, however, that changes to the banks rating methodology may have a negative effect on the Issuer's rating.

Risks related to the business activities of the Issuer

Operational risk

The Issuer is exposed to operational risks. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, external events or fraud. It includes the risk of unexpected losses from isolated events, caused for example by faulty information systems, unsuitable organizational structures or deficient control mechanisms.

The Issuer's operational risk consists, in particular of information security and cyber risk, fraud risk, technology risk and its reliance on third-parties for certain key services. The information security and cyber risk is deemed one of the most substantial risks for the Issuer. For banks in particular, the loss of confidentiality, availability or integrity would deprive the institution from being able to serve its clients. In particular, for a private bank such as the Issuer, trust of its clients is most important to be able to maintain its franchise. A further risk type considered being of importance is fraud risk. Fraud attempts, committed by external third parties range from e.g. payment fraud, social engineering to asset misappropriation and alike. Fraud risk also includes misconduct or improper practice by the Issuer's employees. Such fraud, misconduct and improper practice could involve, for example, fraudulent transactions entered into for a client's account, the intentional or inadvertent release of confidential customer information or failure to follow internal procedures. As the Issuer's core business is wealth management and investment advice the Issuer is particularly sensitive for such misconduct by its employees.

Information technology (IT) risks are in the financial industry, and are particularly important for the Issuer. The data and the data processing is at the heart of the bank's ability to serve its clients. The Issuer is also exposed to the risk that arises from potential errors in the confirmation or settlement of transactions or from transactions not being accurately recorded, evaluated or accounted. The Issuer relies on internal processes and systems and the Issuer's businesses are highly dependent on its ability to process, correctly and on a rapid basis, a large number of transactions across several and diverse markets in several currencies. In an industry where business processes are becoming increasingly complex, the Issuer relies heavily on its financial, accounting and other data processing systems. If any of these systems, including but not limited to home office access during the COVID-19 pandemic, were not to operate properly or were disabled including due to a systems malfunction, cyber breach or other systems failure, the Issuer could suffer financial loss, liability to clients, loss of client confidence, regulatory intervention and/or reputational damage.

In providing banking services to its clients, the Issuer relies on third-parties for certain key services, in particular clearing systems for USD transactions, other currencies and securities, sub-custodians and correspondence banks. Any failure of these third parties to provide services to the Issuer could expose the Issuer to material operational risks. Equally so, a voluntary sudden withdrawal from providing services to the Issuer due to a loss of confidence and/or trust may infringe the Issuer's operational activities.

The realization of operational risks described above or other operational risks not yet known to the Issuer could have a material adverse effect on the Issuer's profitability and results of operations and the Issuer's ability to fulfil its obligations under the Bonds.

As per the Issuer's specific business model, it is also subject to substantive operational risks in relation to legal and regulatory compliance as described in more detail in "*Legal and regulatory risk*" below.

Market risk

Market risk refers to the potential losses through changes in the valuation of its assets and liabilities because of changes in market prices, volatilities, correlations and other valuation-relevant factors. The Issuer separates its market risk into the trading market risk and the non-trading market risk.

Trading market risk

The continued development of the structured products offering of the Issuer across all asset classes is addressing the diverse needs of the global customer base of the Issuer. Trading market risk results in the context of providing access to global equity, bonds, foreign exchange and precious metal markets structuring as well as to structured products by the Issuer. They are pursued with the intention of benefiting from actual or expected differences between the opening and closing price of proprietary positions, with the intention of benefiting from arbitrage profits, or with the intention of hedging risks from positions meeting aforementioned criteria. In the course of these activities, the Issuer is subject to market price changes.

In addition to the intrinsic volatility of market prices, the valuation of assets and liabilities can be negatively affected by adverse changes in any of the following:

- market-wide illiquidity or disruption;
- events that reduce confidence in the financial markets;

- inflation or deflation;
- any sudden and substantial increases in interest rates, in particular if unexpected and erratic, e.g. as a result of market disruption;
- high unemployment or, conversely, a tightening labor market;
- the availability and cost of capital and credit;
- monetary and fiscal policies and actions taken by the Swiss National Bank and other central banks or governmental authorities;
- trade policies implemented by governmental authorities;
- the economic effects of natural disasters, severe weather conditions, health emergencies or pandemics, cyberattacks, outbreaks of hostilities, terrorism or other geopolitical instabilities; and
- the health of the U.S., European, Asian and Swiss as well as the global economy.

Changes in market prices can also be triggered by the fact that suddenly there is no longer a market for a financial instrument and therefore no market price can be determined. If the trading market risk realizes, this could result in a material loss of the Issuer in relation to its trading activities and could therefore have a material adverse effect on the Issuer's results of operations and the Issuer's ability to fulfil its obligations under the Bonds.

Non-trading market risk

The non-trading market risk of the Issuer results from the management of financial assets and liabilities held in the Issuer's banking books with exposures mainly to interest rate risk, currency risk, credit spread risk, and equity risk.

In order to establish the value of financial instruments which the Issuer, under IFRS, recognises at fair value, the Issuer relies on quoted market prices or, where the market for a financial instrument is not sufficiently active, internal valuation models that utilise observable market data. In certain circumstances, the data for individual financial instruments or classes of financial instrument utilised by such valuation models may not be available, or may become unavailable, due to changes in market conditions, as has been the case at times since the commencement of the recent financial crisis. In such circumstances, the Issuer's internal valuation models require it to make assumptions, judgements and estimates in order to establish fair value. In common with other financial institutions, these internal valuation models are complex, and the assumptions, judgements and estimates the Issuer is required to make often relate to matters that are inherently uncertain, such as expected cash flows, the ability of borrowers to service debt, asset price appreciation and depreciation, and relative levels of defaults and deficiencies. Such assumptions, judgements and estimates may need to be updated to reflect new information, changing trends and market conditions. The resulting change in the fair values of financial instruments could have a material adverse effect on the Issuer's financial condition, results of operations and prospects. In particular, sudden and substantial increases in interest rates, in particular if unexpected and erratic in nature may have a material adverse impact on market prices for various classes of the Issuer's financial assets, including assets under management. Since funding cost and interest rates do not necessarily correlate in all interest rate environments, such interest rate movements may also have a material adverse effect on the Issuer's net interest income, the value of the Issuer's fixed income trading portfolio and the amount of income.

For information on these estimates and valuations, see the chapters "*Summary of significant accounting policies*" and Note 24B "*Financial instruments—Fair value determination*" in the Issuer Consolidated Financial Statements 2020 incorporated herein by reference. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

As the Issuer is specialized in wealth management, the Issuer's results of operations depend, to a significant extent, on factors such as the returns realized by its clients on their investments as well as its ability to attract new money inflows. Weak investment performance in the financial markets, will negatively affect the value of the assets the Issuer manages for its clients and may lead to a decline in the Issuer's revenues and profitability. In addition, clients experiencing lower than expected returns on investments offered or recommended by the Issuer relative to investment solutions offered by its competitors, could lead to an asset outflow. Furthermore, the Issuer is exposed to fluctuations in foreign exchange rates against CHF, which is the Issuer's (and Julius Baer Group Ltd.'s) reporting currency for consolidated financial statements and regulatory capital reporting. The mismatch of the currency split between income (dominated by USD, through the domination of clients' USD assets) and expenses (dominated by CHF, being a Swiss centered bank) may lead to reductions of profitability and the ability to reach the aspired profitability.

For the reasons set out above, the realization of the non-trading market risk could have a material adverse effect on the Issuer's results of operations.

Reputational risk

The Issuer is exposed to reputational risk. Reputational risk describes the risk that the reputation the Issuer has with its stakeholders (including regulators, shareholders, clients, employees and the general public) deteriorates and the trust in its franchise and brand value is negatively influenced. The Issuer's reputation may deteriorate due to cases in which stakeholders' perception of the Issuer differs negatively from the Issuer's actual conduct performance and business practice. Negative sentiment relating the Issuer's business practices can involve any aspect of its operations, but usually relates to topics of business ethics and integrity, or quality of products and services which could result from:

- misconduct of the Issuer's employees, existing or newly acquired clients, agents or third-party distributors;
- allegations that the Issuer does not fully comply with regulatory requirements or anti-money laundering rules;
- failure in the Issuer's IT system, loss or theft of clients' data or confidential information, failure in the Issuer's risk management or internal control procedures; and
- investments or financial products the Issuer recommends not performing as expected.

Any reputational damage to the Issuer could:

- cause existing clients to cease doing business with and to withdraw their assets from the Issuer;
- impair the Issuer's ability to attract new clients, or to expand its relationships with existing clients;
- prompt the Issuer to cease doing business with certain clients; and
- diminish the Issuer's ability to hire or retain employees.

The capability to retain existing clients or attract new clients of a bank specialized in wealth management, such as the Issuer, depends substantially on the confidence of its clients. Therefore, the Issuer considers its reputation as the most important asset and the hardest one to re-establish in case of an unwanted deterioration. The realization of reputational risk could therefore have a material adverse effect on the Issuer's business, results of operations and its prospects and the Issuer's ability to fulfil its obligations under the Bonds.

Pandemic risk

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

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

If the COVID-19 pandemic is prolonged, the adverse effects on the global economy may increase. The continuation of these negative economic conditions could have the following adverse effects on the Issuer's businesses:

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

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

People management risk

People management risk refers to processes and activities of Human Resources that are not adequately designed, set up or performed and therefore leading to an insufficient management of the lifecycle of an employee. Also comprised is the risk of line management not adequately carrying out its people management responsibility and therefore leading to an insufficient performance of supervision and leadership obligations.

The Issuer's business model relies heavily on experienced client relationship managers attracting and retaining clients. As a result, the Issuer's ability to recruit and retain experienced relationship managers, and, in turn, the relationship managers' ability to attract and retain clients, is central to the Issuer's ability to maintain and increase its assets under management and revenues. Individual relationship managers often maintain strong personal relationships with the Issuer's clients that are based on the client's trust in the relationship manager. Accordingly, any loss of client relationship managers could cause a loss of clients. Furthermore, the market for experienced relationship managers and other professionals is competitive, particularly in Asia where growth in private banking has been high and recruitment is often based on hiring relationship managers and other professionals from competitors. The employment agreements the Issuer has with its employees, including key client relationship managers, generally do not contain non-compete clauses, and therefore, key client relationship managers are legally not prevented from leaving the Issuer to engage in competing business activities. Therefore, the Issuer's ability to offer competitive employment terms, including compensation at all times is key to the retention of client relationship managers. Any failure to recruit or retain suitably experienced relationship managers and other professionals could adversely affect the Issuer's competitive position and limit the Issuer's ability to grow its assets under management and negatively impact its profitability.

Strategic risk

The Issuer defines strategic risk as the risk of employing a strategy that fails to secure the adequate returns available from the capital employed in the long run or failure to implement a strategy. In particular, strategic risk may arise from strategic decisions such as joint ventures, mergers and acquisitions, the pricing strategy and strategic recruiting or the lack of making timely decisions. Such strategic decisions relate to:

- the products and services that the Issuer offers;
- the geographies in which it operates;
- the types of clients that it serves; and
- the methods and distribution channels by which it offers products and services.

The Issuer's strategy is part of Julius Baer Group's overall strategy (see "*Risks related to the business activities of the Issuer—Risk related to Julius Baer Group*"). On 3 February 2020 the Julius Baer Group presented an updated strategy pursuant to which Julius Baer Group aims to enhance its wealth management business. To achieve this, the Julius Baer Group aims to substantially modernize its organization and sharpen its value proposition for high net worth and ultra-high net-worth clients. Investments in technology to power human advice will be accelerated and will be increased. To implement its strategy, the Julius Baer Group started a three-year programme to enhance its client value, improve its productivity and efficiency, and strengthen its risk culture and teamwork.

As part of the Julius Baer Group strategy, the Issuer's objective is to achieve a growth in Lombard lending commensurate with the evolution of its wealth management business. Part of the growth strategy of the Issuer is also the acquisition of other domestic or foreign banks, asset managers or any other operating companies (or business divisions thereof) in the financial industry. To this end, the Issuer is endeavoring to strengthen its private banking position in Switzerland and to selectively develop its private banking activities abroad.

Any acquisitions of companies, businesses and respective divisions are subject to risks in relation to the value of the acquired company or business segment, the integration of the acquired companies or business segments and synergy potentials related to the respective acquisition may not or not completely be realized. The realization of strategic risks can have an adverse effect on the results of operations of the Issuer. The Issuer pursues a growth strategy and is exposed to strategic risk in the pursuit of its growth strategy.

Business risk

The Issuer defines business risk as the risk arising from a bank's long-term business strategy of pure private banking. It entails the risk of a bank not being able to keep up with changing competition dynamics and/or an unfavorable fiscal, political or regulatory environment. The financial services industry has been subject to substantially increased regulation as a result of the global financial crisis in 2007/08 and this trend is expected to continue in the future. Because the Issuer operates in a highly regulated industry and its operations are regulated and supervised by regulatory authorities in each jurisdiction in which it conducts business, the Issuer's business revenues and profitability depends on the regulatory environment in each market in which it operates. Therefore, governmental policies and regulatory, which are beyond the Issuer's control, could have a material adverse effect on the Issuer's profitability and results of operations, require the Issuer to change its strategy, prevent the continuation of current

lines of operations, increase cost of compliance, restrict the type or volume of transactions which may be entered into and/or limit rates and fees that the Issuer may charge. Furthermore, as a result of the cross-border nature of the Issuer's business, it is particularly sensitive to barriers restricting cross-border market access, including, efforts in the EU to harmonize the regime for third-country firms to access the European market and similar efforts in a number of other jurisdictions.

The Issuer is exposed to additional business risks through cost pressure due to the size and complexity of its business, loss of relationship managers and other revenue generating staff, serious market downturn, top margin pressure due to increased pricing transparency and competition. The Issuer expects that this risk will continue to be intense, or even accelerate. As a private banking group operating internationally with a global client base, the Issuer is exposed to business risk as a result of changing conditions in the global financial markets.

The financial services industry in which the Issuer is active is highly competitive. The Issuer is currently present in around 50 locations worldwide and engages exclusively in private banking activities primarily in Switzerland, Europe, Asia, the Middle East and Latin America. The Issuer's wealth management business is characterized by increasing competition and accelerating consolidation in private banking in Switzerland. In addition, there has been a growth in competition between international financial centers such as London, Singapore and Switzerland.

New competitors in the financial services industry continue to emerge. For example, technological advances have allowed financial institutions and other companies to provide electronic and internet-based financial solutions, including electronic securities trading, payments processing and online automated algorithmic-based investment advice. New technologies have required and could require the Issuer to spend more to modify or adapt its products to attract and retain clients or to match products and services offered by its competitors, including technology companies and adversely affect the Issuer's business operations.

Ongoing or increased competition may put pressure on the pricing for the Issuer's products and services or may cause the Issuer to lose market share. This competition may be in respect of quality and variety of products and services offered, transaction execution, innovation, reputation and price. Increased competition also may require the Issuer to make additional capital investments in its businesses, or to extend more of its capital on behalf of its clients in order to remain competitive. Increased competition in the financial services industry and the failure of the Issuer to adequately react to the changed competition environment could therefore adversely affect the Issuer's profitability.

Risk related to the Julius Baer Group

The Issuer is controlled by its sole shareholder, Julius Baer Group Ltd. Consequently, if circumstances were to arise where the interests of Julius Baer Group Ltd. conflict with the interests of the Issuer and the Bondholders, the Bondholders could be disadvantaged if Julius Baer Group Ltd. seeks to take actions contrary to the Bondholders' interests.

Furthermore, the Issuer depends on Julius Baer Group Ltd. and/or other Julius Baer Group companies, inter alia, for certain services and intellectual property. The Issuer has also been provided by Julius Baer Group Ltd. with regulatory and other debt capital, which Julius Baer Group Ltd. has raised on the capital market by issuing various bonds. Should Julius Baer Group Ltd. cease to provide such services or funding, the Issuer's results of operations and financial condition and the Issuer's ability to fulfil its obligations under the Bonds could be materially adversely affected.

Risk related to client concentration

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

Legal and regulatory risk

Risk related to changes in the Julius Baer Group's regulatory capital position and changes to capital adequacy and liquidity requirements.

The Issuer is a wholly-owned subsidiary of Julius Baer Group Ltd. As the holding company of a banking group, Julius Baer Group Ltd. is subject to regulatory capital and liquidity requirements on a consolidated basis. For additional information regarding the regulatory capital position of the Julius Baer Group, see Basel III Pillar 3 2020, incorporated by reference herein (see "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus).

Both risk-weighted assets and eligible capital are subject to change. Eligible capital would be reduced if the Issuer experiences net losses, as determined for purposes of the regulatory capital calculation. Eligible capital can also be reduced for a number of other reasons, including adverse currency movements directly affecting the value of equity and prudential adjustments that may be required due to the valuation uncertainty associated with certain types of positions, or through dividends, share repurchases or similar distributions to shareholders. Risk-weighted assets, on the other hand, are driven by the Issuer's business activities and by changes in the risk profile of its exposures. For instance, substantial market volatility, a widening of credit spreads, a change in regulatory treatment of certain positions, adverse currency movements, increased counterparty risk or deterioration in the economic environment could result in an increase in risk-weighted assets. Any unanticipated reduction in eligible capital, or increase in risk-weighted assets, could materially impact the Issuer's capital ratios. The required levels and calculation of the Issuer's regulatory capital and the calculation of its risk-weighted assets are also subject to changes in regulatory requirements or their interpretation. Changes in the Swiss requirements for risk-based capital, leverage ratios or liquidity ratios, whether pertaining to the minimum levels required for Swiss banks or to the calculation thereof, or changes in liquidity requirements, could have a material adverse effect on the Issuer's business and could affect its competitive position internationally compared with institutions that are regulated under different regimes.

Risk of changes in regulatory environment

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

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

Other material changes in the regulatory environment in the past included the conclusion by Switzerland of a multilateral agreement with the EU on the international automatic exchange of information (**AEOI**) in tax matters, which applies to all EU member states. In addition, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information (**MCAA**), as well as, based on the MCAA, a number of bilateral AEOI agreements with other countries. See "*Taxation in Switzerland—Automatic Exchange of Information in Tax Matters*".

Compliance risk

Compliance risk is the risk of financial loss or damage resulting from a breach of applicable laws and regulations or the non-adherence to internal or external rules and regulations or market practice. The Issuer is subject to compliance risks in particular by providing services to clients and counterparties, by receiving services from third parties and by operating in a regulated industry.

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

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

Risk related to financial crime

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

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

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

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

Business conduct risk

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

Further, as the Issuer's cross-border activities may result in breach of applicable local regulations, laws and policy requirements on cross-border business or similar requirements in the relevant country, as defined in internal policies, guidelines and procedures (e.g. country manuals). Breaches of foreign law have resulted in high financial settlements for the Issuer in the past such as in case of the amount of USD 79.7 million paid by the Issuer as part of the settlement reached on 27 May 2021 with the U.S. Department of Justice (DOJ) in connection with the FIFA-related investigation in the U.S. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus. Client reimbursement risk in case client contracts are considered null and void (rescinding of contract) due to violation of foreign law. Further, severe breaches of foreign law (and consequently serious breaches of Swiss supervisory law) can in severe cases lead to a revocation of the banking license by the Swiss Financial Market Supervisory Authority (the **FINMA**). In the case of a revocation of the Issuer's banking license, clients can no longer be served and the Issuer would be liquidated, including the closure of client accounts. Breaches can also result in an enforcement action of the regulator or a public reprimand. Enforcement proceedings made public by regulators may result in major negative press coverage and lead to negative reactions from stakeholders (see "*Risks related to the business activities of the Issuer—Reputational risk*"). This could lead to a decrease of assets under management and could materially adversely affect the Issuer's financial condition and results of operations and the Issuer's ability to fulfil its obligations under the Bonds.

Market conduct risk

The Issuer defines market conduct risk as risk of the Issuer's involvement in several types of conduct (such as insider trading and market manipulation) that may constitute market abuse with the ultimate impacts on the integrity and proper functioning of markets, of non-adherence to various financial market rules and regulations, such as financial market infrastructure regulation, exchange rules, internal product specific restrictions and market specific regulations. Due to the wide range of regulations and topics covered by this category, the risks for the Issuer are equally manifold and can reach from administrative penalties and high imposed fines to a loss of exchange admission or license. Non-adherence to various financial market rules and regulations, such as financial market infrastructure regulation, exchange rules, internal product specific restrictions and market specific regulations, may result in fines and/or disgorgement imposed by regulatory and/or criminal authorities or even the loss of

license. This could result in a material loss for the Issuer and could have a material adverse effect on the Issuer's financial condition and results of operations and the Issuer's ability to fulfil its obligations under the Bonds.

Litigation risk

The Issuer defines litigation risk as risk of undue financial losses, regulatory/criminal sanctions and reputational exposure resulting out of inadequate management, risk assessment, supervision and reporting of litigation, investigation cases and client complaints.

The Issuer is involved in various legal, regulatory and administrative proceedings concerning matters arising within the course of normal business operations (see "*Information about the Issuer—Court, Arbitration and Administrative Proceedings*"). Such proceedings include for example litigation in relation to certain investment schemes, tax schemes and further litigation related to the banking activities of the Issuer.

These may be costly to defend and could result in large monetary losses, including punitive damage awards. In particular, the Issuer is involved in a number of litigation proceedings in which claims from third parties have been made against the Issuer. As a participant in the financial services industry, it is likely that the Issuer will continue to experience a high level of litigation and regulatory investigations related to its businesses and operations. In addition, legal, regulatory and administrative proceedings against other Julius Baer Group companies may have a material negative effect on the Issuer, even if the Issuer is not directly involved, including through reputational damage of the Julius Baer brand or large monetary losses of other Julius Baer Group companies, which in turn reduce capital available for the Issuer.

For the reasons set out above, legal, regulatory and administrative proceedings against the Issuer may require the Issuer to restructure its operations and activities or to cease offering certain products or services. All of these potential outcomes could impact the financial condition and profitability of the Issuer.

Risks relating to the Bonds

FINMA has broad statutory powers to take measures in relation to the Issuer and the Bonds

According to article 25 et seqq. of the Swiss Banking Act, the FINMA has broad statutory powers to take measures in relation to banks (and their parent companies) if they (i) are overindebted, (ii) have serious liquidity problems or (iii) fail to fulfil the applicable capital-adequacy provisions after expiry of a deadline set by the FINMA. If one of these prerequisites is met, the FINMA is authorized (a) to open restructuring proceedings (*Sanierungsverfahren*) or (b) to open liquidation (bankruptcy) proceedings (*Bankenkonkurs*) or (c) to impose protective measures (*Schutzmassnahmen*). The Swiss Banking Act grants significant discretion to the FINMA. In particular, protective measures that may be imposed by the FINMA include a broad variety of measures such as a (bank) moratorium (*Stundung*) or a maturity postponement (*Fälligkeitsaufschub*) and may be ordered by the FINMA either on a stand-alone basis or in connection with reorganisation or liquidation proceedings.

If a FINMA restructuring proceeding were to be carried out with respect to the Issuer, the resolution plan may, among other things, provide for (i) the transfer of the property of the Issuer or parts thereof (assets and debt as well as contracts) to another entity, and/or (ii) a write-down or write-off of the Bonds or a conversion of the Bonds into equity.

Upon full or partial write-down of the equity and debt of the entity subject to restructuring proceedings, the relevant creditors would receive no payment in respect of the debt that is written down, the write-down would be permanent, and the investors would not, at such time or at any time thereafter, receive any shares or other participation rights, or be entitled to any write-up or any other compensation in the event of a potential recovery of the debtor. If FINMA orders the conversion of debt of the entity subject to restructuring proceedings into equity, the securities received by the investors may be worth significantly less than the original debt and may have a significantly different risk profile, and such conversion would also dilute the ownership of existing shareholders. In addition, creditors receiving equity would be effectively subordinated to all creditors of the restructured entity in the event of a subsequent winding up, liquidation or dissolution of the restructured entity, which would increase the risk that investors would lose all or some of their investment.

FINMA has significant discretion in the exercise of its powers in connection with restructuring proceedings. Furthermore, certain categories of debt obligations, such as certain types of deposits, are subject to preferential treatment. As a result, holders of obligations of an entity subject to a Swiss restructuring proceeding may have their obligations written down or converted into equity even though obligations ranking on par with or junior to such obligations are not written down or converted. The Issuer would have limited ability to challenge any such protective measures, and creditors (including the Bondholders) would have no right under Swiss law or in Swiss courts to reject them, seek their suspension, or challenge their imposition, including measures that require or result in the deferment of payments.

An investment in the Bonds involves risks relating to changes in the interest rate environment

The Bonds bear interest at a fixed rate, which means that an investment in the Bonds involves the risk that if market interest rates subsequently increase above such fixed rate of interest, the real return on (and value of) the Bonds will be adversely affected.

The terms of the Bonds contain no restriction on the amount or type of further securities or indebtedness that the Issuer may issue

The terms of the Bonds contain no restriction on the amount or type of further securities or indebtedness that the Issuer may issue, incur or guarantee that rank senior to, or pari passu with, the Bond. The issue or guaranteeing of any such further securities or indebtedness may limit the ability of the Issuer to meet its obligations under the Bonds and may reduce the amount recoverable by Bondholders under the Bonds upon a liquidation or winding-up of the Issuer.

The Issuer may, without consent of the Bondholders, substitute a subsidiary as issuer under the Bonds

Under the Bonds, the Issuer may, without the consent of the Bondholders and subject to certain conditions, substitute for itself any of its direct or indirect subsidiary as issuer of the Bonds. So long as the conditions described in the terms of the Bonds are satisfied, such subsidiary may be an entity incorporated in a jurisdiction other than Switzerland or having a different form from the Issuer. In such a case, the rights of Bondholders under the laws of the jurisdiction of such subsidiary may differ from the rights of Bondholders against the Issuer under Swiss laws. For example, other types of entities or entities formed in other jurisdictions may be subject to different insolvency regimes or may not be subject to suit in the same manner. As a result, Bondholders may be required to comply with legal procedures for making a claim or enforcing an action against such subsidiary specific to the jurisdiction or form of incorporation of such subsidiary that differ from the legal procedures required for making a claim or enforcing an action against the Issuer under Swiss laws.

In certain instances, Bondholders may be bound by certain amendments to the Bonds to which they did not consent

The Bonds are subject to statutory provisions of Swiss law allowing for the calling of meetings of Bondholders to consider matters affecting their interests. These provisions permit defined majorities to bind all Bondholders of the Bonds, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. Furthermore, Pursuant to Condition 8 (*Events of Default*), each Bondholder has appointed BNP Paribas, as Bondholders' Representative for purposes of the Terms of the Bonds. To the extent of such appointment of the Bondholders' Representative, individual Bondholders may not independently exercise any rights. Individual Bondholders may also not independently exercise their rights to the extent a Bondholder Meeting (as defined below) has validly resolved on a matter.

The paying agency agreement made between the Principal Paying Agent, the Bondholders' Representative and the Issuer (the **Paying Agency Agreement**) contains provisions for the indemnification of the Bondholders' Representative and for its relief from responsibility and liability, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

Pursuant to the Paying Agency Agreement, the Bondholders' Representative may rely on a report, confirmation or certificate or opinion or any advice of any accountants, financial advisers, financial institution or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Bondholders' Representative or in any other manner) by reference to a monetary cap, methodology or otherwise. The Bondholders' Representative may accept and shall be entitled to rely on any such report, opinion, confirmation or certificate or advice and such report, opinion, confirmation, or certificate or advice. The Paying Agency Agreement also contains provisions pursuant to which the Bondholders' Representative is entitled, inter alia, (a) to enter into business transactions with the Issuer or any other member of the Julius Baer Group and to act as representatives for the holders of any other securities issued or guaranteed by, any member of the Julius Baer Group, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Bondholders' Representative may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Bondholders' Representative may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power. The Bondholders' Representative may take such action without having regard to the effect of such action on individual Bondholders.

For more information, see "Swiss Law Bondholder Provisions" on page 46 of this Prospectus.

An active trading market for the Bonds may not develop

The Bonds will be new securities, which may not be widely distributed, and for which there is currently no active trading market. An active trading market for the Bonds may never develop, or if one does develop, it may not be sustained or it may not be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Although application will be made for the admission to trading and listing of the Bonds on the SIX Swiss Exchange, there can be no assurance that such application will be accepted or that an active trading market in the Bonds will develop. Accordingly, there can be no assurance as to the development or liquidity of any trading market for the Bonds. Illiquidity may have a severely adverse effect on the market value of the Bonds.

The market value of the Bonds may be influenced by unpredictable factors

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

- the creditworthiness of the Issuer and, in particular its results of operations, financial condition and liquidity profile;
- supply and demand for the Bonds, including inventory with any securities dealer; and
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer or the financial markets generally.

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

The Issuer's credit rating may not reflect all risks of an investment in the Bonds

The Issuer's credit rating may not reflect the potential impact of all risks relating to the market values of the Bonds. However, real or anticipated changes in the Issuer's credit rating will generally affect the market values of the Bonds or may result in a downgrade in the ratings for the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Exchange rate risks and exchange controls

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

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors in the Bonds may receive less interest or principal than expected, or no interest or principal.

ABOUT THIS PROSPECTUS

Documents Incorporated by Reference

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

Document	Information incorporated by reference (references are to page numbers in that document)	Place of publication
Consolidated Financial Statements 31 December 2020 (including prior year comparative financial information) of the Issuer (Issuer Consolidated Financial Statements 2020)	(i) Consolidated financial statements4 – 12 (ii) Summary of significant accounting policies.....12 – 22 (iii) Comment on risk management22 – 40 (iv) Comment on capital management40 – 41 (v) Information on the consolidated income statement.41 – 45 (vi) Information on the consolidated balance sheet.....45 – 60 (vii) Additional information60 – 108 (viii) Report of the statutory auditor to the annual general meeting of Bank Julius Baer & Co. Ltd., Zurich108 – 110	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=75241&token=ce031a0df013eb9d6f52bc2395dfcc368833580a
Consolidated Financial Statements 31 December 2020 (including prior year comparative financial information) of Julius Baer Group Ltd (Julius Baer Group Consolidated Financial Statements 2020)	(i) Consolidated financial statements ...96 – 104 (ii) Summary of significant accounting policies.....104 – 115 (iii) Comment on risk management 115 – 133 (iv) Comment on capital management 133 – 137 (v) Information on the consolidated income statement.137 – 142 (vi) Information on the consolidated balance sheet.....142 – 163 (vii) Additional information16 – 219 (viii) Report of the statutory auditor to the annual general meeting of Julius Baer Group Ltd., Zurich 219 – 224	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=75197&token=26bcf52ad4576fb076e8ad0e0dcc85d0cb773599
Consolidated Financial Statements 31 December 2019 (including prior year comparative financial information) of Julius Baer Group Ltd (Julius Baer Group Consolidated Financial Statements 2019)	(i) Consolidated financial statements88 – 96 (ii) Summary of significant accounting policies.....96 – 107 (iii) Comment on risk management 107 – 123 (iv) Comment on capital management 123 – 127 (v) Information on the consolidated income statement.132 – 132 (vi) Information on the consolidated balance sheet.....132 – 153 (vii) Additional information153 – 211 (viii) Report of the statutory auditor to the annual general meeting of Julius Baer Group Ltd., Zurich 211 – 216	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=66270&token=51fa012d19a20e789128b1821459836ba26ac4a2
Julius Baer Group Basel III Pillar 3 Disclosures	(i) Introduction2 – 6 (ii) Key metrics.....6 – 7 (iii) Risk management framework7 – 10	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=76387&t

2020 (Basel III Pillar 3 2020)	<ul style="list-style-type: none"> (iv) Linkage between financial statements and regulatory exposures.....10 – 14 (v) Capital components14 – 20 (vi) Leverage ratio20 – 22 (vii) Liquidity cover ratio22 – 24 (viii) Credit risk24 – 33 (ix) Counterparty credit risk33 – 37 (x) Securitisations37 – 39 (xi) Market risk39 – 44 (xii) Interest rate risk in the banking book 44 – 48 (xiii) Operational risk48 	oken=78253828b9729de0392b2e0550e13b24ee02b3a6
Julius Baer Group Interim Management Statement for the first four months of 2021 (Interim Management Statement 2021)	Entire Interim Management Statement 2021	www.juliusbaer.com/de/medien-investoren/news/interim-management-statement-fuer-die-ersten-vier-monate-2021/#overlayNews=2570
Julius Baer Group Alternative Performance Measures Full Year 2020 (APM 2020)	Entire Alternative Performance Measures for the full year 2020	www.juliusbaer.com/index.php?eID=dumpFile&t=f&f=73108&token=62d0270832b5deb44bd880046b08dada0130a5e7
Final settlement with the U.S. Department of Justice regarding FIFA matter (DoJ FIFA Final Settlement)	Announcement regarding the Issuer's final settlement with the U.S. Department of Justice regarding the FIFA matter	www.juliusbaer.com/en/media-investors/news/julius-baer-announces-final-settlement-with-the-us-department-of-justice-regarding-fifa-matter/

The Issuer is a wholly-owned subsidiary of Julius Baer Group Ltd. (Julius Baer Group Ltd. together with its subsidiaries the Julius Baer Group). The Bonds will be obligations solely of the Issuer and will not be guaranteed by or otherwise the responsibility of Julius Baer Group Ltd., any other subsidiary of Julius Baer Group Ltd. or any other entity referred to in this Prospectus.

Availability of Documents

Copies of this prospectus (including the documents incorporated by reference herein), can be obtained in electronic or printed form, free of charge, during normal business hours from (i) the registered office of the Issuer, Bahnhofstrasse 36, 8001 Zürich or from (ii) BNP Paribas Securities Services Paris, Succursale de Zurich, Selnaustrasse 16, B.O. Box, Zurich, or can be ordered by telephone (+41582126111) or by e-mail to zurich_BP2S_CTS@bnp-paribas.com.

TERMS OF THE BONDS

The terms and conditions of the EUR 500,000,000 0.000% bonds 2021 – 2024, Swiss Security No. 112041807 / ISIN CH1120418079 / Common Code 235778955 (the **Bonds**) (each a **Condition**, and together the **Terms of the Bonds**), issued by Bank Julius Baer & Co. Ltd. (the **Issuer**) on 25 June 2021 (the **Issue Date**), are as follows:

1. Amount / Denomination / Reopening

- (a) The Bonds are issued in the initial aggregate principal amount of EUR 500,000,000 and are divided into Bonds with denominations of EUR 100,000 per bond and integral multiples of EUR 1,000 in excess thereof.
- (b) The Issuer reserves the right to reopen and increase the aggregate principal amount of the Bonds issued at any time and without prior consultation of or permission of the Bondholders (as defined below) through the issuance of further bonds which will be fungible with the Bonds (i.e. identical especially in respect of the Terms of the Bonds (as defined thereafter other than the Issue Date and the initial Interest Payment Date), security numbers, final maturity and interest rate).

2. Form

- (a) The Bonds shall be constituted as uncertificated securities (the **Uncertificated Bonds**; *Wertrechte*) in accordance with art. 973c of the Swiss Code of Obligations by way of registration in the Issuer's register of uncertificated securities (the **Issuer's Register of Uncertificated Securities**; *Wertrechtbuch*). The Uncertificated Bonds shall be recorded in the main register at SIX SIS Ltd. (the **Intermediary**) on or prior to the Issue Date. Hence, after the Bonds have been credited to the securities account of one or more participants of the Intermediary, they will constitute intermediated securities (*Bucheffekten*) (**Intermediated Securities**) in accordance with the Federal Act on Intermediated Securities (**FISA**). So long as the Bonds constitute Intermediated Securities, they may only be transferred or otherwise disposed of by the entry of the Bonds in a securities account (*Effektenkonto*) in accordance with the FISA.
- (b) Neither the Issuer, the Bondholders, BNP Paribas Securities Services Paris, Succursale de Zurich nor any third party shall at any time have the right to effect or demand the delivery of the Uncertificated Securities (*Wertrechte*) or the conversion into, and / or the delivery of, a permanent global certificate (*Globalurkunde*) or definitive notes (*Wertpapiere*).
- (c) The records of the Intermediary will determine the number of Bonds held through each participant in that Intermediary. In respect of the Bonds held in the form of Intermediated Securities, the holders of the bonds (**Bondholders**) will be the persons holding the Bonds in a securities account (*Effektenkonto*) in their own name, or in case of intermediaries (*Verwahrungsstellen*), the intermediaries holding the Bonds for their own account in a securities account (*Effektenkonto*) which is in their name.

3. Interest

The Bonds bear interest from the Issue Date at the fixed rate of 0.000% per annum, payable annually on 25 June (the **Interest Payment Date** and the period from the Interest Payment Date to the next following Interest Payment Date, the **Interest Period**) in arrear, the first interest payment to occur on 25 June 2022. When interest (if any) is required to be calculated for a period of less than one year, it shall be calculated on the basis of the actual number of days in the period for which interest is required to be calculated divided by the product of the actual number of days in the relevant Interest Period. The Issuer will not pay any interest on the Bonds, therefore, all relevant clauses throughout this Prospectus shall be read and construed accordingly.

4. Duration and Redemption

4.1 Redemption at Maturity

The Bonds have a fixed duration of three (3) years. The Issuer undertakes to repay the principal amount of the Bonds at par, without further notice on 25 June 2024 (the **Maturity Date**).

4.2 Purchases

- (a) The Issuer and any of its affiliates may at any time purchase Bonds at any price in the open market or otherwise. Any purchase shall be made in accordance with applicable laws or regulations, including (without limitation) applicable stock exchange regulations.

- (b) Bonds so purchased may be held, resold or surrendered to BNP Paribas Securities Services Paris, Succursale de Zurich (the **Principal Paying Agent**) for cancellation.

4.3 Redemption at the option of the Issuer

Subject to a period of not less than thirty (30) nor more than sixty (60) days prior notice to the Bondholders in accordance with Condition 10, the Issuer may redeem the Bonds at any time after the Issue Date and prior to the Maturity Date, in whole, but not in part only, at par (together with unpaid interest accrued up to and including the date determined by the Issuer for early redemption), if eighty-five (85) percent or more of the aggregate principal amount of the Bonds have been purchased and cancelled at the time of such notice.

5. Taxation

5.1 Additional Amounts

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

- (i) held by or on behalf of a Bondholder who is liable for such taxes, duties, assessments or governmental charges in respect of such Bond by reason of their having some connection with Switzerland other than the mere holding of such Bond; or
- (ii) presented for payment more than 30 days after the due date except to the extent that the Bondholder would have been entitled to an Additional Amount on presenting the same for payment on such thirtieth day (assuming that day to have been a Business Day); or
- (iii) where such withholding or deduction is imposed on any payment in respect of such Bond pursuant to laws enacted by Switzerland changing the Swiss withholding tax system from an issuer-based system to a paying agent-based system pursuant to which a person in Switzerland other than the issuer is required to withhold tax on any interest payments; or
- (iv) where such withholding or deduction is imposed on any payment by reason of Sections 1471 through 1474 of the US Internal Revenue Code (commonly referred to as FATCA); or
- (v) any combination of two or more of the items set out at (i) to (iv) above.

5.2 Redemption upon a Tax Event

Upon the occurrence of a Tax Event the Issuer may, at any time, redeem the Bonds, in whole but not in part, at par (together with any accrued, but unpaid interest to (but excluding) the **Tax Event Redemption Date**), by giving not less than fifteen (15) days' notice (the date on which such notice has been given, the **Tax Event Redemption Notice Date**) to the Bondholders in accordance with Condition 10 and notifying the date fixed for redemption (the **Tax Event Redemption Date**).

Notwithstanding the foregoing, the Issuer shall deliver to the Principal Paying Agent a certificate signed by two signatories of the Issuer with joint signatory power according to the Issuer's entry in the commercial register of the Canton of Zurich stating that the relevant requirement or circumstance giving rise to the right to redeem in accordance with this Condition 5.2 is satisfied and the reasons therefor, and such certificate shall be conclusive and binding on the Bondholders. Prior to the publication of any notice of redemption pursuant to this Condition 5.2, the Issuer shall deliver an opinion of a nationally recognised law firm or independent tax advisers of recognised standing to the Principal Paying Agent to the effect that the circumstances entitling the Issuer to exercise its rights of redemption under this Condition 5.2 have arisen.

A **Tax Event** means the receipt by the Issuer of an opinion of a nationally recognised law firm or other tax adviser (which may be an accounting firm) in Switzerland experienced in such matters stating that there is more than an insubstantial risk that (i) the Issuer is not, or will not be, able to any longer obtain a tax deduction for Swiss corporate income tax purposes for any payment of interest in respect of the Bonds, as a result of which the Issuer is, or will be, subject to more than a de minimis amount of additional taxes,

or (ii) the Issuer is, or will become, obliged to deduct or withhold taxes under the laws or regulations of Switzerland in respect of any payments of interest to Holders in respect of the Bonds, and in each of cases (i) and (ii) this cannot be avoided by the Issuer taking such reasonable measures available to it without any material adverse effect on, or material cost to, the Issuer (as determined by the Issuer in its sole discretion).

6. Payments

- (a) The amounts required for the payment of the principal amount and any other payments in cash to be made under these terms of the bonds (the **Terms of the Bonds**) on the Bonds will be made available in freely disposable euros.
- (b) The Principal Paying Agent is authorized to appoint any other institutions as paying agent.
- (c) If the due date for any payment by the Issuer does not fall on a Business Day, the Issuer undertakes to effect payment for value on the Business Day immediately following such due date and the Bondholders will not be entitled to any additional sum thereto.
- (d) In these Terms of the Bonds, Business Day means a day which is a day on which the Trans-European Automated Real- Time Gross Settlement Express Transfer (TARGET2) System is open.
- (e) The receipt of the funds in euros by the Principal Paying Agent shall release the Issuer from its obligations under the Bonds to the extent of the amounts received by the Principal Paying Agent.
- (f) Claims against the Issuer in respect of Bonds will become time barred unless presented for payment within a period of presently ten years in the case of the principal and five years in the case of interest from the relevant due date, by virtue of the statute of limitations of Swiss law.

7. Status

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preferences as are provided by any mandatory applicable provisions of law.

8. Events of Default

- (a) BNP Paribas shall be appointed as representative of the Bondholders pursuant to article 1158 of the Swiss Code of Obligations (the **Bondholders' Representative**) for purposes of the Term of the Bonds.
- (b) If any of the following events (each event an **Event of Default**) shall occur, the Bondholders' Representative has the right but not the obligation, on behalf of the Bondholders to declare the Bonds immediately due and repayable at par plus accrued interest:
 - (i) there is a failure by the Issuer to pay principal or interest on any of the Bonds, if and when due and such failure continues for a period of ten (10) calendar days; or
 - (ii) a failure is made in the performance or observance of any material covenant, condition or provision which is to be performed by the Issuer under the Terms of the Bonds and (except where the Bondholders' Representative certifies in writing that, in its opinion, such failure is not capable of remedy, when no such notice or continuation as is mentioned below shall be required) such failure continues for a period of twenty (20) calendar days following the service by the Bondholders' Representative on the Issuer of a notice requiring such failure to be remedied; or
 - (iii) any other present or future indebtedness of the Issuer for or in respect of monies borrowed is not paid when due (otherwise than, where permitted under the terms of the relevant indenture or agreement, at the option of the relevant debtor) or, as the case may be, within any applicable grace period, or becomes due and payable prior to its stated maturity as a result of an event of default (howsoever described), or any security in respect of any such indebtedness becomes enforceable or any guarantee of, or indemnity in respect of such indebtedness given by the Issuer is not honored when due and called or, as the case may be, within any applicable grace period, provided that no such event shall be taken into account for the purposes of this para. (iii) unless such indebtedness, either alone or when aggregated with other indebtedness shall at any time equal or exceed the amount of at least CHF 50,000,000 or its equivalent in any other currency or currencies (calculated on the basis of the middle spot rate for the relevant currency

against CHF as quoted by any leading bank at the place of payment of such debt on the day on which this para. operates); or

- (iv) the Issuer is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, proposes or makes a stay of execution, a postponement of payments (*Stillhaltevereinbarung*), a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium or postponement of payments (*Stillhaltevereinbarung*) is agreed or declared in respect of or affecting all or a substantial part of (or a particular type of) the debts of the Issuer or a liquidator is appointed with respect to the Issuer; or
- (v) the Issuer alters its legal or commercial structure through bankruptcy, liquidation, disposal of a substantial part of its assets, material change in the objects of the legal entity and/or commercial activities or merger (except a merger between the Issuer and a Subsidiary of the Issuer), in so far as the relevant action, in the Bondholders' Representative's opinion, has or will have a material adverse effect on the capacity of the Issuer to meet its obligations under the Terms of the Bonds unless the Bondholders' Representative considers the situation of the Bondholders as adequately protected based on securities created or other steps taken by the Issuer; or
- (vi) a dissolution, winding-up, liquidation or merger involving the Issuer as result of which the Issuer is not the surviving legal entity, unless the successor legal entity assumes all the Issuer's liabilities of the Bonds.

Subsidiary of the Issuer in respect of these Terms of the Bonds means a company the financial statements of which are, in accordance with applicable law, or generally accepted accounting principles, consolidated with those of the Issuer.

- (c) The Issuer undertakes to inform Bondholders' Representative without delay if any event mentioned under sub-paragraphs (ii) through (vi) has occurred and to provide Bondholders' Representative with all necessary documents and information in connection therewith. The Issuer accepts responsibility for the information contained in those documents.
- (d) If an Event of Default occurs, the Bondholders' Representative has the right but not the obligation to serve a written notice of default (the **Default Notice**), such notice having the effect that the Bonds shall become immediately due and payable at par plus accrued interest, if any, on the day the Default Notice is given.
- (e) Upon the occurrence of an Event of Default, the Bondholders' Representative may invite the Bondholders in accordance with art. 1157 seq. Swiss Code of Obligations to a Bondholders' meeting for the taking of a resolution on the serving of a Default Notice, provided the Bondholders' Representative has not served such Default Notice itself. The legally valid resolution of the Bondholders' meeting to serve a Default Notice, shall replace the right reserved by the Bondholders' Representative according to these Terms of the Bonds to serve a Default Notice on behalf of the Bondholders. If the Bondholders' meeting votes against the serving of a Default Notice, the right to serve such Default Notice shall revert to the Bondholders' Representative whereby the Bondholders' Representative shall not be bound by the resolution of the Bondholders' meeting if and to the extent that new circumstances arise or become known which require a revised assessment of the facts.

9. Substitution

- (a) The Issuer may without the consent of the Bondholders, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Bonds with any Swiss legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (the **New Issuer**), provided that:
 - (i) in the opinion of the Bondholders' Representative, (i) the New Issuer is in a position to fulfil all payment obligations arising from or in connection with the Bonds and (ii) the interest of the Bondholders are adequately protected;
 - (ii) the Issuer and the New Issuer have entered into such documents as are necessary to give effect to such substitution and provided copies of these documents to the Bondholders' Representative; and
 - (iii) the Issuer has issued an irrevocable and unconditional guarantee as per art. 111 of the Swiss Code of Obligations in respect to the obligations of the New Issuer under the Bonds in form and content satisfactory to the Bondholders' Representative.

- (b) Any substitution shall be published in accordance with Condition 10.
- (c) In the event of such substitution, any reference to the Issuer shall be deemed to refer to the New Issuer.

10. Listing and Notices

The Issuer will use its reasonable efforts to have the Bonds listed on SIX Swiss Exchange Ltd and to maintain such listing during the whole term of the Bonds (the last trading day will be the second trading day on SIX Swiss Exchange Ltd prior to the date on which the Bonds will be fully redeemed according to Condition 4).

All notices regarding the Bonds shall be given (i) for so long as the Bonds are listed on SIX Swiss Exchange Ltd on the website of SIX Swiss Exchange Ltd (where notices are currently published under the address www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#) or otherwise in accordance with the regulations of SIX Swiss Exchange Ltd, or (ii) in case the Bonds are no longer listed on SIX Swiss Exchange Ltd in a daily newspaper with general circulation in Switzerland (which is expected to be the *Neue Zürcher Zeitung*).

11. Governing Law and Jurisdiction

These Terms of the Bonds and the Bonds are governed by, and shall be construed in accordance with, the laws of Switzerland (i.e. without regard to principles of conflict of laws). Any dispute that might arise based on these Terms of the Bonds or the Bonds shall fall within the exclusive jurisdiction of the courts of the city of Zurich and, if permitted, the Commercial Court of the Canton of Zurich, the place of jurisdiction being Zurich 1.

12. Amendments

The Terms of the Bonds may be amended by agreement between the Issuer and the Bondholders' Representative on behalf of the Bondholders provided that such amendment is of a formal, minor or technical nature, is made to correct a manifest error and is not prejudicial to the interests of the Bondholders. Notice of any such amendment shall be published in accordance with Condition 10.

USE OF PROCEEDS

The net proceeds of the Bonds, being the amount of EUR 499,000,000 (the **Net Proceeds**), will be used by the Issuer for general corporate purposes. The Joint Lead Managers shall not have any responsibility for, or be obliged to concern themselves with, the use of the Net Proceeds of the Bonds.

INFORMATION ABOUT THE ISSUER

General information

Name, registered office

Bank Julius Baer & Co. Ltd. with registered office at Bahnhofstrasse 36, 8001 Zurich

Incorporation, duration

The Issuer was incorporated on 31 December 1974 for an unlimited duration.

System of law, legal form

Swiss law; company limited by shares (*Aktiengesellschaft*) according to the Swiss Code of Obligations (article 620 ff. CO).

Purpose

The Issuer's purpose according to article 2 of its articles of association dated as of 26 March 2021 (the **Articles of Association**) is the following:

- "2.1. The Company operates a bank.
- 2.2. The Company may execute all transactions which are directly or indirectly related to the purpose of the Company as well as all transactions which may further the purpose of the Company; such transactions may be executed for the Company's own account or for third parties; they especially include the following:
 - 2.2.1. Accepting deposits in all forms customary in banking, including savings deposits;
 - 2.2.2. Granting secured and unsecured loans of all kinds;
 - 2.2.3. Buying and selling securities, foreign exchange, foreign payment instruments and precious metals for its own account or for third parties;
 - 2.2.4. Buying and selling goods for third parties;
 - 2.2.5. Executing payments as well as documentary credits;
 - 2.2.6. Making collections;
 - 2.2.7. Issuing checks and letters of credit;
 - 2.2.8. Issuing guarantees;
 - 2.2.9. Underwriting and placing securities of domestic and foreign issuers;
 - 2.2.10. Offering investment advisory, portfolio management and estate liquidation services;
 - 2.2.11. Providing safe-custody and administration for all kind of assets, and renting safe-deposit boxes;
 - 2.2.12. Assisting in the establishment and administration of investment funds;
 - 2.2.13. Assisting in the foundation of companies, and participating in such;
 - 2.2.14. Executing fiduciary transactions;
 - 2.2.15. Representation of foreign collective investment schemes, which are exclusively aimed at qualified investors, and distribution of collective investment schemes.
- 2.3. The Company may purchase real estate, pledge it as security and sell it.
- 2.4. Furthermore, the Company may enter into and/or avail itself of financing of any kind for its own account or for the account of third parties and, in particular, enter into lending or hedging transactions with or for direct or indirect parent, subsidiary and other group companies, even if such financing and hedging transactions are in the exclusive interest of such parent, subsidiary and other group companies. The Company may also provide management services to parent, subsidiary or other group companies.
- 2.5. The Company may be active domestically and abroad. The Company may establish branches and agencies domestically and abroad."

Register

The issuer is registered in the Commercial Register of the Canton of Zurich with the register number CHE-105.940.833 since 31 December 1974.

Legal Entity Identifier LEI

PNWU800BLT17BBV61Y18

Rating

As at the date of this Prospectus, the Issuer is rated "A3" by Moody's Investor Services Inc. (**Moody's**). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.

According to Moody's Long Term Rating Scale, obligations rated "A" are judged to be upper-medium grade and subject to low credit risk. Moody's appends numeric modifiers to each generic rating classification. The modifier 3 indicates a ranking in the lower end of that generic rating category.

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

Group structure and principal activities

As depicted in below chart, the Issuer is a fully wholly-owned subsidiary of Julius Baer Group Ltd., the parent holding company of the Julius Baer Group. The Issuer is the principal operating subsidiary of Julius Baer Group Ltd. and is licensed as a bank by the Swiss Financial Market Supervisory Authority (FINMA). Julius Baer Group Ltd.'s shares are listed on SIX Swiss Exchange under the symbol "BAER" and are included in the Swiss Leader Index (SLI) and the SXI Switzerland Sustainability 25 Index®.

The Julius Baer Group is a leading Swiss wealth management and private banking group with global business, focusing primarily on the demands of sophisticated private clients, family offices and independent asset managers from around the world and mainly comprises banks and finance companies. With a heritage going back to 1890, today Julius Baer Group ranks among the largest publicly listed financial service providers in Switzerland.

Set out below are the Julius Baer Group's key business functions:

- **Discretionary mandates:** managing assets on behalf of clients;
- **Investment advisory offering:** personal investment advice with various service models;
- **Wealth planning:** solutions for asset structuring, financial planning, succession planning, taxation, relocation, retirement, sustainable and impact investment, as well as philanthropy;
- **Financing:** a wide range of credit solutions, from Lombard lending and mortgages right through to structured financing transactions;
- **Trading/structured products:** advice and access to structured products and direct investments for private banking clients;
- **Proprietary research:** analysis on economics, equities, fixed income, investment funds, currencies and commodities. Julius Baer Next Generation Research focuses on the structural trends that will shape the future;
- **Investment Insights app:** this gives clients and intermediaries round-the-clock access to Julius Baer Group research and investment publications.

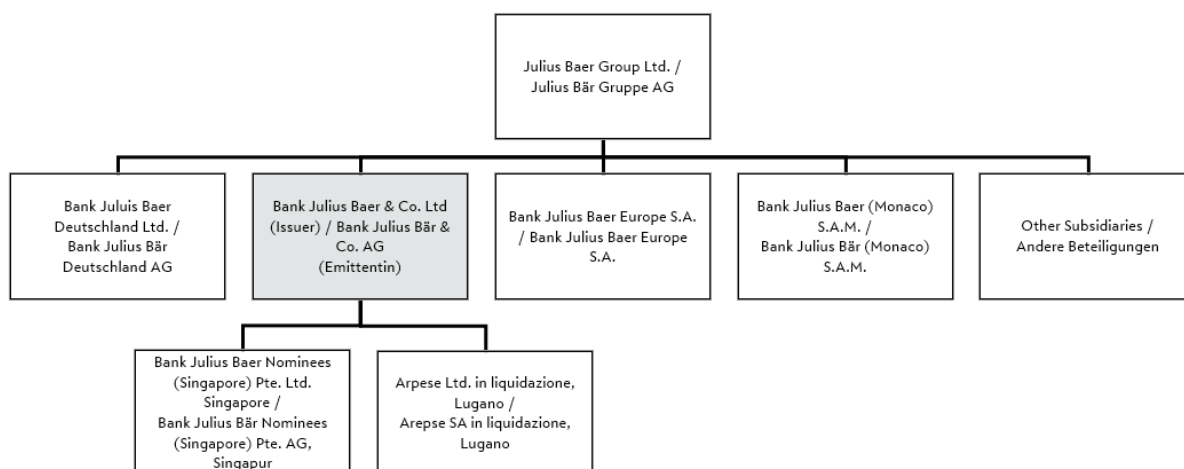
The Julius Baer Group has the largest international presence of all Swiss private banks, with over 50 locations in more than 20 countries, including a comprehensive pan-Swiss network. Switzerland and Asia are the Julius Baer Group's two home markets, with its head office being located in Zurich, Switzerland. The Julius Baer Group employed a staff (FTE) of 6,606 worldwide (of which 1,376 are relationship managers) (as of 31 December 2020).

As at the date of this Prospectus, Julius Baer Group Ltd. has been assigned an Issuer rating of "Baa1" by Moody's. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization. As at 31 December 2020, Julius Baer Group Ltd.'s Bank for International Settlements (BIS) total capital ratio was 21.0%.

Because the Issuer is a wholly-owned subsidiary of Julius Baer Group Ltd., the Issuer's financial statements are consolidated with Julius Baer Group Ltd.'s annual and interim financial statements. The consolidated annual and interim financial reports of Julius Baer Group Ltd. are available at www.juliusbaer.com/en/media-investors/financial-information/financial-reporting. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

The Bonds will be obligations solely of the Issuer and will not be guaranteed by or otherwise the responsibility of Julius Baer Group Ltd., any other subsidiary of Julius Baer Group Ltd. or any other entity referred to in this Prospectus.

The chart below shows the Issuers' and Julius Baer Group Ltd.'s group structure.



Lines in the graph above represent 100% shareholdings.

As of the date of this Prospect the Issuer itself holds 100% of shares in Bank Julius Baer Nominees (Singapore) Pte. Ltd., Singapore and of Arpese SA in liquidazione, Lugano.

As of 31 December 2020, the Issuer had branch offices in Basle, Berne, Crans-Montana, Geneva, Guernsey, Hong Kong, Lausanne, Lugano, Lucerne, Singapore, Sion, St. Gallen, St. Moritz, Verbier and Zurich. It also has representations offices in Abu Dhabi, Bogota, Istanbul, Johannesburg, Mexico City, Santiago de Chile, Shanghai and Tel Aviv.

Board of Directors

The board of directors of the Issuer (the **Board of Directors**) is responsible for the supreme management and strategic orientation of the Issuer and ultimately for the supervision of the Executive Board. As at the date hereof, the members of the Board of Directors of the Issuer were identical to those of Julius Baer Group Ltd.

The members of the Board of Directors are newly elected or re-elected by the ordinary general meeting of shareholders for a 3 years-term. At the annual general meeting of shareholders of the Issuer on 26 March 2021, an amendment of the Articles of Association that requires annual reelection of members of the Board of Directors, consistent with Julius Baer Group Ltd, has been approved.

The Board of Directors constitutes itself. The maximum (cumulative) term of office for the members of the Board of Directors is generally twelve years. Members of the Board of Directors shall as a general rule not stand for reelection as from the year in which they reach the age of 75 years. All members of the Board of Directors of the Issuer are non-executive members. As at the date hereof, the Board of Directors of the Issuer consists of the following members:

Name	Board Member since	Function
Romeo Lacher	2019	Chairman
Gilbert Achermann	2012	Member
Heinrich Baumann	2011	Member
Richard M. Campbell-Breeden	2018	Member
Ivo Furrer	2017	Member
Claire Giraut	2010	Member
Kathryn Shih	2020	Member
Eunice Zehnder-Lai	2019	Member
Olga Zoutendijk	2019	Member
David Nicol	2021	Member

The business address of the members of the Board of Directors is the registered office of the Issuer at Bahnhofstrasse 36, 8001 Zurich.

Committees of the Board of Directors

Governance & Risk Committee

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

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

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

Audit Committee

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

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

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

Nomination & Compensation Committee

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

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

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

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

Executive Board

The Executive Board is appointed by the Board of Directors, and is responsible for the operational management of the Issuer. As at the date hereof, members of the Executive Board of the Issuer are identical to those of Julius Baer Group Ltd. as set out in the table below.

Name	Member since	Function
Philipp Rickenbacher	2016	Chief Executive Officer (CEO) (since 09/2019)
Yves Robert-Charrue	2010	Head Switzerland, Europe, Middle East & Africa
Jimmy Lee Kong Eng	2016	Head Asia Pacific
Beatriz Sanchez	2017	Head Americas
Nic Dreckmann	2016	Chief Operating Officer (COO) & Head Intermediaries
Nicolas de Skowronski	2019	Investment & Wealth Management Solutions, Head Wealth Management Solutions

Yves Bonzon	2016	Investment & Wealth Management Solutions, Chief Investment Officer (CIO)
Dieter A. Enkelmann	2006	Chief Financial Officer (CFO)
Oliver Bartholet	2018	Chief Risk Officer (CRO)

The business address of the members of the Executive Board is the registered office of the Issuer at Bahnhofstrasse 36, 8001 Zurich.

Set out below are the committees of the Executive Board.

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

Financial Information

The Issuer's financial year ends on 31 December of each calendar year.

The Issuer Consolidated Financial Statements 2020, the Julius Baer Group Consolidated Financial Statements 2019 and the Julius Baer Group Consolidated Financial Statements 2020 have been prepared in accordance with

International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and applicable International Financial Reporting Standards Interpretations Committee (IFRS Interpretations Committee) interpretations issued.

Statutory Auditors

KPMG AG, with registered office at Rffelstrasse 28, 8045 Zurich, Switzerland and registered with the commercial register of Canton of Zurich under CHE-106.084.881 (KPMG), was appointed for the first time in 2006 as Issuer's independent statutory auditor according to article 727 ff. of the Swiss Code of Obligations and has been re-elected annually since then. KPMG has audited the consolidated financial statements of Bank Julius Baer & Co. Ltd. and its subsidiaries for the financial years ended 31 December 2019 and 31 December 2020. KPMG is a member of EXPERTsuisse. KPMG's audit oversight body is the Federal Audit Oversight Authority (*Eidgenssische Revisionsaufsichtsbehrde*). KPMG's registration number with the Federal Audit Oversight Authority is 501403.

Business

Principal Activities

The Issuer operates a bank and may, in accordance with Article 2 of its Articles of Association, execute all transaction which are directly or indirectly related to the purpose of the Issuer as well as all transactions which may further the purpose of the Issuer; such transactions may be executed for the Issuer's own account or for third parties. The Issuer may purchase real estate, pledge it as security and sell it. The Issuer may be active domestically and abroad. The Issuer may establish branches and agencies domestically and abroad.

The Issuer's core business is wealth management and investment advice for private clients, family offices and external asset managers from around the world. In cooperation with other companies of the Julius Baer Group, comprehensive services are offered, including, in the areas of wealth and tax planning, foreign exchange, equity, precious metals and fund trading, custody and execution services and other, complementary business fields. The Issuer is also active in the Lombard credit business for portfolio management and trading clients and provides straight residential mortgages to its private clients, predominantly in Switzerland, but also in high-end market areas of other European countries. Within the Julius Baer Group, the Issuer operates as the central underwriter for traditional and innovative derivative investment products. The Issuer also engages in securities lending and borrowing.

At the date of this Prospectus, the Issuer's activities are largely financed by client sight deposits. In addition, the Issuer is financed by Julius Baer Group Ltd. with debt capital, which Julius Baer Group Ltd. has raised on the capital market by issuing various bonds. Given its active participation in the interbank market, the Issuer is quickly able to access additional sources of refinancing at any time. See also "*Group structure and principal activities*".

Principal Markets

The most important markets for the Issuer are the home market in Switzerland, Asia and Europe. In 2020, the Issuer achieved (according to the Issuer Consolidated Financial Statements 2020 (see "*About this Prospectus—Documents Incorporated by Reference*")) an operating income of CHF 2,804 million, thereof CHF 1,934 million in Switzerland, CHF 152 million in Europe (excluding Switzerland), CHF 824 million in Asia and other countries and CHF 106 million consolidation items (on the Issuer's branches and representative offices).

Competitive Position

The following information on the Issuer's competitive position is based on the Issuer's own assessment of the situation. The Issuer is well established in the market as an international offeror with a tailor-made and versatile range of products and is currently present in some 50 locations worldwide. The Issuer focuses on private banking activities primarily in Switzerland, Europe, Asia, the Middle East and South America.

The Issuer's asset management business is characterized by increasing competition and accelerating consolidation in private banking in Switzerland. The consolidation is not least being forced along by the rising costs of information technology and increasing regulation, which are growing ever more burdensome for smaller institutions. In addition, there has been a growth in competition between international financial centers such as London, Frankfurt, Singapore and Switzerland. In view of these circumstances, the Issuer is endeavoring to strengthen its private banking position in Switzerland and to selectively develop its private banking activities abroad.

Patents and licences

The Issuer is not dependent on any patent but on licenses to provide financial services such as banking, asset management and advisory licenses.

Court, Arbitration and Administrative Proceedings

The Issuer is involved in various legal, regulatory and arbitration proceedings concerning matters arising with the course of normal business operations. The current business environment involves substantial legal and regulatory risks, the impact of which on the financial position or profitability of the Issuer – depending on the status of related proceedings – is difficult to assess. It is inherently difficult to predict the outcome of many of these proceedings involving the Issuer's businesses, particularly those cases in which the matters are brought on behalf of various classes of claimants, which seek damages of material or indeterminate amounts or involve novel legal claims. The Issuer establishes provisions for pending and threatened legal proceedings if the management is of the opinion that such proceedings are more likely than not to result in a financial obligation or loss or if the dispute for economic reasons should be settled without acknowledgment of any liability on the part of the Issuer and if the amount of such obligation or loss can be reasonably estimated. In rare cases in which the amount cannot be estimated reliably due to the early stage of the proceedings, the complexity of the proceedings and/or other factors, no provision is recognized but the case has been disclosed as a contingent liability as of 31 December 2020. These contingent liabilities might have a material effect on the Issuer. For further information regarding legal proceedings regarding the Issuer as of 31 December 2020, see Note 16 "Provisions" in the Issuer Consolidated Financial Statements 2020 incorporated herein by reference.

Save as disclosed above and below, the Issuer is not involved in any court, arbitration or administrative proceedings (including any such proceedings, which are pending or threatened of which the Issuer is aware), during the previous 12 months, which, in each case, are or might be of material importance to the Issuer's assets and liabilities or profits and losses or may have, or have had, in the recent past, significant, negative effects on the financial position or profitability of the Issuer.

In 2010 and 2011, litigation was commenced against the Issuer and numerous other financial institutions by the liquidators of the Fairfield funds (**Fairfield Liquidators**), the latter having served as feeder funds for the Madoff fraudulent investment schemes. In the direct claims against the Issuer, the Fairfield Liquidators are seeking to recover a total amount of approximately USD 64 million in the courts of New York (including USD 17 million that relates to redemption payments made to clients of ING Bank (Suisse) SA, which merged with the Issuer in 2010, and approximately USD 25 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Issuer in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions). The proceedings in the courts of the British Virgin Islands, where an amount of approximately USD 8.5 million had been claimed from the Issuer, were finally dismissed in favour of the Issuer with a ruling of the Privy Council, the highest court of appeals for the British Virgin Islands. In addition to the direct claims against the Issuer, the Fairfield Liquidators have made combined claims in the amount of approximately USD 1.8 billion against more than 80 defendants, with only a fraction of this amount being sought from the Issuer (and ultimately its clients concerned). The combined claims aggregate the damages asserted against all defendants, such that a reliable allocation of the claimed amounts between the Issuer and the other defendants cannot be made at this time.

Finally, in further proceedings, the trustee of Madoff's broker-dealer company (Trustee) seeks to recover over USD 83 million in the courts of New York (including USD 46 million that relates to redemption payments made to clients of Merrill Lynch Bank (Suisse) SA, which merged with the Issuer in 2013, such claims in principle being subject to acquisition-related representation and warranties provisions), largely in relation to the same redemption payments which are the subject matter of the claims asserted by the Fairfield Liquidators. The Issuer is challenging these actions on procedural and substantive grounds and has taken further measures to defend and protect its interests. In the proceedings initiated by the Trustee, the Bankruptcy Court in New York dismissed the case against the Issuer and other defendants based on extraterritoriality principles in November 2016. The Trustee has appealed this decision, and, in February 2019, the Court of Appeal has reversed the decision by the Bankruptcy Court. The Supreme Court denied reviewing such decision, therefore the proceedings continue with the Bankruptcy Court. In the proceedings initiated by the Fairfield Liquidators, the Bankruptcy Court in New York decided in December 2018 on certain aspects, which have been appealed by the Fairfield Liquidators. A decision on the merits of the appeal is expected in 2021. Whilst such appeal is pending, the Bankruptcy Court has additionally decided on certain other aspects in the Issuer's favour in late 2020. Such decision can be appealed.

In a landmark decision on so-called retrocessions, the Swiss Federal Supreme Court ruled in 2012 that the receipt of fund trailer fees by a bank in connection with a Discretionary Portfolio Management mandate may create a potential conflict of interest in the execution of the mandate. The Court considered that by receiving trailer fees

in the context of such mandate, a bank may be inclined not to act in the best interest of the client. Therefore, based on applicable Swiss mandate law, a bank shall not only account for fund trailer fees obtained from third parties in connection with a client's mandate, but also be obliged to forward respective amounts to a client, provided the client has not validly waived the right to reclaim such fees. The Issuer has assessed this decision by the Swiss Federal Supreme Court, other relevant court decisions in this context, the mandate structures to which the Court decisions might be applicable and the documentation as well as the impact of respective waivers and communicated bandwidths that were introduced some years ago, and has implemented appropriate measures to address the matter.

The Issuer is confronted with a claim by the liquidator of a Lithuanian corporation arguing that the Issuer did not prevent two of its clients from embezzling assets of such corporation. In this context, the liquidator as of 2013 presented draft complaints with different claim amounts for a potential Swiss proceeding and initiated payment orders (*Betreibungsbegehren*) against the Issuer in the amount of CHF 422 million (plus accrued interest from 2009). On 8 February 2017, the Issuer was served with a claim from said Lithuanian corporation in liquidation in the amount of EUR 306 million. The court proceeding against the Issuer was initiated in Lithuania. On 19 October 2018, the Lithuanian court of last instance definitively rejected local jurisdiction, thereby terminating the litigation against the Issuer in Lithuania. On 1 July 2019, the Issuer was served with a conciliation request from the liquidator representing the assets of the Lithuanian corporation in liquidation filed with the first instance court in Geneva, related to a claim of EUR 335 million plus accrued interest since 2011. On 8 January 2020, the Issuer was served with the corresponding claim in the amount of EUR 335 million plus 5% interest since December 2011. The Issuer is continuing to contest the claim whilst taking appropriate measures to defend its interests.

In the context of an investigation against a former client regarding alleged participation in an environmental certificate-trading-related tax fraud in France, a formal procedure into suspected lack of due diligence in financial transactions was initiated against the Issuer in June 2014 and dismissed for formal reasons by a Court Order in March 2017. The deposit in the amount of EUR 3.75 million made in October 2014 by the Issuer with the competent French court as a precautionary measure representing the amount of a potential fine accordingly was reimbursed to the Issuer. However, in July 2017 the same amount was deposited again as a new investigatory procedure with respect to the same matter was initiated against the Issuer. In May 2020, following an application by the prosecutor, the court admitted a new indictment against the Issuer in this matter, scheduled to be trialed in Court in mid-December 2021. The Issuer has cooperated with the French authorities within the confines of applicable laws to clarify the situation and to protect its interests.

The Issuer is confronted with a claim by a former client arguing that the Issuer initiated transactions without appropriate authorisations and that the Issuer has not adhered to its duties of care, trust, information and warnings. In April 2015, the former client presented a complaint for an amount of USD 70 million (plus accrued interest) and BRL 24 million, which, in January 2017, he supported with a payment order (*Betreibungsbegehren*) in various currencies filed against the Issuer in the total amount of then approximately CHF 91.3 million (plus accrued interest). Since December 2017, the Issuer has received yearly payment orders in various currencies in the total amount of currently approximately CHF 135 million (plus accrued interest). The Issuer is contesting the claim whilst taking appropriate measures to defend its interests.

In November 2014, the Issuer was served in Geneva with a claim by an investment fund, acting on its behalf and on behalf of three other funds, in the total amount of USD 29 million (plus accrued interests). The funds are former clients of Bank of China (Suisse) SA, which was acquired by the Issuer in 2012. Additionally, in October 2015, the claimant filed an amendment of claim in court, by which a further USD 39 million was claimed. In March 2017, the claimant reduced the total claimed amount to USD 44.6 million. The claimant argues that Bank of China (Suisse) SA acted not only as a custodian bank, but also as secured creditor and manager of the funds, and tolerated excess in leverage. It claims that the funds suffered a severe loss consequent upon the liquidation of almost their entire portfolio of assets in May 2010 and argues that this liquidation was performed by Bank of China (Suisse) SA without the consent of the funds' directors and was ill-timed, disorderly and occurred in exceptionally unusual market conditions. The Issuer is contesting the claim whilst taking appropriate measures to defend its interests. In addition, such claims are subject to acquisition-related representations and warranties.

The Issuer has been cooperating with authorities investigating corruption and bribery allegations surrounding Fédération Internationale de Football Association (FIFA) in Switzerland and the USA. These requests in particular focused on persons named in the so-called 'FIFA Indictment' of 20 May 2015 (Indictment 'United States v. Webb [E.D.N.Y. 15 CR 0252 (RJD) (RML)]') and in the respective superseding indictment of 25 November 2015. The authorities in Switzerland and abroad have opened investigations and have been inquiring whether financial institutions failed to observe due diligence standards as applied in financial services and in particular in the context of anti-money laundering laws in relation to suspicious and potentially illegal transactions. FINMA's related enforcement procedure against the Issuer and Julius Baer Group Ltd. has been closed by an order as published on 20 February 2020. On 9 November 2020, the Issuer has announced an agreement in principle and on 27 May 2021

the final agreement with the US Department of Justice (DOJ) to settle its FIFA matter. Such agreement entails the Issuer having entered into a three-year deferred prosecution agreement and a financial component of USD 79.7 million, for which the Issuer had taken a corresponding provision in 2020 charged against the 2020 financial results. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus. Similarly, the Issuer has received inquiries from, and has been cooperating with, authorities in Switzerland and the USA investigating corruption and bribery allegations surrounding *Petróleos de Venezuela S.A. (PDVSA)*. These requests in particular focus on persons named in the indictment '*United States of America v. Francisco Convit Guruceaga, et al.*' of 23 July 2018. The authorities in Switzerland and abroad have, in addition to the corruption and bribery allegations against third parties, opened investigations and are inquiring whether financial institutions failed to observe due diligence standards as applied in financial services and in particular in the context of anti-money laundering laws in relation to suspicious and potentially illegal transactions. FINMA's related enforcement procedure against the Issuer and Julius Baer Group Ltd. has been closed by an order as published on 20 February 2020. Julius Baer has been supporting related inquiries and investigations and has been cooperating with the competent authorities, whilst on 21 January 2021, FINMA concluded the investigation regarding individual accountability of former employees of the Issuer following the FIFA/PDVSA-related conclusion of the enforcement proceeding. Save for in one case of a middle manager, FINMA did not open individual proceedings and closed the investigation with reprimands. In addition, FINMA lifted an acquisition ban at the end of March 2021 initially imposed with the closing of the enforcement procedure in February 2020. Related to the PDVSA matter, in November 2019, a former employee filed a labor law-based claim in the amount of USD 34.1 million in Venezuela against several Julius Baer companies combined with a respective precautionary seizure request for double the amount. Julius Baer is contesting the claim and seizure request whilst taking appropriate measures to defend its interests.

As publicly stated, FINMA has initiated an additional enforcement procedure against the Issuer and Julius Baer Group Ltd. related to the compliance treatment of a historical Latin American client relationship. Julius Baer has been fully cooperating with FINMA in its investigative work.

The Issuer is confronted with a Swiss court procedure in which a client, in the context of a mature loan arrangement, requests the release of certain assets, which have been blocked by the Issuer and third-party custodians and their sub-custodians under US Office of Foreign Assets Control (**OFAC**) sanctions. The procedure relates to questions of applicability and enforceability of international sanctions and orders under local Swiss law. The Issuer is defending its position in the context of its regulatory duties to respect international orders and sanctions and abide by its contractual agreements with third-party custody banks. The competent court has decided in favour of the Issuer in November 2020; however, the claimant has appealed this decision to the Swiss Federal Supreme Court. In addition, against the background of recent political and regulatory intensification of the topic of international sanctions, the Issuer has addressed this issue with the OFAC with which it is also in resumed discussion to resolve certain open issues with regard to historic compliance with OFAC regulations.

In May 2021, the Issuer became aware that a Writ of Summons (the **Writ**) had been registered against it at the Registry of the High Court of the Hong Kong Special Administrative Region, Court of First Instance. The Writ had been filed by SRC International (Malaysia) Limited (**SRC**) claiming the sum of approximately USD 112 million from the Issuer, alleging the Issuer was in breach of its fiduciary duty of care by accepting and processing payment instructions for the transfer of funds during the period 25 October 2013 to September 2016. The Issuer is contesting such civil claim and will take all appropriate measures to defend its interests in this matter.

Capital Structure

Share capital

The Issuer has, as at 31 December 2020, a fully paid-up issued share capital of CHF 575,000,000 consisting of 5,750,000 registered shares (*Namenaktien*) with a nominal value of CHF 100.00 each. Such shares are not listed. Each registered share carries one vote and all shares of the Issuer have been subscribed for and are held by, Julius Baer Group Ltd.

The shares rank *pari passu* in all respects with each other, including in respect of voting rights, entitlement to dividends, share of the liquidation proceeds in the case of a liquidation of the Issuer, and pre-emptive subscription rights. The Issuer does not issue any share carrying preferential subscription rights nor similar entitlements. Each registered share carries one vote. There is no capital made up of participation certificates or profit-sharing certificates.

Conditional share capital

The Issuer had no conditional capital as at 31 December 2020.

Authorized share capital

The Issuer had no authorized share capital as at 31 December 2020.

Outstanding Bonds

As of the date of this Prospectus, the Issuer has issued CHF 260 million domestic senior unsecured bonds on 24 March 2021. The bonds have a maturity of 7 years and a fixed-rate, annually payable coupon of 0.125%.

Own Equity Securities

As of the date of this Prospectus, the issuer holds none of its own registered shares (*Namenaktien*) and subsidiaries hold none registered shares (*Namenaktien*) of the Issuer.

Recent developments and main business prospects of the Issuer

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

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

On 19 May 2021, the Julius Baer Group has published the Interim Management Statement 2021 for the first four months of 2021 as incorporated by reference herein. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

On 27 May 2021, the Issuer announced that it has finalised the agreement reached with the U.S. Department of Justice (DOJ) in November 2020 to settle the FIFA-related investigation in the U.S. Specifically, the Issuer has entered into a three-year deferred prosecution agreement, pursuant to which it will pay the previously communicated amount of USD 79.7 million, which has already been charged against the 2020 financial results. See "*About this Prospectus—Documents Incorporated by Reference*" on page 23 of this Prospectus.

Material changes

There have been no material changes that have occurred in the Issuer's assets and liabilities, financial position and profits and losses since 31 December 2020.

Issuer substitution

Pursuant to Condition 9, the Issuer may, subject to certain conditions set out in Condition 9, without the consent of the Bondholders, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Bonds with any Swiss legal entity of which all shares carrying voting rights are directly or indirectly held by the Issuer (see "*Terms of the Bonds*").

TAXATION IN SWITZERLAND

The following discussion is a summary of certain material Swiss tax considerations relating to the Bonds where the Bondholder is tax resident in Switzerland or has a tax presence in Switzerland. The discussion bases on legislation as of the date of this Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Instruments. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisors as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Instruments (or options embedded therein) in light of their particular circumstances.

Swiss Withholding Tax

According to the present Swiss law and practice of the Swiss Federal Tax Administration, payments of interest on the Bonds and payments on the Bonds which qualify as interest for Swiss Withholding Tax purposes (such as a potential issue discount or repayment premium), are subject to Swiss Withholding Tax (*Verrechnungssteuer*) at a rate of currently 35%, however because the periodic and one time interest rate is 0.00% no Withholding Tax will be deductible.

On 3 April 2020, the Swiss Federal Council published a consultation draft on the reform of the Swiss Withholding Tax system applicable to interest. If enacted in its current form, this consultation draft would, among other things and subject to certain exceptions, replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss Withholding Tax. Under this paying agent-based regime, subject to certain exceptions, (i) all interest payments made by paying agents in Switzerland to individuals resident in Switzerland would be subject to Swiss withholding tax, including any such interest payments made on bonds issued by issuers outside Switzerland, and (ii) interest payments to all other persons, including to foreign investors, would be exempt from Swiss Withholding Tax.

Swiss Transfer Stamp Tax

There is no transfer stamp tax liability in Switzerland in connection with the issue and redemption of the Bonds.

Bonds which are sold through a Swiss or a Liechtenstein domestic bank or a Swiss or a Liechtenstein domestic securities dealer (as defined in the Swiss Federal Stamp Duty Law), are subject to the Swiss securities transfer stamp tax (*Umsatzabgabe*) of presently 0.15% with some exceptions as detailed in the Swiss Federal Stamp Duty Law.

Income Tax

Instruments Held by Non-Swiss Bondholders

Under current Swiss law, a Bondholder who is a non-resident of Switzerland and who, during the taxable year, has not engaged in trade or business through a permanent establishment or fixed place of business in Switzerland to which the Instruments are attributable and who is not subject to taxation by Switzerland for any other reason will not be subject to Swiss Federal, Cantonal or Municipal income or other tax on gains on the sale of, or payment received under, any Bond.

Instruments Held as Private Assets by Swiss Bondholders

Bondholders of Bonds without a predominant onetime interest payment (the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment) who are individuals receive payments of interest on Bonds (either in the form of periodic interest payments or as a one-time-interest-payment such as an issue discount or a repayment premium) are required to include such payments in their personal income tax return and will be taxable on any net taxable income (including the payments of interest on the Bonds) for the relevant tax period.

Instruments Held as Swiss Business Assets

Swiss-resident, individual taxpayers who hold Bonds as part of Swiss business assets and Swiss resident corporate taxpayers and individual or corporate taxpayers resident abroad holding Bonds as part of a Swiss permanent establishment or a fixed place of business in Switzerland are required to recognize payment of the interests on the Bonds and capital gains on sale of a Bond in their income statement for the respective tax period and are taxable on any net taxable earnings for such period.

Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act (FATCA)

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On 20 September 2019, Switzerland and the USA ratified the 2009 protocol (the **Protocol**) amending the DTA. With the subsequent exchange of the ratification instruments, the amended DTA entered into force, and provides for a mechanism for the exchange of information upon request in tax matters between Switzerland and the United States, which is in line with international standards, and allows the United States to make group requests under FATCA concerning non-consenting U.S. accounts and non-consenting non-participating foreign financial institutions for periods from 30 June 2014. Furthermore, the Swiss Federal Council approved a mandate for negotiations with the U.S. on 8 October 2014, with regard to a change of the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities. It is not yet known when negotiations will continue and when any new regime would come into force.

Automatic Exchange of Information in Tax Matters

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (**MCAA**). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (**AEOI**). The Federal Act on the International Automatic Exchange of Information in Tax Matters (**AEOI Act**) entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Based on such multilateral or bilateral agreements and the implementing laws of Switzerland, as done in the past for the exchange of information, Switzerland collects and exchanges data in respect of financial assets, including, as the case may be, the Bonds, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in another treaty state. An up-to-date list of the AEOI agreements to which Switzerland is a party that are in effect, or signed but not yet in effect, can be found on the website of the State Secretariat for International Financial Matters (**SIF**).

SUBSCRIPTION AND SALE

BNP Paribas, Deutsche Bank AG, London Branch and Bank Julius Baer & Co. Ltd. (the **Managers**) have, in a bond purchase agreement dated 21 June 2021 (the **Bond Purchase Agreement**) and made between the Issuer and the Managers upon the terms and subject to the conditions contained therein, severally agreed to subscribe for the Bonds at their issue price of 100% and undertake to offer the Bonds in a public offering in Switzerland, and private placements outside of Switzerland and the United States of America in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the **Securities Act**), in each case in compliance with applicable laws and regulations for subscription by prospective investors in accordance with the terms and conditions of the Bonds. The Managers reserve the right to keep any of the Bonds purchased for its own account.

General

Each Manager has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in which it purchases, offers, sells or delivers the Bonds or possesses, distributes or publishes this Prospectus or any other offering material relating to the Bonds. Persons into whose hands this Prospectus comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Bonds or possess, distribute or publish this Prospectus or any other offering material relating to the Bonds, in all cases at their own expense.

United States

The Bonds have not been, and will not be, registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Manager has agreed that, except as permitted by the Bond Purchase Agreement, it will not offer, sell or deliver the Bonds, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the issue date of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons, and that it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after commencement of the offering, an offer or sale of Bonds within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented, warranted and undertaken that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer;
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom; and
- (c) it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the United Kingdom. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
 - (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented, warranted and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the EEA. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Singapore

Each Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Bonds, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

Each of the Managers has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the SFO) and any rules made under the SFO; or in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the C(WUMP)O) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed

or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Republic of Italy

The offering of the Bonds has not been registered with the *Commissione Nazionale per le Società e la Borsa (CONSOB)* pursuant to Italian securities legislation. Each Manager has represented and agreed that any offer, sale or delivery of the Bonds or distribution of copies of this Prospectus or any other document relating to the Bonds in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Any such offer, sale or delivery of the Bonds or distribution of copies of this Prospectus or any other document relating to the Bonds in the Republic of Italy must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time) and any other applicable laws and regulations;
- (ii) in compliance with Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015 (as amended on 10 August 2016 and on 2 November 2020); and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

SWISS LAW BONDHOLDER PROVISIONS

The following summary of the Swiss Law Bondholder Provisions is based on the law as in effect in Switzerland as of the date of this Prospectus and is subject to change.

Community of Bondholders and Bondholders' Representative

Holders of bonds issued by a Swiss issuer in a public offering in Switzerland form a community of bondholders (*Gläubigergemeinschaft*) (**Bondholder Community**) by operation of law pursuant to articles 1157 to 1186 of the Swiss Code of Obligations (**CO**) (the **Bondholder Provisions**). The community of bondholders may also transfer certain powers to a Bondholders' Representative (*Anleihensvertreter*) (the **Bondholders' Representative**).

Pursuant to the Bondholder Provisions, the Bondholders form a Bondholder Community. Pursuant to Condition 8 (*Events of Default*), each Bondholder has appointed BNP Paribas as Bondholders' Representative for purposes of the Terms of the Bonds.

To the extent of such appointment of the Bondholders' Representative, individual Bondholders may not independently exercise any rights. Individual Bondholders may also not independently exercise their rights to the extent a Bondholder Meeting (as defined below) has validly resolved on a matter.

Bondholder Meetings

Resolutions of a Bondholder Community are passed at a bondholders' meeting (*Gläubigerversammlung*) (**Bondholder Meeting**). The details of the manner of convening the meeting and the proceedings (including publication of notice, agenda, admission, chairman, minutes, recording of resolutions etc.) are regulated in the Federal Ordinance on the Community of Bondholders of 1949 (*Verordnung über die Gläubigergemeinschaft bei Anleihensobligationen*).

Pursuant to article 1165 CO, the Issuer may convene Bondholder Meetings at any time and will be obliged to do so within 20 days upon a request in writing from the Bondholders' Representative or by Bondholders representing not less than 5% of the principal amount of the Bonds, subject to the Bondholder Provisions and applicable regulations referred to therein.

The invitation to a Bondholder Meeting must be published in accordance with the Terms of the Bonds and, pursuant to the Bondholder Provisions, twice in the Swiss Official Gazette of Commerce with the second publication to be made at least ten days prior to such meeting. The agenda for a Bondholder Meeting must be announced at least ten days prior to such meeting in the same manner as the invitation.

Only Bondholders or their proxies will be entitled to attend or vote at a Bondholder Meeting. Bondholders or their representatives who wish to participate in a Bondholder Meeting must provide a certificate from their depository bank or a central clearing agency confirming that the relevant Bonds are blocked for the account of the Bondholder until after the completion of the Bondholder Meeting in a form satisfactory to the Issuer and (if applicable) the Notary Public responsible for the notarisation of the Bondholder Meeting.

In connection with any Bondholder Meeting, in certain circumstances, defined majorities of Bondholders are able to bind all Bondholders, including Bondholders that did not attend and vote at such Bondholder Meeting and Bondholders that voted in a manner contrary to the majority. Provided that, the Bondholders must all be equally affected by any resolution that limits Bondholders' rights under the Bonds, unless every disadvantaged Bondholder expressly agrees to such resolution. Any resolution approved by a Bondholder Meeting that affects the rights of the Issuer also requires Issuer's consent.

In case the Issuer becomes bankrupt, the competent bankruptcy administrator will call a Bondholder Meeting for the Bonds. The Bondholder Meetings so convened will resolve with a simple majority whether to transfer full powers to represent the Bondholders in the bankruptcy of the Issuer to BNP Paribas as Bondholders' Representative (or such other Bondholders' Representative(s) then appointed to replace BNP Paribas) or another representative to ensure that the rights of the Bondholders are enforced in an equal manner. If no decision on the transfer of full powers is reached, each Bondholder will enforce its rights under the Bonds separately.

Majority Requirements

The required majority of Bondholders at a Bondholder Meeting required to pass a resolution will depend on whether or not the rights of Bondholders are affected by such resolution and, if so, the type of rights affected.

The majority for the resolutions described below will be based on the aggregate principal amount of the Bonds then outstanding determined on the basis of Bonds that confer voting rights (i.e. all Bonds with respect to which the Bondholder is not the Issuer or any of its subsidiaries).

Pursuant to article 1170 CO, the Bondholder Meeting can resolve on the following measures (or any combination thereof) with respect to the Bonds with a majority of at least two thirds of the aggregate principal amount of the Bonds then outstanding:

- (a) moratorium on interest on the Bonds for up to five years, with the option of extending the moratorium twice for up to five years each time;
- (b) forfeiture of up to five years' worth of interest on the Bonds within a seven year period;
- (c) decrease of the interest rate on the Bonds by up to one-half (ii) conversion of a fixed interest rate on the Bonds into a rate dependent on the business results, in the case of sub-clause (i) and (ii), for a period of up to ten years, with the option of an extension for up to an additional five years;
- (d) a stay with respect to, or an extension of the Final Maturity Date of, the Bonds (or portions thereof) if the Bonds are due or maturing within five years for up to ten years, with the option of an extension for up to an additional five years;
- (e) early redemption of the Bonds (either in whole or in part);
- (f) granting of a priority lien for new capital raised by the Issuer; and/or
- (g) consent to a total or partial conversion of bonds into shares.

The list of measures of article 1170 CO is exhaustive. If measures are proposed to more than one Bondholder Community of the Issuer, the majority requirements set out in article 1171 CO apply. Where a majority cannot be attained at a Bondholder Meeting, the Issuer may collect additional votes within the two months following the date of the Bondholder Meeting.

Unless an unanimous decision is reached, a resolution of the Bondholder Meeting regarding any of the measures set out above must be approved by the superior cantonal composition authority, which in case of the Issuer will be the High Court of the Canton of Zurich (*Obergericht Zürich*), in order to become effective and binding on non-consenting Bondholders. The Issuer must submit such resolutions to the court for approval within one month of their adoption by a Bondholders' Meeting.

Any other resolutions that limit the rights of Bondholders by amending, or forfeiting rights under, the Bonds may only be passed by unanimous resolution.

In the case of resolutions that do not limit Bondholders' rights under the Bonds, the approval of more than half of the outstanding aggregate principal amount of the Bonds actually represented at a meeting of Bondholders is sufficient to approve such resolution, and no approval by the superior cantonal composition authority will be required.

GENERAL INFORMATION

Authorization / Subscription and Sale

The Issuer will issue this Bond, if issued, pursuant to a circular resolution of the Board of Directors of the Issuer dated 9 June 2021 and an email approval of the Chief Financial Officer of the Julius Baer Group dated 10 June 2021 and the Bond Purchase Agreement dated 21 June 2021 between the Issuer and the Managers.

Issuer Price and Placement Price

The issue price of the Bonds is 100% (before commissions and expenses) of the aggregate principal amount of the Bonds. The placement price of the Bonds will be set according to demand.

Clearing Systems and Security Numbers

The uncertificated securities representing the Bonds will be registered with SIX SIS. The International Securities Identification Number (ISIN), Swiss Security Number and Common Code for the Bonds are CH1120418079, 112041807 and 235778955, respectively.

Transferability / Tradability

No restrictions. For certain selling restrictions with respect to the Bonds, see "*Subscription and Sale*" below.

Listing / Representative

Application will be made for the Bonds to be listed on SIX Swiss Exchange. The Bonds have been provisionally admitted to trading on SIX Swiss Exchange with effect from or about 24 June 2021. The last day of trading is expected to be the second SIX trading day prior to the date on which the Bonds are fully redeemed or written-off in accordance with the Terms of the Bonds. In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has appointed Niederer Kraft Frey AG, Bahnhofstrasse 53, 8001 Zürich to file the application with SIX Exchange Regulation Ltd in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the Bonds on the SIX Swiss Exchange.

Material Change

Other than as disclosed in this Prospectus, there has been no material change in the assets and liabilities, financial position and profits and losses of the Issuer since 31 December 2020.

Court, Arbitration and Administrative Proceedings

Other than as disclosed herein (see "*Information about the Issuer — Court, Arbitration and Administrative Proceedings*"), the Issuer is not involved in any court, arbitral or administrative proceedings (including any such proceedings, which are pending or threatened of which the Issuer is aware) that are of material importance to assets and liabilities or profits and losses of the Issuer.

Issuing fee and Taxation

The Issuer will bear the issuing fee which is calculated on the nominal value of underwritten Swiss bonds and payable to SIX Swiss Exchange. Interest payments are subject to Swiss Withholding Tax of currently 35% on the interest nominal amount, however because the periodic and one time interest rate is 0.00% no Withholding Tax will be deductible.

Notices and other Information

For so long as the Bonds are listed on SIX Swiss Exchange, all notices in relation to the Bonds will be published, in accordance with Condition 10, in electronic form (a) on the internet site of the SIX Swiss Exchange under the section headed "Official Notices" (currently: www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html#/), or (b) otherwise in accordance with the regulations of the SIX Swiss Exchange.

According to its Articles of Association (as defined above), official notices of the Issuer to the shareholders are to be published in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*). Notices from the Issuer to registered shareholders shall be sent by letter to the addresses entered in the share register.

Annual and interim consolidated financial statements of the Issuer are available on Julius Baer Group's website at www.juliusbaer.com/en/media-investors/financial-information/financial-reporting.

Information about the Issuer and the Bonds will be published on Julius Baer Group's website at www.juliusbaer.com/en/media-investors.

The information contained on these websites do not form a part of this Prospectus unless otherwise specifically incorporated by reference herein.

Rating

The Bonds are at the time of issue expected to be rated A3 by Moody's.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time.

Transactions by the Managers

Certain of the Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. For the purpose of this paragraph the term "affiliates" include also parent companies.

Within the context of the offering and sale of the Bonds, the Issuer, any of its affiliates or the Managers may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including any levied in association with the distribution of the Bonds, from third parties. Prospective investors should be aware that the Issuer, its affiliates and the Managers may retain fees in part or in full.