

dreyfus
BANQUIERS
1813

Annual Report 2022

Dreyfus Sons & Co Ltd, Banquiers

Your wealth, our responsibility.

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Five-year summary

in million CHF	2022	2021	2020	2019	2018
Tier 1 capital	564.8	558.5	569.3	550.8	542.2
Balance sheet total	2 613.4	2 815.2	2 622.5	2 364.7	2 542.7
Net interest income	24.2	14.4	12.2	23.4	21.3
Net income from commission business and services	100.2	103.9	92.0	89.4	91.4
Profit from trading	9.4	10.8	9.9	8.8	9.9
Other ordinary profit	2.4	2.3	14.7	1.7	-1.3
Net revenues	136.2	131.4	128.8	123.3	121.3
Operating expenses	-87.6	-82.0	-82.8	-90.8	-77.0
Changes to provisions and other value adjustments, and losses	-2.2	-5.4	-1.9	-0.9	-2.0
Operating result	46.4	44.0	44.1	31.6	42.3
Profit	34.1	32.7	30.6	28.9	29.5
Number of staff (the number of full-time positions on annual average)	215	209	206	207	203
Tier 1 capital / Balance sheet total (in %)	21.6	19.8	21.7	23.3	21.3
Profit / Core capital (in %)	6.0	5.9	5.4	5.3	5.4
Operating expenses / Net revenues (in %)	64.3	62.4	64.3	73.6	63.5
Profit / staff (in CHF)	158 605	156 459	148 544	139 614	145 321

Board of Directors and Management

As of General Meeting of March 14, 2023

Board of Directors

Andreas Guth, Chairman
 Alexis Blum,
 Deputy Chairman
 Pierre Dreyfus,
 Deputy Chairman

Otto E. Bargezi
 Corina Eichenberger-Walther
 Dr. Christian Katz
 Pierre Poncet
 Dr. Rudolf Roth-Olum
 Bernard Soguel-dit-Picard *
 François Voss *

Dr. Sebastian Burckhardt,
 Secretary of the Board of
 Directors

Audit and Risk Committee

Dr. Rudolf Roth-Olum,
 Chairman
 Otto E. Bargezi
 Pierre Dreyfus
 Andreas Guth

Remuneration and Nomination Committee

Andreas Guth, Chairman
 Alexis Blum
 Pierre Dreyfus
 Corina Eichenberger-Walther

Internal Auditor

Stefan Merz, Internal Auditor
 Philipp Müller,
 Executive Auditor

External Auditors

KPMG Ltd

Management

Executive Committee
 Stefan Knöpfel,
 Chief Executive Officer
 Dr. Theodor Lang,
 Deputy Chief Executive
 Officer

Michael Fringeli
 Dr. Beat Lehmann**
 Richard Mayr
 Dr. Daniel Witschi
 Nicolas Wyss

Managing Directors

Thierry Bloch
 Dieter Minelli
 Olivier Wohlhauser Terry

Executive Directors

Marius Baumann
 Jacques Buchs
 David Couso
 Markus Dändliker
 Stéphane Fiechter
 Daniel Gisler
 Roger Glaus
 David Jermann
 Matthias Loetscher
 Clarisse Lyssy
 Rolf Meister
 Dominik Schneider
 Guido Schneider
 Beat Staub

Directors

Beat Angst
 Silvio Bächtiger
 Yann Barth
 François Beck
 Jonathan Bellaiche
 Stephan Bernet
 Philippe Blum
 Oliver Born
 Fabrice Bourquin
 Pascal Bucher
 Philippe Burnier
 Francescantonio Candio
 Marino Cavallo
 Didier Chabloz
 Van Trung Dam
 Claudio Del Fante
 Hans-Kaspar Denzler
 Sven Dreher
 Roland Erne
 Markus Flückiger
 Thomas Frei
 Björn Fricker
 Hubert Frund
 Nicole Gouëlle
 Manuel Guth
 Rudolf Gygax
 Roland Henz
 Urs Kaufmann
 Thomas Krüsi
 Adrian Lehmann
 Manuel Lüthi
 Felix Mangold

Christian Meier
 Daniel Meier
 Dr. Philippe Meyer
 Lukas Müller
 Lionel Oeuvray
 Andrea Piccardo
 Rui Ramires
 Nico Ramstein
 Manuel Roth
 Daniel Schärer
 Bernard Schultz
 Matthias Sutter
 Sacha Vicente
 Oliver Wittlin
 Eric Zurbuchen
 Philipp Zwicky

Representation Israel

Nir Mendelovitz

* until March 14, 2023

** until March 31, 2023

Members of the Board of Directors

Andreas Guth (1955), lic. rer. pol., executive Chairman since 19 March 2002. Chairman of the Remuneration and Nomination Committee, member of the Audit and Risk Committee.

Joined the Bank in 1979. 1991–2002 Chief Executive Officer and 1996–2002 Delegate of the Board of Directors.

Education: Studies in Economics at the University of Basel.

Additional activities and mandates: Chairman of the Board of Directors of Dreyfus Söhne & Cie Mandata AG, Basel; member of the Board of Directors of Terrain- und Finanzgesellschaft Basel AG; Committee member of the Association of Swiss Asset and Wealth Management Banks (VAV); member of the SIX Regulatory Board.

Alexis Blum (1953), DEA, executive Deputy Chairman since 19 March 2001. Member of the Remuneration and Nomination Committee.

Joined the Bank in 1983.

Education: Studies in Mathematical Economics and Maîtrise ès lettres from the University of Paris.

Additional activities and mandates: Chairman of the Board of Directors of Terrain- und Finanzgesellschaft Basel AG; member of the Board of Directors of Dege Holding AG, Basel.

Pierre Dreyfus (1949), ingénieur, executive Deputy Chairman since 19 March 2002. Member of the Remuneration and Nomination Committee, member of the Audit and Risk Committee.

Joined the Bank in 1992.

Education: Ecole Spéciale des Travaux Publics, Paris, and MBA INSEAD Fontainebleau.

Otto E. Bargezi (1941), lic. rer. pol., executive member of the Board of Directors since 25 March 2014. Member of the Audit and Risk Committee.

Joined the Bank in 1964. Member of the Executive Committee from 1991–2002; Chief Executive Officer from 2002–2014 and Delegate of the Board of Directors 1996–2014.

Education: Graduate studies at the Institut Universitaire de Hautes Études Internationales, Geneva.

Additional activities and mandates: Member of the Board of Directors of Dreyfus Söhne & Cie Mandata AG, Basel; member of the Board of Directors of Terrain- und Finanzgesellschaft Basel AG, Basel.

Corina Eichenberger-Walther (1954), lic. iur; Advocate and Mediator.

Joined the Bank as independent member of the Board of Directors on 19 March 2013. Member of the Remuneration and Nomination Committee.

Education: Law degree from the University of Basel, followed by bar exams. Mediation diploma specialising in economics, environment and management.

Additional activities: Counsel at Liatowitsch & Partner law firm, Basel.

FDP member of the Swiss National Council from 2007–2019; member of the Security Policy Committee NC and the Control Committee NC; Member of various boards of directors and foundation boards.

Dr. Christian Katz (1967)

Joined the Bank as independent member of the Board of Directors on 18 March 2019.

Education: Studies in Economics at the University of St. Gallen (HSG).

Additional activities and mandates: Owner of Consulting firm Mainstrait AG; Member of various boards of directors, especially in the financial and fintech sector; CEO of Helveteq AG; 2009–2015 CEO of the Swiss Exchange SIX.

Pierre Poncet (1952), MBA.

Joined the Bank as independent member of the Board of Directors on 13 March 2014.

Education: MBA INSEAD Fontainebleau.

Additional activities and mandates: Limited Partner at Bordier & Cie, Geneva; Member of the Geneva Chamber of Commerce and Chairman from 2013–2017; member of the Board of Directors of PKB Bank, Lugano; member of the Board of Directors of Naef Holding SA, Geneva.

Dr. Rudolf Heinrich Roth-Olum (1954), lawyer, joined the Bank on 13 March 2010 as independent member of the Board of Directors. Chairman of the Audit and Risk Committee.

Education: Law degree from the Universities of Basel and Geneva followed by bar exams; Bachelor in Business Management.

Additional activities: Owner of RothBoardAdvisory RBA GmbH; counsel at Kendris Ltd.

Bernard Soguel-dit-Picard (1944), executive member of the Board of Directors since 13 March 2017. Joined the Bank in 1961.

Between 1967 and 1971 worked in a US brokerage firm.

Education: US stock broker licence of the New York Stock Exchange.

François Voss (1930), Docteur en droit, joined the Bank as member of the Board of Directors on 19 March 2002.

Education: Diploma from the Institut d'études politiques de Paris; Diploma from the Institut des hautes études internationales.

Additional activities and mandates: Special advisor to the Lazard Group; Chairman of the Board of Directors of Objectif Patrimoine Croissance, Paris.

Dr. Sebastian Burckhardt (1954), M.C.J., joined the Bank as Secretary of the Board of Directors on 15 March 2005 (non-member).

Additional activities: Lawyer and notary; partner at Vischer AG, Zurich/ Basel.

Members of the Executive Committee

Stefan Knöpfel (1960), Chief Executive Officer since 1 April 2014. Chief Risk Officer.

Joined the Bank as Head of Trading in 2002; member of the Executive Committee since 2004; 2006–2014 Deputy Chief Executive Officer. Previously member of the Executive Committee of BNP Paribas Private Bank (Suisse) SA, Geneva.

Education: Executive BBA from the Graduate School of Business Administration, Zurich.

Additional activities and mandates: Member of the Board of the Association of Basel Banks; Member of the Board of Directors of Midas Wealth Management S.A., Luxembourg.

Dr. Theodor Lang (1973), Deputy Chief Executive Officer since 13 March 2017. Chief Compliance Officer.

Joined the Bank in 2012 as Head of Legal & Risk; member of the Executive Committee since 2014. Previously partner, branch manager and Head of Legal & Compliance at Schweizerische Treuhandgesellschaft AG, Basel.

Education: Law degree from the Universities of Basel and Lausanne followed by bar exams.

Michael Fringeli (1968), member of the Executive Committee since 1 January 2021. Head of Investment Advisory & Client support.

Joined the Bank in 1986 and was Deputy Head of Clients & Investments 2018–2020.

Education: Certified International Investment Analyst CIIA, Certified International Wealth Manager CIWM.

Dr. Beat Lehmann (1960), member of the Executive Committee from 19 March 2002 until 31 March 2023. Head of IT.

Joined the Bank in 1998 as Head of Internal Audit. Previously Head of Finance at Aquametro AG, Therwil.

Education: Studies in Economics at the University of Basel.

Richard Mayr (1964), lic. rer. pol., member of the Executive Committee since 1 January 2010. Head of Services & Administration.

Joined the Bank in 1989. Head of Clients and Investments 1999–2014.

Education: Studies in Economics at the University of Basel.

Dr. Daniel Witschi (1962), member of the Executive Committee since 19 March 2013. Head of Clients & Investments.

Joined the Bank in 2001 and held posts of Chief Economist and CIO.

Previously Head of Global Economic & Financial Market Research at UBS Brinson in Basel, Zurich and Chicago.

Education: Studies in Economics at the University of Basel, CFA Chartered Financial Analyst.

Nicolas Wyss (1973), Business Economist FH, member of the Executive Committee since 1 July 2020. Head of Trading, external asset managers and offices.

Joined the Bank in 2018. Previously in a lead position at UBS (Switzerland) AG.

Education: University of Applied Sciences and Arts Basel, Executive Programme INSEAD Fontainebleau.

Additional activities and mandates: Member of the Board of Directors of Midas Wealth Management S.A., Luxembourg.

Management report

Following last year's warning by our Board of Directors of increased geopolitical tensions in Eastern Europe and Asia, Russia invaded the Ukraine. This represented a major escalation. Moreover, China has not only taken an increasingly offensive stance towards Taiwan, but also towards the rest of the western world. This heightened geopolitical uncertainty triggered a sharp reaction in global capital markets during the first half of 2022. Equity markets have lost most of the gains achieved in 2021. With rising short- and long-term interest rates, bond prices also plunged. Both in Euro and Swiss franc terms, the six-year period of negative interest rates thus appears to have come to an end. Over this period of loose monetary policy, central banks significantly increased money supply and expanded their balance sheets. Only the U.S. Federal Reserve (FED) has so far started to reduce its balance sheet while raising interest rates seven times by a total of 4.25% since March 2022. The invasion of Ukraine also forced European democracies to reduce their dependence on Russian oil and gas supplies, which had grown in recent decades. Even before the war, concerned by climate change, politicians had called for the replacement of fossil fuels. The transition from fossil fuels to renewable energy has since then accelerated. In parallel, prices for energy have multiplied and higher inflation, which was thought to be under control, has reappeared. All this dampened global economic growth prospects.

Despite this worrying environment, our company has achieved a satisfying result. Profits increased by 4.5% to CHF 34.1 million. Compared with the previous year, net interest income increased by CHF 9.8 million to CHF 24.2 million, thanks to increased lending to clients and mortgages. During 2022, clients also reduced their liquidity holdings which they had accumulated in the previous years to benefit from newly positive interest rates. This resulted in a smaller balance sheet totaling CHF 2'613.4 million. Weaker financial markets had a direct impact on our income from commissions which decreased slightly to CHF 100.2 million. The USD and the EUR, which are important currencies for us, remained quite stable, which led to a slightly reduced income from trading activities.

Before the summer, the Board of Directors approved some important strategic digitalization projects, which will keep us busy until 2024. In 2022, this already led to an increase of CHF 5 million in operating cost to CHF 87.6 million. These concern improving the network with our offices to our systems, business continuity management and an additional e-banking solution for our clients. Nevertheless, at 64.3%, the cost-income ratio – the ratio of operating expenses to net operating income – is in line with previous years and puts our bank in a very good position compared with our competitors.

An additional CHF 6 million were allocated to the reserves for general banking risks, which rose to CHF 34.3 million. Moreover, provisions increased by CHF 2 million to a total of CHF 31 million.

We are pleased to report another slight increase in the number of clients in 2022, but there was still a net new money outflow of CHF 269.5 million. Total assets under management amounted to CHF 19.4 billion at the end of 2022. The net money outflow includes the above-mentioned increased lending to clients and mortgages. However, it does not include the assets under management of Midas Wealth Management S.A., amounting to EUR 1.6 billion. These are shown in the notes to the consolidated financial statements on page 37. In line with our accounting practices, these do not include the managed investment funds.

As planned, we increased our stake in Midas Wealth Management S.A. to 51% at the end of the year under review. This majority shareholding obliges us to publish a consolidated annual report. Since the majority was only acquired towards the end of the reporting period, the impact is not particularly meaningful. Moreover, it does not include comparative figures for 2021. However, Midas' business has developed quite satisfactorily despite the difficult investment environment. On a consolidated basis, we now manage assets of CHF 21 billion and the bank has collected a dividend of EUR 2.1 million.

Due to the focused and stable business model and the low turnover rate of our employees, the Board of Directors considers the business risks to be limited. The counterparties, which are classified as high, are monitored regularly, market risks are diversified as far as possible and interest rate risks are limited by managing the duration of our fixed income investments. The Board of Directors has a well-functioning Audit and Risk Committee and has assessed the main risks. Adequate monitoring of the additional risks arising from the majority shareholding in Midas will be ensured in the current year. However, the ever-increasing regulation entails a great deal of work, and operational risks are constantly on the rise.

High priority is given to the topic of sustainable finance, i.e. the consideration of ESG criteria in asset management and investment advice, enjoys high priority. It covers the areas of environment, social responsibility, and governance. We have ESG scoring for all these areas down to the level of individual positions in the portfolios of our clients and can produce an ESG report upon request. Our client advisors are all appropriately trained and address clients' individual needs in this area. Fundamental long-term objectives are decisive in the selection of investment ideas. The management and organization of the company in question play an essential role.

In 2013, in the year of our 200th anniversary, we established a charitable foundation with humanitarian, cultural and educational objectives, which receives substantial contributions from gross profit each year. In the year under review, this again amounted to CHF 1.4 million. Furthermore, our pension fund operates on a defined benefit basis, which guarantees beneficiaries a pension from the time they join the company.

In our business activities, we have always strived for long-term success. We offer our employees secure and continuous employment. This results in an extremely low fluctuation rate of our staff, which averaged 215 full-time positions over the year (previous year 209). The Board of Directors would like to take this opportunity to express its gratitude to all those involved for the significant tasks they have accomplished in a pleasant atmosphere.

François Voss and Bernard Soguel-dit-Picard, who have been members of our Board of Directors for many years, will be stepping down at the Annual General Meeting in March 2023. François Voss was the last representative of the former minority shareholder Lazard on our Board of Directors and has rendered great services to our company as a friend and as an extremely experienced advisor. Our former director Bernard Soguel-dit-Picard, a member of our shareholder family by marriage, has remained closely associated with us as an investment expert and client advisor for 51 years. Both colleagues have made a significant contribution to the success of our bank.

Balance sheet

Assets

in CHF	31.12.2022		31.12.2021	
Liquid assets	457 094 538		610 753 401	
Amounts due from banks	63 223 416		75 572 894	
<i>Value adjustments</i>	-2 600 000	60 623 416	-2 600 000	72 972 894
Amounts due from securities financing transactions	241 136 500		384 951 000	
Amounts due from customers	777 843 300		693 304 942	
<i>Value adjustments</i>	-2 400 000	775 443 300	-1 900 000	691 404 942
Mortgage loans	133 199 100		115 995 700	
Trading portfolio assets	46 502 402		72 220 108	
Positive replacement values of derivative financial instruments	4 627 330		7 086 513	
Financial investments	845 514 045		823 315 566	
<i>Value adjustments</i>	-900 000	844 614 045	-1 100 000	822 215 566
Accrued income and prepaid expenses	5 357 586		4 469 598	
Participations	40 710 000		28 500 000	
Tangible fixed assets	2 002 000		2 002 000	
Other assets	2 123 252		2 584 750	
Total assets	2 613 433 469		2 815 156 472	
Total subordinated claims	0		0	

Liabilities

in CHF	31.12.2022	31.12.2021
Amounts due to banks	91 261 512	206 959 406
Liabilities from securities financing transactions	39 500 000	0
Amounts due in respect of customer deposits	1 813 785 353	1 956 904 255
Trading portfolio liabilities	22 381	0
Negative replacement values of derivative financial instruments	4 742 507	6 606 217
Accrued expenses and deferred income	3 635 712	5 339 651
Other liabilities	2 389 235	2 860 006
Provisions	31 000 000	29 000 000
Reserves for general banking risks	34 300 000	28 300 000
Bank's capital	30 000 000	30 000 000
Statutory retained earnings reserve	74 770 000	72 860 000
Voluntary retained earnings reserves	452 000 000	442 000 000
Profit carried forward	1 899 540	1 652 963
Profit	34 127 229	32 673 974
Total liabilities	2 613 433 469	2 815 156 472
Total subordinated liabilities	0	0

Off-balance-sheet transactions

in CHF	31.12.2022	31.12.2021
Contingent liabilities	51 680 313	52 724 261
Irrevocable commitments	57 323 896	74 608 593
Obligations to pay up shares and make further contributions	0	0
Credit commitments	0	0

Income statement

in CHF	2022	2021
Result from interest operations		
Interest and discount income	15 451 888	2 878 237
Interest and dividend income from financial investments	9 500 932	10 974 829
Interest expense	-436 812	957 299
Gross result from interest operations	24 516 008	14 810 365
Changes in value adjustments for default risks and losses from interest operations	-300 000	-400 000
Subtotal net result from interest operations	24 216 008	14 410 365
Result from commission business and services		
Commission income from securities trading and investment activities	99 152 521	103 322 678
Commission Income from other services	2 805 093	1 988 980
Commission expense	-1 796 629	-1 395 782
Subtotal result from commission business and services	100 160 985	103 915 876
Result from trading activities and the fair value option	9 421 194	10 819 315
Other result from ordinary activities		
Result from the disposal of financial investments	154 543	86 055
Income from participations	2 072 280	1 041 300
Other ordinary income	1 509 990	1 778 468
Other ordinary expenses	-1 309 933	-553 150
Subtotal other result from ordinary activities	2 426 880	2 352 673
Operating expenses		
Personnel expenses	-67 145 064	-65 508 001
General and administrative expenses	-20 450 375	-16 527 238
Subtotal operating expenses	-87 595 439	-82 035 239
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	0	0
Changes to provisions and other value adjustments, and losses	-2 163 184	-5 418 391
Operating result	46 466 444	44 044 599

Appropriation of profit

Profit

in CHF	2022	2021
Operational result	46 466 444	44 044 599
Extraordinary income	39 000	0
Extraordinary expenses	- 112 508	0
Changes in reserves for general banking risks	- 6 000 000	- 5 000 000
Taxes	- 6 265 707	- 6 370 625
Profit	34 127 229	32 673 974

Appropriation of profit

in CHF	2022	2021
Profit	34 127 229	32 673 974
Profit carried forward	1 899 540	1 652 963
Profit carried to the balance sheet	36 026 769	34 326 937
The board of directors proposes to the General Meeting the appropriation of the profit as follows:		
Allocation to statutory retained earnings reserve	- 2 010 000	- 1 910 000
Allocation to voluntary retained earnings reserves	- 10 000 000	- 10 000 000
Distributions relating to share capital	- 18 300 000	- 17 400 000
Other appropriations of profit	- 3 262 724	- 3 117 397
Profit carried forward	2 454 045	1 899 540

Statement of changes in equity

in 1000 CHF	Bank's capital	Retained earnings reserve	Reserves for general banking risks	Voluntary retained earnings reserves and profit carried forward	Profit	Total
Equity at beginning of reporting year (before appropriation of profit)	30 000	72 860	28 300	443 654	32 674	607 488
Dividends and other appropriations of profit					- 20 517	- 20 517
Allocations to the reserves for general banking risks			6 000			6 000
Allocations to reserves		1 910		10 247	- 12 157	0
Profit					34 127	34 127
Equity at the end of reporting year (before appropriation of profit)	30 000	74 770	34 300	453 901	34 127	627 098

Liquidity coverage ratio (LCR)

in 1000 CHF	Average of end of month value 1st quarter	Average of end of month value 2nd quarter	Average of end of month value 3rd quarter	Average of end of month value 4th quarter	Average of end of month value 4th quarter Prior year
Stock of high quality liquid assets (HQLA)	837 082	864 830	774 581	711 307	825 796
Total net cash outflows	206 043	233 994	219 378	160 879	194 216
Liquidity coverage ratio LCR (in %)	406	370	353	442	425

Funding ratio (net stable funding ratio) NSFR

in 1000 CHF	Reporting year	Prior year
Available stable funding	1 692 413	1 876 343
Required stable funding	1 380 014	1 310 925
Funding ratio, NSFR (in %)	123	143

Disclosure of own resources

(partial disclosure)

in 1000 CHF	Reporting year	Prior year
Common Equity Tier 1 capital (CET1)	564 824	558 470
Additional Tier 1 capital (AT1)	0	0
Tier 1 capital (T1)	564 824	558 470
Tier 2 capital (T2)	0	0
Eligible common equity	564 824	558 470
Sum of the risk-weighted positions	2 138 013	2 089 163
Credit risk	Approach applied	
	International approach (SA-BIS)	
	139 604	133 408
thereof price risk concerning stocks in the banking book	3 699	3 203
Non-counterparty risks	160	160
Market risk	De-minimis-approach	
	12 257	15 257
thereof on		
interest instruments	0	0
stocks	0	0
foreign currencies and precious metals	12 257	15 257
commodities	0	0
Operational risk	Basic indicator approach	
	19 020	18 308
Required common equity	171 041	167 133
Eligible / required capital (in %)	330	334

Eligible capital and exposure measure

in 1000 CHF	Reporting year	Prior year
Eligible capital	564 824	558 470
Exposure measure	2 621 371	2 844 793
Leverage ratio (Basel III) LERA (in %)	22	20

	Reporting year	Prior year
Regulatory common equity ratios		
CET1-ratio	26.42%	26.73%
T1-ratio	26.42%	26.73%
Ratio in respect to the regulatory common equity	26.42%	26.73%
CET1-Buffer requirements (as per the Basel minimum standards)		
Capital buffer	2.50%	2.50%
Anti-cyclical buffer	0.00%	0.00%
Overall buffer requirements	2.50%	2.50%
CET1 available to meet the buffer requirements	18.42%	18.73%
Common equity target ratio for CET1	7.56%	7.40%
Target (category 4-bank)	7.40%	7.40%
Anti-cyclical common equity buffer	0.16%	0.00%
Common equity target ratio for T1	9.16%	9.00%
Target (category 4-bank)	9.00%	9.00%
Anti-cyclical common equity buffer	0.16%	0.00%
Target for regulatory common equity	11.36%	11.20%
Capital buffer	3.20%	3.20%
Anti-cyclical common equity buffer	0.16%	0.00%
Minimum capital	8.00%	8.00%
Target (category 4-bank)	11.20%	11.20%
Available regulatory common equity	26.42%	26.73%

Other disclosure

(partial disclosure)

Overview of risk-weighted exposures

in 1000 CHF	risk-weighted exposures Reporting year	risk-weighted exposures Prior year	minimum capital Reporting year
Credit risk *	1 747 050	1 669 600	139 764
Market risk	153 213	190 713	12 257
Operational risk	237 750	228 850	19 020
Total	2 138 013	2 089 163	171 041

* incl. non-counterparty risks

Credit risk: credit quality of assets

in 1000 CHF	Gross carrying values of		Value adjustments and depreciation	Net values
	defaulted exposures	non-defaulted exposures		
Loans (excluding debt securities)	0	1 281 208	5 900	1 275 308
Debt securities	0	737 632	0	737 632
Off-balance-sheet transactions	0	109 004	0	109 004
Total	0	2 127 844	5 900	2 121 944

Credit risk: overview of mitigation techniques

in 1000 CHF	unsecured exposures carrying amount	secured exposures actual collateralized amount	exposures secured with financial guarantees or credit derivatives
Receivables (including debt securities)	872 067	1 146 773	0
Off-balance-sheet transactions	3 278	105 726	0
Total	875 345	1 252 499	0
thereof defaulted	0	0	0

Notes to the financial statements

1. Business name, legal form and domicile

Dreyfus Sons & Co. Ltd, Banquiers, was founded in Basel by Isaac Dreyfus-Bernheim in the year 1813. Since then the Bank has been located in Basel and has no branches elsewhere. We have inaugurated five representative offices in the recent past: the first one in Lausanne in 2011, then in Delémont in 2012 and subsequently in Zurich, Lugano and Tel Aviv in 2013. Although the Bank became a company limited by shares in the year 1942, its principal business activities are carried on in the traditional private banking style, that is, the individual and comprehensive management of assets entrusted to it. This includes the administration of family organizations, corporations, foundations and trusts. The Bank's equity is a multiple of the legal requirement and is mainly invested in the money and capital markets.

In order to enable the Bank to advise its clients by closely following financial markets it also trades – within appropriate limits – in securities, foreign exchange and precious metals as principal and as agent. As a rule, advances are granted only within the scope of assets under administration, i.e. to customers holding qualitatively and quantitatively adequate securities as coverage.

The organizational structure of Dreyfus Sons & Co. Ltd, Banquiers, is comparable to the one of a typical private bank. We have an Audit and Risk Committee under the chairmanship of Dr. Rudolf Roth-Olum, who is an independent member of the Board of Directors. Further members are Pierre Dreyfus, Otto E. Bargezi and Andreas Guth.

The Bank has outsourced some of its interbank services.

2. Accounting and valuation policies

The principles of accounting, presentation and valuation are governed by the provisions of the Swiss Code of Obligations Governing Corporations, the Federal Law on Banks and Savings Banks, its Ordinances and the guidelines of the Swiss Financial Market Supervisory Authority FINMA. The existing statutory single-entity financial statements present the bank's economic position in such a way that a third party can make a reliable assessment. The most significant principles of valuation are the following:

- Transactions are shown in the balance sheet at their date of completion.
- Assets and liabilities denominated in foreign currencies are converted into Swiss Francs at rates of exchange prevailing at the balance sheet date. Exchange gains and losses arising from the conversion of currencies are booked as Result from trading activities.

- Liquid assets, Amounts due to and due from banks and customers as well as Mortgage loans are presented at nominal value. At the moment there is no need for individual provisions. General value adjustments are being made for the latent risks in the dues from customers and banks. The reckoning thereof is based on the calculated default risk according to a recognised rating agency.
- Repurchase and reverse-repurchase agreement transactions are being booked as Amounts due, respectively liabilities from securities financing transactions.
- Securities and precious metals held in Trading portfolio assets are valued at fair value at the balance sheet date and the resultant profits and losses are included in the heading Result from trading activities including interest and dividends.
- Securities shown as Financial investments are held as long term investments. Debt instruments are shown in the balance sheet at nominal value and are valued according to the accrual method of valuation: premiums, respectively discounts on purchases, on sales prior to maturity or redemptions before maturity are entered in the books as Accrued income and prepaid expenses and apportioned to accounting periods as Interest and dividend income from financial investments. Equity securities are valued at the lower of cost or market. The cost is determined by weighted averages of the purchase prices. Money market papers are shown at market value prevailing at the balance sheet date.
- Majority owned participations are presented at acquisition cost net of any operational write-downs as per individual valuation.
- As a rule, Tangible fixed assets are written off in the year of acquisition. Most of the bank buildings were purchased generations ago and therefore the value shown in the balance sheet is significantly below the fire insurance value. Maintenance and renovation costs are debited to the profit and loss account when incurred. The fixed assets are being regularly reviewed and their valuations are adjusted when needed.
- Taxes owed on income and capital as part of current earnings are booked under Accrued expenses and deferred income.
- Forward positions are valued at prices based on residual time to expiration. Derivative financial instruments held for trading purposes are valued at market prices. Transactions entered into for hedging purposes are valued by the same method as applied to the underlying instruments. Replacement values of derivative financial instruments include positions of both the Bank and of its customers.
- The accounting and valuation principles remain unchanged.

3. Risk management

The identification, management, limitation and control of risks are extensively regulated by the Board of Directors, whereas the implementation of the bank's risk policy and risk control is the responsibility of the Executive Committee. All quantifiable risks are backed by an adequate underlying capital. Measures related to risks with respect to organization, personnel and infrastructure are implemented. A comprehensive management information system (MIS) informs the Board of Directors and the Executive Committee on a daily and monthly basis.

The Bank's liquidity management is based on the regulatory provisions of the supervisory authority. Short-, medium- and long-term liquidity management is integrated into the bank-wide risk management process. The Board of Directors establishes the risk tolerance for liquidity risk and ensures that the Executive Committee implements the specifications on liquidity risk tolerance with suitable control processes. Liquidity holdings are monitored on a daily basis and reported to various departments. Risk tolerance is defined in the form of a liquidity coverage ratio (LCR) and specific early-warning indicators are monitored as accompanying measures. Regular stress tests are carried out that take account of short-term and long-term liquidity shortfalls. An emergency plan is in place and updated on a regular basis to deal with acute liquidity bottlenecks, should they arise. Counter-parties are defined by an internal rating system with corresponding limits.

As the Bank only grants loans through its asset management activities, interest rate risk is insignificant. The interest rates on loans are either fixed or regularly adjusted. Loans are funded through

client deposits on which interest paid – if any – can be reviewed at any time. Debt securities in financial investments are solely acquired to be held to final maturity. The specified collateral values and limits apply to all loan transactions. Further information on interest rate risk can be found on our website under “Publications – Interest rate risk management”.

For all risks known at balance sheet date, provisions and individual value adjustments are made. Contingent risks are covered by overall adjustments and provisions. The reckoning thereof is made according to internal rules following various methods and objectives. In the position Provisions the market risks are calculated according to the value at risk and operational risks according to the Basic indicator approach of Basel III.

The Bank is guided in its approach to operational risks by the principles outlined in the relevant regulatory provisions. It ensures that responsibilities are clearly defined, that risks are regularly identified, limited and monitored, and that an appropriate IT infrastructure is in place to safeguard the confidentiality of client data. Management of operational risks is the responsibility of managers at all levels of the hierarchy. Periodic procedural audits by internal and external auditors additionally support the proper conduct of business.

The identification, management and limitation of market risks in the trading portfolio are made on a daily basis. In general, only tradable instruments with a high degree of liquidity are used and attention is paid to a balanced diversification. Derivative financial instruments are used for transactions entered into for hedging purpose.

4. Sustainable Finance

Sustainable finance, i.e. the consideration of sustainability factors in asset management and investment advice, is a high priority at Dreyfus Banquiers. The rules applicable to this in Switzerland, which also provide for the introduction of ESG (environmental, social, governance) scoring, were issued by Swiss Banking in June 2022 and will be implemented in different stages.

When implementing these new rules, we deliberately go further than prescribed by the “regulator”. We approach our clients about their sustainability preferences if they are interested and discuss the sustainability report of their portfolio. Moreover, our relationship managers have received special ESG related training. We continue to strive for customised, individual solutions for our clients, supplemented by any sustainability preferences.

In addition to bank-specific implementation, Dreyfus Banquiers has a long-standing commitment to social issues and sustainability. We treat our employees fairly and with respect and offer them secure, continuous employment. In addition, our pension fund is also still based on a defined benefit plan. The independent Isaac Dreyfus-Bernheim Foundation, the anniversary foundation of Dreyfus Banquiers, which was founded in 2013 donates considerable amounts to cultural, charitable, and humanitarian institutions, currently also for the people in Ukraine.

We consider this to be the basis of sustainable, successful, and long-term corporate management. Sustainability is thus a core element of our long-term success.

5. Information on the balance sheet

1

Breakdown of securities financing transactions (assets and liabilities)

in 1000 CHF	Reporting year	Prior year
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions	241 137	384 951
Book value of obligations from cash collateral received in connection with securities lending and repurchase business	39 500	0
Book value of securities lent in connection with securities lending or delivered as collateral in connection with securities borrowing as well as securities in own portfolio transferred in connection with repurchase agreements	39 662	0
thereof with unrestricted right to resell or pledge	0	0
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 agreements with unrestricted right to resell or repledge	241 040	386 890
thereof repledged or resold securities	0	0

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

in 1000 CHF	secured by mortgage	other collateral	unsecured	Total
Loans				
Amounts due from customers		772 437	5 406	777 843
Mortgage loans (residential property)	133 199			133 199
Total loans (before netting with value adjustments)				
Reporting year	133 199	772 437	5 406	911 042
Prior year	115 996	673 503	19 802	809 301
Total loans (after netting with value adjustments)				
Reporting year	133 199	770 037	5 406	908 642
Prior year	115 996	671 603	19 802	807 401
Off-balance-sheet				
Contingent liabilities		51 680		51 680
Irrevocable commitments		54 046	3 278	57 324
Obligations to pay up shares and make further contributions				0
Total off-balance-sheet				
Reporting year		105 726	3 278	109 004
Prior year		124 105	3 228	127 333

There are no impaired loans.

Trading portfolio (assets and liabilities)

in 1000 CHF	Reporting year	Prior year
Assets		
Debt securities	0	0
thereof listed	0	0
Equity securities	0	0
Precious metals	46 502	72 220
Total assets	46 502	72 220
thereof securities eligible for repo transactions	0	0
Liabilities		
Debt securities	0	0
thereof listed	0	0
Equity securities	22	0
Precious metals	0	0
Total liabilities	22	0

Derivative financial instruments (assets and liabilities)

in 1000 CHF	Trading instruments			Hedging instruments		
	Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
Interest rate instruments						
Forward contracts incl. FRAs						
Swaps						
Futures						
Options (OTC)						
Options (exchange-traded)						
Foreign exchange / precious metals						
Forward contracts	4 627	4 743	854 269			
Futures			25 698			
Options (OTC)			1 926			
Options (exchange-traded)						
Equity securities / indices						
Forward contracts						
Futures						
Options (OTC)						
Options (exchange-traded)						
Other						
Forward contracts						
Futures						
Options (OTC)						
Options (exchange-traded)						
Total						
Reporting year	4 627	4 743	881 893			
Prior year	7 087	6 606	1 107 011			

The replacement values are without consideration of the netting contracts.

Breakdown by counterparty

Positive replacement values

in 1000 CHF	Central clearing houses	Banks and securities firms	Other customers	Total
Reporting year	0	1 860	2 767	4 627
Prior year	0	5 955	1 132	7 087

Financial investments

in 1000 CHF	Book value Reporting year	Book value Prior year	Fair value Reporting year	Fair value Prior year
Debt securities	737 632	709 755	688 412	721 847
thereof intended to be held to maturity	737 632	709 755	688 412	721 847
thereof not intended to be held to maturity	0	0	0	0
Equity securities	39 670	34 467	50 497	47 324
Precious metals	2 406	2 406	3 326	3 284
Money market papers	65 806	76 688	65 806	76 688
Real estate	0	0	0	0
Total	845 514	823 316	808 041	849 143
thereof securities eligible for repo transactions	381 325	351 960		

Breakdown of counterparties by rating (FINMA concordance table)

in 1000 CHF	1 & 2	3	4	5 & 6	unrated	Total
Book values of debt securities						
Reporting year	392 954	224 484	105 257	10 000	4 937	737 632
Prior year	363 523	168 150	96 000	0	82 082	709 755

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Participations

in 1000 CHF	Acquisition cost	Accumulated value adjustments	Book value at the end of prior year	Reporting year			Book value at the end of reporting year
				Additions	Disposals	Value adjustments	
Other participations							
with market value	0		0				0
without market value	28 500		28 500	12 210			40 710
Total participations	28 500		28 500	12 210			40 710

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Companies in which the bank holds a permanent direct or indirect significant participation

Company name and domicile	Business activity	Company capital (in 1000)	Share of capital (in %)	Share of votes (in %)	Held directly (in %)
Terrain- & Finanzgesellschaft Basel AG Basel	Financial institution	CHF 300	100	100	100
Dreyfus Söhne & Cie Mandata AG Basel	Financial institution	CHF 250	100	100	100
Midas Wealth Management S.A. Luxembourg	Financial institution	EUR 1 000	51	51	51

The participation in Luxembourg was acquired in the prior year and increased to 51% in the reporting year.

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Tangible fixed assets

in 1000 CHF	Acquisition cost	Accumulated depreciations	Book value at the end of prior year	Reporting year			Book value at the end of reporting year
				Additions	Disposals	Depreciations	
Bank buildings			2 000				2 000
Other real estate			2				2
Other tangible fixed assets			0				0
Total tangible fixed assets			2 002				2 002

Most of the bank buildings were purchased generations ago.

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Intangible assets

Nil

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Other assets and other liabilities

in 1000 CHF	Other assets Reporting year	Other assets Prior year	Other liabilities Reporting year	Other liabilities Prior year
Compensation account	0	0	0	0
Other assets and liabilities	2 123	2 584	2 389	2 860
Total other assets and other liabilities	2 123	2 584	2 389	2 860

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

in 1000 CHF	Book values Reporting year	Book values Prior year	Effective commitments Reporting year	Effective commitments Prior year
Pledged / assigned assets				
Amounts due from banks	259	7 164	0	0
Financial investments	278 530	258 208	44 692	9 508
Total	278 789	265 372	44 692	9 508

Liabilities relating to own pension schemes

A legally separate pension fund as well as an employer-financed foundation has been established for the employees. The employer contributions are charged to personnel expenses. On the balance sheet date, the commitments to the pension funds totalled CHF 13.3 million (prior year CHF 14.7 million). There are no further obligations or claims regarding the transfer of economic benefits.

The financial statements of the pension fund are recorded in accordance with Swiss GAAP FER 26 and show a coverage ratio of 115.9% (prior year 109.0%). As per the not yet audited statement 2022 the pension fund shows a coverage ratio of 103.2%. The employer-financed foundation has no statutory commitments.

Economic situation of own pension schemes

Employer contribution reserves

in 1000 CHF	Nominal value Reporting year *	Nominal value Prior year
Employer-financed foundation	353	353
Pension fund	0	0
Total	353	353

* basis of the financial statement 2021 employer-financed foundation and pension fund

The Bank renounces to use the employer contribution reserves.
This has neither consequences on the balance sheet nor on the profit and loss account.

Economic benefit / obligation and the pension expenses

in 1000 CHF	Surplus / Deficit Reporting year *	Economic part of the Bank		Contributions Reporting year	Welfare expenses on personnel expenses	
		Reporting year	Prior year		Reporting year	Prior year
Employer-financed foundation	23 514	0	0	0	1 500	1 500
Pension fund with coverage ratio	10	0	0	0	4 499	4 551
Total	23 524	0	0	0	5 999	6 051

* basis of the financial statement 2021 employer-financed foundation and pension fund

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Issued structured products

Nil

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Bonds outstanding and mandatory convertible bonds

Nil

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Value adjustments, provisions and reserves for general banking risks

in 1000 CHF	Previous year end	Use in conformity with designated purpose	Reclassifications (transfers)	Recoveries, past due interests, currency differences	New creations charged to income	Released to income	Balance at current year end
Provisions for other business risks	16 500				1 000		17 500
Other provisions	12 500				1 000		13 500
Total provisions	29 000	0	0	0	2 000	0	31 000
Reserves for general banking risks (taxed)	28 300				6 000		34 300
Value adjustments for default and country risks	5 600				300		5 900

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Bank's capital

	Total nominal value in 1000 CHF Reporting year	Number of shares Reporting year	Capital eligible for dividend in 1000 CHF Reporting year	Total nominal value in 1000 CHF Prior year	Number of shares Prior year	Capital eligible for dividend in 1000 CHF Prior year
Total share capital	30 000	30 000	30 000	30 000	30 000	30 000

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Participations and options on equity securities held by all executives and directors and by employees

Nil

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Amounts due from or to related parties

in 1000 CHF	Amounts due from Reporting year	Amounts due from Prior year	Amounts due to Reporting year	Amounts due to Prior year
Holders of qualified participations	0	16	116 892	121 654
Group companies	0	0	784	580
Members of governing bodies	5 171	5 194	12 965	12 093

There are no significant off-balance-sheet transactions.

Customary bank transactions are effected to personnel conditions.

Significant shareholders

The shares are in family ownership (descendants of the company's founder).

The following shareholders dispose of participations with more than 5% of the votes.

	Nominal value in 1000 CHF Reporting year	Percentage of equity Reporting year	Nominal value in 1000 CHF Prior year	Percentage of equity Prior year
Dege Holding Ltd, Basel	21 428	71.4	21 428	71.4
Catherine Dreyfus Soguel, Basel	4 286	14.3	4 286	14.3
Pierre Dreyfus, Basel	4 286	14.3	4 286	14.3
Total	30 000	100.0	30 000	100.0

Through the Dege Holding Ltd, Basel, the following members of the Dreyfus family as a group have a stake in the Bank: Andreas Guth, Basel; Nadia Guth Biasini, Basel; Alexis Blum, Basel; Dr. Cyrille Blum, Denges; Nathalie Moshnyager-Blum, Unterägeri.

Own shares

Nil

Compensations

Nil

Maturity structure of financial instruments

in 1000 CHF	at sight	at call	due within 3 months	due 3 to 12 months	due 12 months to 5 years	due after 5 years	Total
Assets / financial instruments							
Liquid assets	457 095						457 095
Amounts due from banks	57 161	347	2 726	389			60 623
Amounts due from securities financing transactions			241 137				241 137
Amounts due from customers		457 638	175 194	77 530	52 071	13 010	775 443
Mortgage loans		37 379	400	685	35 145	59 590	133 199
Trading portfolio assets	46 502						46 502
Positive replacement values of derivatives financial instruments	4 627						4 627
Financial investments	42 076		70 625	83 225	320 674	328 014	844 614
Total							
Reporting year	607 461	495 364	490 082	161 829	407 890	400 614	2 563 240
Prior year	797 814	439 532	631 199	121 175	365 071	422 810	2 777 601
Debt capital / financial instruments							
Amounts due to banks	91 002	260					91 262
Liabilities from securities financing transactions			39 500				39 500
Amounts due in respect of customer deposits	1 612 589	185 770	6 667	8 759			1 813 785
Trading portfolio assets	22						22
Negative replacement values of derivative financial instruments	4 743						4 743
Total							
Reporting year	1 708 356	186 030	46 167	8 759	0	0	1 949 312
Prior year	2 005 643	160 187	1	4 638	0	0	2 170 469

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

Assets

in 1000 CHF	Reporting year		Prior year	
	Domestic	Foreign	Domestic	Foreign
Liquid assets	457 095		610 753	
Amounts due from banks	18 804	41 819	13 695	59 278
Amounts due from securities financing transactions	235 575	5 562	384 951	
Amounts due from customers	541 883	233 560	489 089	202 316
Mortgage loans	133 199		115 996	
Trading portfolio assets	46 092	410	72 138	82
Positive replacement values of derivative financial instruments	3 880	747	5 242	1 845
Financial investments	473 398	371 216	439 492	382 724
Accrued income and prepaid expenses	4 522	836	3 855	614
Participations	550	40 160	550	27 950
Tangible fixed assets	2 002		2 002	
Other assets	2 123		2 584	
Total assets	1 919 123	694 310	2 140 347	674 809

Liabilities

in 1000 CHF	Reporting year		Prior year	
	Domestic	Foreign	Domestic	Foreign
Amounts due to banks	13 395	77 867	16 109	190 850
Liabilities from securities financing transactions		39 500		
Amounts due in respect of customer deposits	998 343	815 442	988 791	968 113
Trading portfolio liabilities		22		
Negative replacement values of derivative financial instruments	2 792	1 950	2 832	3 774
Accrued expenses and deferred income	1 357	2 279	2 240	3 100
Other liabilities	2 389		2 860	
Provisions	31 000		29 000	
Reserves for general banking risks	34 300		28 300	
Bank's capital	30 000		30 000	
Statutory retained earnings reserve	74 770		72 860	
Voluntary retained earnings reserves	452 000		442 000	
Profit carried forward	1 900		1 653	
Profit	34 127		32 674	
Total liabilities	1 676 373	937 060	1 649 319	1 165 837

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Assets by country or group of countries (domicile principle)

	Reporting year		Prior year	
	in 1000 CHF	Share as %	in 1000 CHF	Share as %
Switzerland	1 919 123	73.4	2 140 347	76.1
Members of B.I.S.	566 916	21.7	533 090	18.9
Other foreign countries	127 394	4.9	141 719	5.0
Total assets	2 613 433	100.0	2 815 156	100.0

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

Net foreign exposure

FINMA concordance table	Reporting year		Prior year	
	in 1000 CHF	Share as %	in 1000 CHF	Share as %
1 & 2	609 293	87.8	577 850	85.6
3	25 667	3.7	23 597	3.5
4	14 920	2.1	41 112	6.1
5 & 6	21 268	3.1	10 575	1.6
unrated	23 162	3.3	21 675	3.2
Total	694 310	100.0	674 809	100.0

Assets and liabilities by currencies

Assets

in 1000 CHF	CHF	USD	EUR	Other currencies	Total
Liquid assets	447 531	5 060	3 935	569	457 095
Amounts due from banks	7 853	9 626	12 002	31 142	60 623
Amounts due from securities financing transactions		217 540	6 913	16 684	241 137
Amounts due from customers	297 486	92 818	372 932	12 207	775 443
Mortgage loans	133 199				133 199
Trading portfolio assets				46 502	46 502
Positive replacement values of derivative financial instruments	3 325	329	883	90	4 627
Financial investments	661 946	97 559	81 124	3 985	844 614
Accrued income and prepaid expenses	4 827	232	272	27	5 358
Participations	550		40 160		40 710
Tangible fixed assets	2 002				2 002
Other assets	2 123				2 123
Total assets shown in the balance sheet					
Reporting year	1 560 842	423 164	518 221	111 206	2 613 433
Prior year	1 609 818	489 613	551 057	164 668	2 815 156
Delivery entitlements from forward forex and forex options transactions					
Reporting year	450 536	286 384	126 053	16 994	879 967
Prior year	479 462	441 371	139 092	44 691	1 104 616
Total assets					
Reporting year	2 011 378	709 548	644 274	128 200	3 493 400
Prior year	2 089 280	930 984	690 149	209 359	3 919 772

Cross rates

	Reporting year	Prior year
USD/CHF	0.9257	0.9125
EUR/CHF	0.9875	1.0340

Liabilities

in 1000 CHF	CHF	USD	EUR	Other currencies	Total
Amounts due to banks	34 512	19 103	34 154	3 493	91 262
Liabilities from securities financing transactions			39 500		39 500
Amounts due in respect of customer deposits	1 032 988	425 407	277 622	77 768	1 813 785
Trading portfolio liabilities		22			22
Negative replacement values of derivative financial instruments	3 217	266	1 172	88	4 743
Accrued expenses and deferred income	1 247	3	2 373	12	3 635
Other liabilities	2 389				2 389
Provisions	31 000				31 000
Reserves for general banking risks	34 300				34 300
Bank's capital	30 000				30 000
Statutory retained earnings reserve	74 770				74 770
Voluntary retained earnings reserves	452 000				452 000
Profit carried forward	1 900				1 900
Profit	34 127				34 127
<hr/>					
Total liabilities shown in the balance sheet					
Reporting year	1 732 450	444 801	354 821	81 361	2 613 433
Prior year	1 692 596	541 240	475 243	106 077	2 815 156
<hr/>					
Delivery obligations from forward forex and forex options transactions					
Reporting year	332 475	260 650	244 269	16 990	854 384
Prior year	432 521	386 584	185 616	44 674	1 049 395
<hr/>					
Total liabilities					
Reporting year	2 064 925	705 451	599 090	98 351	3 467 817
Prior year	2 125 117	927 824	660 859	150 751	3 864 551
<hr/>					
Net position per currency					
Reporting year	-53 547	4 097	45 184	29 849	
Prior year	-35 837	3 160	29 290	58 608	

6. Information on the off-balance-sheet transactions

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Contingent assets and liabilities

in 1000 CHF	Reporting year	Prior year
Guarantees to secure credits and similar	5 517	5 813
Other contingent liabilities	46 163	46 911
Total contingent liabilities	51 680	52 724

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Credit commitments

Nil

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Fiduciary transactions

in 1000 CHF	Reporting year	Prior year
Fiduciary investments with third banks	507 507	248 750
Total fiduciary transactions	507 507	248 750

Managed assets

in 1000 CHF	Reporting year	Prior year
Assets under discretionary asset management agreements	6 326 324	7 841 216
Other managed assets	13 077 735	14 133 360
Total managed assets ¹	19 404 059	21 974 576

¹ cash balances, fiduciary investments and value of total assets
The assets only held for custody purposes are not taken into account.

Development of managed assets

in 1000 CHF	Reporting year	Prior year
Total managed assets at beginning	21 974 576	19 379 331
+/- Net new money inflow or net new money outflow ²	- 269 500	- 437 000
+/- Price development, interests, dividends and currency development ³	- 2 301 017	3 032 245
Total managed assets at end	19 404 059	21 974 576

² in- and outflows of cash and securities

³ with comprehension of the charges

7. Information on the income statement

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Result from trading activities and the fair value option

in 1000 CHF	Reporting year	Prior year
Result from trading activities from:		
Interest rate instruments	0	0
Equity securities	90	56
Foreign currencies	8 077	9 554
Precious metals and coins	1 254	1 209
Total result from trading activities	9 421	10 819

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Negative interests

in 1000 CHF	Reporting year	Prior year
Negative interests on lending business (reduction of the interest and discount income)	583	1 971
Negative interests on deposit business (reduction of the interest expense)	1 028	1 499

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Personnel expenses

in 1000 CHF	Reporting year	Prior year
Salaries	55 891	54 550
Social insurance benefits	10 343	10 248
Changes in book value for economic benefits and obligations arising from pension schemes	0	0
Other personnel expenses	911	710
Total personnel expenses	67 145	65 508

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General and administrative expenses

in 1000 CHF	Reporting year	Prior year
Office space expenses	2 173	2 411
Expenses for information and communication technology	11 381	6 694
Expenses for vehicles, equipment, furniture and other fixtures	160	164
Fees of audit firms	508	514
thereof for financial and regulatory audits	443	452
thereof for other services	65	62
Other operating expenses	6 228	6 744
Total general and administrative expenses	20 450	16 527

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Material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks, and value adjustments and provisions no longer required

Nil

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Revaluations of participations and tangible fixed assets up to acquisition cost at maximum

Nil

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Operation result broken down according to domestic and foreign origin

The Bank has no foreign branch.

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Taxes

	Reporting year	Prior year
Expenses for current taxes on capital and income (in 1000 CHF)	6 266	6 371
Average tax rate weighted on the basis of the operating result	13.5%	14.5%

There are no loss carried forwards that would have an impact on income taxes.

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Earnings per equity security

Nil

Report of the Statutory Auditors to the General Meeting of Dreyfus Sons & Co Ltd, Banquiers, Basel

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dreyfus Sons & Co Ltd, (the Company), which comprise the balance sheet as at December 31, 2022, and the income statement, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is

a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 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 Ltd

Erich Schärli
Licensed Audit Expert
Auditor in Charge

Sabrina Di Maggio
Licensed Audit Expert

Zurich, February 24, 2023

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