Annual Report 2021

Barclays Bank (Suisse) SA

BARCLAYS | Private Bank

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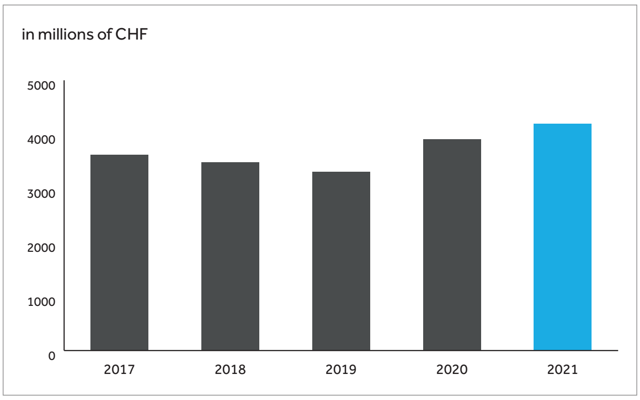
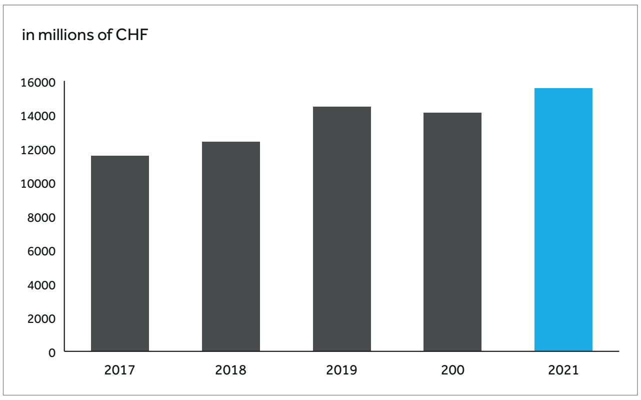
1. Financial Highlights

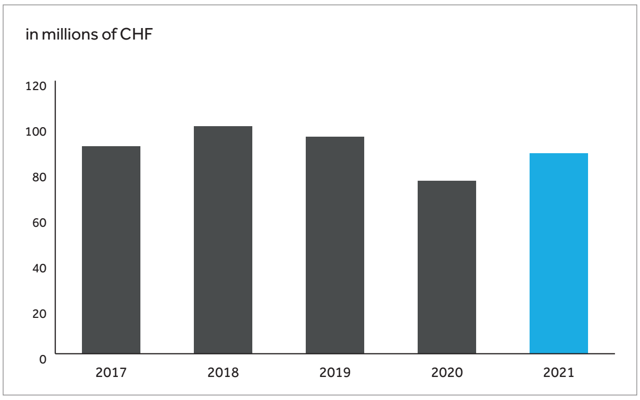
Total balance sheet



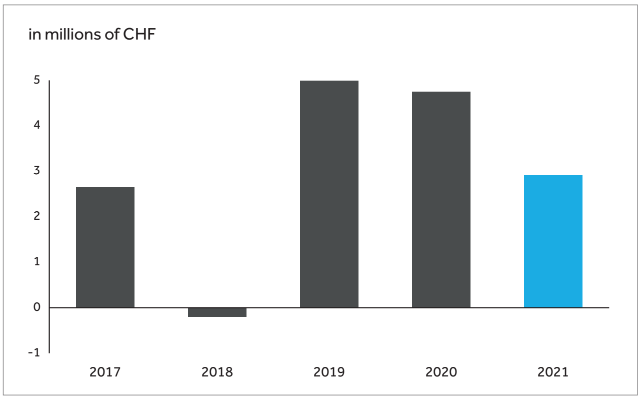
Assets administered



Net income from banking operations



Operational profit



2. Report of the Board of Directors to the Shareholder

In April 2021, we welcomed the appointment of Mr Rahim Daya as CEO, replacing the outgoing Mr Gerald Mathieu; Mr Daya was an internal Barclays placement relocating from Dubai to Switzerland, where Mr Daya was the Head of Private Bank Middle East. Mr Daya continues to drive our existing strategy, whilst also maintaining responsibility of the Middle East market within the Private Bank.

Focus continues on the long-term strategy of delivering excellence to our target client base of Family Office, UHNW and HNW clients and growing our investment footprint. Clients continue to believe in the value of growing their investment portfolios, and we provide them with easy access to our in-house team of experts capable of supporting and advising them in their ambitions.

Our discretionary portfolio management performance continues to outperform the relevant benchmarks and most of our peers, as we achieved the CHF 3 billion milestone of Managed Discretionary Portfolios. We continue to discuss our core investment Strategy with clients focusing on Discretionary mandates, Private markets and Private Direct Investments, ideas where we continue to see growing client appetite, engagement and investment.

Hiring and internal promotion has continued through 2021, particularly within our core strategic markets. For example, the Swiss Onshore coverage team grew from two to five through the year. We have also seen some good growth in the Israel Market which was a project started pre COVID. The appointment of Mr Daya has also led to further synergies and opportunities for our Middle East team operating out of Switzerland, as we look to accelerate our growth agenda in this market.

The Coronavirus pandemic, continues to be with us, and although creating challenges in terms of travel, marketing events and office presence. The steps we have taken through the early part of the pandemic continue to ensure that the Bank operates efficiently and effectively. We have successfully negotiated our core objectives that we set out at the start of the pandemic (i) Operational and Financial resilience (ii) Supporting clients through enhancing the frequency and content of communications (iii) Protecting the health and wellbeing of employees. We have to date been effective in preventing any major COVID-19 outbreaks in the premises, with our health and safety procedures being revalidated by periodic inspections by an external assessor.

The Bank is closely monitoring the impact of the Ukraine and Russia conflict, as well as the international response in relation to sanctions and other measures. It has responded swiftly to enact the Swiss Ordinance of 4th March, applying restrictions to cap the cash value on accounts held for clients (those that are Russian resident or nationals and cannot evidence a valid exemption of Swiss or EU residence or nationality), as well as any relevant sanctions on individuals or institutions. Whilst the Bank does actively cover the Russian and Emerging Europe market, and current tensions will have an impact both on near term performance and future strategy relating to the Russian market, that exposure remains a relatively modest part of a balanced and well-diversified portfolio of geographical markets covered by the Bank.

ECONOMIC BACKDROP

2021 was a record year. After collapsing -3.1% in 2020, global real GDP grew by close to 6% in 2021, the highest level recorded by the IMF since it started reporting the data in 1980. As COVID-19 vaccines became widely available, the world's economy quickly adjusted to a "new normal" and recovered from the various "stop-and-go" experienced in 2020. This strong rebound in activity created some friction. Supply chains got stretched to the limit and shortages became widespread. Strong demand and limited supply pushed the prices of goods higher and inflationary pressures grew stronger, pushing the US consumer price index above 7% in December, a 40 years high. Encouragingly, employment recovered simultaneously with the US unemployment rate falling back below 4% at the end of the year after peaking at 14.7% in April 2020. This unprecedented recovery was made possible by the unlimited support provided by both central banks and governments globally. G4 central banks' balance sheets expanded by more than USD 10 trillion in the last 18 months, ballooning from 35% to 60% of GDP, another record. Surprisingly, China, the world's second largest economy, did not participate in the 2021 rebound. Stringent "zero COVID" policies, a regulatory crackdown on parts of the economy and financial stress affecting highly indebted property developers weighed on both economic momentum and investors' sentiment.

In the developed world however, this abundant liquidity coupled with a strong macroeconomic backdrop benefitted risk assets and propelled equity markets higher. The MSCI World index reached 65 new all-time highs in the course of 2021 and finished the year some 20% higher. On the other hand, fixed income markets struggled as rates jumped in the first quarter. Having started the year below 1%, the yield on the 10-year US Treasuries touched 1.75% by the end of March before closing the year at 1.6%.

BUSINESS OVERVIEW

Barclays Bank (Suisse) SA is part of the Barclays Private Bank, which provides highly customised investment strategies and solutions for Private clients, based on their aspirations and risk appetite. The Private Bank also unlocks the unrivalled capabilities from across the broader Barclays Group including our Investment and Corporate Banks. Clients have access via their Private Banker, to Investment Advisors, product and asset class specialists, cash and liquidity specialists and credit structurers.

Barclays Bank (Suisse) SA operates from offices in Geneva and Zurich, where Private Bankers are supported by the global Barclays Group, located in 40 countries and employing approximately 85,000 people.

Our services are tailored to High Net Worth (HNW) and Ultra High Net Worth (UHNW) individuals, as well as large Single and Multi-Family offices who operate on behalf of UHNW clients. Our solutions help people meet their financial objectives, whether they are protecting, growing or passing on their wealth.

Our principal activities are:

Investing

- Discretionary portfolio management
- Advisory investment service
- Direct access

Banking

- Full-service banking
- Saving solutions

Lending

- Real estate financing
- Portfolio finance
- Structured credit
- Trade finance

Strategic solutions

- Corporate finance and customised investment solutions
- Direct investments

BALANCE SHEET OPERATIONS

The majority of lending activity is driven by client demand for credit. As a general rule, loans are granted on a secured basis through Lombard credits, secured by marketable securities.

Mortgage lending is also provided and is secured through charges on residential properties located mainly in the United Kingdom, but also in France and Switzerland. Commercial credits are only granted on an exceptional basis.

TRADING OPERATIONS

For the benefit of our clients, we offer an integrated service for trading operations. We do not enter into securities or derivatives transactions for our own account, except in the case of transactions to hedge foreign exchange and interest rate risks.

CAPITAL ADEQUACY

The information relating to the required capital adequacy in accordance with the circ.-FINMA 2016/1 is available in the Barclays PLC 2021 Annual Report and published on Barclays Investor Relation's website.
http://www.barclays.com/barclays-investor-relations.html

STRATEGY IN 2021

2021 saw the continuation of our strategy highlighting our capacity to serve local and international clients through our international footprint. Through collaboration with our Corporate and Investment banking colleagues (CIB) we have the ability to differentiate ourselves from our peers, allowing clients access to sophisticated products and solutions across international markets coordinated by the Private Bank's Strategic Solutions Group.

We continue to grow and develop in our target markets, as we look to on-board new clients, with particular success coming from the Swiss Onshore, Israel and Eastern Europe coverage teams. Banker hiring is focused around those with a business development skillset as we look to originate new business opportunities with clients.

Investments remain at the very heart of our strategy, and again we have the ability to display our strong Discretionary Portfolio Management performance, which continues to outperform the relevant benchmarks and most of our peers.

ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG)

We believe that Barclays can make a real contribution to tackling climate change and help accelerate the transition to a low-carbon economy.

Barclays Sustainability and ESG team ensures Barclays maintains a proactive approach to critical social and environmental issues, and particularly those which are most material for the Bank, including climate change, human rights, environmental stewardship, and social impact.

(i) The **Sustainability** team has been created to ensure that Barclays has a proactive approach to the world's biggest environmental, social and governance challenges, such as climate change, the environment and human rights.

(ii) The **ESG Reporting and Governance** team is responsible for driving continuous improvement in internal and external Environmental, Social, Governance (ESG) reporting, in line with growing investor, NGO and other stakeholder expectations.

(iii) **Barclays Social Innovation Facility (SIF)** incubates financial products and services that will have a sustained social or environmental impact. The SIF works with ideas created by innovators within Barclays – our intrapreneurs – and helps support them through the product-development process, from scoping out the market, to commercialising the opportunity.

Barclays continues to work closely with clients to help them better understand and manage their carbon transition, and our ambition to provide GBP 100 billion of green financing by 2030 is on track. This is being facilitated across Barclays, and in particular through our Corporate and Investment Bank (for which the Private Bank is included).

RESULTS SUMMARY

In 2021 we recognised a profit of CHF 2.1 million, with an operating result of CHF 2.9 million. Total managed assets grew by 10% to CHF 15.6 billion in 2021, driven by net new money of CHF 1.7 billion from both existing clients and new clients, demonstrating the effectiveness of our business strategy in both mature and growth markets.

RISK ASSESSMENT

We have a conservative and prudent approach to credit, market, operational and other risks. The key elements of the risk position of Barclays Bank (Suisse) SA are regularly assessed by the Management and Audit Committee. The results are summarised for the Board, highlighting any breaches of the risk appetite established by the Board. Further details on the risk strategy, risk profile and assessment and management of the various risks are detailed in section 6 of the annual report (pages 16 to 19). We are compliant with the recently introduced regulations such as the Swiss Financial Services Act and Financial Institutions Act, that have been timely implemented and we proactively track future regulatory changes.

Ratios

	2021 CHF '000	2020 CHF '000	2019 CHF '000	2018 CHF '000	2017 CHF '000
Minimum capital requirements	76'756	74'738	70'518	77'705	76'144
Total eligible regulatory capital	168'982	166'839	162'317	178'179	172'555
• of which, Common Equity Tier 1 capital	118'982	116'839	112'317	168'179	157'555
• of which, Tier 1 capital	168'982	166'839	162'317	168'179	157'555
Risk weighted assets	959'444	934'222	881'471	971'316	951'803
CET1 ratio (%)	12.4%	12.5%	12.7%	17.3%	16.6%
Tier 1 ratio (%)	17.6%	17.9%	18.4%	17.3%	16.6%
Total Eligible Equity ratio (%)	17.6%	17.9%	18.4%	18.3%	18.1%
Countercyclical buffer (%)	0.0%	0.0%	0.1%	0.1%	0.1%
Minimum CET1 target ratio (%)	7.4%	7.4%	7.5%	7.5%	7.5%
Minimum T1 target ratio (%)	9.0%	9.0%	9.1%	9.1%	9.1%
Minimum Tier 2 ratio (%)	11.2%	11.2%	11.3%	11.3%	11.3%
Basel III leverage ratio (%)	3.8%	4.8%	4.5%	4.6%	4.1%
Leverage ratio exposure	4'428'492	3'453'325	3'601'757	3'660'060	3'809'282
Liquidity Coverage Ratio Q4 Average (%)	189.5%	212.2%	176.9%	121.0%	168.8%
• Numerator	714'639	608'856	574'895	546'023	760'770
• Denominator	377'096	286'911	324'978	451'091	450'644
Liquidity Coverage Ratio Q3 Average (%)	237.0%	162.2%	150.7%	123.6%	156.0%
• Numerator	929'181	366'317	681'974	386'413	705'456
• Denominator	392'012	225'852	452'554	312'720	452'239
Liquidity Coverage Ratio Q2 Average (%)	304.1%	156.2%	183.1%	135.3%	172.4%
• Numerator	1'153'757	367'901	844'067	657'685	805'752
• Denominator	379'338	235'485	461'014	486'112	467'442
Liquidity Coverage Ratio Q1 Average (%)	276.4%	168.7%	154.3%	152.7%	284.9%
• Numerator	1'202'604	353'013	761'775	804'332	915'570
• Denominator	435'148	209'199	493'841	526'790	321'343

3. Barclays and the community

At Barclays, we believe that we can, and should, make a positive difference for society, globally and locally. We do that through the choices we make about how we run our business, and through the commitments we make to support our communities.

PROGRAMMES THAT MAKE A DIFFERENCE

Barclays GBP 100 million COVID-19 Community Aid Package
Barclays has given GBP 100 million through its COVID-19 Community Aid Package to support more than 370 charity partners around the world delivering vital relief to vulnerable communities impacted by the pandemic – including Caritas in Switzerland. Working with Caritas for a second year, our partnership is supporting people affected by poverty by providing them with food vouchers and counselling in social centres.

Barclays LifeSkills
Through our LifeSkills programme, Barclays has committed to help a further 10 million[1] people to develop the skills and confidence they need to succeed, as well as place 250,000[2] people around the world into work by the end of 2022. Against this commitment, the programme has upskilled 9.8 million people and placed 193,400 into work. Since LifeSkills first began in 2013, it has reached 15.3 million people.

In Switzerland, we continue to partner with our LifeSkills partner Fondation Qualife to support people who face barriers into employment. We work with those who want to get into work but, for a number of reasons, face challenges – such as a lack of experience or confidence, fewer educational qualifications – and help them to develop the skills, connections and opportunities that provide a way in, or back into the workforce.

CHARITABLE GIVING AND INVESTMENT IN OUR COMMUNITIES

Alongside these high-impact programmes, we also help our colleagues to make a difference to the causes that matter most to them personally through our matching programmes. In 2021, we supported more than 5,900 colleagues around the world to fundraise and give to their chosen charities, including those delivering COVID-19 relief, with a total of GBP 10.1 million raised, with Barclays matching.

In 2021, colleagues in Switzerland raised nearly CHF 12,000 for our charity partners and the communities they support. Colleagues also volunteered to support a range of causes, including helping people living with cancer and female victims of violence and human trade. They also took part in a collection of more than 240 Christmas gifts for underprivileged children.

OUR DIVERSITY AND INCLUSION AGENDA

We believe that a diverse, inclusive and engaged culture is vital to the workplace. Diversity should be recognised and celebrated and we aim to ensure that every colleague at Barclays has the same opportunity to fulfil their career potential. We apply the following five diversity lenses to our strategy: Disability, Gender, LGBT, Multicultural and Multigenerational.

Our strategy is to attract and develop diverse talent, whilst also ensuring that colleagues role model and advocate diverse and inclusive behaviour. To support our strategy, a group of volunteers works closely with Human Resources and Barclays Group networks to implement a series of initiatives in Switzerland.

The networks provide colleagues with valuable support and advice, create opportunities, and raise awareness of issues and challenges. We actively encourage colleagues to join the team of volunteers in Switzerland, to identify issues and implement solutions.

[1] Over a five-year period, 2018-2022

[2] Over a four-year period, 2019-2022

4. Financial statements

4.1 Balance sheet

	Reference to notes	31.12.2021 CHF '000	31.12.2020 CHF '000	Variations CHF '000
Assets				
Liquid assets		646'514	752'405	-105'891
Amounts due from banks		453'169	478'536	-25'367
Amounts due from securities financing transactions	7.1	9'324	9'734	-410
Amounts due from customers	7.2	1'631'894	1'348'785	283'109
Mortgage loans	7.2	1'165'294	1'079'669	85'625
Positive replacement values of derivative financial instruments	7.3	12'832	23'929	-11'097
Financial investments	7.4	243'548	200'368	43'180
Accrued income and prepaid expenses		14'393	11'289	3'104
Tangible fixed assets	7.5	2'452	3'187	-735
Other assets	7.6	12'830	1'668	11'162
Total assets		**4'192'250**	**3'909'570**	**282'680**

	Reference to notes	31.12.2021 CHF '000	31.12.2020 CHF '000	Variations CHF '000
Liabilities				
Amounts due to banks		709'764	745'780	-36'016
Amounts due in respect of clients' deposits		3'315'062	2'997'102	317'960
Negative replacement values of derivative financial instruments	7.3	17'578	27'630	-10'052
Accrued expenses and deferred income		24'680	15'413	9'267
Other liabilities	7.6	3'029	2'561	468
Provisions	7.10	3'154	4'245	-1'091
Bank's capital	7.12	90'000	90'000	-
Statutory retained earnings reserve		7'881	7'654	227
Profit carried forward		18'959	14'662	4'297
Profit for the year		2'143	4'523	-2'380
Total liabilities and shareholder's equity		**4'192'250**	**3'909'570**	**282'680**
Total subordinated liabilities	7.9	50'056	50'056	-
• of which, subject to mandatory conversion and/or debt waiver		-	-	-

	Reference to notes	31.12.2021 CHF '000	31.12.2020 CHF '000	Variations CHF '000
Off-balance sheet transactions				
Contingent liabilities	7.2, 8.1	30'058	70'067	-40'009
Irrevocable commitments	7.2	1'814	26'848	-25'034

4.2 Income statement

	Reference to notes	2021 CHF '000	2020 CHF '000	Variations CHF '000
Result from interest operations				
• Interest and discount income		32'183	41'612	-9'429
• Interest and dividend income on financial investments		69	81	-12
• Interest expense		-901	-4'793	3'892
Gross result from interest operations		31'351	36'900	-5'549
Changes in value adjustments for default risk and losses resulting from interest operations	7.10	-3'281	-14'549	11'268
Net result from interest operations		28'070	22'351	5'719
Results from commission business and services				
• Commission income from securities and investment services		52'498	49'324	3'174
• Commission income on lending activities		2'427	2'420	7
• Commission income from other services		3'712	3'808	-96
• Commission expenses		-9'450	-9'423	-27
Net results from commission business and services		49'187	46'129	3'058
Results from trading activities and the fair value option	9.2	10'824	7'571	3'253
Other results from ordinary activities				
• Results from the disposal of financial investments		-438	708	-1'146
• Other ordinary income		22'399	20'870	1'529
• Other ordinary expenses		-710	-1'084	374
Other results from ordinary activities		21'251	20'494	757
Operating expenses				
• Personnel expenses	9.3	-57'033	-55'013	-2'020
• General and administrative expenses	9.4	-48'294	-34'842	-13'452
Total operating expenses		-105'327	-89'855	-15'472
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	7.5	-735	-958	223
Changes to provisions and other value adjustments and losses		-358	-983	625
Operating result		2'910	4'749	-1'839
Extraordinary income	9.6	-	-	-
Taxes	9.7	-767	-226	-541
Profit for the year		2'143	4'523	-2'380

4.3 Appropriation of profit

	2021 CHF '000	2020 CHF '000	Variations CHF '000
Profit for the year	2'143	4'523	-2'380
• Profit carried forward	18'959	14'662	4'297
Accumulated profit	21'102	19'185	1'917
Appropriation of profit			
• Allocation to statutory retained earnings reserves	-107	-226	119
New amount carried forward	20'995	18'959	2'036

4.4 Statement of changes in shareholder's equity

	Bank's capital CHF '000	Statutory retained earnings reserves CHF '000	Profit/ carried forward CHF '000	Result of the period CHF '000	Total CHF '000
Shareholder's equity as at 1 January 2021	90'000	7'654	14'662	4'523	116'839
Appropriation of prior year profit	-	226	4'296	-4'523	-
Profit for the year	-	-	-	2'143	2'143
Shareholder's equity as at 31 December 2021	90'000	7'880	18'958	2'143	118'982

5. Notes to the financial statements

BUSINESS NAME OR NAME OF THE BANK, AND ITS LEGAL FORM AND DOMICILE

Barclays Bank (Suisse) SA ('The Bank') is a Swiss bank in foreign hands and is principally active in Switzerland through its main office in Geneva and its branch in Zurich. The Bank's main activity is Private Banking and it holds the status of securities dealer.

PERSONNEL

As at the 31 December 2021, the number of people employed by the Bank on a full time equivalent basis, was 199 (31.12.2020: 205).

GENERAL ACCOUNTING AND VALUATION PRINCIPLES

The financial statements have been prepared in accordance with the provisions of the Swiss Code of Obligations, The Federal Act on Banks and Savings Banks, its Ordinance, the Ordinance on Accounting of the Swiss Financial Market Supervisory Authority (FINMA Accounting Ordinance) and the Swiss Financial Market Supervisory Authority (FINMA) Circular 2020/1 "Accounting – banks". The Bank's accounting policies follow the accounting and valuation principles defined in the FINMA Accounting Ordinance and FINMA Circ. 2020/1. The accompanying statutory single entity financial statements present the economic situation of the Bank such that a third party can form a reliable opinion. The financial statements are allowed to include hidden reserves.

In the notes, the individual figures are rounded for publication, but the calculations are based on the non rounded figures, thus small rounding differences can arise.

GENERAL PRINCIPLES AND RECORDING OF BUSINESS TRANSACTIONS

The financial statements are prepared on the assumption of an ongoing concern. The accounting is therefore based on going-concern values.

All business transactions concluded up to the balance sheet date are recorded as of their trade date (trade date accounting) and valued according to the principles described below.

Items are entered on the balance sheet as assets if, based on past events, they may be disposed of, a cash inflow is probable and their value can be reliably estimated. If a reliable estimate is not possible, then it is a contingent asset, which is commented on in the notes.

Items are entered on the balance sheet as liabilities if they have arisen due to past events, a cash outflow is probable and their value can be reliably estimated. If a reliable estimate is not possible, then it is a contingent liability, which is commented on in the notes.

The disclosed balance sheet items are valued individually.

In principle, neither assets and liabilities nor expenses and income are offset. Accounts receivable and accounts payable are only offset if they concern the same type of transaction with the same counterparty in the same currency and they have an identical or earlier due date and do not lead to any counterparty risk.

Value adjustments are deducted from the corresponding asset item.

CONVERSION OF FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the respective daily exchange rate. Assets and liabilities are translated as of the balance sheet date using the closing rate on the balance sheet date. Participations, tangible fixed assets and intangible assets are valued using the historical exchange rates. The price gain or loss resulting from the currency translation is recorded via the item 'Result from trading operations'.

For the foreign currency translation, the following exchange rates were used:

	2021	2020
	Closing rate	Closing rate
USD	0.9110	0.8838
GBP	1.2340	1.2086
EUR	1.0360	1.0816

LIQUID ASSETS

Liquid assets are recognised at their nominal value.

AMOUNTS DUE FROM BANKS, AMOUNTS DUE FROM CUSTOMERS AND MORTGAGE LOANS

Amounts due from banks, amounts due from customers and mortgage loans are recognised at their nominal value, less any necessary value adjustments.

Amounts due in respect of precious metal account deposits are valued at fair value if the precious metal concerned is traded on a price-efficient, liquid market.

Doubtful receivables, i.e. obligations entered into with clients for which the debtor is unlikely to meet its future obligations, are valued individually and depreciated by means of individual value adjustments. The depreciation of doubtful receivables is determined by the difference between the book value of the receivable and the anticipated recoverable amount. The anticipated recoverable amount is the liquidation value (estimated net realisable value minus the costs of retention and liquidation). In doing so, the entire liability of the client or the economic entity has to be checked for any counterparty risk.

If a receivable is classified as entirely or partially irrecoverable or a receivable is waived, the receivable is derecognised by booking it against the corresponding value adjustment.

If recovered amounts from receivables written off in earlier periods cannot be used immediately for other value adjustments of the same type, they are recognised in 'Changes in value adjustments for default risk and losses resulting from interest operations' in the income statement.

Using the methods described below, the Bank classifies all receivables in one of the five rating classes: *Performing*, *WatchList1*, *Watchlist2*, *WatchList3* and *WatchList4/ Bad & Doubtful*. For receivables in the class *Performing*, the debt is serviced, the collateral is adequate and the repayment of the loan is not in doubt. For these receivables, no value adjustments for latent default risks are created. Loans in class *WatchList1* are performing, it is a temporary classification for obligors exhibiting some unsatisfactory features which may affect business viability beyond the medium term. *WatchList2* are performing, some doubt exists as to the viability of the obligors but it is believed that the obligors can meet obligations over the short term. *WatchList3* classification issued where definite concern exists with well defined weaknesses, if the position deteriorates, obligors' failure could occur in the very short term irrespective of whether the Bank holds collateral or not. *WatchList4/Bad & Doubtful* are non performing, insolvent and/or have regulatory default, with high risk of loss.

The individual valuation adjustments are deducted from the corresponding asset item in the balance sheet.

Doubtful receivables are reclassified as performing if the outstanding amount of capital and interest are paid again on time according to the contractual agreements and other creditworthiness criteria. Value adjustments are released with an effect on income via the item 'Changes in value adjustments for default risk and losses resulting from interest operations'.

METHODS USED FOR IDENTIFYING DEFAULT RISKS AND DETERMINING VALUE ADJUSTMENTS AND PROVISIONS

Mortgage Loans: For residential properties, investment properties and trophy properties, the Bank uses recognised professional valuers with an appropriate professional indemnity insurance coverage, in order to obtain a valuation of the property including market analysis and comparables. Open market values subject to vacant possession are obtained for all property types. For investment, Buy-to-Let properties the Bank will additionally obtain an open market value on a tenancy agreement basis. In addition a rental value (using a discounted cash flow model) will be calculated by the Bank. For trophy properties the Bank will obtain open market values on both a vacant possession and a tenancy agreement basis. The Bank will review and validate these valuations. Based on these valuations, the Bank updates the loan-to-value ratio at least every three years. The late payment of interest and amortisation payments are analysed on a monthly basis. From this, the Bank identifies mortgages that involve higher risks. These loans are then reviewed in detail by credit specialists. If necessary, additional coverage is requested, or a corresponding value adjustment is created, based on the coverage shortfall.

Securities-based Loans: The commitments and values of collateral for securities-based loans are monitored daily. If the collateral value of the securities falls below the amount of the credit utilisation level, the amount of the loan is reduced or additional securities are requested. The collateral value of the securities is calculated by multiplying the market value of the securities with an appropriate haircut. If the coverage gap grows, or in extraordinary market conditions, the securities are utilised and the credit position is closed out.

Unsecured Loans: As a general rule, the Bank does not offer unsecured loans or unsecured overdrafts to clients, with any exceptions requiring two levels of approval by Credit Risk. Any significant unsecured facilities are notified to the Credit Risk Committee and the Board. The loan values of unsecured staff loans are aligned with the employees notice period.

Any new value adjustments and provisions identified by these processes, as well as known risk exposures which are reassessed at each balance sheet date and adjusted if necessary, are reviewed and approved by the Management Committee.

TREATMENT OF PAST-DUE INTEREST

Past-due interest and the corresponding commissions are recorded in 'Interest and discount income'. Past-due interest that are more than 90 days past due and not yet paid are written down via the item 'Change in value adjustments for default risk and losses resulting from interest operations.

SECURITIES FINANCING TRANSACTIONS

The term securities financing transactions includes repurchase and reverse repurchase transactions, securities lending and securities borrowing.

Repurchase transactions (repos) are recorded as cash deposits with own securities as collateral. Reverse-repurchase transactions (reverse repos) are treated as receivable against collateral in the form of securities. The exchanged cash amounts are recorded at nominal value on the balance sheet. Securities lending transactions are treated as repos if they are subject to daily margining and secured by cash. Securities received and delivered are not recognised or derecognised in the balance sheet until the economic control of the contractual rights comprised in the securities is transferred.

AMOUNTS DUE TO BANKS AND AMOUNTS DUE IN RESPECT OF CUSTOMER DEPOSITS

These items are to be recognised at their nominal value.

Amounts due in respect of precious metal account deposits are valued at fair value if the precious metal concerned is traded on a price-efficient, liquid market.

POLICY REGARDING THE USE OF DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Derivative financial instruments are used for trading purposes. The Bank uses derivatives for risk management purposes, to hedge against interest rate and currency fluctuation risks, however hedge accounting is not applied.

The Bank does not have any market-making activities. Standardised and OTC instruments are traded on own account and on behalf of clients, especially interest-, currency- and equity/index-based instruments and, to a limited extent, those based on commodities. There is no trading in credit derivatives.

The valuation of derivative financial instruments for trading purposes is done according to the fair value and the positive or negative replacement value is recorded in the corresponding financial statement line item. The fair value is based on market prices, dealers' price quotations, discounted cash flow and option pricing models.

The realised result from trading operations and the unrealised result from valuations relating to trading operations are recorded via the item 'Results from trading operations'.

NETTING

The Bank does not offset positive and negative replacement values with the same counterparty within the terms of the recognised and legally enforceable netting agreements.

FINANCIAL INVESTMENTS

Financial investments include debt instruments, equity securities, physical stocks of precious metals as well as properties and goods acquired in relation to loan transactions and destined for sale.

If the fair value of financial investments valued using the lower of cost or market principle increases again after declining below the historical cost, the value may be appreciated up to a maximum of the historical cost. The balance of the value adjustments is recorded via the item 'Other ordinary income' or 'Other ordinary expenses'.

HELD-TO-MATURITY DEBT INSTRUMENTS

The valuation is based on the acquisition cost principle with the premium/discount, accrued/deferred over the residual term to maturity (accrual method). The premium/ discount is accrued/deferred over the residual term to maturity via the item 'Accrued income and prepaid expenses' or 'Accrued expenses and deferred income'. Value adjustments for default risk are recorded immediately under 'Changes in value adjustments for default risk and losses resulting from interest operations'.

If held-to-maturity financial investments are sold or reimbursed early, the realised gains and losses, which correspond to the interest component, are accrued/ deferred over the residual term to maturity of the transaction via the item 'Accrued income and prepaid expenses' or 'Accrued expenses and deferred income'.

PHYSICAL PRECIOUS METALS AS WELL AS PROPERTIES ACQUIRED IN RELATION TO LOAN TRANSACTIONS AND DESTINED FOR SALE

The valuation is based on the lower of cost or market value principle. For properties and goods acquired in relation to loan transactions and destined for sale, the lower of cost or market value is determined by the purchase value or the liquidation value, whichever is the lowest. Own physical stocks of precious metals that serve as collateral for liabilities from precious metals trading accounts are valued, as they are in such accounts, at fair value.

PARTICIPATIONS

Participations owned by the Bank include equity securities of companies that are held for long-term investment purposes, irrespective of any voting rights.

Participations are valued at historical costs minus any value adjustments due to business reasons.

Each participation is tested for impairment as of the balance sheet date. This test is based on indicators reflecting a possible impairment of individual assets. If any such indicators exist, the recoverable amount is calculated. The recoverable amount is calculated for each individual asset. The recoverable amount is the higher amount of the net selling price and the value in use. An asset is impaired if its carrying amount exceeds its recoverable amount. If the asset is impaired, the book value is reduced to match the recoverable value and the impairment is charged via the item 'Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets'.

Realised gains from the sale of participations are recorded via the item 'Extraordinary income' and realised losses are recorded via the item 'Extraordinary expenses'.

TANGIBLE FIXED ASSETS

Investments in tangible fixed assets are capitalised as an asset on the balance sheet if they will yield measurable benefits for more than one year and exceed the minimal value for recognition of CHF 500. Each capitalised tangible fixed asset stems from an approved project, the costs of which are separately reported and managed, allowing the resulting tangible fixed asset to be identified and controlled by the Bank. Project costs are reported at a sufficiently granular level to allow the Bank to identify items eligible for capitalisation. In the case of projects which remain in progress at the balance sheet date tangible fixed assets are only recognised where the resources to complete the project are, or will be, made available.

Tangible fixed assets are recognised at acquisition cost minus the scheduled accumulated amortisation over the estimated operating life.

Tangible fixed assets are amortised at a consistent rate (straight-line amortisation) over a prudent estimated operating life via the item 'Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets'. The estimated operating lives of specific categories of tangible fixed assets are as follows:

Asset Class	Operating Life
Installations and renovations in third-party properties	10 to 15 years
Plant, property, equipment	4 to 10 years
Self-developed or bought-in software	5 to 10 years
Telecommunications, Information Technology	Up to 5 years

Each tangible fixed asset is tested for impairment as of the balance sheet date to ensure that it will yield a measurable benefit to the Bank over more than one year. This test is based on indicators reflecting a possible impairment of individual assets impaired. If any such indicators exist, the recoverable amount is calculated. The recoverable amount is calculated for each individual asset. An asset is impaired if its carrying amount exceeds its recoverable amount.

If the asset is impaired, the book value is reduced to match the recoverable value and the impairment is charged via the item 'Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets'.

If the impairment test shows that the operating life of an intangible asset has changed, the residual carrying amount should be depreciated systematically over the newly estimated useful life.

Realised gains from the sale of tangible fixed assets are recorded via the item 'Extraordinary income' and realised losses are recorded via the item 'Extraordinary expenses'.

OTHER ASSETS AND LIABILITIES

These positions are carried at their nominal value.

PROVISIONS

Legal and factual obligations are valued regularly. If an outflow of resources is likely and can be reliably estimated, a corresponding provision is created.

Existing provisions are reassessed at each balance sheet date. Based on this reassessment, the provisions are increased, left unchanged or released. Positions are recorded in the income statement under 'Changes to provisions and other value adjustments and losses'.

Provisions are released via the income statement if they are no longer needed on business grounds and cannot be used for other similar purposes at the same time.

TAXATION

Current income taxes are recurring, usually annual, taxes on profits and capital. Transaction-related taxes are not included in current taxes.

Liabilities from current income and capital tax are disclosed via the item 'Accrued expenses and deferred income'.

Expense due to income and capital tax is disclosed in the income statement via the item 'Taxes'.

OFF-BALANCE-SHEET TRANSACTIONS

Off-balance-sheet disclosures are at nominal value. Provisions are created in the liabilities in the balance sheet for foreseeable risks.

PENSION BENEFIT OBLIGATIONS

The Bank's employees are insured through the Bank's pension fund. The pension fund liabilities and the assets serving as coverage are separated out into a legally independent Occupational Pension Scheme. The organisation, management and financing of the pension funds comply with the legal requirements, the deeds of foundation and the current pension fund regulations. All of the Bank's pension funds are defined contribution plans.

The Bank bears the costs of the occupational benefit plan for employees and survivors as per the legal requirements. The employer contribution arising from the pension funds are included in 'Personnel expenses' on an accrual basis.

Liabilities from current pension benefit obligations are disclosed via the item 'Accrued expenses and deferred income'.

The Bank assesses whether there is an economic benefit or economic obligation arising from a pension fund as of the balance sheet date. The assessment is based on the contracts and financial statements of the pension funds (established under Swiss GAAP FER 26 in Switzerland) and other calculations that present a true and fair view of the financial situation as well as the actual over- or underfunding for each pension fund. The Bank refers to a pension fund expert to assess whether a benefit or an obligation exists for each pension fund.

EQUITY-BASED COMPENSATION SCHEMES

Equity-based compensation schemes exist for the employees of the Barclays Group and are managed by a related company. The costs of the share plan are subsequently recharged to the Bank via a head-office recharge.

The liability is initially recorded within 'Accrued expenses and deferred income' and the equity-based compensation scheme is recorded in the item 'Personnel expenses'.

CHANGES OF THE ACCOUNTING PRINCIPLES

No changes in accounting and valuation principles occurred in 2021.

MATERIAL EVENTS AFTER THE BALANCE SHEET DATE

No material events occurred after the balance sheet date.

6. Risk Management

The Bank engages in business activities which routinely give rise to conscious risk-taking. This includes potential exposure to credit losses in its lending and banking transactions (including but not limited to the risks arising from Climate Change), treasury risk (including liquidity, leverage, capital adequacy) in its financial management, and operational risks (for example from fraud, transaction processing or technology failure). In addition, the Bank faces reputational and conduct risks in relation to its interactions with clients and the financial markets in which it operates, as well as the risk of being penalised for not meeting its legal obligations, adhering to regulatory requirements or conducing its affairs in a fair and ethical manner.

The Bank is committed to effective risk management and operates a comprehensive risk management framework for the, identification, measurement, monitoring and management of these risks, which is a major priority for the Bank. The key elements of this risk management framework are:

- A comprehensive suite of risk management policies;
- The use of recognised risk measurement techniques to monitor activity and performance in relation to a defined risk appetite;
- Ensuring timely and comprehensive reporting on all risks;
- The allocation of adequate financial and human resources to risk management; and
- Promoting risk awareness at all staff and management levels.

The Board of Directors is responsible for the overall risk management of the Bank. It defines the risk approach and appetite, as well as the resulting risk management response. This is based on the Barclays Group's Enterprise Risk Management Framework (ERMF) which defines nine principal risks, as well as several underlying risk categories. The Board of Directors approves the overall risk appetite based on the ERMF approach and the Bank's risk capacity, and it then monitors the implementation of the risk policy and compliance within pre-defined parameters. To fulfil its monitoring duties, a comprehensive risk report is submitted on a quarterly basis, to the Audit Committee of the Board of Directors.

The executive management is responsible for the execution of the risk management directives provided by the Board of Directors. It ensures a suitable risk management organisation is in place, based on the ERMF approach, including assigning risk assessment and ownership responsibilities for all identified principal risks and risk categories. Key risk indicator metrics and qualitative reporting are established within the overall limits established by the Board, which are reviewed and formally challenged monthly in cross-departmental committees.

The Bank mandates that all employees have a responsibility for managing the Bank's risk. These responsibilities are defined in terms of the role of the employee within a "three lines of defence" framework.

The "first line" comprises all employees engaged in the revenue-generating and client-facing activities of the Bank, as well as the associated support functions, including finance, treasury, technology, operations, and human resources. Employees in the "first line" have primary responsibility for the risks that occur in the performance of their roles, in accordance with a risk control environment which meets all Group policies and standards and implements appropriate controls to govern their activities.

Employees of Risk and Compliance comprise the "second line" of defence. The role of the "second line" is to establish the limits, rules and constraints under which "first line" activities are performed, consistent with the risk appetite of the firm, and to monitor the performance of the "first line" against these limits and constraints. The "second line" has the authority and responsibility to perform independent challenge of all risks and risk management activity in the "first line", at any time.

Employees of Internal Audit comprise the "third line" of defence. They provide independent assurance to the Board and executive management over the effectiveness of governance, risk management and control over current and evolving risks. External audit is also considered part of the "third line".

Employees of Legal are not formally designated as a member of any one line of defence, instead providing support and legal counsel to all functions (and lines of defence) of the Bank.

CREDIT RISK

The Credit Risk Framework and Credit Risk Mitigation Policy defines the manner in which the Bank seeks to manage and mitigate the potential for loss arising from obligors failing to honour their commitments.

The Bank's policy for granting credit to clients is based on the principle of prudence. Credit authorisation is governed by quantitative and qualitative requirements and subject to approval limits established in the Bank's internal organisational rules. Credit risk management methodology is defined in the credit policy and procedures, and is reviewed on at least an annual basis. This incorporates a quantitative application of specific coverage margins (including a "loan-to-value" on financial and property assets provided as collateral). The quality of the client is assessed by standardised solvency criteria. These factors (as well as each case) are subject to periodic re-assessments, taking into account current market conditions.

The Bank may grant loans secured by mortgage on owner-occupied or income-producing real estate property. In this case, the client may use loan proceeds to acquire real estate property or to finance other activities, notably financial investments. Properties used as collateral are valued by independent surveyors, both initially and at regular intervals during the term of the loan.

For loans secured on financial instruments, securities that are liquid and actively traded are accepted as collateral. Derivative products may also be accepted where there is a mature secondary market. The Bank applies a variable discount process to the market value of financial instruments in order to determine an appropriate collateral value of such assets, based on their volatility and liquidity.

There is a segregation of duties between responsibilities for marketing credit services and those of credit authorisation. The Board of Directors is responsible for approving large credit exposures with a nominal value in excess of 25% of the Bank's eligible capital.

The Credit policy of the Bank forms the basis of credit risk monitoring and control. Significant aspects include (but are not limited to) understanding the purpose of the credit, the transparency, plausibility, ability to pay (and repay) as well as the proportionality of the transaction. Credit monitoring is performed on a daily basis, reviewing credit exposures against limits and available collateral. This is supplemented by a monthly evaluation and oversight process to identify trends, concentrations and other potential credit concerns. All facilities are additionally subject to an annual review process.

COUNTERPARTY RISK

Credit exposures to counterparties are restricted by credit limits, which are recommended by the Treasury Committee (under advice from appropriate specialists) and approved by the Board of Directors.

The Bank only transacts with highly reputable counterparties. The Bank performs a comprehensive assessment of each and every counterparty before a limit is established, against which exposure is monitored on a daily basis.

The Bank also places Fiduciary Deposits with bank counterparties on behalf of, and at client risk. These counterparties are similarly assessed, managed and reviewed (at least annually) against a system of limits to provide clients with opportunities to place deposits at rates that seek to optimise risk-aware returns.

INTEREST RATE RISK

The Bank enters into multi-currency balance sheet transactions across different tenors, both as a lender and deposit-taker. This creates a potential for interest rate risk, which is mitigated through active balance sheet management and derivative (hedging) transactions, primarily with the Barclays Group. The measurement and management of interest rate risk is part of the asset and liability management (ALM) function, performed by the Treasury Committee of the Bank, which includes members of the executive management, treasury and risk teams.

The treasury function operates according to an ALM framework which measures the potential impact of market risk by means of value-at-risk calculations and limits, with independent checks of the end-of-day positions performed by the financial control team. Depending on the estimated interest rate developments, the Treasury Committee takes hedging measures within defined risk limits and defined hedging strategies.

Money market operations ensure long-term refinancing and the management of interest rate risks, taking into account the following objectives:

- Record, measure and manage all interest rate risk arising from client transactions with the Bank;
- Ensure cost-effective refinancing in line with the development of the balance sheet;
- Ensure compliance with regulatory requirements, notably the capital adequacy ratio, leverage ratio, liquidity and stable funding requirements as well as adherence to limits over intra-Group positions.

RISKS ON FOREIGN EXCHANGE RATES

The Bank executes foreign exchange transactions to serve its clients, and for its own balance sheet management purposes. Any significant exposures resulting from these activities are closed out (for same day value) in the foreign exchange markets. The Bank undertakes value-at-risk calculations against limits for its foreign exchange activity, to ensure the potential market risk impact of any residual positions (not fully hedged in the foreign exchange markets) are managed within limits. The Financial Control team perform independent end-of-day controls to verify that these limits are respected.

LIQUIDITY RISK

The liquidity and financing limits of the Bank are approved annually by the executive management and the Board of Directors, taking into account the current and planned business strategy and the Bank's defined risk appetite. Liquidity management creates a solid liquidity position to allow the Bank to meet its obligations consistently and in a timely manner, including in times of market stress. In addition, financing risk is managed through the optimisation of the balance sheet structure, for example through active asset and liability matching. The Treasury function is responsible for implementing the liquidity strategy and the financial control function ensures that the limits and objectives are complied with.

A Contingency Funding Plan (CFP) exists and is regularly reviewed; as a minimum, on an annual basis. The CFP includes an assessment of financing sources under a number of stressed market scenarios, considers liquidity status indicators and key figures, and documents the emergency measures that could be undertaken. Provisions for crisis scenarios are made by diversifying the sources of financing. All material expected cash flows are regularly reviewed and this is supplemented via the availability of a high quality portfolio of securities, exclusively drawn from the list of 'collateral eligible for SNB repos' collateral, which could be used to gain additional liquidity, are regularly reviewed. Early warning indicators are defined and monitored to trigger implementation of the CFP.

OPERATIONAL RISKS

Operational risks are defined as the risks of losses to the Bank from inadequate or failed processes or systems, human factors or due to external events (for example fraud) where the root cause is not due to credit or market risks. The assessment of operational risks evaluates both the financial and non-financial impacts.

The Board of Directors reviews and approves the risk interpretive procedure (including management of operational risk) on an annual basis, which, together with detailed controls and thresholds, serve as the basis for operational risk management. Risk mitigation measures are implemented by way of process management, information and cyber security protections, control systems, quality management and on-going training and education. This also includes ensuring that operations continue in case of internal or external events or disasters. The effectiveness of the business resiliency plans is tested annually and has proven to be robust in the face of the on-going COVID-19 pandemic.

The Bank outsources some non-client facing support activities; both within the Barclays Group and to carefully selected external suppliers. All outsourcing is performed under the terms of contractual agreements and is monitored through Service Level Agreements (SLAs). The performance of significant suppliers is monitored through a quarterly Supplier Management Forum. The principal activities outsourced to third party professionals are access links to the SWIFT network, settlement and custody of securities, preliminary anti-money laundering screening, printing services and computer hardware management.

Key controls and procedures are documented in a standardised manner. All of the Bank's departments annually perform an assessment of the internal control processes in terms of their operational effectiveness and take any improvement measures necessary.

[1] As published by the Swiss National Bank, see: https://www.snb.ch/en/ifor/finmkt/operat/snbgc/id/finmkt_repos_baskets

CONDUCT RISK

Conduct Risk is defined as the risk of detriment to customers, clients, market integrity, competition or Barclays from the inappropriate supply of financial services, including instances of wilful or negligent misconduct. Client detriment occurs when the Bank's clients are damaged or harmed either financially or non-financially. Non-financial detriment includes distress, inconvenience, and reduced choice, loss of opportunity and/or loss of benefit. Clients need not necessarily be aware that they have suffered detriment. Barclays has clearly-stated Conduct Risk outcomes which set the overall objectives for the management of Conduct Risk.

The Compliance Officer ensures that the Bank respects the current regulatory requirements and carries out due diligence on new and existing clients, as well as transactional activity of clients and staff. Both the Legal and Compliance departments track legislative developments arising from the regulators, the government, parliament and other related organisations and ensure that internal policies and procedures are updated according to current legislation and regulation.

LEGAL RISK

Legal Risk is defined as the risk of loss or imposition of penalties, damages or fines from the failure of the firm to meet its legal obligations, including regulatory or contractual requirements. Barclays applies strict procedures that seek to prevent the failure to adhere to a number of defined policies that seek to manage and mitigate Legal Risk covering such aspects as competition and anti-trust, contact with regulatory, use / engagement of law firms, management of litigation, intellectual property, contractual arrangements and the appropriate and timely engagement of the legal function in relation to key and relevant business decisions.

REPUTATION RISK

Reputation risk is defined as the risk that an action, transaction, investment, event, decision or business relationship will reduce trust in Barclays' integrity and/or competence. The management of reputation risk focuses on principles, policies and procedures that seek to avoid association with businesses, clients or activities, which, whilst in accordance with law, regulation and policies, are viewed as being controversial.

7. Balance sheet information

7.1 Breakdown of securities financing transactions

	31.12.2021 CHF '000	31.12.2020 CHF '000
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions*	9'324	9'734
Fair value of securities received and serving as collateral in connection with securities lending or securities borrowed in connection with securities borrowing as well as securities received in connection with reverse-repurchase transactions with an unrestricted right to resell or repledge	9'373	9'726
• of which, repledged securities	5'431	2'703
• of which, resold securities	-	-

* Before taking into consideration any netting agreements

7.2 Collaterals for loans and off-balance sheet transactions, as well as impaired loans

Collateral for loans and off-balance sheet transactions		Types of collateral: Secured by mortgage CHF '000	Other collateral CHF '000	Unsecured CHF '000	Total CHF '000
Loans before netting with value adjustments					
Amounts due from customers		-	1'629'232	9'500	1'638'732
Mortgage loans					
• Residential properties		1'190'601	-	-	1'190'601
• Commercial premises		-	-	-	-
Amounts due from securities financing transactions					
Total loans (before netting with value adjustments)					
	31.12.2021	1'190'601	1'629'232	9'500	2'829'333
	31.12.2020	1'102'709	1'324'997	33'967	2'461'673
Total loans (after netting with value adjustments)					
	31.12.2021	1'165'294	1'629'180	2'714	2'797'188
	31.12.2020	1'079'669	1'323'012	25'773	2'428'454
Off-balance sheet					
Contingent liabilities		-	30'058	-	30'058
Irrevocable commitments		-	-	1'814	1'814
Total off-balance sheet	31.12.2021	-	30'058	1'814	31'872
Total off-balance sheet	31.12.2020	-	95'067	1'848	96'915

	Impaired loans: Gross debt amount CHF '000	Estimated liquidation value of collateral CHF '000	Net debt amount CHF '000	Individual value adjustments CHF '000
31.12.2021	112'806	82'828	29'978	31'545
31.12.2020	112'044	82'627	29'417	30'602

The increase in individual value adjustments compared to 2020 is primarily due to an increase in valuation adjustments on two existing impairment cases.

7.3 Presentation of derivative financial instruments (Assets and Liabilities)

		Trading instruments		
		Positive replacement values CHF '000	Negative replacement values CHF '000	Contract volume CHF '000
Interest rate instruments		918	918	72'551
Swaps		918	918	72'551
Foreign exchange/precious metals		10'114	14'860	2'216'543
Forward contracts		9'202	13'948	1'972'900
Options (OTC)		912	912	243'643
Equity securities		1'800	1'800	19'684
Option (OTC)		1'800	1'800	19'684
Total before netting agreements	31.12.2021	12'832	17'578	2'308'779
• of which' determined using a valuation model		-	-	-
	31.12.2020	23'929	27'630	2'375'265
Total after netting agreements	31.12.2021	12'832	17'578	-
	31.12.2020	23'929	27'630	-

The Contract volume is determined based on notional of positive replacement values.

	Breakdown by counterparty			
	Central clearing houses CHF '000	Banks and securities dealers CHF '000	Other customers CHF '000	Total CHF '000
Positive replacement values (after netting agreements)	-	5'298	7'534	12'832

7.4 Financial investments

	Book value		Fair value	
	31.12.2021 CHF '000	31.12.2020 CHF '000	31.12.2021 CHF '000	31.12.2020 CHF '000
Financial investments				
Debt securities				
• of which, destined to be held to maturity	35'525	28'274	35'524	28'274
• of which, not intended to be held to maturity (available for sale)	-	-	-	-
Total	35'525	28'274	35'524	28'274
Equity Securities	3	-	3	-
• of which, qualified participations	-	-	-	-
Precious metals	187'743	165'464	187'743	165'464
Real Estate and goods repossessed from credit operations available for sale	20'277	6'630	20'277	6'630
Total financial investments	243'548	200'368	243'547	200'368
• of which, securities eligible for repo transactions in accordance with liquidity requirements	-	-	-	-

	Breakdown by counterparties by rating					
	AAA to AA- CHF '000	A+ to A- CHF '000	BBB+ to BBB-- CHF '000	BB+ to B-- CHF '000	Below B- CHF '000	Unrated CHF '000
Debt securities	35'525	-	-	-	-	

The Bank relies on the lowest rating classes of Standard & Poor's and Moodys.

The Bank's debt securities consist of US Treasury Bills which are held for the purpose of collateralising certain exposures.

7.5 Tangible fixed assets

	Acquisition cost	Accumulated depreciation	Book value at 31.12.2020	Accounting period 2021 Additions	Disposals	Depreciation	Book value at 31.12.2021
	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000
Tangible fixed assets							
Proprietary or separately acquired software	55'884	-55'884	-	-	-	-	-
Other tangible fixed assets	90'037	-86'850	3'187	-	-	735	2'452
Total tangible fixed assets	145'921	-141'777	3'187	-	-	735	2'452

The depreciation method applied and the range used for the expected useful life are explained on page 14.

7.6 Other assets and other liabilities

	31.12.2021 CHF '000	31.12.2020 CHF '000
Other assets		
Indirect taxes	317	290
Other assets	12'513	1'378
Total other assets	12'830	1'668
Other liabilities		
Indirect taxes	2'936	2'283
Other liabilities	93	278
Total other liabilities	3'029	2'561

The 2019 Other assets balance of CHF10.0 million includes a balance of CHF9.6 million related to a security in transit position.

7.7 Assets pledged or assigned to secure own commitments and assets under reservation of ownership

	31.12.2021 Book value CHF '000	31.12.2021 Effective commitments CHF '000	31.12.2020 Book value CHF '000	31.12.2020 Effective commitments CHF '000
Pledged/assigned assets				
Due from banks	39'624	39'624	43'279	43'279
Total pledged/assigned assets	39'624	39'624	43'279	43'279

7.8a Liabilities relating to own pension schemes

At the balance sheet date there was an amount of CHF 3.0m due to the pension fund of the Bank (2020: CHF 6.2m). No equity instruments of the Bank are held by the pension fund foundation.

7.8b Economic situation of own pension schemes

The latest audited financial statements of the 'Caisse de pensions de Barclays Bank (Suisse) SA' (prepared in accordance with the Swiss GAAP RPC 26) shows that all assets are properly covered according to article 44 of the Swiss Pension Ordinance (OPP2) at the end of 2020. The forecasts for 2021 show that the coverage will be 116% (2020: 114% and 2019: 112%), therefore the Board of the 'Caisse de pensions' has concluded that no additional contributions are deemed necessary.

The overfunding of the Bank's pension fund of 116% is used exclusively for the benefit of the insured members, thus there is no economic benefit to the Bank that needs to be recorded in the balance sheet and in the income statement.

At the balance sheet date, there is no contribution reserve financed by the Bank (2020: none).

Details of the contributions to the pension fund are provided in note 9.3 Personnel expenses.

7.9 Subordinated loans

	Weighted average interest rate	Due date	31.12.2021 CHF '000	31.12.2020 CHF '000
Subordinated loan				
Barclays Bank PLC, London	2.99%	n/a	50'056	50'056
Total	2.99%		50'056	50'056

The subordinated loan from Barclays Bank PLC, London is shown in the Balance Sheet line 'Amounts due to banks'.

On 20 December 2019, the Bank entered into a CHF 50 million subordinated loan agreement with Barclays Bank PLC with no fixed redemption date. This new loan qualifies as Additional Tier 1 capital. Whilst interest is discretionary (or mandatorily cancellable under certain conditions), the rate of interest is equal to a Benchmark rate, currently CHF 3 month Libor, plus a margin of 3.7% (floored at 0.0%).

7.10 Presentation of value adjustments and provisions

	Balance at 31.12.2020	Accounting period 2021						
		Use in conformity with designated purpose	Re-classification	Currency differences	Past due interest, recoveries	New provisions charged to income statement	Releases to income	Balance at 31.12.2021
	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000	CHF '000
Provisions								
Provisions for other business risks	3'927	-1'334	-	4		663	-316	2'944
Other provisions	318	-	-	-		-	-108	210
Total provisions	4'245	-1'334	-	4		663	-424	3'154
Value adjustments for default and country risks								
Value adjustments for default risks in respect of impaired loans	30'602	-3'922	2'387	-431	1'163	2'056	-310	31'545
Value adjustments for latent risks	2'617	-	-2'387	-	388	-	-18	601
Value adjustments for default and country risks	33'219	-3'922	-	-431	1'551	2'056	-328	32'146

Value adjustments for latent risks only relate to non performing loans.

The increase of past due interest for value adjustments for default risks in respect of impaired loans totaling CHF 1'551 thousand is mostly spread between three existing mortgage facilities. The releases to income statement for value adjustments for default risks in respect of impaired loans totaling CHF 328 thousand relate primarily to a reduced provisions on one facility.

The Bank took possession of the collateral from one client based on prices received from external valuation experts.

The Bank utilised part of the impairment provision to adjust the carrying value of the collateral to a more conservative level.

7.11 Amounts due from/to related parties

	Amounts due from		Amounts due to	
	31.12.2021 CHF '000	**31.12.2020** CHF '000	**31.12.2021** CHF '000	**31.12.2020** CHF '000
Qualified shareholders	192'969	424'390	670'120	703'406
Group Companies	-	181	9'777	14'772
Associated companies	-	-	72	156
Transactions with members of governing bodies	99	-	-	-

TRANSACTIONS WITH RELATED PARTIES

The Bank engages in transactions with related parties in the normal course of business. These include loans, deposits, foreign currency, economical hedging of "due to customers balances" and derivative transactions. In its capacity as the international Private Banking hub of Barclays Wealth and Investment Management, the Bank also provided IT and back office support, executive management services, trust administration services and primary relationship management services to affiliated entities. It may also incur charges linked to these services, as well as incur head office recharges for central costs which ultimately benefit the Bank. Services rendered or received are conducted on an arm's length basis.

The Bank can engage in transactions with Governing bodies and employees in the form of small consumer loans conducted at arm's length conditions.

7.12 Bank's capital

Bank's capital	**31.12.2021**			**31.12.2020**		
	Total par value CHF '000	**Numbers of shares**	**Capital eligible for dividend** CHF '000	**Total par value** CHF '000	**Numbers of shares**	**Capital eligible for dividend** CHF '000
Share capital	90'000	90'000	90'000	90'000	90'000	90'000
Registered shares						
• of which, paid up	90'000	90'000	90'000	90'000	90'000	90'000
Total Bank's capital	90'000	90'000	90'000	90'000	90'000	90'000
Authorised capital (Note 1)	90'000	90'000	90'000	90'000	90'000	90'000
• of which, capital increases completed	-	-	-	-	-	-

Through B.P.B. (Holdings) Limited, London, Barclays Bank PLC, London, a UK listed holding company, indirectly owns 100% of the voting rights of Barclays Bank (Suisse) SA. The shares of Barclays PLC are widely held by the public. All of the share capital has been paid up and there are no special rights conferred by share capital.

STATUTORY RETAINED EARNINGS RESERVE

To the extent that it does not exceed one half of the share capital, the statutory retained earnings reserve may be used to cover losses or for measures designed to sustain the Bank through difficult times, to prevent unemployment or to mitigate its consequences. The statutory retained earnings reserve is non-distributable for dividends.

7.13 Holders of significant participations

	31.12.2021		**31.12.2020**	
Significant shareholders and shareholder groups with voting rights	**Nominal** CHF '000	**Participation rate** in %	**Nominal** CHF '000	**Participation rate** in %
B.P.B. (Holdings) Limited	90'000	100%	90'000	100%

Through B.P.B. (Holdings) Limited, London, Barclays Bank PLC, London, a UK listed holding company, indirectly owns 100% of the voting rights of Barclays Bank (Suisse) SA. The shares of Barclays PLC are widely held by the public.
All of the share capital has been paid up and there are no special rights conferred by share capital.

7.14 Maturity structure of financial instruments

	Maturities							
	at sight CHF '000	cancellable on demand CHF '000	within 3 months CHF '000	within 3 to 12 months CHF '000	within 12 months to 5 years CHF '000	after 5 years CHF '000	no maturity CHF '000	Total CHF '000
Assets/Financial Instruments								
Liquid assets	646'514	-	-	-	-	-	-	646'514
Amounts due from banks	431'734	-	21'435	-	-	-	-	453'169
Amounts due from securities financing transactions	-	-	9'324	-	-	-	-	9'324
Amounts due from customers	1'797	136'464	1'028'693	283'035	181'905	-	-	1'631'894
Mortgage loans	1'010	211'869	609'811	172'139	170'465	-	-	1'165'294
Positive replacement values of derivative financial instruments	12'832	-	-	-	-	-	-	12'832
Financial investments	187'746	-	24'596	10'929	-	-	20'277	243'548
Total 31.12.2021	1'281'633	348'333	1'693'859	466'103	352'370	-	20'277	4'162'575
Total 31.12.2020	1'425'862	149'384	1'595'090	406'652	309'458	350	6'630	3'893'426

Liabilities/Financial Instruments								
Amounts due to banks	29'150	-	220'156	225'092	235'366	-	-	709'764
Amounts due in respect of customer deposits	3'315'062	-	-	-	-	-	-	3'315'062
Negative replacement values of derivative financial instruments	17'578	-	-	-	-	-	-	17'578
Total 31.12.2021	3'361'790	-	220'156	225'092	235'366	-	-	4'042'404
Total 31.12.2020	3'052'053	-	54'259	268'553	395'297	350	-	3'770'512

7.15 Assets & liabilities by domestic and foreign origin (domicile principle)

	Total domestic 31.12.2021 CHF '000	Total foreign 31.12.2021 CHF '000	Total domestic 31.12.2020 CHF '000	Total foreign 31.12.2020 CHF '000
Assets				
Liquid assets	646'514	-	752'405	-
Amounts due from banks	8'892	444'277	15'639	462'897
Amounts due from securities financing transactions	-	9'324	-	9'734
Amounts due from customers	77'142	1'554'752	78'196	1'270'589
Mortgage loans	192'794	972'500	143'119	936'550
Positive replacement values of derivative financial instruments	535	12'297	2'222	21'707
Financial investments	199'004	44'544	172'095	28'273
Accrued income and prepaid expenses	10'002	4'391	6'719	4'570
Tangible fixed assets	2'452	-	3'187	-
Other assets	12'830	-	1'668	-
Total assets	1'150'165	3'042'085	1'175'250	2'734'320

	Total domestic 31.12.2021 CHF '000	Total foreign 31.12.2021 CHF '000	Total domestic 31.12.2020 CHF '000	Total foreign 31.12.2020 CHF '000
Liabilities				
Amounts due to banks	3'142	706'622	1'710	744'070
Amounts due in respect of customer deposits	440'003	2'875'059	386'328	2'610'774
Negative replacement values of derivative financial instruments	2'960	14'618	3'187	24'443
Accrued expenses and deferred income	23'677	1'003	14'179	1'234
Other liabilities	3'029	-	2'561	-
Provisions	3'154	-	4'245	-
Bank's capital	90'000	-	90'000	-
Statutory retained earnings reserve	7'881	-	7'654	-
Profit/(Losses) carried forward	18'959	-	14'662	-
Profit for the year	2'143	-	4'523	-
Total liabilities	594'948	3'597'302	529'049	3'380'521

7.16 Assets by country groups

	31.12.2021 CHF '000	31.12.2021 share in %	31.12.2020 CHF '000	31.12.2020 share in %
Switzerland	1'150'201	27.4%	1'175'251	30.1%
United Kingdom	461'106	11.0%	722'884	18.5%
France	170'980	4.1%	182'001	4.7%
Other European countries	1'042'273	24.9%	880'260	22.5%
British Virgin Islands	362'270	8.6%	174'724	4.5%
Cayman Islands	244'087	5.8%	190'090	4.9%
Other Caribbean countries	49'153	1.2%	47'603	1.2%
Qatar	279'501	6.7%	198'605	5.1%
Other Asia countries	253'508	6.0%	236'046	6.0%
North America	162'571	3.9%	77'607	2.0%
Africa	14'978	0.4%	17'067	0.4%
Other countries	1'622	0.0%	7'432	0.2%
Total assets	4'192'250	100.0%	3'909'570	100.0%

7.17 Assets by credit rating of country groups (risk domicile view)

	31.12.2021 CHF '000	31.12.2021 share in %	31.12.2020 CHF '000	31.12.2020 share in %
Net foreign exposure				
Standard & Poors rating				
AAA	256'921	8.4%	111'013	4.1%
AA+ - AA-	1'772'808	58.3%	1'898'852	69.4%
A+ - A-	152'357	5.0%	110'269	4.0%
BBB+ - BBB-	93'550	3.1%	122'298	4.5%
BB+ - BB-	14'516	0.5%	17'193	0.6%
B+ - B-	37'142	1.2%	29'716	1.1%
CCC+ - D	21'245	0.7%	15'424	0.6%
No rating	693'547	22.8%	429'555	15.7%
Total assets	3'042'086	100.0%	2'734'320	100.0%

This table presents the net foreign exposure by credit rating of country groups. The Bank's exposure in Switzerland for 2021 is CHF 1'150'164 thousand (2020: CHF 1'175'250 thousand).

7.18 Assets and liabilities by the most significant currencies

	Accounting period 2021						
	CHF CHF '000	**EUR** CHF '000	**USD** CHF '000	**GBP** CHF '000	**JPY** CHF '000	**Others** CHF '000	**Total** CHF '000
Assets							
Liquid assets	646'283	200	18	13	-	-	646'514
Amounts due from banks	6'076	248'495	131'258	22'363	2'172	42'805	453'169
Amounts due from securities financing transactions	-	9'324	-	-	-	-	9'324
Amounts due from customers	121'818	347'181	804'935	311'833	3'432	42'695	1'631'894
Mortgage loans	198'411	204'687	-	762'196	-	-	1'165'294
Positive replacement values of derivative financial instruments	8'425	13	2'813	1'580	-	1	12'832
Financial investments	2'135	18'143	35'527	-	-	187'743	243'548
Accrued income and prepaid expenses	10'289	985	1'537	1'380	2	200	14'393
Tangible fixed assets	2'452	-	-	-	-	-	2'452
Other assets	997	1'045	10'764	23	-	1	12'830
Total assets	996'886	830'073	986'852	1'099'388	5'606	273'445	4'192'250
Foreign exchange forward contracts and options	95'238	618'806	853'924	418'717	601	229'256	2'216'542
Total	1'092'124	1'448'879	1'840'776	1'518'105	6'207	502'701	6'408'792
Liabilities and shareholder's equity							
Amounts due to banks	157'796	175'803	220'823	118'113	-	37'229	709'764
Amounts due in respect of customer deposits	231'731	1'122'629	1'105'767	564'867	5'604	284'464	3'315'062
Negative replacement values of derivative financial instruments	13'172	13	2'813	1'579	-	1	17'578
Accrued expenses and deferred income	23'677	3	261	214	-	525	24'680
Other liabilities	2'971	7	28	22	-	1	3'029
Provisions	3'044	-	110	-	-	-	3'154
Bank's capital	90'000	-	-	-	-	-	90'000
Statutory retained earnings reserve	7'881	-	-	-	-	-	7'881
Profit/(Losses) carried forward	18'959	-	-	-	-	-	18'959
Profit for the year	2'143	-	-	-	-	-	2'143
Total liabilities and shareholder's equity	551'374	1'298'455	1'329'802	684'795	5'604	322'220	4'192'250
Foreign exchange forward contracts and options	544'221	150'387	464'849	813'558	601	166'803	2'140'419
Total	1'095'595	1'448'842	1'794'651	1'498'353	6'205	489'023	6'332'669
Net position by currency	-3'471	37	46'125	19'752	2	13'678	76'123

8. Information on off-balance sheet transactions

8.1 Contingent assets and liabilities

	31.12.2021 CHF '000	31.12.2020 CHF '000
Contingent assets		
Contingent assets from tax losses carried forward	-	-
Total contingent assets	-	-
Contingent liabilities		
Guarantees to secure credits and similar	30'058	70'067
Total contingent liabilities	30'058	70'067

8.2 Fiduciary transactions

	31.12.2021 CHF '000	31.12.2020 CHF '000
Fiduciary transactions		
Fiduciary investments with third party companies	395'418	385'631
Fiduciary investments with banks of the Group	3'993'206	4'347'257
Total fiduciary transactions	4'388'624	4'732'888

8.3a Managed assets

	31.12.2021 CHF '000	31.12.2020 CHF '000
Type of managed assets		
Assets under discretionary asset management agreements	2'942'025	2'171'420
Other managed assets	12'609'179	11'932'595
Total managed assets (including double-counting)	15'551'204	14'104'014
Of which, double-counted	none	none
Net new client money	1'712'951	853'619

Execution only and IAM mandate client AUM's are included under the caption "Other managed assets" in note 8.3 on the basis that:

- The clients are "managed" execution clients as evidenced by our Fee schedule where fees for services other than custody are charged
- Other services offered by the Bank are available to these clients (e.g. credit).

8.3b Development of managed assets

	31.12.2021 CHF '000	31.12.2020 CHF '000
Total managed assets (including double-counting) as at beginning of period	14'104'014	14'464'424
+/- Net New Money Inflows/(Outflows)	1'712'951	853'619
+/- Market price impact, interest, dividends and currency movements	-265'761	-378'566
+/- Other effects	-	-835'463
Total managed assets (including double-counting) as at the end of period	15'551'204	14'104'014

Net New Money Inflows/(outflows) flow from the acquisition of new clients, the departure of clients and inflows or outflows of money from existing clients. It does not include currency fluctuations, security price variations, internal transfers between accounts and any interest credited to client deposits. Interest and dividends resulting from the client's assets as well as interest, fees and commissions charged to clients are also excluded from the net new money calculation.

9. Information on the income statement

9.1 Refinancing income and negative interest under 'Interest and discount income'

The refinancing cost of trading operations is not calculated as it is not considered as a significant portion of the transactions.

Negative interest on lending is disclosed as a reduction in interest and discount income. Negative interest on borrowing is disclosed as a reduction in interest expense.

	2021 CHF '000	2020 CHF '000
Negative interest on lending (reduction in interest and discount income)	9'483	1'255
Negative interest on borrowing (reduction in interest expense)	1'574	3'177

9.2 Results from trading operations

	2021 CHF '000	2020 CHF '000
Results from trading operations		
Foreign exchange and bank notes	10'920	7'560
Precious metals	-96	11
Equity securities	-	-
Total results from trading operations	10'824	7'571

9.3 Personnel expenses

	2021 CHF '000	2020 CHF '000
Salaries	46'270	45'092
• *of which, expenses relating to share-based compensation and alternative forms of variable compensation*	2'637	1'367
Social charges	3'196	3'039
Pension plan expenses	4'199	4'391
Other personnel expenses	3'368	2'491
Total personnel expenses	57'033	55'013

9.4 General and administrative expenses

	2021 CHF '000	2020 CHF '000
Office space expenses	5'614	6'105
Expenses for information and communications technology	17'076	10'631
Expenses relating to financial information	780	1'042
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	32	50
Fees of audit firm	471	526
• *of which for financial and regulatory audits*	444	436
• *of which for overrun financial and regulatory audits*	27	75
• *of which for other services*	-	15
Other operating expenses	24'321	16'488
Total general and administrative expenses	48'294	34'842

9.5 Operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

The disclosure is not applicable. The Bank is fully established in Switzerland with no foreign subsidiary or foreign branch. All revenues and expenses are generated as per the principle of permanent establishment in its home country, Switzerland.

9.6 Extraordinary income

There was no extraordinary income in 2021 (2020: no extraordinary income).

9.7 Current and deferred taxes

	2021 CHF '000	2020 CHF '000
Expenses for current capital and income taxes	767	226
Total taxes	767	226
Average tax weighted on the basis of the operating result	26%	5%

The incurred taxes are linked to capital tax due to past losses carried forward resulting in contingent assets as disclosed in note 8.1.

10. Litigations

PROCEEDINGS RELATING TO THE FAIRFIELD LIQUIDATORS

Because certain issues raised by defendants' motions to dismiss were not resolved by Judge Bernstein's 2019 order, the Bankruptcy Court retained jurisdiction to adjudicate the remaining issues. After further briefing, on 14 December 2020, Judge Bernstein issued a memorandum decision resolving those issues. As relevant to Barclays Suisse and other defendants that were not alleged by the Fairfield Liquidators to have had knowledge that the net asset values per share of Fairfield shares were inflated at the time of their redemptions (collectively, the "Non-Knowledge Defendants"), Judge Bernstein held that the Section 546(e) "safe harbor" barred the Fairfield Liquidators had no viable claims against the Non-Knowledge Defendants, requiring the dismissal of claims against those defendants.

Consistent with Judge Bernstein's December 2020 decision, judgments were entered in the Bankruptcy Court in March 2021 dismissing all claims asserted by the Fairfield Liquidators against Barclays Suisse and the other Non-Knowledge Defendants. The Fairfield Liquidators appealed from those judgments to the District Court (the "Second Appeal"). The Second Appeal was briefed in the second half of 2021 and has been assigned to Judge Broderick. As relevant to Barclays Suisse, the Second Appeal raises three issues: (i) whether the Section 546(e) "safe harbor" bars the Fairfield Liquidators' claims, (ii) whether the Fairfield Liquidators stated a cause of action under Section 246 of the BVI Insolvency Act, and (iii) whether Barclays Suisse's execution of subscription agreements constituted consent to jurisdiction in New York.

PROCEEDINGS RELATING TO THE BMIS TRUSTEE

Because the Bankruptcy Court judge assigned to the BLMIS Subsequent Transferee Actions, Judge Bernstein, retired, the court reassigned those actions to Chief Judge Cecelia Morris in Q1 of 2021. The Trustee did not substantively progress the case against Barclays Bank (Switzerland) SA ("Barclays Suisse") (or most of the other Subsequent Transferee Actions) in 2021, largely because his counsel were awaiting the decision of the Second Circuit in two related appeals, Picard v. Legacy Capital and Picard v. Citibank (together, the "Legacy/Citibank Appeals"), which involved the questions (i) whether the Trustee, in pursuing a "subsequent transferee" action in the SIPA context, must bear the burden of pleading the defendant's lack of good faith (as opposed to good faith being an affirmative defense to be pleaded by the defendant); and (ii) whether the standard for determining whether the defendant acted in good faith is an objective or subjective one. If the Second Circuit had rendered a decision adverse to the Trustee on those issues, that might have required the Trustee to substantively amend his pleading in other Subsequent Transferee Actions, including the case against Barclays Suisse.

However, on August 30, 2021, the Second Circuit issued its decision in the Legacy/Citibank Appeals, which was favorable to the Trustee. Accordingly, the Trustee's counsel has advised the Bank that they do not intend to substantively amend their pleading but instead will make only technical amendments involving changes to the names of Barclays Suisse's co-defendants.

Based on the current state of the proceedings, there is no provision at this point of time.

11. Report of the statutory auditor to the General Meeting of Barclays Bank (Suisse) SA

Report of the Statutory Auditor to the General Meeting of Shareholders of Barclays Bank (Suisse) SA, Geneva

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the financial statements of Barclays Bank (Suisse) SA, which comprise the balance sheet, income statement, statement of changes in equity and notes (pages 8 to 36) for the year ended 31 December 2021.

Board of Directors' Responsibility

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

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

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

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

KPMG AG

Yvan Mermod	Patrizio Aggio
Licensed Audit Expert	Licensed Audit Expert
Auditor in Charge	

Geneva, 26 April 2022

12. Our services

Barclays Bank (Suisse) SA is a wholly owned Swiss banking subsidiary of B.P.B. (Holdings) Limited, which is a wholly owned subsidiary of Barclays Bank PLC, London.

With over 325 years of history and expertise in banking, Barclays operates in over 40 countries and employs approximately 83,500 people. Barclays moves, lends, invests and protects money for customers and clients worldwide.

Based in Geneva since 1986 and Zurich since 2012, we offer a Swiss Private Banking service, which has been expertly tailored to respect Switzerland's strong traditions of financial confidentiality and robust risk management.

Our clients benefit from the expertise and dedicated service of our Private Bankers who are based in state-of-the-art offices in both Geneva and Zurich. We place an emphasis on building strong relationships and fully understanding the true ambitions and long-term requirements of our clients.

As the Private Bank, we bring the breadth and scale of what we do as a banking group to our individual clients, channelling this know-how and reaching out across our network to unlock broader capabilities. Our track record includes leading access to market opportunities and financing from the Investment and Corporate Bank, strong historical performance of discretionary investments against industry benchmarks, and unrivalled access to philanthropy advice to highlight just a few.

Everything we do is built on a deep, intuitive understanding of our clients, their family, their business interests and long-term goals.

We challenge the expected, presenting fresh ideas, opportunities and perspectives in a way that is entirely relevant to our client, continually look forwards, rising to the challenge and taking the initiative on behalf of our clients.

Operating in one of the worlds premier banking centres, Barclays Bank (Suisse) SA provides a full Banking service which includes:

INVESTING

Harnessing the resources of one of the world's biggest banking groups to build an exceptional portfolio. Strategic asset allocation as the base of portfolio construction.

- **Discretionary portfolio management**
  Our discretionary services provide access to the extensive resources of Barclays, delivered by designated portfolio managers. Through our discretionary portfolio management team, we put to work the best of our global research and investment capabilities for our clients. The service is designed to give a convenient, comprehensive solution for the management of our clients' investments. Whatever the market conditions, we provide constant oversight and decision-making with a view to ensuring our client's portfolio is always positioned in the right way.
- **Advisory investment service**
  Our advisory services offer the help and guidance to invest effectively. Working in partnership with our Private Bankers and investment advisors, our clients will be able to make informed choices about their investments based on our expert research and knowledge of world markets. They can also benefit from advice on specific portfolio construction and investment strategies relevant to them. The service is designed to be highly collaborative, and all our recommendations will be discussed with our clients in detail before making the final decision.
- **Direct access**
  Direct access provides highly-experienced and professional investors with access to execution specialists and dedicated experts in the fixed income, equity and foreign exchange markets. These specialists will discuss ideas and investment opportunities with our clients and implement them effectively. We provide current market commentary and discuss current investment opportunities from our extensive resources, including new debt issuance and Initial Public Offerings (IPOs).

STRATEGIC SOLUTIONS

Meeting most complex financing needs and helping seize exceptional investment opportunities through global access to capital markets.

- **Direct investments**
  Exclusive access for Barclays professional client base to opportunities originating from our Group or selected third parties across acquisition, co-investments, direct investments, venture capital and selected funds.
- **Corporate finance and customised investment solutions**
  Drawing on the strength of our balance sheet and institutional and private sources of capital, we help our clients by structuring, underwriting and executing unique financing solutions. We can provide customised investment and risk management solutions across all asset classes.

BANKING

Managing all our client's finances, from day-to-day banking to more complex and bespoke needs supporting with cash transactions, foreign exchange (FX) activities and all accounts: personal, corporate, trusts and foundations.

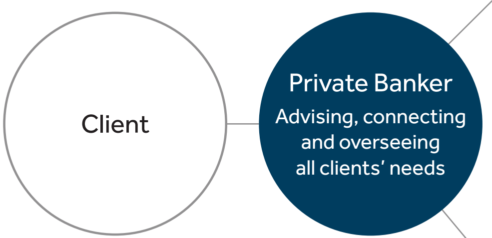
- **Dedicated banking team**
  Banking, cash and liquidity specialists who understand all our clients' needs.
- **Market-leading, digital banking platform**
  Anywhere, anytime account information for a range of multi-jurisdictional needs, with 24-hour, real-time access and robust security.
- **Tailored to our clients and their family's requirements**
  Options to customise how to view data (print and online), and make simple to complex payments.
- **Treasury management**
  Tailored products to meet our clients' requirements for liquidity, diversification and yield on cash, with the flexibility to respond to changing circumstances.

LENDING

Expert custom-made credit solutions to match our clients' goals, circumstances, wealth structures and investment strategies.

- **Real estate financing**
  Providing a global presence with clients in London, Geneva and Monaco, supported by our leading property team.
- **Portfolio finance: raising liquidity against cash and investments held with us**
  Meeting short-to-medium term goals, without compromising longer term investments.
- **Structured credit for complex financial ambitions**
  Where our clients' financing requirements are more complex, our dedicated team can provide tailored solutions from across Barclays and our partner network.
- **Bank guarantees and letters of credit**

A COMPREHENSIVE TEAM TO MEET OUR CLIENTS' NEEDS



- **Investment advisor**
  For trusted advice on overall portfolio, asset classes and markets
- **Product and asset class specialist**
  For in-depth information on specific markets and products
- **Cash and liquidity specialist**
  For the best ways to manage day-to-day banking requirements and changing needs
- **Credit structurer**
  For all aspects of lending
- **Strategic solutions expert**
  Bringing the best of Barclays for one-off financing solutions and exceptional investment opportunities

13. Board, Management and Auditors

BOARD OF DIRECTORS

The Bank is governed by a Board of Directors, appointed by the General Meeting of the shareholder. The Board operates with the support of two sub-committees:

- The Audit Committee, which is responsible for oversight of accounting policies, financial and regulatory reporting, internal controls, and the internal and external audit activities to support the Bank.
- The Advisory Committee, which assists the Board on strategy and special projects. This includes evaluating issues of material commercial importance to the Bank, specifically including the selection and optimal approach to target markets, and business acquisition or disposal opportunities.

The Directors as at 31 December 2021

William Oullin is the Chair of the Board, and additionally serves on the Advisory Committee of the Bank. He joined the Barclays Group in 2000 as Managing Director of the Group's UK and International Private Banking division in London responsible for the global business offering (investment management, trust, fiduciary, credit and banking services) to the Group's high net worth clientele. In 2003, he was appointed Chair of Barclays, International Private Bank and of Barclays Bank (Suisse) SA. In this capacity, he conducts significant business and client development activities out of Geneva, London and Dubai. He also provides overall counsel and support to Barclays Private Bank senior management. Immediately prior to joining Barclays, he was Chief Executive of JP Morgan Suisse (SA) and Global Head of Private Banking for the Middle East and the Indian Subcontinent for the JP Morgan Group. He started his banking career at Hoover Limited in the UK before joining JP Morgan in New York in 1975. He is a graduate in Law and Political Sciences, and completed an MBA at INSEAD in Fontainebleau, France. He resides in the United Arab Emirates.

Luisa Delgado is the Vice-Chair of the Board, and additionally serves on the Advisory Committee of the Bank as an Independent Non Executive Director. She is an investor & entrepreneur in historical Art & Craft rooted luxury accessories. She has 30 years of executive experience in FMCG, Luxury and IT, and is an experienced non-executive Director in global Retail. She was CEO of Milan listed global luxury eyewear leader Safilo Group until March 2018, and before that Executive Board member of SAP SE. Previously she was over 21 years at Procter & Gamble, last as local CEO of Nordic, previously as Vice President of Human Resources of Western Europe, and had earlier several local and regional management positions in the UK, Belgium and Portugal, where she started as a trainee. She is also a Non-Executive Director of the Supervisory Board of INGKA HOLDING BV (IKEA) since 2012, and more recently the Telia Company in Sweden, Fortum in Finland, and Senior Independent Director and Chair of the Nomination and Remuneration Committee of DIA Group in Spain, and recently became the Chair of the Board of Directors of SWAROVSKI International. She is also active in Private Equity investments as both operating advisor and co-investor. She holds the FT Non-Executive Director Diploma, a licence en droit from the University of Geneva, a LLM from Kings College of the University of London, and a postgraduate Diploma of European Studies of the University Lusiada of Lisbon. She was educated at the Klosterschule Disentis in the Grisons. She joined the Board on 15 August 2019 and resides in Switzerland.

Lawrence Dickinson serves on the Board and is the Chair of the Audit Committee of the Bank. He joined the Barclays Group from university in 1979. He undertook a variety of branch, regional and Head Office roles, and more latterly served as Chief of Staff to the Group Chief Executive Officer, Global Chief Operating Officer in the Private Bank, and Group Company Secretary. He retired from his executive positions at the end of December 2017. He joined the Board in August 2016 and resides in the United Kingdom.

Hans-Kristian Hoejsgaard serves on the Board of the Bank as an Independent Non Executive Director, and is the Chair of the Advisory Committee. He has spent his global CEO career mainly in the luxury goods sector and he has lived and worked in Europe, Asia and the US. He is since mid 2019 entirely focused on Non-Executive Board Roles and in the UK he serves as Chair of Bonhams, and in Switzerland as Chair of the Board of Calida Holding AG. At Mentore Consulting in London, he serves as Mentor to CEOs. He came to Switzerland in 2011 to take up the global CEO position at Davidoff. He left Davidoff in 2018 and served as interim CEO at MCH Group (Art Basel, Baselworld) for 9 months before going on the Board. Previously he was President and CEO of Timex Group in Connecticut, U.S., President and CEO at Georg Jensen A/S in Copenhagen, Denmark and President Coty Prestige in Paris, France. Prior to that he served as Regional MD Asia Pacific at LVMH Fragrance and Cosmetics, based in Hong Kong and in executive positions with Joseph E. Seagram & Sons in Rome, Hong Kong and Bangkok. He is a business graduate from the Southern Denmark University and has undertaken executive education at INSEAD, Wharton and Harvard Business School. He joined the Board on 15 August 2019 and resides in Switzerland.

Christine Mar Ciriani serves on the Board and Audit Committees of the Bank as an Independent Non-Executive Director. She has spent more than two decades advising global private banks on digital transformation, regulatory solutioning and working with both established and emerging fintechs to address evolving client needs. Christine is currently an Industry Partner at Motive Partners, an investment platform specialized on financial technology, as well as CEO for the Private Banking & Wealth Division (EMEA and APAC) at InvestCloud. She is also a Non-Executive Board Member of Institute Pasteur Switzerland. Most recently, Christine was a Managing Partner and CEO Switzerland for Capco, a management consultancy, leading the global wealth & investment management practice. She started her career at JPMorgan. Christine holds an M.B.A. from the Walter A. Haas School of Business at the University of California, Berkeley and an Economics and Accounting degree from Claremont McKenna College. She joined the Board on 15th August 2019 and resides in Switzerland.

Ben Kroon serves on the Board and Audit Committees of the Bank as an Independent Non Executive Director. He started his career with Citibank, came to Switzerland 20 years ago and has held various leading positions in the Executive Committees of most notably Banque Cantonale de Genève where he was responsible for the private clients division, and HSBC Private Bank as Head of Europe International, two banks in which he made a substantial leadership contribution in their turn-around. In addition, he has extensive experience in non-executive positions on several Swiss boards and as President of the Board of HSBC Luxembourg and board member of Bank Trinkaus. He obtained an MBA and a Master of International Management degree in the US. He joined the Board on 15 August 2019 and resides in Switzerland.

Gerald Mathieu serves on the Board. He was appointed on 19 July 2021. He has 29 years of wealth management experience having previously been CEO of Barclays Bank (Suisse) SA, before being appointed to lead the Barclays European Private Banking team. He is also the CEO for Barclays Monaco Private Banking. Prior to joining Barclays in 2010, he was the Head of Private Banking at UBS for the Paris region. He has also held senior roles at Merrill Lynch and BNP. He was educated in France and the USA and holds an MBA in International Finance from Hartford University (USA) and a Baccalaureate in economics from the Academy of Versailles. He resides in France.

The following member stepped down from the Board during 2021:

Velizar Tarashev served on the Board of the Bank. He joined Barclays in 2007 and has held a number of senior Finance, Strategy and COO roles across the Group, including in the Investment Bank, Retail Banking and Operations & Technology. Before Barclays, he was an investment banker in the Financial Institutions Group of UBS and a strategy consultant at AT Kearney. He joined the Board in November 2020, but subsequently resigned from the Barclays Group, leaving the Board with an effective date of 1 January 2021. He resides in the United Kingdom.

INTERNAL AUDITOR

Serge Semeelen is the Chief Internal Auditor. He has over 16 years of auditing experience in financial services, notably at Julius Baer, EFG Group and ING Private Banking. He joined Barclays in Switzerland in 2012 as the Chief Internal Auditor. He was educated in Belgium and holds a Bachelor Degree in Economics & Computer Sciences from the REGA Institute in Louvain and holds an MBA in Leadership & Sustainability from the Cumbria University in UK. He is also a Certified Internal Auditor from the IIA and a Certified Information Systems Auditor and Certified Information Security Manager from ISACA. He resides in Switzerland.

Statutory Auditors
KPMG SA

MANAGEMENT COMMITTEE

Rahim Daya is the Chief Executive Officer, having been appointed on 1 April 2021. He is also the Head of Barclays Private Bank, Middle East. He has performed a number of transformation, strategy, proposition & Chief of Staff roles within Barclays Private Banking business across the UK & Europe. He was Head of Business Transformation for Private Bank & Overseas Services, responsible for a range of core activities across Business Development, Market Management, Marketing and Brand, Philanthropy and the CEO Office. He started his career at RBS and ran various integration and cost initiatives globally. During the ABN Amro acquisition, he spent much of his time in Asia, where he was tasked to develop the strategic growth agenda as well as identifying cost opportunities for the Retail & Wealth businesses. Prior to this, he supported the growth of the Consumer Finance business in Europe – across Germany, Belgium and the Netherlands. Rahim holds a BSc from City University and Cass Business School and is an alumni of London Business School's executive education programme. He resides in Switzerland.

Danny Bower is the Chief Risk Officer. His experience of the Swiss Private Banking industry includes Deutsche Bank where he fulfilled the roles of Chief Operating Officer for Wealth Management Switzerland as well as COO for Middle East & Africa, Russia & Eastern Europe. He joined Barclays in 2016 as the Chief Control Officer for Switzerland, and was appointed to the Management Committee as the Chief Risk Officer in 2018. He holds a BSc honours in Financial Studies from Manchester UMIST, an MA honours in Diplomatic Studies from Leicester University & a BA honours degree in Politics & German from Loughborough University. He resides in Switzerland.

Jean-Damien Marie is the Chief Investment Officer. His experience of the Swiss Private Banking industry includes Pictet Alternative Advisors SA where he was Head of Alternative Investments Solutions. His previous positions include HSBC in Geneva in addition to international experience at Goldman Sachs Asset Management in London and French bank CCF. He joined the Management Committee in 2018. He graduated from Institut National des Télécommunications, and holds a BA degree in finance from the Paris Dauphine University and a Master Degree in Business Administration from IMD in Lausanne. He resides in Switzerland.

James Persse is the Head of Private Banking. He joined Barclays in 1995 as a graduate and has worked with Barclays Corporate Bank, Barclays Capital and Barclays Stockbrokers in the UK, France and Switzerland. He joined Barclays Private Bank in Geneva in 2004 and is responsible for the UK & Swiss International, Swiss Onshore, Eastern Europe, Corporate & External Asset Manager teams in Geneva. His expertise and focus is with UHNW clients wishing to establish a Swiss banking relationship and manages a client book of over £2 Billion. James was appointed to the Management Committee on 1 May 2019. He holds a BA honours degree in Theology from Durham University and a Bsc. Honours in Finance and Economics from Manchester University. He resides in Switzerland.

Daniel Rodricks is the Chief Operating Officer. He has over 19 years of Banking experience obtained at American Express Bank, ABN Amro and Barclays, with roles spanning across business management, investment product delivery, risk management, client servicing and Operations. He joined Barclays India in 2008 and was part of the team that setup the India Wealth Management business. He joined Barclays in Switzerland in 2010 and was appointed to the Management Committee in 2018. He was educated in India and holds a Masters Degree in Business Management. He resides in Switzerland.

Hannah Wood is the Chief Finance Officer. She has over 20 years of banking experience obtained at Barclays in the UK and Switzerland in a variety of finance roles. She joined Barclays Bank (Suisse) SA in 2008 and was appointed to the Management Committee in 2015. She was educated in the UK, has a MA degree in mathematics from Cambridge University and is qualified as Fellow of the Association of Chartered Certified Accountants. She resides in Switzerland.

Gerald Mathieu stepped down as CEO and from the Management Committee on 31 March 2021. He was subsequently appointed to the Board, where his details can be found.

Barclays

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