

JUNGFRAU

TOP OF EUROPE

JungfrauBahn Holding AG

ANNUAL REPORT

2020



TABLE OF CONTENTS

1

**MANAGEMENT
REPORT**

S. 5

2

SEGMENTS

S. 43

3

**FINANCIAL
REPORT**

S. 57

4

**REMUNERATION
AND CORPORATE
GOVERNANCE**

S. 113

1

MANAGEMENT REPORT

1.1	WELCOMING ADDRESS TO THE SHAREHOLDERS	7
1.2	JUNGFRAUBAHN HOLDING AG IN BRIEF	11
1.3	MESSAGE FROM COMPANY MANAGEMENT	24
1.4	SPECIAL	34

MANAGEMENT REPORT

WELCOMING ADDRESS TO THE SHAREHOLDERS

DEAR SHAREHOLDERS

Like the rest of the national and international transport, tourism and recreation industry, the Jungfrau Railway Group too looks back at a year of major challenges due to corona pandemic. The pandemic and its economic repercussions, which have already persisted for a year, have also affected the earnings of the Jungfrau Railway Group.

The early end of the winter season 2019/2020 by official order, the almost three-month closure of the tourist rail- and cableways, the sudden and drastic slump in international tourism (border closures) and new official measures towards the end of the financial year, which resulted in the closure of shops and restaurants, travel restrictions and strict protective regulations for winter sports, resulted in the first-ever company loss in the history of Jungfraubahn Holding AG.

From the all-time record year 2019, we descended into the most severe tourism crisis in history. Nevertheless, thanks to the V-Cableway, Jungfrau Railways is ready to follow up on its success story in a 'new normal'

Statement of Prof. Dr. Thomas Bieger, Chairman of the Board of Directors and Urs Kessler, Chief Executive Officer

The severe impact of the pandemic resulted in a company loss of CHF 9.7 million (2019: record profit of CHF 53.3 million). Despite the difficult market situation, the group was able to generate positive EBITDA of CHF 22.3 million. In terms of liquidity and equity, the company stands on a solid foundation. The consolidated balance sheet as of 31 December 2020 shows equity of CHF 597.0 million. This results in a very solid equity ratio of 72.9%.

Following the best January in Jungfrau Railway's history, excursions to Jungfraujoch – Top of Europe came to a standstill in mid-February 2020 already due to the spread of the coronavirus. From 14 March 2020, this railway was forced alongside all the group's other tourist railways and cableways to suspend operations due to an order by the Federal Council. From mid-March, the group's business and the entire intercontinental tourism industry

came to a grinding halt and have not yet recovered. For the first time since World War I, Jungfrauoch – Top of Europe remained closed for an extended period of 83 consecutive days. The tourist links reopened on 6 June 2020. Thanks to dynamic marketing campaigns, especially in the home market Switzerland, 362,800 people visited Jungfrauoch – Top of Europe despite the unusual situation. This corresponds to the average number of visitors back in the 1980s. In the Swiss market, growth of more than 200% was achieved on Jungfrauoch – Top of Europe.

One special challenge since the reopening has been the great fluctuation in visitor numbers as a result of weather and especially weather forecasts, a situation typical for the domestic market. For this reason, the Jungfrau Railway Group has adapted its operations, introducing more flexibility to facilitate short-term planning of the deployment of the rolling stock and personnel. The company was quick to react, introducing its first austerity measures as early as February 2020. Operating expenses were reduced by requesting short-time working for most employees, keeping it in place until the end of the year. This key measure has helped preserve jobs in the region and can be used to ramp up operations whenever the demand rises.

Despite the corona crisis, the rollout of the V-Cableway project was successfully completed. This was accomplished under substantial time pressure. From construction start on 11 June 2018 to the official inauguration on 5 December 2020, the entire project was finished in only 908 days, an outstanding achievement by all involved. As far as this project was concerned, the lockdown in spring had a positive effect, as it was possible to make up for delays in the schedule, with inauguration even taking place a week earlier than planned. The inauguration ceremony on 4 December 2020 was held with only four speakers and 35 journalists. We were pleased to welcome the international media, who still attended in keeping with the quarantine restrictions, resulting in a broad national and international media coverage on stations including the BBC and CNN and in Asia.

The situation is somewhat similar to the circumstances in the early days of the Jungfrau Railway. Shortly after the railway had been built and inaugurated in 1912, World War I broke out in summer 1914, ushering in a major economic crisis. Had anyone predicted the unfolding of such events, it is highly unlikely that the Jungfrau Railway would ever have been built. Yet, in the further course of the 20th century, this outstanding, pioneering feat was what enabled our region to reposition itself in the tourism sector, to catch up and most notably to write economic history with the expansion to Asia. The idea to build the V-Cableway is bolstered by the conviction that in international competition, standing still and resting on your laurels is not an option. Though the corona crisis has brought new challenges for Jungfrau Railways, the V-Cableway in particular is making the Jungfrau Railway Group highly competitive and thus delivering a sound basis for overcoming the current crisis. The pandemic is accelerating key demand trends such as short-term booking, the need for speedy travel and especially the desire for space. The V-Cableway offers guests more space, more pleasant visitor guidance and a better overall travel experience. Active, digitally supported guest management is convenient and helps save time. The railways are able to actively reduce mass gatherings and congestion and make the best possible use of existing capacities.

The V-Cableway is more than a mere tourist project. With the new Jungfrau app and the features it offers (booking, reservation etc.), good use is made of new technologies. These are key criteria for guests who have been waiting impatiently for the opportunity to travel again after the coronavirus, and it will make the region attractive as a premium destination as soon as the crisis ends. A positive factor for the environment is that with its good connections to the railway network, the V-Cableway promotes the use of public transport. The Jungfrau

Railway Group thus plays a key role in getting guests who prefer traveling by car "back on track". Moreover, the V-Cableway enables significant productivity gains and greater flexibility in the operation of various routes, which is especially valuable during the corona crisis.

Even in the crisis year, the Jungfrau Railway Group did not lose sight of its corporate social responsibility (CSR). For example, the newly developed Code of Conduct was introduced in the 2020 financial year. An economical energy management is traditionally anchored in the company, for example with the return of braking energy at the Jungfrau Railway and the Wengernalp Railway. These two sustainability topics are presented in the online annual report in addition to the management reporting and the financial sections. Important environmental organisations are actively involved as external stakeholders. For example, projects are underway in collaboration with the management of the Swiss Alpine Jungfrau-Aletsch UNESCO World Heritage site. Moreover, the commitment to Lauterbrunnen and Grindelwald was highlighted with a sustainability fund that became active as of the go-live of the entire V-Cableway. And to further develop the field of compliance, the establishment of a compliance management system has been pushed ahead and an internal audit unit has been implemented. In addition, the organisational structure of the Jungfrau Railway Group has been further improved, e.g. through the expansion of the Executive Board. As a result, since the commissioning of the V-Cableway on 1 January 2021, the heads of the main departments have been represented on the Executive Board. The Executive Board now consists of six members (formerly three). This ensures the continuation of an efficient company management that is able to make decisions. Thanks to the long-term personnel planning, all positions have been staffed with internal candidates. Active succession planning also takes place in the Board of Directors. The Board of Directors of Jungfrau Holding AG intends to re-introduce the limit of 12 years on the term of office. This limit had been suspended during the planning and rollout of the V-Cableway. For this reason, Ueli Winzenried, the current Vice-Chairman and most senior member of the Board of Directors, will resign as of the General Meeting on 17 May 2021 and will not be replaced, thereby bringing back the number of members of the Board of Directors to six. Heinz Karrer is to assume the office of Vice-Chairman. As of the General Meeting 2022, Prof. Dr. Thomas Bieger, the current Chairman, is to resign, and Heinz Karrer is set to be proposed as Chairman (press release semi-annual report of 1 September 2020).

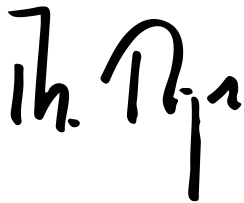
Various surveys and statements of tourism experts indicate that as of the date of publication of this Management Report, it is still not possible to fully assess and foresee the consequences of the worldwide corona crisis, which has already continued for one year. Until now, the impact on our financials has been more severe and more prolonged than previously expected. Nevertheless, thanks to its operable infrastructure, firm foothold in international markets, solid financing and latest innovations, the Jungfrau Railway Group has reason to face the future with confidence.

Long-standing international partnerships and contacts to key markets continued to be maintained, though this currently takes place exclusively in digital form. The mutual support by national and international partners forms a solid basis for a return to normal. Owing to the go-live of the V-Cableway, the Jungfrau Railway Group has a tourist hub that is unique in the Alps. The Jungfrau – Top of Europe brand is being strengthened, and guests are offered genuine added value especially through the new tricable cableway Eiger Express. Marketing measures include an agile, short-term approach with additional sales efforts and offerings in alternative markets. Thanks to the advancing digitisation, we are able to duly address the growing market by free independent travellers (FIT).

Thanks to the ongoing review of cost structures, the associated further efficiency increase, higher flexibility and

the good launch of the V-Cableway, the Jungfrau Railway Group will be able to leverage the crisis for the establishment of future strengths. In this context, the lack of planning security, the emergence of virus mutations, the dependence on various vaccination strategies, the development of the individual countries with their different travel restrictions (mandatory tests, mandatory vaccinations, quarantine rules) and the question when international flights will be resumed remain the greatest risk factors. It must be expected that in 2021, the earnings will continue to be impacted by the corona crisis unless the situation improves significantly in autumn. The Jungfrau Railway Group holds fast to its goal of generating positive EBITDA. More information on the opportunities and risks is available in the message from our company management.

We would like to thank our employees for the outstanding performance they have again demonstrated and the genuine hospitality they show our customers on a daily basis. We would also like to thank our customers, the federal and cantonal authorities, municipalities, the mountain communities, tourism organisations, neighbouring railways, resellers, suppliers, the High Altitude Research Stations Jungfrauoch and Gornergrat International Foundation, all involved parties who helped with the implementation of the V-Cableway and all other partners such as the hotel industry, with whom we enjoy a mutually beneficial partnership. And last but not least, we would like to thank you, our dear shareholders, for your trust in our group and the loyalty you have shown to Jungfraubahn Holding AG.



Prof. Dr. Thomas Bieger
Chairman of the Board of Directors



Urs Kessler
Chief Executive Officer

JUNGFRAUBAHN HOLDING AG IN BRIEF

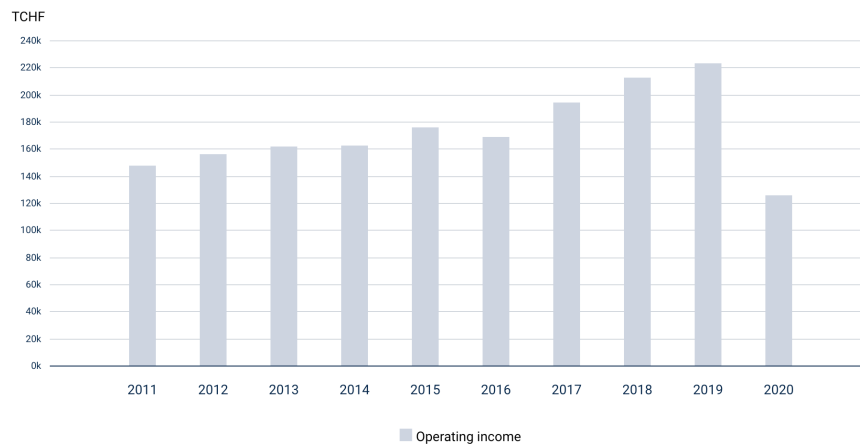
ACTIVITY OF THE JUNGFRAU RAILWAY GROUP

The Jungfrau Railway Group is one of Switzerland's leading tourism businesses and the largest mountain railway company. Its most important offering is the trip on the spectacular train to Jungfraujoch – Top of Europe, at 3,454 metres above sea level. Owing to the development of the first distribution and agency network for visits to the glacier world of the Alps, it plays a leading role in Asian markets. The Jungfrau Railway Group also operates other mountain railways and cableways to well-known Experience Mountains in the Jungfrau region, winter sports facilities, a hydroelectric power station and, further along the tourist value chain, restaurants, shops and parking facilities.

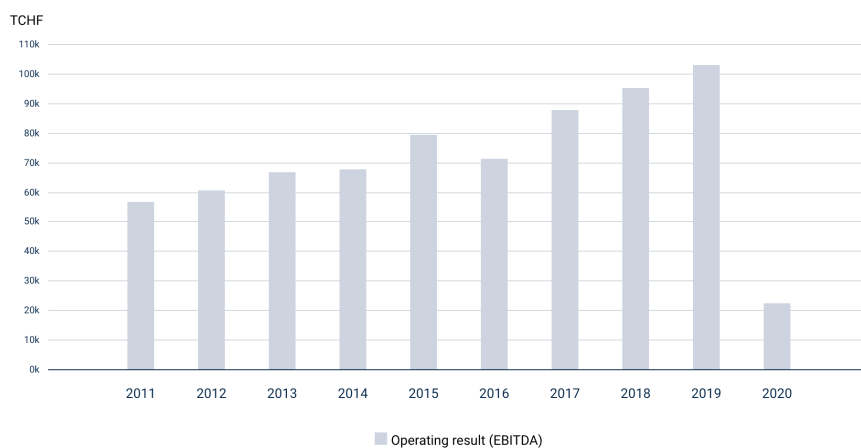
Chief among the guiding principles is a focus on the customer, as part of a broader orientation towards sustainability. By means of its focus on the customer, the group achieves an attractive positioning in the market for tourists and investors. Moreover, the group is an important player in the regional economy. In cooperation with other tourism companies, the Jungfrau Railway Group promotes the further development of the Jungfrau Region.



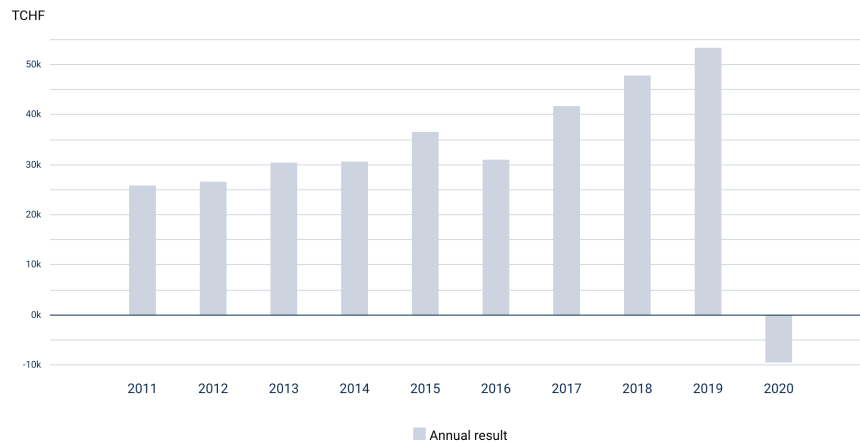
Operating income



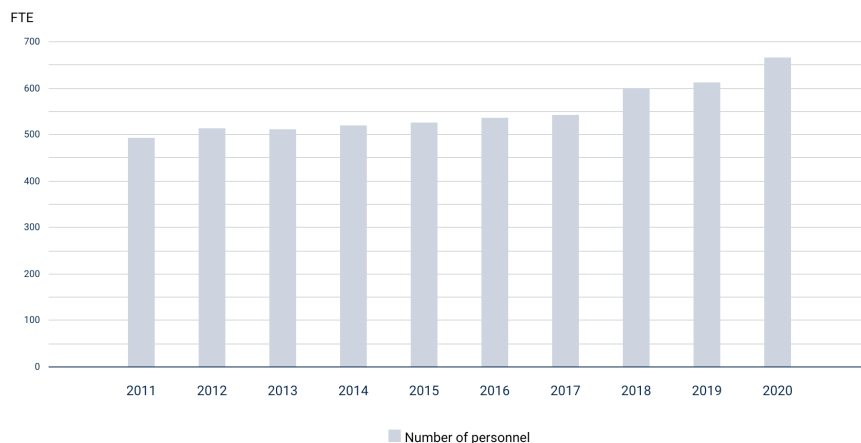
Operating result (EBITDA)



Annual result



Number of personnel



The headcount increase in the financial year 2020 was caused by the transfer of the operational management of Gondelbahn Grindelwald-Männlichen AG and the takeover of the restaurants on Jungfraujoch and Eigergletscher.

OBJECTIVES OF THE JUNGFRAU RAILWAY GROUP

As one of Switzerland's leading tourism businesses and the largest mountain railway group, the Jungfrau Railway Group is developing into an integrated leisure and service company. In this context, it draws on

- its entrepreneurial tradition of more than 120 years;
- the vision of its founder to make the unique alpine landscape accessible to the wider population and international tourists;
- its roots in the Jungfrau region; and
- its brand and excellence in service and technology, developed over generations.

The Jungfrau Railway Group is the driving force behind the economic development of the Jungfrau region and alpine tourism in Switzerland. In this way, it delivers a significant contribution to the strengthening of this region. At the same time, it takes the interests of the local population into consideration, supports its employees and looks after the environment, which represents an important resource for the development of both the region and of Jungfrau Railways. In line with the founder's vision, the environment is to be preserved and kept accessible for future generations. To reach this goal, the economic independence is to be maintained, and the attractiveness for investors is to be enhanced.

The Jungfrau Railway Group attaches great importance to sustainability. In connection with the construction of the V-Cableway, a concept for increased protection of nature in the directly affected areas is being implemented, and monitoring is being introduced in collaboration with the management of UNESCO World Heritage Site Swiss Alps Jungfrau-Aletsch. The Jungfrau Railway Group demonstrates its commitment to Lauterbrunnen and Grindelwald with a sustainability fund, which became active as of the go-live of the V-Cableway on 1 January 2021. The selection of projects to be rolled out with this fund takes place on the basis of specified criteria: the projects must be accepted by society, sustainable, eco-friendly and economically beneficial.

The objective is to strengthen JungfrauJoch – Top of Europe as the main source of revenue. Internal growth is to be achieved through better utilisation of the off-season and off-peak times, a moderate increase in transport capacities, and integration of additional services such as shopping, catering and soft adventure into the experience chain. The V-Cableway with its two new cableways and other integrated components (rolling stock renewals, public transport connection, multi-storey car park, slope construction and, in particular, a unique terminal) will ensure the successful future of the entire Jungfrau region in the medium and long term as an outstanding year-round Swiss tourism destination. Especially by shortening travel times and increasing travel comfort, the project strengthens the competitiveness of JungfrauJoch – Top of Europe as a world-famous beacon while also helping the winter sports destination to reach the top position in international competition.

The corona crisis has not changed this general focus. Like many experts, the Jungfrau Railway Group too is of the firm belief that travelling and getting to know other cultures and landscapes represents a basic need. The group expects international travels to rebound to at least the previous level in the medium term as soon as circumstances permit.

The strategic financial objectives of the group are aligned with its long-term goals and the policy of a value-

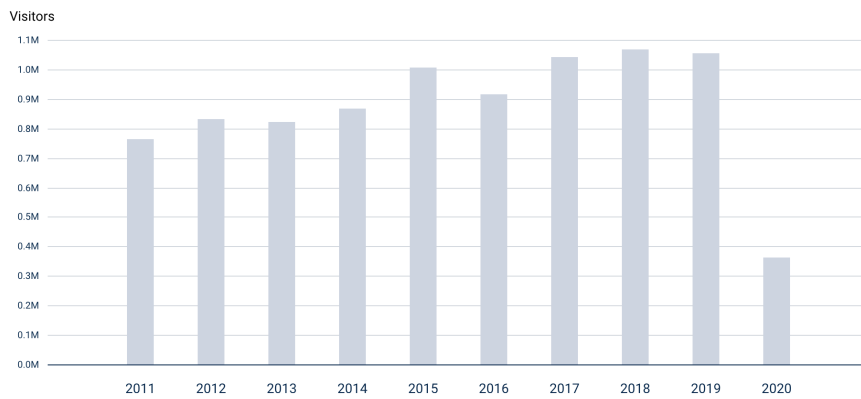
based company (value stock). The key factors determining the group's financial planning are targets geared to profitability (including revenue) and strong self-financing. During the pandemic, it has not been possible to reach all long-term financial targets. At present, it is not yet possible to fully assess the duration, magnitude and consequences of the pandemic. For the duration of the pandemic, the Board of Directors and the Executive Board will endeavour to keep operations as flexible as possible in order to optimise costs, focus on marketing activities in accessible markets, and make use of revenue opportunities, thus maximising the EBITDA at the level of the consolidated financial statements. Investments are currently limited to operationally necessary maintenance and replacements. You will find the corresponding figures in our Financial Report.

SEGMENTS OF THE JUNGFRAU RAILWAY GROUP

JUNGFRAUJOCH – TOP OF EUROPE

Jungfrauoch – Top of Europe is the Group’s highest-earning segment. This segment’s core is the highest railway station in Europe, at 3,454m above sea level, situated within the UNESCO World Heritage Site Swiss Alps Jungfrau-Aletsch. The company’s main activity comprises excursions with the Wengernalp Railway and the Jungfrau Railway as well as the tricable cableway Eiger Express to Jungfrauoch – Top of Europe. The stringent restrictions due to the pandemic, especially the closure of operations for 83 days and the slump in international tourism, have resulted in a sharp decline in the number of visitors: in the year under review, some 362,800 guests visited Jungfrauoch – Top of Europe, a figure that corresponds to the average number of visitors back in the 1980s.

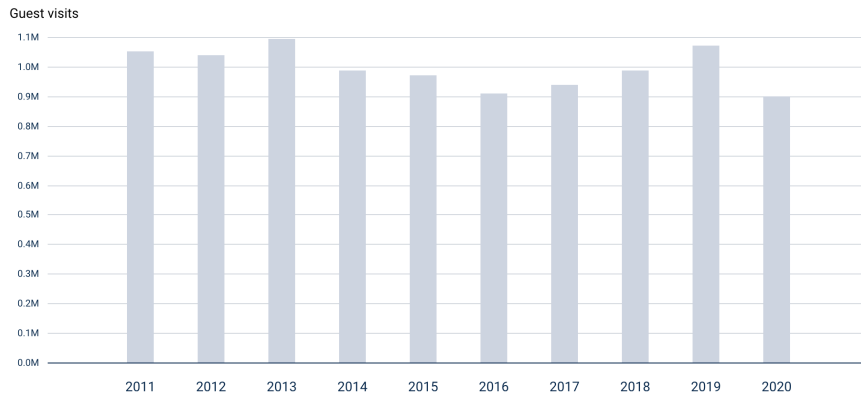
Visitors Jungfrauoch



WINTER SPORTS

The winter sports facilities around Kleine Scheidegg-Männlichen, Grindelwald-First and Mürren-Schilthorn are part of the Jungfrau Ski Region fare network. The Jungfrau Railway Group holds an interest of more than 60% in its facilities. Together with the partner companies, the group manages one of the most important ski resorts in Switzerland on behalf of the association. On 5 December 2020 the Eiger Express went live, enabling an early start of the winter sports season – a positive sign in such tough times for the tourism sector. The V-Cableway with the Eiger Express tricable cableway significantly upgrades the ski resort, which is likely to result in an increased market share in the medium term. Last year, the number of guest entries was impacted by the closure of the ski resort from 14 March 2020 by official order and the uncertainties with regard to the operation of the winter sports areas at the beginning of the winter season 2020/2021.

Guest visits Jungfrau Ski Region



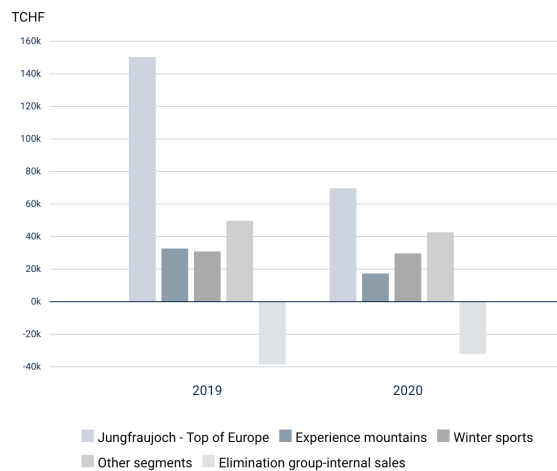
EXPERIENCE MOUNTAINS

The Experience Mountains segment includes the following excursion destinations around Jungfrauoch – Top of Europe: Grindelwald-First – Top of Adventure, Harder Kulm – Top of Interlaken and Winteregg-Mürren – Top of Family. These excursion destinations enhance the regional experience and allow for interesting combinations such as holiday passes and cross-marketing. Due to factors such as the closure of the tourist railways and cableways for almost three months and the absence of international guests and group tours, the Experience Mountains segment also suffered a significant decline in the number of visitors in the reporting year 2020.

Some of the offerings of the Experience Mountains also enjoy an excellent positioning in the national market and were strengthened via systematic marketing campaigns, resulting in a company profit at the level of the subsidiaries in the case of the Grindelwald-First – Top of Adventure and the Harder Kulm – Top of Interlaken.

Revenue by segments

The amount of net revenue indicates the size of the segments. “Other segments” comprises a wide range of services that support the business of the main segments internally and are also used by external customers. For example, these include Jungfraubahnen Management AG, the power plant and the multi-storey car parks in Lauterbrunnen and Grindelwald. The following overview also includes the internal group eliminations.



THE HOLDING COMPANY

Organisation

The Board of Directors of Jungfraubahn Holding AG is the group's supreme decision-making body. It is responsible for the strategic planning for the entire group, which it implements throughout the subsidiaries within the scope of legal and real-world feasibility. The Chairman and the previous five members of the Board of Directors were confirmed by the General Meeting 2020. With a view to the renewal of the organisation, an additional new member, Heinz Karrer, was elected to the Board of Directors.

The Executive Board of the Jungfrau Railway Group is hired by Jungfraubahnen Management AG in accordance with the provisions of the Board of Directors of Jungfraubahn Holding AG and the total remuneration framework approved by the General Meeting of Jungfraubahn Holding AG. From June 2017 to December 2020, the Executive Board consisted of three members: Urs Kessler (CEO), Christoph Seiler (CFO) and Christoph Schläppi (Corporate Secretary). Personal information on the Board of Directors and Executive Board and their remuneration as at 31 December 2020 can be found in the Remuneration Report and in the Corporate Governance section of this Annual Report.

Management of operational units

In 2019, planning began for the reorganisation of Jungfrau Railways for the period after the go-live of the V-Cableway. According to these plans, the matrix organisation (segments/departments) was to be abandoned. At the end of 2019, the decision was made to expand the Executive Board and to strengthen the integration of the departments. Moreover, elections were held with a view to the reorganisation. The next step was the dissolution of the business segments as of 1 April 2020, which also resulted in the termination of the responsibilities of Thomas Aebischer, Markus Balmer and Marco Luggen on 31 March 2020. The duties previously performed by the heads of the business segments were distributed to the following departments:

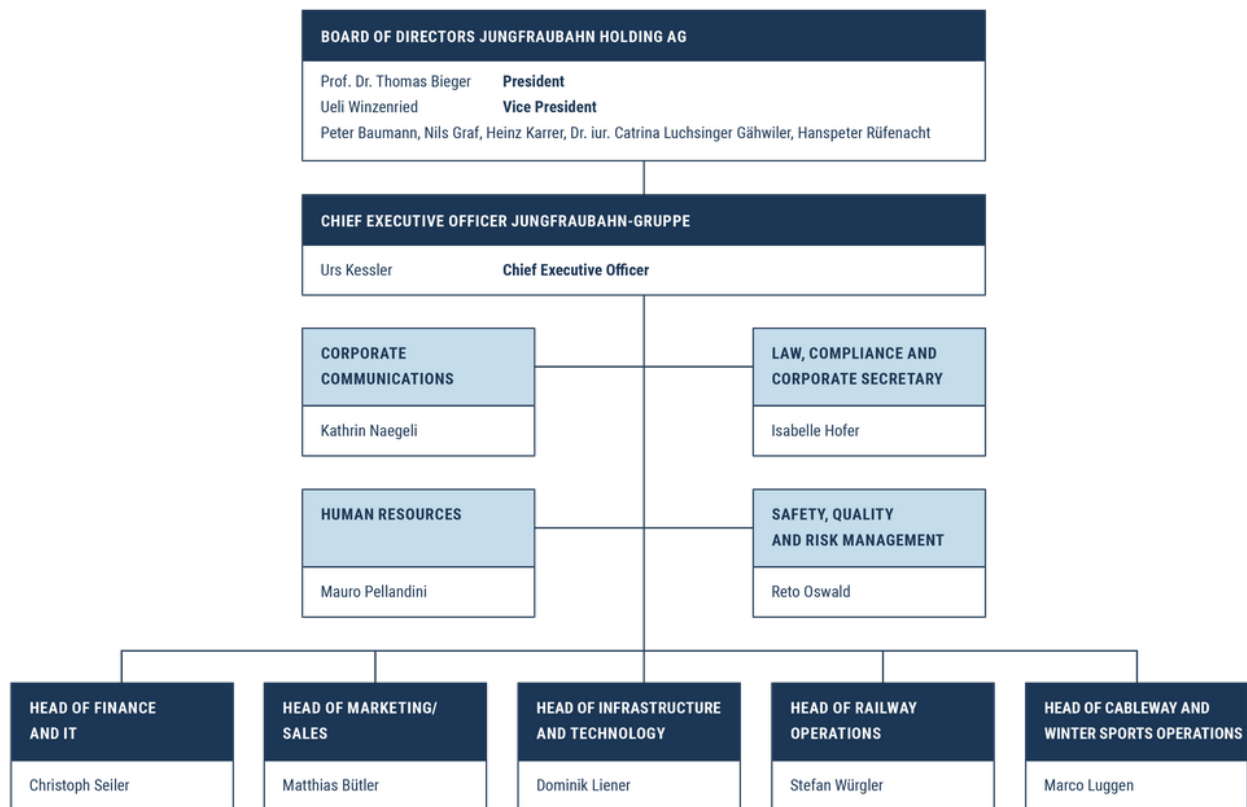
- Marketing/Sales: Matthias Bütler
- Infrastructure and Technology: Dominik Liener
- Railway Operations: Stefan Würigler
- Cableway and Winter Sports Operations: Marco Luggen

In the financial year 2020, the extended Executive Board – which ceased to exist at the beginning of 2021 – comprised the following members:

- Thomas Aebischer, Head of the business segment Berner Oberland-Bahnen until 31 March, departure from the company as of 31 July
- Markus Balmer, Head of the business segment Jungfraujoch – Top of Europe until 31 March, departure from the company as of 31 July
- Patrizia Bickel, Head of Corporate Communications, departure from the extended Executive Board as of 31 January and from the company as of 30 June
- Andreas Piattini, Head of Human Resources, departure from the company as of 29 February
- Reto Mettler, Head of Catering
- Urs Siegenthaler, Head of IT

- Matthias Bütler, Head of Marketing/Sales, member of the Executive Board from 1 January 2021
- Dominik Liener, Head of Infrastructure and Technology, member of the Executive Board from 1 January 2021
- Marco Luggen, Head of Cableway and Winter Sports Operations, member of the Executive Board from 1 January 2021
- Stefan Würgler, Head of Railway Operations, member of the Executive Board from 1 January 2021

As mentioned above, the administrative level “member of the extended Executive Board” was abolished as of 1 January 2021. The Executive Board now comprises the Chairman (Urs Kessler) and the department heads (Matthias Bütler, Dominik Liener, Marco Luggen, Christoph Seiler and Stefan Würgler). Moreover, four support departments report directly to the Chairman.



Introduction of the new Executive Board

This section briefly introduces the new members of the Executive Board as of 1 January 2021. The members of the Executive Board as of 31 December 2020 are listed in the Corporate Governance section.

Matthias Bütler, Head of Marketing and Sales

Matthias Bütler (born 1979) obtained a degree in Business Management from the University of Bern. In 2004, he received his Master of Science in Business Administration. In the following years, he worked in various executive positions in Switzerland and abroad (USA and China). Matthias Bütler has been with Jungfrau Railways since 2014, most recently as a member of the extended Executive Board. He is a member of the Board

of Directors of Jungfraubahn AG, Jungfrau Shopping AG and Wengernalpbahn AG.

Dominik Liener, Head of Infrastructure and Technology

Dominik Liener (born 1967) completed his studies in civil engineering in 1991. In 1998, he obtained a degree in industrial engineering. In the meantime and afterwards, he served in various functions as planner, project manager and executive board member in the field of civil engineering and infrastructure. Dominik Liener has been with Jungfrau Railways since 2017, and he was part of the extended Executive Board until the end of the year under review. He is a member of the Board of Directors of Jungfraubahn AG and of Wengernalpbahn AG and is Chairman of the Board of Directors of Sphinx AG Jungfraujoch.

Marco Luggen, Head of Cableway and Winter Sports Operations

Marco Luggen (born 1975) finished his studies in mechanical engineering in 2000. In 2007, he also obtained an Executive Master of Science in Corporate Management. Thereafter, he worked as Senior Commissioning Engineer and as Process Control Expert. Marco Luggen has been with Jungfrau Railways since 2006, and he was part of the extended Executive Board until the end of 2020. He is a member of the Board of Directors of Firstbahn AG, Jungfraubahn AG, Jungfrau Gastronomie AG and Wengernalpbahn AG.

Stefan Würigler, Head of Railway Operations

Stefan Würigler (born 1970) finished his apprenticeship in railway operations management in 1989. In 2001, he completed his studies in business administration. Following his apprenticeship, he served in various functions with SBB. Among other things, he worked as project leader and Head of Market Management. Stefan Würigler has been with Jungfrau Railways since 2007. Until the end of 2020, he was part of the extended Executive Board. He is a member of the Board of Directors of Jungfraubahn AG, Parkhaus Lauterbrunnen AG and Wengernalpbahn AG.

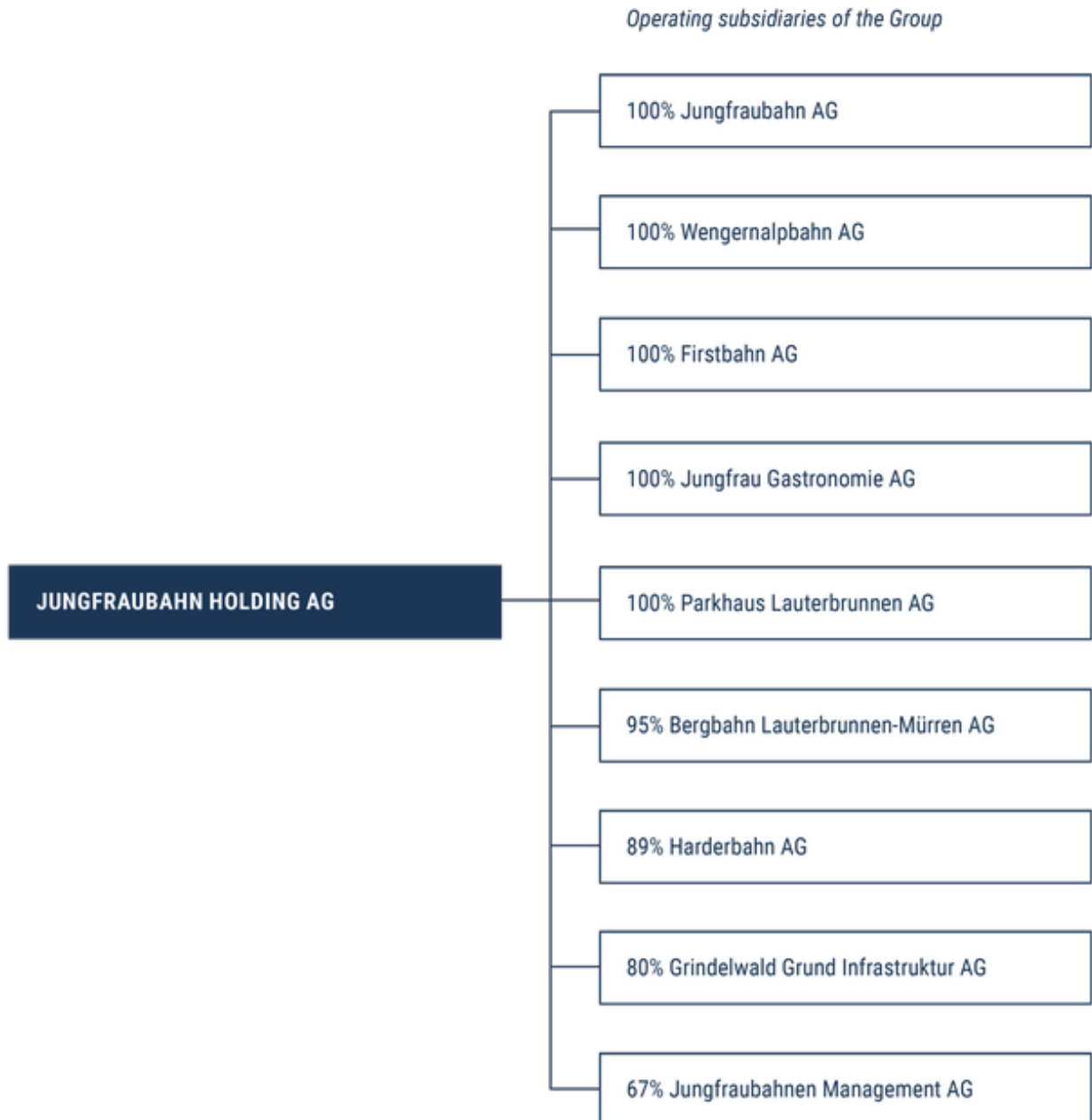
Up-to-date information can be found online at <http://www.jungfrau.ch/en-gb/corporate/jungfrau-railways/alliance-jungfrau-top-of-europe/management/>.

Key figures of the consolidated financial statements

CHF (thousands)	2020	2019	Change in per cent
Operating income	125,651	223,310	-43.7%
Transportation revenues	75,643	161,807	-53.3%
EBITDA	22,262	102,958	-78.4%
EBITDA in % of operating income	17.7%	46.1%	-61.6%
EBIT	-11,188	67,504	-116.6%
EBIT in % of operating income	-8.9%	30.2%	-129.5%
Annual result	-9,681	53,344	-118.1%
Return on sales (ROS)	-7.7%	23.9%	-132.2%
Free cash flow	-93,342	-21,511	-333.9%
Equity ratio	72.9%	79.0%	-7.7%
Headcount (full-time positions)	665	612	8.7%

Jungfraubahn Holding AG (parent company)

Jungfraubahn Holding AG is a holding company. Its business model is defined by fiscal and financial policy considerations. The most important part of the profit plan is the financial account. This includes the dividend payments for the subsidiaries and the internal interest income. In 2020, the income from shareholdings amounted to CHF 18.8 million. The loans to the subsidiaries in the amount of CHF 226.8 million bear interest. In the reporting period, impairment of CHF 9.1 million was applied to shareholdings. Together with the remaining financial income and after offsetting financial expenses, the financial account thus closed at CHF 10.7 million. Company result amount to CHF 10.1 million. The detailed annual financial statements with notes can be found after the consolidated financial statements in the financial report. It is part of the approval request to the General Meeting 2021.



JUNGFRAU RAILWAYS

The subsidiaries of Jungfraubahn Holding AG cooperate closely with Berner Oberland-Bahnen AG. The cooperation is managed by Jungfraubahnen Management AG (interest held: Jungfraubahn Holding AG 67%, Berner Oberland-Bahnen AG 33%). The management company provides the Executive Board elected by Jungfraubahn Holding AG with a management infrastructure including personnel (managers, specialists) that is suitable for managing the Jungfrau Railway Group and successfully exercising management mandates for other affiliated companies (e.g. Jungfrau Ski Region). Berner Oberland-Bahnen AG has also transferred its management to Jungfraubahnen Management AG on a mandate basis. This mandate is exercised with due regard to the interests of Berner Oberland-Bahnen AG and its independence in accordance with the instructions of the Board of Directors and the organisational regulations of Berner Oberland-Bahnen AG.

The operating consortium benefits from the best possible utilisation of the management resources (personnel, skills, tools) that the management company establishes, maintains and develops for all its clients. Insofar as it coordinates its approach with clients in order to strive for the greatest possible synergies – particularly in marketing, customer service, insurance, quality assurance, compliance management, procurement and IT – it does so as a full-function joint venture of the companies involved. Collectively, the companies involved operate under the name Jungfrau Railways and under the registered trademark Jungfrau – Top of Europe.

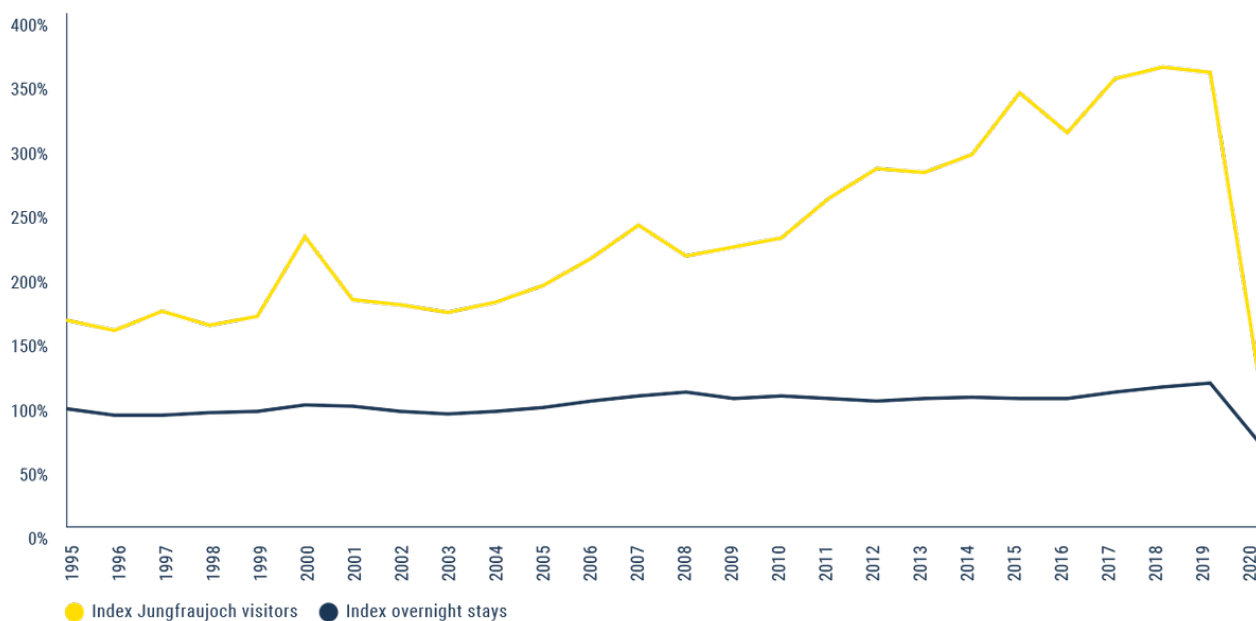
MESSAGE FROM THE COMPANY MANAGEMENT

OPPORTUNITIES AND RISKS

On 1 August 1912, Europe's highest railway station was opened on Jungfraujoch, 3,454m above sea level and in the middle of the unique mountain world of the Eiger, Mönch and Jungfrau mountains. This record still stands and is one of the reasons why a trip on the Jungfrau Railway is one of the great tourist attractions of the Alps. The eventful construction history surrounding the railway pioneer Adolf Guyer-Zeller contributes to its worldwide fame. Jungfraujoch – Top of Europe is thus an established brand in Switzerland and abroad.

Since early 2020, the Jungfrau Railway Group has been confronted with an unusual situation. Around the globe, the efforts of political bodies and authorities to halt the spread of a new virus infection have restricted the freedom of movement and thus the ability to travel. Key elements of the tourist service chain, such as restaurants, retailers and sports infrastructures, have been affected by closures and restrictions. Airlines have suspended important flights, and in March 2020, the Federal Council ordered the closure of all tourist facilities until the beginning of June 2020. Moreover, the booking behaviour has been impacted by the fear of infection and a plethora of travel restrictions and quarantine rules, which differ from country to country and even from region to region. Towards the end of the year, the Federal Council again tightened the measures. Restrictions are only eased step by step and at a very slow pace. Moreover, tourism needs a certain lead time until the effects of the easing reach the travel activity. However, a consistently high demand forms the basis for successfully positioning and marketing Jungfraujoch – Top of Europe around the globe. The pandemic thus represents the occurrence of a risk whose impact is unforeseeable, especially as far as the official measures are concerned.

Due to the said circumstances, in 2020 Jungfrau Railways recorded only 362,800 visitors to Jungfraujoch – Top of Europe, a figure that is 65.6% lower than in the record year 2019 and that corresponds to the numbers of visitors recorded back in the 1980s. Hotel occupancy dropped by 40% to numbers that had last been recorded in the late 1950s.



Benchmark for Jungfrauoch visitors and overnight stays for Switzerland indexed

Currently, nobody knows where the pandemic is headed. Though it is hoped that the available vaccines and tests will enable restrictions on international travelling to be eased, the virus mutations are causing some uncertainty. The Jungfrau Railway Group expects three phases, whose timeline can however not be determined as of yet:

1. Currently, the group is in the first phase – the phase in which the virus is not yet under control and the spread takes place in the form of waves. This is associated with restrictions and easing of official measures depending on the infection figures. The official measures – all the way up to lockdowns – result in operational restrictions and a reduced demand. The Jungfrau Railway Group reacts in an agile manner and makes responsible use of any opportunities that arise for the benefit of the guests and the region in order to provide an offering that is as good as possible, as is currently the case with winter sports. At the same time, expenses are reduced by way of operational optimisation and the V-Cableway, and the liquidity is used with care in order to ensure the company's solid substance and future viability. The objective is to generate and maximise positive EBITDA. Of course, the Board of Directors and the Executive Board are aware of the various challenges that the company faces. For example, this includes the responsibility toward the employees while ensuring financial stability and the challenge of providing an attractive offering under constantly changing operating contexts and despite necessary austerity measures. This phase requires flexibility and daily planning of the offering.
2. In the second phase, vaccinations and tests will have curbed the virus to such an extent that no new waves will occur, and the travel restrictions in the various countries will gradually be lifted, creating partial predictability for travel plans. Thereby, the various markets will open up, international flights will be resumed, and international tourism will recover. In this phase, the Jungfrau Railway Group will immediately be ready to address international markets on the basis of a strong brand, with new products, with the V-Cableway and thanks to the international network that has been developed over

many years. These markets are to be addressed speedily and systematically in order to encourage international guests to visit Jungfrauoch – Top of Europe and substantially step up the number of visitors as soon as possible. This will take place on the basis of the company's innovative drive and systematic adaptation of the offering of the various segments to the needs of the reopened markets.

3. In the third phase, with certain travel restrictions (e.g. compulsory vaccination), tourism will return to normal, and it will again be possible to reach the figures of 2019. The Jungfrau Railway Group is anticipating a "new normal", with fewer groups but more individual guests. Furthermore, guests will increasingly pay attention to quality – especially in the form of space and nature and under consideration of various sustainability criteria. With its focus on digitisation (especially in the form of the Jungfrau app) and its emphasis of ecological sustainability and social responsibility, the group is well prepared. With the newly commissioned V-Cableway and thanks to the expansion of track 3 on Jungfrauoch, guests have more space than previously. With the strategy of developing the Jungfrau Railway Group into an integrated leisure business, it will be possible to address guest needs even more effectively.

As previously mentioned, we do not yet know what the timeline will look like. However, in view of the many virus mutations that have emerged in various countries around the globe and the associated tightened travel restrictions, the International Air Transport Association (IATA) believes that the recovery of air travel in 2021 will be rather slow.

According to the UNWTO World Tourism Barometer of January 2021, international tourism suffered a slump of 74% in 2020, an effect caused by the extensive travel restrictions and the decline in demand. The latest survey conducted by the UNWTO expert panel (published on 28 January 2021) implies a mixed outlook for 2021: almost half of those interviewed (45%) expect the figures for the current year to be better than last year's figures, while 25% expect a similar performance and 30% consider a deterioration of the results to be likely. The question whether the upturn will take place in 2021 or only in 2022 remains open, with 50% being positive about this year and the other 50% believing that the upturn will only take place next year. However, experts see a growing demand for outdoor and nature activities, with an increasing trend towards domestic tourism and slow-travel experiences. It is believed that the gradual introduction of vaccines will help potential guests to regain their trust, that travel restrictions will be eased, and that travelling will slowly return to normal next year.

In terms of risk management, the Jungfrau Railway Group examines possible events that could jeopardise the achievement of strategic and financial goals. For this purpose, opportunities and threats are identified, evaluated and documented in a risk catalogue. For instance, the volatility of the tourism industry is a central risk. The tourist demand is affected by exchange rate fluctuation, geopolitical security concerns, health issues and pandemics, and the threat of war and terrorism. The corona crisis has resulted in the occurrence of one of the greatest business risks at a magnitude that could not have been foreseen.

As a pioneer in the East Asian markets, the Jungfrau Railway Group recognised Asia's potential decades ago. However, the alignment with the needs of the Asian markets also involves risk, which recently materialised with the onset of the corona pandemic. During the crisis, this weakness was at least partly counteracted by means of intensive marketing measures in the Swiss market and, to a certain extent, in the European markets. Thus, the number of Swiss nationals who visited Jungfrauoch – Top of Europe was higher than ever before, though this did by far not compensate the number of international visitors who stayed away.

A high quality of service, loyalty in the relationship with tour operators and agencies – even in difficult times – and consistent nurturing and strengthening of the brand are highly important factors for a quick return to a crisis-stricken market. In Jungfrau – Top of Europe, Jungfrau Railways has a strong brand of global fame. This value is preserved even during the crisis and represents an important basis for marketing the offering around the globe.

To protect itself against the volatility of the tourism industry, Jungfraubahn Holding AG has also developed special strengths. A high equity ratio of 72.9% is one of the company's key strengths. The financing of the large investments in the V-Cableway was structured and planned in such a way that the debt capital that is subject to interest is kept as low as possible. As at 31 December 2020, the debt subject to interest thus merely amounted to CHF 45 million. Stability is also guaranteed by the broad positioning in three different segments. The portfolio is structured in such a way that the diversified businesses support each other. In this way, economic risks are reduced and the independence is strengthened, which is vital especially in view of the current market situation and will also continue to play a key role with regard to the financial targets in the future.

The crisis has forced the Jungfrau Railway Group to work on its weaknesses, such as the high operating costs and the labour-intensive production. Since February 2020, savings potential has been and continues to be identified, and necessary measures are being taken continually. Furthermore, agility in the company has been greatly increased and efficiency has been boosted. It is now possible to adapt operations to weather conditions and visitor streams on a short-term basis, with a positive effect on operating expenses.

The Jungfrau Railway Group endeavours to make use of existing opportunities. The goal is to pursue projects that utilise the potential for quality improvement and promote digitisation in order to make Jungfraujoch – Top of Europe even more attractive and exclusive. As a result of the pandemic, the guests' enthusiasm for nature has further increased. The group addresses this need with a unique offering and the matchless location of Jungfraujoch – Top of Europe in the middle of the UNESCO world heritage and breath-taking mountain landscape comprising the Eiger, Mönch and Jungfrau mountains. Another positive aspect is the increasingly positive attitude of the employees and inhabitants of the Jungfrau region towards international guests. The crisis has clearly shown how the absence of international tourism impacts the region.

LONG-STANDING PARTNERSHIPS, BRAND MANAGEMENT AND DIGITISATION

Our representatives from majority Asian metropolises support Jungfrau Railways' contacts and the distribution. In this context, they are supported by a competent sales team and directly by the CEO. Currently, the interchange exclusively takes place digitally, but this does not pose any problems for the long-standing partnerships. The agencies ensure that the products of Jungfrau Railways are included in the tour operator programmes as well as in the on- and offline offers. To tap the potential demand as effectively as possible, the Jungfrau Railway Group has developed the brand management and distribution via tour operators into a core competence. To increase awareness of the brand JungfrauJoch – Top of Europe, the group cooperates with key sector players such as Schweiz Tourismus, BE! Tourismus AG, Jungfrau Region Tourismus AG and Interlaken Tourismus (TOI), and with partners from the field of industry and trade such as the Swatch Group, Coop, Victorinox and Lindt & Sprüngli.

The [jungfrau.ch](https://www.jungfrau.ch) website invites users to dream and plan. It is aimed at individual travellers who want to book their holidays and excursions directly online and at group travellers who would like to get information about the JungfrauJoch – Top of Europe from their travel agency. Due to the fact that more and more people are travelling individually, global online sales are gaining in importance. This development will continue, and the reservation system remains a key instrument, as guests will continue to avoid queues and crowded conveyances. The marketing is based on the global direct and individual accessibility of potential customers via the internet and on digitisation (social media, virtual reality etc.), which open the door to new ways and opportunities in the fields of brand management, distribution, customer bonding, and experience design. The progressing digitisation is accompanied by an increasing level of agility with regard to the pricing and drafting of offerings. Digitised communication and distribution allow for rapid implementation of marketing measures introduced at short notice. In connection with the inauguration of the V-Cableway, the Jungfrau app was also launched, enabling guests to book tickets, reserve seats and handle related matters. The objective is to continually expand the app functionality in order to enable guests to plan and book their entire stay via the app.

INNOVATION AND DIVERSIFICATION

A special strength of the Jungfrau Railway Group is the variety of products and services in a very small space. With the Experience Mountains – the complementary segment in the summer business – customers on low travel budgets can be addressed, or excursions to Jungfraujoch – Top of Europe can be added in a meaningful way as part of an extended stay (cross-marketing). Moreover, the rollout of the innovative V-Cableway project has improved the competitiveness thanks to shorter travel times. In this context, the new V-Cableway represents a great opportunity. Guests are offered more space, more pleasant visitor guidance and a better overall travel experience. Active, digitally supported guest management is convenient and helps save time. The railways are able to actively reduce mass gatherings and congestion and make the best possible use of existing capacities. The time required or rather the time lost is an important quality factor in the modern tourism industry. Adventure seekers appreciate long transfers with no entertainment value as little as skiers appreciate long queues at the bottom of a ski lift, which take up a valuable part of their skiing day. Speed, capacities and optimum utilisation are therefore among the production factors that have represented a legacy weakness of the mountain railways since its early days. The Jungfrau Railway Group pays special attention to this area and has steadily made improvements, e.g. through more powerful traction units, track upgrades and a reservation system.

These are important criteria for guests who have been waiting impatiently for the opportunity to travel again after the corona crisis, and it will make the region attractive as a premium destination as soon as the crisis ends. In the medium and long term, the V-Cableway will ensure a successful future for the entire Jungfrau region as a year-round destination in Swiss tourism and thus secure the income of the local population. A positive factor for future generations will also be that being connected to the railway network, the V-Cableway will promote the use of public transport.

The record results of the Experience Mountains in 2019, which reflected the substantial demand increase among young international guests and families from all over the world, also had a positive effect in this segment in 2020. The offerings were also made use of by young Swiss guests and families. To meet guest expectations, the experience was upgraded with soft adventure offerings, a special outdoor design that includes features such as an experience trail that can be accessed easily and does not require any special physical abilities, a special vantage platform and an attractive playground. Most importantly, our services depend on our team, which is always ready to operate, maintain and clean the facilities on a daily basis. They welcome our guests, provide information and provide assistance in the event of emergency. As courteous hosts, they are the ones who define the company's external image.

INTEGRATED LEISURE AND SERVICE COMPANY

The demand for tourist offerings that deliver a great variety of experiences in the shortest possible time is on the rise. Therefore, integration of the service chain is becoming more important. The coordinated services and ordering processes make planning and organising a holiday trip much easier for both the tour operator and the individual traveller. Combined bundles and packages enable attractive offers and prices. The integrated company is able to fully exploit the potential of its customer base. It can ensure customer satisfaction more independently and optimise customer benefits more effectively on the basis of a custom-defined quality standard.

Thanks to its various segments, the diversity of the Experience Mountains it has opened up and its growing integration, the Jungfrau Railway Group is well positioned to offer comprehensive leisure experiences. It closes any remaining gaps with regard to the integration by cooperating with efficient partners in the region. From the outset, the online sales have been designed with a view to this integration; the individual elements of a holiday trip can be combined in the shopping cart and booked in one step.

Catering is being integrated more extensively into the business segment JungfrauJoch – Top of Europe. Instead of independent companies who rent the restaurants from the Jungfrau Railway Group, a subsidiary operates the various businesses. Jungfrau Gastronomie AG has taken over the restaurants on Kleine Scheidegg, Eiger Glacier and JungfrauJoch. Moreover, several small-space concepts have been implemented, and a logistically optimally located production kitchen has been built in the V-Cableway terminal in order to increase the catering efficiency in our main business. Integrated catering can be seamlessly incorporated in the sales system. For example, table reservations and aperitifs can be ordered together with the train journey. Therefore, the IT concept aims at the digitised integration of all services that customers use during their journey – all of this under the motto “one journey – one ticket”.

A further focus is on shopping, which is already an integral part of the group’s offering. In this area, the presence is expanded along the tourist routes and hotspots, and the range of products is widened out. The Top of Europe – Flagship Store was set up in a central location in Interlaken. Rail Info – an important point of sale – is here embedded in a large, vibrant and entertaining shopping world.

DRIVER OF TOURIST DEVELOPMENT (SUSTAINABILITY)

The business models of the Jungfrau Railway Group are geared to the needs of a national and international clientele seeking a special mountain experience. Thanks to our unique appeal, we are perceived as a rewarding travel destination. To meet the expectations of this clientele, we need to be socially embedded in the region. As an integrated and cooperative company, the Jungfrau Railway Group is an important driver of the economic development of the region. In doing so, it takes into account the interests of the local population and the concerns of nature, which is an important resource for the tourism industry. The regional value cycles are kept in motion by Jungfrau Railways' value generation. In the course of the crisis in the financial year 2020, it has been possible to save labour costs through natural fluctuation and by implementing short-time working. Moreover, many employees are offered promotion and development opportunities. In line with the vision of the founder of Jungfrau Railway, the environment is to be preserved and kept accessible for future generations. The sustainability fund is actively managed for the communities of Grindelwald and Lauterbrunnen, and systematic measures are taken to protect the fauna and flora in the sphere of the V-Cableway.

This stakeholder approach of the Jungfrau Railway Group represents a veritable tourism development driver: the activity of Jungfrau Railways helps to strengthen the fields of retail, trade, agriculture and local infrastructure and provides a basis on which the hotel industry can continually rejuvenate itself. This has a positive effect on the attractiveness of the overall offering and thus on the international appeal of the Jungfrau Region. This in turn results in demand potential from which the Jungfrau Railway Group creates value that strengthens the local rooting through various partnerships, tax payments, salaries and investments.

OBJECTIVES, EXPECTATIONS AND METRICS

Despite the roadblock encountered in the form of the corona crisis, the company is determined to reach its goals once the crisis is over. This also applies to the financial targets newly defined last year. However, the achievement of these targets has been postponed for one or two years, as the main issue at present is to manage the crisis. In the meantime, the company endeavours to protect its cash and cash equivalents, to react to the constantly changing market situation with agility, and to achieve the highest possible positive EBITDA in the financial year 2021. Key indicators include the EBITDA achieved, the amount of debt capital subject to interest, and liquidity. With a view to these factors, the financing of the intergenerational V-Cableway project plays a key role. Thanks to the outstanding earnings in previous years, the amount of debt capital subject to interest, which is needed to finance the V-Cableway, will remain far below the defined maximum debt of CHF 120 million despite the corona crisis.

Our objectives continue to focus on securing the success of the Jungfraujoch – Top of Europe business segment – the region's main attraction and the group's highest-margin segment. Despite the persisting uncertainties, the Board of Directors remains focused on the goal of reaching pre-crisis levels in the medium term and to increase the average income in continuous increments. CEO Urs Kessler summarises this objective as follows: "12 months of peak season." In terms of the guests' willingness to buy and pay, this always means quality before quantity.

As of the completion of the V-Cableway, the quality of the Jungfrau Railway offering in the main segment has increased dramatically. The project was completed successfully, on time and without any accidents. Some remaining work will be done and the new workflows and processes will be refined and optimised in 2021. Thanks to the V-Cableway, the Jungfrau Railway Group will be able to offer guests an innovative, unique product, especially after the end of the corona crisis. However, for the full potential to be made use of, the markets must first return to normal. Thus, the comparison with other alpine offerings and the shifts in market shares are also important parameters. In terms of the quality development, the average price achieved is another key parameter.

The new organisation as of 1 January 2021 has resulted in the reorganisation and strengthening of the Executive Board, in which the departments are now also represented. This will help the company to master the crisis with expanded and joined forces. The objective is to seamlessly introduce the new organisation and to develop the broader Executive Board as a team.

In terms of the quality, the go-live of the V-Cableway means a re-entry to the top league of winter sports. In terms of the quantity, however, this will only take place when the situation returns to normal and in collaboration with the entire region, especially with the hotel industry. The plan is to again reach the highest visitor numbers of the previous decade under our own steam.

In the future, we will continue to respond to seasonal demand fluctuations by adjusting prices. In this context, the pricing must be transparent and comprehensible. These criteria can be met by determining different prices for different seasons. The online sales system continues to be developed with the aim of tapping the potential of the entire spectrum of devices and multimedia services. For this, new sales channels and successful platforms are used. The central sales system is being configured in such a way that it can handle the various

customer interfaces available today while also digitally supporting internal processes (such as drafting of offers, reservation, scheduling and billing). By means of digitisation, Jungfrau Railways is stepping up its market presence and the efficiency of its processes. In 2020, the system was mainly optimised for the integration of the new V-Cableway, but in the medium term, it is to be developed in other areas as well.

In the current year, an integrated sustainability strategy will be defined in the corporate social responsibility unit on the basis of selected SDG (sustainable development goals).

SPECIAL

SHAREHOLDER BONDING

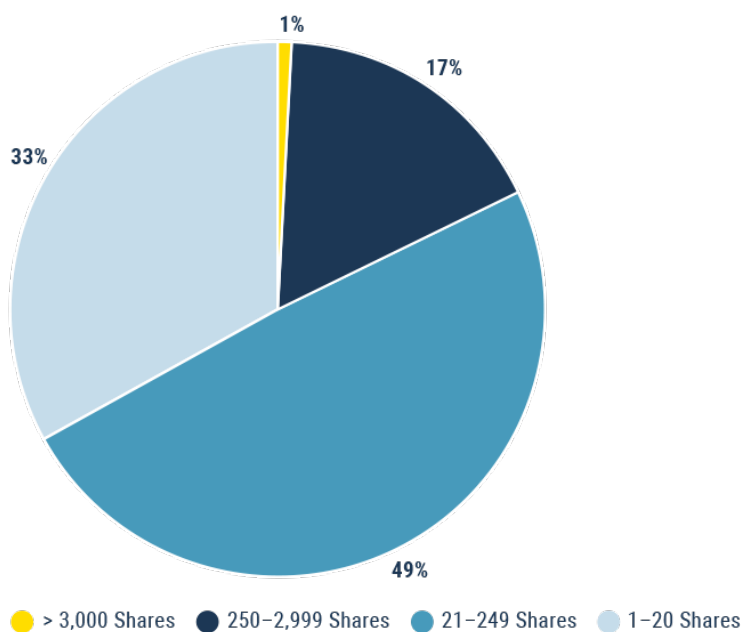
The shares of Jungfraubahn Holding AG are listed in the SIX Swiss Reporting Standard (JFN ISIN CH0017875789) and are managed as book-entry securities. Upon delivery, issued certificates are replaced by value rights. No new share certificates are issued.

In 2020, the shareholders were given the opportunity to visit one of the three Experience Mountains at a special price: Harder Kulm – Top of Interlaken, First – Top of Adventure or Winteregg – Top of Family. In total, 1,132 shareholders made use of this offer and were thus able to see for themselves how the Experience Mountains have developed.

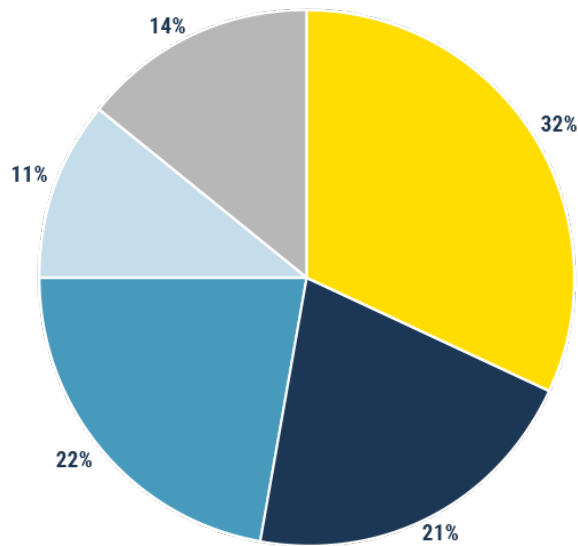
In 2021, the offering consists of two return tickets for Grindelwald Terminal–Eiger Glacier at a special price. In this way, the shareholders can view the new facilities in Grindelwald Grund and enjoy a trip on the new Eiger Express. The yearly shareholder offer does not represent an in-kind dividend. Rather, Jungfraubahn Holding AG also considers its shareholders as its ambassadors and encourages them to also get to know their company from the customer angle.

All shareholders who hold at least 250 shares are part of the shareholders’ club. Everybody who is listed in the share register of Jungfraubahn Holding AG with at least 250 shares as of the cut-off date (next date: 1 October 2021) automatically joins the club. The great trust that the shareholders place in the company is to be rewarded with special conditions that are announced on the internet .

Shareholder structure (quantity)



Shareholder structure (share of capital)



● Registration (from 175,050 Shares) ● >= 3,000 Shares ● 250-2,999 Shares ● 0-249 Shares per shareholder ● Dispo

V-CABLEWAY

Following the partial opening of the terminal and the go-live of the new 10-seat Grindelwald-Männlichen gondola in December 2019, the entire Jungfrau Railways team looked forward to the completion of the entire project in 2020. Unfortunately, the winter sports season 2019/2020 ended abruptly due to the pandemic (on 14 March 2020), which also resulted in the closure of the terminal. Moreover, the public was no longer permitted to access the information pavilion in Grindelwald Grund. Since the construction management implemented all officially imposed hygiene and distancing rules on all construction sites of the V-Cableway, construction work did not have to be stopped.

In late April 2020, one of the most important milestones in the intergenerational V-Cableway project commenced: the cable hoist for the Eiger Express tricable cableway. The preparation had taken several months, and the four suspension cables, with the traction cable having been transported to Grindelwald in several heavy transporters. The Eiger Express is the world's heaviest tricable cableway ever, as evident from the suspension cables, which have a diameter of 58mm and consist of 152 wires.



As the work on the construction sites continued in the reporting year 2020 despite the pandemic, the backlog was more than compensated. It was thus even possible to go live one week ahead of schedule. After the official restrictions were eased, the terminal and the information pavilion re-opened on 6 June, and the 10-seat Grindelwald-Männlichen gondola assumed its summer operations.

In mid-August 2020, the work on the cable hoist was completed. On the 25th of the month, the new ATRIA tricable cabin from CWA Constructions SA/Corp. in Olten was presented in the Zurich railway station, where passengers were given the opportunity to take a seat in the gondola and see how comfortable it is.

From the globally unique windows, passengers will be able to enjoy a matchless view of the famous Eiger North Wall from the gondola during the 15-minute ride

Urs Kessler, Chief Executive Officer



In September, the temporary supports were removed, and the first test runs were conducted with the Eiger Express. In October and November, the work in and around the buildings was completed on all construction sites. When the last construction site information was published in November 2020, it became clear that the big day that had been eagerly anticipated for more than two years was imminent.

On Saturday, 5 December 2020, after 908 days of construction, the time had come to officially launch the entire terminal. On the previous evening, a small inauguration ceremony was held with speeches by Federal Chancellor Walter Thurnherr, National Councillor Christoph Ammann, Prof. Dr. Thomas Bieger, Chairman of the Board of Directors and Urs Kessler, CEO of Jungfrau Railways. From the announcement on 19 December 2012 to the inauguration ceremony, the rollout of the intergenerational project had taken 2,908 days. Thus, the long and not always easy journey to a modern terminal with two cableway stations, shopping and food facilities, a sports shop, ski depots and a car park with more than 1,000 spaces had successfully been completed.

Here in Grindelwald, no mountain has been moved – the Eiger is still in its place. Nevertheless, this project involved a good measure of faith. This wonderful railway is the result of passion and enormous commitment, a focus on sustainability and attention to detail

Walter Thurnherr, Federal Chancellor



With a view to the future and the generations to come, a lot of emphasis was placed on state-of-the-art technology when designing and constructing the cableways and the new stations, but without losing sight of the unique landscape and sustainability. This was achieved thanks to tricable technology, which allows large distances to be traversed with just a few supports, backed by two support cables. This system also ensures wind stability, which meant no paths had to be cut through forests. Within the context of the environmental construction supervision, an agronomist monitored the success of the various replacement measures taken. This included the range of plant species used for re-planting, the consideration of the breeding season of ptarmigans when planning the construction phases and the creation of new breeding ponds for midwife toads in Grindelwald. From 2021 on, the sustainability fund will be used for projects that are accepted by society, sustainable, eco-friendly and economically beneficial. Moreover, most the projects are to serve the public welfare in Grindelwald and/or Lauterbrunnen and shall be rolled out in one of these two municipalities.



Despite the corona pandemic, the Jungfrau Railway Group looks to the future with confidence and is eager to see how tourism will continue to develop in the Jungfrau region – with the new terminal in Grindelwald, the Eiger Express tricable cableway and the 10-seat Grindelwald-Männlichen gondola.

ACKNOWLEDGEMENT

Christoph Schläppi

For 9,117 days or, in other words, for 25 years, Christoph Schläppi played a key role in shaping the development of Jungfrau Railways. When he joined the business in 1996, the digitisation trend had not yet begun, and the yearly number of visitors to Jungfrauoch was still far below half a million. Back then, the main objective was to gradually establish the legal structure of the company as we know it today. Among other things, this process resulted in the integration of the various small independent ski lifts and in the successful IPO. Other important work included the renewal of contracts and the settlement of compensation claims.

In his work, Christoph Schläppi made good use of his extensive legal expertise, his people skills, and his ability handle conflicts. His legal support in the many legally demanding projects including the recent V-Cableway project was always sound and results-oriented. Christoph Schläppi was increasingly entrusted with additional duties in the company, and at the end of 1998, he was appointed to the Executive Board as Head of Corporate Services. In collaboration with the Information and Communication department and the IT department, he carefully developed the legal unit into a strategically important pillar.

The tourism business is exposed to various risks. From the real estate crisis in the 1990s to SARS 2003 and the financial and Euro crisis up to the current corona crisis, Christoph Schläppi securely headed Corporate Services. The range of changes introduced by him includes the strengthening of compliance and the establishment of a basis for creating a compliance unit. For many years, he served as an effective link between the Executive Board and the Board of Directors, whose secretariat he managed in addition to his various executive duties. In this function, he always assisted the Chairman of the Board of Directors with advice.

We would like to thank Christoph Schläppi for his loyalty, his proactive approach, his support, his deep and broad range of professional skills and the time and emotions he invested in Jungfrau Railways, and we wish him all the best for the future.

Prof. Dr. Thomas Bieger, Chairman of the Board of Directors

Ueli Winzenried

Ueli Winzenried was first elected to the Board of Directors of Jungfraubahn Holding AG at the General Meeting on 16 June 2003. At this year's General Meeting, he will step down after 18 years of office and will not stand for re-election. This resignation takes place as part of the step-by-step reintroduction of the limit of 12 years on the term of office, which had been suspended during the planning and rollout of the V-Cableway.

In the context of the important Board of Director functions he had been entrusted with, Ueli Winzenried played a key role in this executive body over the past years. For example, he served as a member of the Remuneration Committee and as a member of the Audit Committee before he was appointed as its Chairman in 2017. From 2009 until the end of 2020, he also represented the employer in the Foundation Board of the staff pension fund of our railways, i.e. during the key autonomisation phase. Moreover, from 2017, he served as Vice-Chairman of the Board of Directors.

Thanks to work as CEO of Gebäudeversicherung Bern and other important mandates, Ueli Winzenried was able to leverage his valuable networks, e.g. for restructuring the anchor shareholders. His previous work in an international pharmaceuticals group enabled him to introduce international market competence in the target markets of Jungfrau Railways and other areas. His extensive business and finance skills were especially useful when evaluating the financial feasibility of the V-Cableway project from the investor perspective. In the field of risk management, he ensure vital impetus, e.g. with respect to the fire safety of the Jungfrau Railway tunnel.

We would like to thank Ueli Winzenried for his great commitment, his critical perspective, his constructive contributions and his cooperative spirit, and we wish him all the best for his social and professional future.

Prof. Dr. Thomas Bieger, Chairman of the Board of Directors

2

SEGMENTS

2.1	JUNGFRAUJOCH - TOP OF EUROPE	45
2.2	WINTER SPORTS	47
2.3	EXPERIENCE MOUNTAINS	50
2.4	AUXILIARY OPERATIONS	53

SEGMENTS

JUNGFRAUJOCH - TOP OF EUROPE

BUSINESS MODEL AND ENVIRONMENT

The Jungfraujoch – Top of Europe business segment is the company’s strategic core. The main attraction is the highest railway station in Europe, located 3,454 metres above sea level within the Swiss Alpine Jungfrau-Aletsch UNESCO World Heritage site. Visitors can experience a high-Alpine world amidst imposing mountain peaks, glaciers and snow. The cogwheel railway, which goes from Lauterbrunnen and Grindelwald to the high-Alpine meeting point at Kleine Scheidegg and continues through the massifs of Eiger up to the Jungfraujoch – Top of Europe, takes visitors from the world over to Switzerland’s main tourist attractions. Since 5 December 2020, the tricable cableway Eiger Express takes the guests in only 15 minutes from Grindelwald Terminal to the Eiger Glacier station, where they can transfer directly to the Jungfrau Railway. With its presence and research results, the International High Alpine Jungfraujoch and Gornergrat Research Station Foundation contributes to the attractiveness of the Jungfraujoch. Due to the corona crisis, the segment revenue of the financial year 2020 merely amounted to CHF 69.2 million, almost 54% less than in the previous year (CHF 149.8 million).

Jungfraujoch – Top of Europe is a comprehensive nature experience that is marketed as an integrated one-stop offering. Only a few supplementary and ancillary services are added as partner services (e.g. mountaineering, snow fun and Mönchslochhütte tours). Following the full integration of the catering facilities on Kleine Scheidegg at the end of 2017, the restaurants on Jungfraujoch and Eiger Glacier were also integrated at the end of 2019. Under normal circumstances, Jungfraujoch – Top of Europe is open 365 days a year. To ensure the quality of the offering, the number of visitors is limited, and a seat reservation system as well as modern rolling stock of the Jungfrau Railway and the Wengernalp Railway provide maximum travel comfort.



MARKET ASSESSMENT BASED ON RESULTS

The financial year 2020 was overshadowed by the corona pandemic. Following a very good start with plenty of visitors in January, the Jungfrau railway stood still for an extended period from mid-March, a situation that had not been witnessed since World War I. On 6 June 2020, after almost three months, Jungfrauoch – Top of Europe re-opened its gates to its visitors. The good weather during the summer months attracted many Swiss visitors to the Jungfrau region. For the first time, the deployment of the rolling stock and of the personnel was planned on a short-term basis according to the weather conditions. To meet visitor needs in the best way possible, the Jungfrau Corona Pass was launched in summer. With this pass, visitors were able to enjoy unlimited tours on the Jungfrau Railways routes and to Jungfrauoch – Top of Europe until the end of November 2020.

Due to the impact of the coronavirus pandemic and the closure for 83 days, only some 362,800 visitors came to visit Jungfrauoch – Top of Europe in the year under review. This corresponds to the average number of visitors back in the 1980s. The resulting transport revenue amounted to CHF 41.5 million, a year-on-year slump of almost 66%.

Thanks to the go-live of the tricable cableway Eiger Express, the trip to Jungfrauoch has become much faster, providing visitors with a more suitable, flexible travel experience. The new railway underlines the long-term strategic orientation of the Jungfrau Railway Group and strengthens the company's position in the international arena, even in times of great uncertainty.

The integration of the catering businesses along our main axis to Jungfrauoch represents the next step of the rollout of our strategy to become an integrated tourism enterprise with the goal to offer guests a one-stop tour programme including catering services. Two years ago, the first business, Bergrestaurant Kleine Scheidegg, was transferred to Jungfrau Gastronomie AG. On 1 November 2019, the group assumed operation of the restaurants on Jungfrauoch and Eiger Glacier. The catering business was also severely affected by the measures to curb the corona pandemic. Some of the facilities were closed, guest restrictions were introduced or the services were limited to take-away offerings. The official measures and the lower demand resulted in a loss of CHF 2.6 million in this field.

The Jungfrau Railway Group is constantly expanding its souvenir business. On 5 December 2020, a new Top of Europe shop opened in the Grindelwald terminal. The new shop joins the line-up of shops on Jungfrauoch, on First as well as the flagship store in Interlaken, which had been established in 2019. The shops were greatly affected by the measures to curb the pandemic. Apart from the partial closure, the sharp decline in the number of visitors and the focus of the product range on foreign tourists, which hardly appeals to Swiss visitors, resulted in a revenue slump of 70%. In 2020, Top of Europe shops generated revenue of CHF 2.6 million.

WINTER SPORTS

BUSINESS MODEL AND ENVIRONMENT

The Jungfrau Ski Region is a joint venture in which the Jungfrau Railway Group holds more than 60%. The Jungfrau Ski Region fare network, which covers the sub-areas of Grindelwald-First, Kleine Scheidegg-Männlichen and Mürren-Schilthorn, comprises 12 companies. With their tickets, sports enthusiasts can use the facilities throughout the destination. In terms of the number of visitors and skiing mileage, the ski area is one of the largest in Switzerland.

The Jungfrau Ski Region earns approximately half of its winter sports income from visitors who spend their winter holidays in the area. The region's breath-taking nature and diversified range of slopes with a variety of long valley runs are renowned around the globe. The ski areas are directly accessible from the historic holiday resorts of Grindelwald, Wengen and Mürren. The region also features superb winter hiking and sledging offering. In view of the high demand, this offering has been continually expanded.

Day-trippers, who account for the other half of the winter sports customers, are more focused on the sporting activities. This results in a need to ensure the quality of the slopes and the capacity of the access and transport routes (e.g. parking). The focus on children remains strong. In the winter of 2019/2020, the "Kids Ride Free on Saturdays" promotion was used 11,883 times. The Jungfrau Ski Region has also taken part in the "Kids4free" campaign of Switzerland Tourism, which aims at making skiing more attractive for families and children.

Jungfrau Railways is the specialist for access and service facilities, slopes and fun parks in the ski area. The others parts of the value chain are covered only partially or in cooperation with other providers. We offer rental equipment within the scope of a joint venture with local sports retailers, the Intersport Rent Network. Thus, we cooperate closely with regional businesses, hotels, retailers and local tourism organisations.

MARKET ASSESSMENT BASED ON RESULTS

Despite the abrupt end of the winter sports season on 14 March 2020, the entire Jungfrau ski region merely recorded a year-on-year decline of 16% in the number of guest visits. The Jungfrau Railway Group generated transport revenue of CHF 22.2 million (previous year: CHF 23.5 million) from the winter sports business.

In the highly competitive and saturated winter sports market, destinations with guaranteed snow, good quality, a variety of pistes and high standards enjoy a solid position. New offerings and price models can accommodate the trend towards short-termism and spontaneity. At the same time, however, offerings that bind customers at an early stage or for a longer time period are becoming increasingly important. In this context, the fact that the Jungfrau Ski Region cooperates with the major ski areas of the Bernese Oberland and has launched a season pass that is very inexpensive when purchased in advance (Top4 for CHF 777) plays an important role. Due to the ongoing uncertainty as to whether the ski regions would be permitted to assume or continue operations during the coronavirus pandemic, advance season pass sales (including Top4) were weaker than in past years, though a money-back guarantee was introduced in view of the extraordinary situation. Thus, a pro-rata refund was guaranteed in the event of a lockdown and resulting closure of all Top4 ski areas from 1 December 2020 to 5 April 2021. Up to 24 December 2020, some 28,400 Top4 passes were sold (previous year: 42,200).

The winter sports business with guests is affected by the coronavirus pandemic and the resulting drop in hotel occupancy. The Jungfrau Railway Group continues to promote this business by continually improving the integration of touristic services. In particular, efforts are made to supplement the value chain. In this connection, the Jungfrau Railway Group – as an integrated tourism company – continues to expand its activity spectrum in the value chain with the new V-Cableway terminal, namely by improving the services in the field of ski storage rental, ski school and catering services for winter sports enthusiasts. On 5 December 2020, the Eiger Express went live, enabling an early start of the winter sports season – a positive sign in this time that is so difficult for the tourism sector.

START INTO 2021

The number of guest visits to the Jungfrau Ski Region from 1 January to 28 February 2021 underwent a decline of 30% (previous year: leap year with 29 days in February). The Jungfrau Railway Group is committed to continuous quality improvement. Thanks to the go-live of the entire Grindelwald terminal and of the new tricable cableway Eiger Express railway on 5 December 2020 and the resulting direct connection to public transport, travel times have become much shorter. For winter sports guests, this means more comfort and more time on the slopes of the Jungfrau Ski Region. However, due to the closure of the catering facilities in late 2020 by official order, this potential could not be utilised. Especially on cold days, the average time that the guests spent in the ski area dropped significantly due to the closure of the restaurants.



EXPERIENCE MOUNTAINS

BUSINESS MODEL AND ENVIRONMENT

The Experience Mountains are a strategic ancillary offering. The mountain railways and the adventure worlds, some of which have been specially created and maintained by these railways, form a solid basis for the local tourism industry and the agriculture networked with it. They thus create added value for the entire region by providing a reason to stay longer in the area, to stay overnight or to spend a traditional sports and hiking holiday. In the effectively strengthened, intact and vibrant environment, our primary offering Jungfrauoch – Top of Europe, too, can be positioned more successfully.

The Experience Mountains segment includes the following attractions:

- Grindelwald-First, Top of Adventure
- Harder Kulm, Top of Interlaken
- Winteregg-Mürren, Top of Family

The Jungfrau Railway Group supplements its offering with the following partnerships: Kleine Scheidegg-Eiger Glacier (from the Jungfrauoch – Top of Europe segment), Schynige Platte Railway (a railway of the alliance partner Berner Oberland-Bahnen AG), Grindelwald-Männlichen gondola (shareholding of 35.5%), the Wengen-Männlichen cable car and Grindelwald bus. The multi-day Jungfrau Travel Pass is available as a connecting element. This opens up the wide range of excursion destinations for guests and is valid for up to six consecutive days.

MARKET ASSESSMENT BASED ON RESULTS

All Experience Mountains, which include excursion transport to Harder Kulm, First and Winteregg-Mürren, the Jungfrau Railway Group, suffered a painful earnings decline. The total transport income slumped by 50%. Year on year, Harder Railway recorded a decline of 56.8% in transport income, First Railway lost 47.2%, and the Lauterbrunnen-Mürren Mountain Railway incurred a loss of 46.5%. In total, the Experience Mountains generated transport income of CHF 12.6 million.

To keep the Experience Mountains attractive even during the corona crisis, the Jungfrau Corona Pass was launched in summer, as already mentioned above in the information on the Jungfraujoch – Top of Europe segment. With this pass, visitors were able to enjoy unlimited tours on the railway routes until the end of November 2020. Short-term visitors were offered the Top of Europe Pass, which enabled an unlimited number of rides on three consecutive days in the realm of the Jungfrau Railways (including one return trip to Jungfraujoch). From November 2020, this offering was followed by the Jungfrau Corona Winter Pass, which offers all visitors who do not engage in skiing or snowboarding an alternative to the season pass.

OUTLOOK

Weather plays an important role in determining the demand in this segment. However, in terms of the meteorological conditions, the segment's products are positioned very favourably, and combinations with the other segments can also be offered. The deployment of the personnel is planned on a short-term basis in order to enable a flexible, quick response to weather conditions. This good constellation provides a basis to hope for a more positive performance in the financial year 2021.



AUXILIARY OPERATIONS

POWER STATION

The power station supports the independence of the Jungfrau Railway Group with regard to energy, one of the most important resources, and provides services in the field of energy supply. With an annual output of 60 GWh, the balance for 2020 is positive, especially in view of the fact that the two machines stood still for six weeks in winter for a major overhaul.

PARKING LAUTERBRUNNEN

Thanks to its excellent location at the railway junction, the Lauterbrunnen multi-storey car park is the central hub for transfers between individual transport and the car-free resorts of Mürren and Wengen. In the reporting year, the car park utilisation averaged 68.1%, a year-on-year increase of 0.6%. Rental income in 2020 amounted to CHF 2.3 million. The Lauterbrunnen multi-storey car park was the only operation of the Jungfrau Railway Group that did not suffer from the corona crisis, as many visitors preferred to come by car rather than by public transport.

JUNGFRAUBAHNEN MANAGEMENT AG

Jungfraubahn Holding AG holds Jungfraubahnen Management AG for the provision of the management infrastructure as well as services of specialist and support units. The most important asset of this company is the central IT infrastructure of Jungfrau Railways. The compensation of CHF 4.8 million that Jungfraubahnen Management AG receives from third parties for its services results from cost allocation, especially from the collaboration with Berner Oberland-Bahnen AG and direct billing of services. This company increasingly also generates commission income from online sales, especially of tickets.

3

FINANCIAL REPORT

3.1	JUNGFRAU RAILWAY GROUP	59
3.2	DEVELOPMENT	90
3.3	GROUP STRUCTURE	94
3.4	JUNGFRAUBAHN HOLDING AG	95
3.5	SUBSIDIARIES	103

FINANCIAL REPORT

JUNGFRAU RAILWAY GROUP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the first time in its history, in 2020 the Jungfrau Railway Group suffered a loss. The loss of CHF 9.7 million in the 2020 coronavirus year is in stark contrast to the record profit of CHF 53.3 million in 2019.

The Jungfrau Railway Group is optimally established on global tourism markets but suffered from the immediate halting of international travel following the global spread of the coronavirus in spring 2020. Subsequently, the operation of the tourist facilities had to be suspended for almost three months due to official conditions aimed at combating the pandemic. Following the lifting of lockdown, business with Swiss guests and visitors from surrounding countries developed positively. However, as expected, this was far from being able to compensate for the loss of guests from Asia.

Overall, the Jungfrau Railway Group posted operating income of CHF 125.7 million, which equates to a fall of CHF 97.6 million compared to the record year of 2019. Transport revenue amounted to CHF 75.6 million, which is down CHF 86.2 million against the previous year. With a drop of 65.6%, transport revenue from the most important segment, JungfrauJoch – Top of Europe, was hardest hit. Experience Mountains transport revenue fell by around half, while transport income from winter sports passes declined by only 5.2%.

Thanks to the rapid introduction of savings measures and use of the short-time work option, it was possible to reduce operating expenditure by 14.1% to CHF 103.4 million – despite the fact that additional new business operations were taken on in the reporting year thanks to the takeover of the gastronomy enterprises on the JungfrauJoch and the operational management of the Grindelwald-Männlichen cableway.

In an extremely challenging environment with a historically unprecedented pandemic, which completely destroyed the largest segment of international customers, those from Asia, in addition to imposing a lockdown lasting almost three months, the positive EBITDA of CHF 22.3 million is pleasing. In view of the completion of the V-Cableway – a once-in-a-generation project – and the assumption of new business activities, a positive EBITDA underlines the robust business model of the Jungfrau Railway Group.

Depreciation and amortisation amounted to CHF 33.5 million. Accordingly, EBIT came to CHF –11.2 million and the annual loss was CHF –9.7 million. Cash flow amounted to CHF 22.4 million, while cash flow from operating activities was CHF 30.4 million.

Alongside the operational challenges caused by the pandemic, the completion of the V-Cableway project was the focus in 2020. Through the opening of the most state-of-the-art terminal in the Alps, the new multi-storey car park and the ultra-modern tricable cableway Eiger Express gondola on 5 December 2020, the intergenerational project successfully commenced operations.

The Jungfrau Railway Group's total investment volume last year was CHF 123.7 million. Of this, CHF 91.3 million was accounted for by the V-Cableway project. In total, the company has invested around CHF 340 million in the once-in-a-generation project to date, which includes the core elements of the Eiger Express, terminal and multi-storey car park, as well as the Wengernalp Railway and Jungfrau Railway rolling stock upgrades that had already been completed. There is still more investment to come. Overall, costs are expected to exceed the original planning by around 10%.

The Jungfrau Railway Group's second major project is the Lauterbrunnen-Mürren Mountain Railway upgrade, which is being financed directly or indirectly by the Canton of Berne. Costs amounting to a good CHF 50 million are estimated for the overall upgrade of Mürren Railway. In the reporting year, CHF 9.9 million was invested in the expansion of Grütschalp station and garage, as well as in the modernisation of Winteregg station. Three low-floor multiple-unit trains were also ordered at the end of the year, which will be put into operation in 2023.

The station concourse on the Jungfraujoch will be under renovation until spring 2021. CHF 7.1 million was invested in this in the reporting year. For the Harder Railway, the drive and control of the funicular were upgraded in 2020, triggering investments of CHF 1.6 million.

The consolidated balance sheet as of 31 December 2020 shows equity of CHF 597.0 million. This results in a very solid equity ratio of 72.9%. Borrowed capital of CHF 221.7 million includes financial liabilities of CHF 109.3 million. Only CHF 45.0 million of these are in the form of interest-bearing bank liabilities. The remaining CHF 64.3 million relates to non-interest-bearing loans from the public sector for the financing of railway infrastructure, the majority of which is only conditionally repayable.

DETAILS OF INDIVIDUAL SEGMENTS

During the first year of the pandemic, **Jungfrauoch – Top of Europe** remained the most significant segment of the Jungfrau Railway Group, despite the fact that the negative impacts of the corona pandemic were most serious in this segment. Net sales declined by CHF 80.6 million or 53.8% to CHF 69.2 million. Following a strong start to the year with record visitor numbers in January, demand began to weaken in February. Following the closure ordered by the authorities from 14 March to 5 June 2020, the guest structure through to the end of the year was no longer comparable with the time before the corona pandemic. Group travel fell away completely, and international guests were largely absent. This meant that the number of visitors to the Jungfrauoch fell by 65.6% to 362,800. The results of the gastronomy establishments and Top of Europe shops also suffered from the considerable drop in guest numbers. This segment as a whole saw EBITDA drop to a mere CHF 3.1 million, which equates to a fall of 95.6% in comparison to the previous year.

The pandemic likewise had a significant negative impact on the **Experience Mountains** segment. Net sales fell by 48.4% to CHF 16.8 million and EBITDA by 69.0% to CHF 5.8 million. All railways – Harder Railway, First Railway and Lauterbrunnen-Mürren Mountain Railway – saw considerable drops in sales. The losses suffered during lockdown could not be compensated for by pleasing visitor numbers due to numerous Swiss guests in the summer months.

The impact was felt least in the **winter sports segment**. While the number of skier visits for the Jungfrau Ski Region as a whole fell in comparison with the previous year by 16.0% to 898,400 due to the abrupt end to the season on 14 March 2020, the Jungfrau Railway Group's share of the region's transport revenue fell by only 5.2% to CHF 22.2 million. With net sales of CHF 29.7 million, the winter sports segment achieved an EBITDA of CHF 3.7 million, which equates to an increase of CHF 2.0 million in comparison to the previous year.

STRATEGIC FINANCIAL TARGETS

The strategic financial targets of the Jungfrau Railway Group reflect the orientation towards long-term goals and the policy of a value-based company (value stock). In the course of the V-Cableway realisation, the financial targets were reviewed and aligned with the time after entering into full operation. The system of targets is clear and simple.

The Jungfrau Railway Group will continue to strive for development and financing based on solid results in the future. Investments should continue to be financed from self-generated funds wherever possible. In the future, interest-bearing debt capital will continue to be raised only in a limited scope and only for operational investments. The Jungfrau Railway Group thus underlines its claim to be solidly financed and to be able to act independently of outside capital providers at all times. In addition, the scope for distributions is expanded.

Prior to the outbreak of the corona pandemic, the Board of Directors had formulated the following financial targets for the period after the inauguration of the V-Cableway:

Key figure	Target value	2020
Return on sales	≥ 18%	-7.7%
EBITDA margin	≥ 40%	17.7%
Payout ratio	35% – 60%	0.0%
Cumulative free cash flow 2014–2023	≥ CHF 150 Mio.	
Interest-bearing borrowed capital	≤ 10%	5.5%

During the pandemic, the financial targets, which are geared to the long term, are not achievable in their entirety. The duration, severity and consequences of the pandemic cannot be conclusively assessed at present. Accordingly, the financial targets cannot be used to assess corporate performance either for the reporting year or for the financial year 2021. For the duration of the pandemic, the Board of Directors and the Executive Board are focusing on the establishment of a positive EBITDA on the level of the consolidated financial statements. This will guarantee that the Jungfrau Railway Group can ensure its liquidity at all times and that no cash drain will take place.

Following the normalisation of global tourism markets, the financial targets that had been defined can be drawn on again. Should the global markets recover only very slowly after the pandemic, contrary to expectations, it will be necessary to review the financial targets.

RISK MANAGEMENT AND ICS

Within the framework of the risk management, Jungfrau Railways examines possible events whose occurrence could jeopardise the achievement of its strategic goals and the associated financial objectives. We assess such events in terms of their probability of occurrence and their likely impact on EBIT. Such events may affect the commercial success, partnerships, reputation, organisation (especially personal safety, physical assets, availability, integrity, confidentiality of data and the protection of expertise), finances, governance and compliance. The risk management identifies both opportunities and threats. Strategic risks are regularly discussed as part of the Board of Directors' so-called SWOT analysis. In the Management Report, we mainly focus on the commercial challenges (see message from the company management/opportunities and risks).

Jungfrau Railways has an internal control system (ICS) that meets the statutory requirements. With this instrument, we firstly check the compliance with processes and the integrity of data in the highly sensitive area of finance and secondly, we ensure reporting accuracy and reliability.

The IT security policy of Jungfrau Railways follows a best-practice approach. The rules are defined in the IT security policy, the IT security guidelines for employees, the IT password guidelines and the user authorisation concept. In addition, special service levels are defined for all business-relevant applications in line with the respective risks, and the change process is monitored by a specialist group. Moreover, an IT audit has been conducted for review and further development purposes. The results have been analysed, and a project has been launched to implement suitable measures. The in-house data protection officer oversees the 60-odd data repositories that include sensitive personal data, advises the data controllers regarding the handling of these data and reports to the Executive Board at least once a year on data protection concerns and the investigation results and conclusions drawn. In this context, Jungfrau Railways takes the strict EU General Data Protection Regulation (GDPR) into consideration, though the Swiss law has moderate regulations.

The risk management is embedded in the company's general process landscape. The process organisation determines the responsibilities and makes sure that relevant measures are planned and implemented. The risk index (risk catalogue) forms the central basis for the formal risk process. The risks are assessed by financial impact and probability of occurrence and categorised based on their importance for the company (risk profile). The risk catalogue of Jungfrau Railways provides an overview of the operational risks and is revised annually. The Board of Directors discusses and supplements the strategic risks at least once a year and whenever required. The strategic catalogue has always included the possibility of a pandemic, a risk that is currently a major concern. What this means in concrete terms is described by the company management in its current message in the management report. The external and internal audit activities are closely linked to the risk management. In addition to internal audits, which are used by the Executive Board to check certain areas for risks, Jungfrau Railways is subject to regular external audits by the Swiss Federal Office of Transport, Suva and the certification body for quality management according to ISO 9001/2015. Additionally, the Board of Directors decided to institute an internal audits unit from 1 January 2021. This function will be carried out in the future from the Gfeller & Partner AG, Bern and Langenthal.

In its recent SWOT analysis, the Board of Directors has explicitly taken the increasing regulatory density and the growing public awareness of compliance issues into consideration. This has resulted in efforts to continuously improve the compliance. While the safety of our employees and our clients remains as before our top priority,

the company is also continually faced with additional legal and regulatory requirements in all kinds of areas. It is a challenge for Jungfrau Railways to duly meet all rules and to even set standards in some areas while not allowing the costs to get out of control and not impairing innovation. With these objectives in mind, a compliance management system (CMS) was started to be built up in 2019. In February 2020, the new Jungfrau Railways Code of Conduct was adopted by the Board of Directors. Structural measures were taken in the course of the year in view of the comprehensive reorganisation of the entire management as of 1 January 2021. This also includes the creation of an additional position as a compliance officer who will take care of the implementation as well as the further development of the CMS.

In this area too, the current corona crisis is keeping the company management occupied. In the wake of the materialised risk of a pandemic, the consequences have been newly assessed and repositioned in the risk matrix. An in-depth examination of the topic of a demand slump in the field of international tourism has shown that the reasons that lead to this situation should be presented in a differentiated way and in the form of two separate risks in the risk matrix. The adjustment of the risk catalogue is under way and will be submitted to the Board of Directors in the current financial year 2021.

The failure of projects continues to be a significant risk position in the catalogue of an inherently investment-driven transport company that must maintain and constantly renew cableways and railways. The large V-Cableway project was successfully inaugurated and commissioned. Until all work is completed (including dismantling of the cableway infrastructure) and the final accounting can take place, systematic project control must continue. Steering Committee meetings continue to take place, though at longer intervals, in order to guide and ensure the conclusion of the project in a timely manner. The company management has adjusted the risk position in order to accommodate future projects beyond the V-Railway project.

CONSOLIDATED BALANCE SHEET

At 31 December

CHF (thousands)	Note	2020	%	2019	%
Assets					
Current assets					
Liquid funds		20,016		57,432	
Receivables from deliveries and services	1	5,489		13,953	
Other current receivables	2	4,710		12,331	
Inventories souvenir shops and catering		3,248		2,704	
Accrued income	3	12,605		9,349	
Total current assets		46,068	5.6%	95,769	12.5%
Fixed assets					
Financial assets	4	7,106		7,130	
Tangible assets	5	750,579		655,663	
Intangible assets	6	14,928		10,275	
Total fixed assets		772,613	94.4%	673,068	87.5%
Total Assets		818,681	100.0%	768,837	100.0%
Liabilities					
Outside capital					
Liabilities from deliveries and services	7	46,292		38,238	
Current financial liabilities	8	46,162		740	
Other current liabilities	9	7,416		4,805	
Current provisions	10	1,360		2,266	
Deferred income	11	18,777		23,981	
Total current borrowed capital		120,007	14.7%	70,030	9.1%
Non-current financial liabilities	8	63,090		50,339	
Other non-current liabilities		429		436	
Non-current provisions	10	38,183		40,723	
Total non-current borrowed capital		101,702	12.4%	91,498	11.9%
Total borrowed capital		221,709	27.1%	161,528	21.0%
Equity					
Share capital	24	8,753		8,753	
Capital reserves		-1,214		-980	
Treasury shares	24	-524		-144	
Retained earnings		585,982		595,209	
Equity shareholders of Jungfraubahn Holding AG		592,997		602,838	
Minority interests		3,975		4,471	
Total equity		596,972	72.9%	607,309	79.0%
Total liabilities		818,681	100.0%	768,837	100.0%

CONSOLIDATED INCOME STATEMENT

1 January to 31 December

CHF (thousands)	Note	2020	2019
Operating income			
Transportation revenues	12	75,643	161,807
Compensation received from government	13	8,124	10,551
Sale of energy		8,915	10,043
Souvenir shops		2,557	8,751
Catering and accommodation		7,785	5,723
Service income		8,689	8,722
Rental income	14	8,441	8,550
Other income	15	5,497	9,163
Total operating income		125,651	223,310
Operating expenses			
Cost of goods	16	-3,588	-5,583
Purchase of energy		-2,104	-2,305
Personnel expenses	17 - 19	-56,807	-62,090
Other operating expenses	20	-40,890	-50,374
Total operating expenses		-103,389	-120,352
EBITDA		22,262	102,958
Depreciation and amortisation			
Depreciation of tangible assets	5	-31,126	-33,166
Amortisation of intangible assets	6	-2,324	-2,288
Total depreciation and amortisation		-33,450	-35,454
EBIT		-11,188	67,504
Financial result			
Financial expenses	21	-769	-254
Results from associated companies		-2	-7
Financial income	22	324	452
Total financial result		-447	191
Result before tax		-11,635	67,695
Income taxes	23	1,954	-14,351
Annual result		-9,681	53,344
Shareholders of Jungfraubahn Holding AG		-9,227	52,976
Minority interests		-454	368
Result per share			
Shares issued		5,835,000	5,835,000
Average balance of time-weighted treasury shares		-7,760	-20,138
Average number of time-weighted outstanding shares		5,827,240	5,814,862
Undiluted and diluted result per share	CHF	-1.58	9.11

CONSOLIDATED CASH FLOW STATEMENT

1 January to 31 December

CHF (thousands)	Note	2020	2019
Annual result		-9,681	53,344
Depreciation of tangible assets	5	31,126	33,166
Amortisation of intangible assets	6	2,324	2,288
Change of provisions	10	-3,446	-292
Book profits from the sale of fixed assets		-8	-70
Book profits from the sale of financial assets		0	-2
Value adjustment of financial assets	4	33	0
Results from associated companies		2	7
Badwill from the acquisition of subsidiary shares	22	-10	-112
Other non-cash items [1]		2,066	2,368
Cash flow before change in net current assets		22,406	90,697
Decrease in receivables from deliveries and services		8,464	684
Decrease in other current receivables	2	7,621	9,342
Increase in inventories		-544	-920
Increase in accrued income	3	-3,256	-2,734
Decrease / increase in liabilities from deliveries and services [2]		-1,743	2,426
Increase / decrease in other short-term liabilities	9	2,611	-2,784
Decrease / increase in deferred income	11	-5,204	375
Cash flow from operating activities		30,355	97,086
Investments in tangible assets [2]	5	-116,675	-114,826
Investments in financial assets	4	-20	-840
Investments in intangible assets [3]	6	-7,022	-3,740
Divestment of tangible assets	5	11	807
Divestment of financial assets	4	9	2
Cash flow from investing activities		-123,697	-118,597
Free cash flow		-93,342	-21,511
Increase in financial liabilities	8	58,661	10,971
Repayment of financial liabilities	8	-487	-1,903
Deposit right of use Terminal Grund	8	0	440
Purchase of minority shares		-2	-2
Investment in treasury shares incl. transaction costs		-3,158	-2,645
Divestment of treasury shares		937	1,007
Transaction costs for divestment of treasury shares		-2	-3
Profit distribution to minority interests		-23	-39
Profit distribution Jungfraubahn Holding AG		0	-16,273
Cash flow from financing activities		55,926	-8,447
Change in liquid assets		-37,416	-29,958
Liquid funds 1 January		57,432	87,390
Liquid funds 31 December		20,016	57,432
Change in liquid assets		-37,416	-29,958

[1] Equity compensation programme for administration board, management and employees. [2] Liabilities from deliveries and services include kCHF 29,585 (previous year kCHF 19,788), which relates to investing activities. The accrued cash outflow will be in 2021. [3] The investments in intangible assets of the previous year include goodwill of TCHF 762 from the takeover of Restaurationsbetriebe Jungfrauoch AG, which was merged with Jungfrau Gastronomie AG on 1 November 2019.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

At 31 December

CHF (thousands)	Note	Share capital	Capital reserves	Treasury shares	Retained earnings	Equity shareholders of Jungfraubahn Holding AG	Minority interests	Total equity
Equity at 01/01/2019		8,753	-1,425	-440	558,506	565,394	4,266	569,660
Purchase of treasury shares	24		-7	-2,638		-2,645		-2,645
Sale of treasury shares	24		452	2,934		3,386		3,386
Annual result					52,976	52,976	368	53,344
Dividends					-16,273	-16,273	-39	-16,312
Purchase of subsidiary shares						0	-124	-124
Equity at 31/12/2019		8,753	-980	-144	595,209	602,838	4,471	607,309
Purchase of treasury shares	24		-6	-3,152		-3,158		-3,158
Sale of treasury shares	24		-228	2,772		2,544		2,544
Annual result					-9,227	-9,227	-454	-9,681
Dividends					0	0	-23	-23
Purchase of subsidiary shares						0	-19	-19
Equity at 31/12/2020		8,753	-1,214	-524	585,982	592,997	3,975	596,972

ANNEXES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

General information

The consolidated financial statements are prepared on the basis of commercial operating values and in accordance with accounting recommendations (Swiss GAAP FER) and the Swiss Stock Corporation Act. They provide a true and fair view of the Group's net assets, financial position and results of operations. Consolidation is based on audited and unified financial statements prepared by the Group companies.

The financial statements of Jungfraubahn Holding AG and the consolidated financial statements of the Jungfraubahn Group were approved by the Board of Directors on 7 April 2021.

Closing date

The uniform closing date for all companies included in the consolidation is 31 December. The associated company Skilift Bumps AG is an exception to this rule (30 June). As in previous years, Skilift Bumps AG due to the lesser importance of the company does not have to prepare interim financial statements as at 31 December.

Scope of consolidation

The consolidated financial statements include the financial statements of Jungfraubahn Holding AG and its holdings. The holdings of the Group can be seen in the comment "0 Scope of consolidation" below. The holdings are broken down as follows:

Group companies

Group companies are companies in which Jungfraubahn Holding AG has a direct or indirect share of more than 50 per cent.

Associated companies

Associated companies are companies in which Jungfraubahn Holding AG holds 20 to 50 per cent.

Non-consolidated holdings

Non-consolidated holdings (up to 20 per cent) are reported under "financial assets".

Consolidation method

Group companies

Assets and liabilities, as well as expenses and income, are 100 per cent accounted for according to the full consolidation method. Capital consolidation is carried out according to the Anglo-Saxon method (purchase method). Goodwill paid in connection with a share acquisition is usually depreciated over 5 years, in justified cases over 20 years. A passive difference (badwill) is credited to the income statement in the financial year.

The minority interests in equity and income are shown separately on the balance sheet and the income statement. Receivables, liabilities as well as deliveries and services between group companies, including resulting profits, are eliminated.

Associated companies

These companies are included in the consolidated financial statements using the equity method less value adjustments necessary for economic reasons.

Non-consolidated holdings

The non-consolidated participations reported in the "financial investments" are valued at the acquisition cost less value adjustments necessary for economic reasons.

Valuation principles

Balance sheet items are valued according to uniform guidelines. The valuation is based on the acquisition or production costs (principle of historical costs). The most important rules for the various items are set out below:

Foreign currencies

The conversion of positions in foreign currencies is carried out according to the closing rate method. The effects from foreign currency adjustments are recorded in the period result.

Receivables

Receivables are stated at the nominal value less value adjustments necessary for economic reasons.

Inventories

In particular, articles sold in souvenir shops and inventories of restaurants are included in this item. The valuation is carried out at acquisition cost or - if this is lower - at the realisable disposal value. Any discounts are recorded as a reduction in acquisition costs. Consumables and operating materials are reported as "deferred accruals" in the sense of prepaid expenses.

Tangible assets

Property, plant and equipment and spare parts are recognised at acquisition or production values and amortised using the straight-line method over the estimated period of their use (spare parts corresponding to the period of the related property, plant and equipment). Land is not amortised. The planned useful lives for:

Investment item	Years
Railway stations	50
Depots and workshops	50
Railway substructure and superstructure	25 – 80
Gondola lift, chairlift and ski lift stations	20 – 50
Ski slopes and fixed snowmaking equipment	10 – 30
Hiking trails and climbing routes	20 – 30
Power plant and technical water buildings	50 – 80
Restaurants and accommodation	10 – 50
Car parks and parking spaces	20 – 50
Residential buildings	50
Administration buildings	50
Other buildings	50
Railway installations	15 – 40
Gondola lifts	30
Chairlifts and ski lifts	10 – 30
Snowmakers	6 – 10
Power plant and technical water facilities	10 – 40
Other facilities	10 – 40
Rail vehicles	30
Slope vehicles	6
Cars	4 – 10
Other vehicles	4 – 10
Office equipment	5 – 8
Devices and tools	5 – 10
IT equipment	5 – 20
Communication equipment	5 – 20

Impairment

On each balance sheet date, an assessment is made as to whether there are any signs of impairment of the book values of the Jungfraubahn Group's assets. If there are any signs, the recoverable value of the assets is determined. An impairment loss is recognised in profit or loss.

Financial assets

Financial assets are stated at acquisition costs, less value adjustments necessary for economic reasons.

Intangible assets

Intangible assets (software, concessions and rights as well as goodwill) are recognised at cost and depreciated over the estimated or contractually determined useful lives. The planned useful lives for:

Investment item	Years
Software	5 – 10
Concessions and rights	15 – 100
Goodwill	5

Liabilities

Liabilities are stated at their nominal value.

Provisions

Provisions are probable obligations that are based on events in the past, the amount and / or maturity of which is uncertain but can be estimated. The valuation is based on uniform business management criteria.

Sales realisation

The revenues of the Jungfraubahn Group stem mainly from the sale of travel tickets (transport income), other important sources of income are the compensation received from government and energy sales. Transport income is realised with the completion of the sales transaction in the sales system and posted in the corresponding period. Proceeds from long-term travel tickets are deferred on a monthly basis and are settled over the entire duration of the travel tickets.

Taxes

Current taxes on profits are deferred on the basis of the business results reported in the reporting year according to the principle of current-year measurement.

For deferred taxes, all differences between tax rates and group values are measured at full tax rates and reported in the balance sheet (comprehensive liability method). The currently applicable tax rate for each company is used for the calculation of the deferred tax burden. Deferred tax assets on tax-deductible losses carried forward are not capitalised but shown in the Notes.

Employee pension funds

The employees of the Jungfrau Railway Group except for Jungfrau Gastronomie AG and part of Grindelwald Grund Infrastruktur AG are insured with the legally independent staff pension foundation of Jungfrau Railways. The employees of Jungfrau Gastronomie AG are connected to the GastroSocial Pension Fund, and part of the employees of Grindelwald Grund Infrastruktur AG with the Nest Joint Foundation. The purpose of all three funds is to insure the employees against the economic consequences of age, death and disability. Employees aged 17 and above are insured.

The assets of the foundations are not included in the consolidated financial statements. In the statement of income, the contributions demarcated for the period are presented as personnel expenses. The balance sheet includes the corresponding deferred tax assets or liabilities as well as liabilities arising from contractual, regulatory or legal principles. It is assessed annually whether there is an economic benefit or an economic obligation from the organisation's perspective. The annual accounts of the pension funds, which are prepared in Switzerland in accordance with Swiss GAAP FER 26, and other calculations which represent the financial situation, the existing excess cover or shortfall under the actual circumstances, serve as a basis.

Transactions with related parties

In the reporting period, no significant transactions were executed with related parties.

SEGMENT INFORMATION

CHF (thousands)	2020	2019	Change	in %
Segment sales				
Net sales Jungfrauoch - Top of Europe	69,214	149,839	-80,625	-53.8%
Net sales Experience mountains	16,849	32,620	-15,771	-48.3%
Net sales Winter sports	29,675	30,779	-1,104	-3.6%
Net sales other segments [1]	42,239	49,125	-6,886	-14.0%
Elimination group-internal sales	-32,326	-39,053	6,727	-17.2%
Total operating income according to profit and loss account	125,651	223,310	-97,659	-43.7%
Segment results EBITDA				
EBITDA Jungfrauoch – Top of Europe	3,090	70,546	-67,456	-95.6%
EBITDA Experience mountains	5,839	18,840	-13,001	-69.0%
EBITDA Winter sports	3,704	1,700	2,004	117.9%
EBITDA other segments [1]	9,608	11,904	-2,296	-19.3%
Group eliminations	21	-32	53	-165.6%
Total EBITDA according to the income statement	22,262	102,958	-80,696	-78.4%

[1] Other segments include, in particular, the Jungfrauoch power station, Jungfrauoch Management AG and the multi-storey car parks in Grindelwald and Lauterbrunnen.

COMMENTS

0 Scope of consolidation

There were no changes in the scope of consolidation in the reporting year.

The following companies are included in the scope of consolidation as of 31 December 2020:

Company	participation	Consolidation method
Jungfrauoch Holding AG, Interlaken	parent company	full consolidation
Jungfrauoch AG, Interlaken	100.0%	full consolidation
Wengernalpbahn AG, Interlaken	100.0%	full consolidation
Firstbahn AG, Grindelwald	100.0%	full consolidation
Parkhaus Lauterbrunnen AG, Lauterbrunnen	100.0%	full consolidation
Jungfrau Shopping AG, Interlaken	100.0%	full consolidation
Jungfrau Gastronomie AG, Interlaken	100.0%	full consolidation
Bergbahn Lauterbrunnen-Mürren AG, Interlaken	94.8%	full consolidation
Harderbahn AG, Interlaken	88.7%	full consolidation
Grindelwald Grund Infrastruktur AG, Grindelwald	80.0%	full consolidation
Jungfrauoch Management AG, Interlaken	67.0%	full consolidation
Sphinx AG Jungfrauoch, Fieschertal VS	57.1%	full consolidation
Gondelbahn Grindelwald-Männlichen AG, Grindelwald	35.5%	equity method
Skilift Bumps AG, Wengen (Lauterbrunnen)	22.7%	equity method

1 Receivables from deliveries and services

CHF (thousands)	2020	2019
Receivables from third parties	5,734	14,815
Receivables from associated companies	288	77
Value adjustments	-533	-939
Net value	5,489	13,953
Change	-8,464	

2 Other current receivables

CHF (thousands)	2020	2019
Short-term financial assets 4-12 months	0	10,000
VAT	2,754	1,327
Various current receivables	1,956	1,004
Total	4,710	12,331
Change	-7,621	

3 Accrued income

CHF (thousands)	2020	2019
Operating material and consumables, printed matter, service clothing	2,526	2,460
Credit refund of tax payments	1,315	197
Credit from energy supplies	1,015	1,273
Prepaid insurance premiums	2,047	2,335
Miscellaneous	5,702	3,084
Total	12,605	9,349
Change	3,256	

4 Financial investments

CHF (thousands)	Associated companies	Non-consolidated holdings	Loans	Securities	Fixed deposits	Total
Acquisition values						
Inventory 01/01/2019	6,418	576	10	1,263	0	8,267
Additions			824	16		840
Disposals	-7			-23		-30
Inventory 31/12/2019	6,411	576	834	1,256	0	9,077
Additions				20		20
Disposals	-2		-9			-11
Total acquisition values 31/12/2020	6,409	576	825	1,276	0	9,086
Depreciation and amortisations						
Inventory 01/01/2019	940	50	0	980	0	1,970
Additions						0
Disposals				-23		-23
Inventory 31/12/2019	940	50	0	957	0	1,947
Additions				37		37
Disposals				-4		-4
Total depreciation and amortisations 31/12/2020	940	50	0	990	0	1,980
Balance sheet values						
Inventory 31/12/2019	5,471	526	834	299	0	7,130
Inventory 31/12/2020	5,469	526	825	286	0	7,106

5 Tangible assets - acquisition values 2020

Investment item	CHF (thousands)	Balance sheet value 01/01/2020	Inventory 01/01/2020	Additions	Reclassification	Disposals	Inventory 31/12/2020
Undeveloped land		1,484	1,945	0	0	0	1,945
Developed land		13,657	14,801				14,801
Railway stations		27,106	57,053	18,513	18,944		94,510
Depots and workshops		16,455	27,856	1,951	289	-5	30,091
Railway substructure and superstructure		81,009	115,577	3,646	4,434		123,657
Gondola lift, chair lift and ski lift stations		26,040	48,695	4,259	13,049		66,003
Ski slopes and fixed snowmaking equipment		14,538	34,414	2,886	1,868	-214	38,954
Hiking trails / climbing routes		190	1,127				1,127
Power station		12,409	19,174	770			19,944
Restaurants and accommodation		16,319	33,273				33,273
Car parks and parking spaces		1,212	15,970	14,681	15,793		46,444
Residential buildings		3,828	5,928	26	1		5,955
Administration buildings		9,505	10,716				10,716
Other buildings		51,524	106,483	10,521	17,091		134,095
Total land and buildings		273,792	491,067	57,253	71,469	-219	619,570
Railway installations		38,482	92,652	12,109	61	-3,685	101,137
Gondola lifts		9,242	28,243	16,261	33,896		78,400
Chairlifts and ski lifts		18,848	51,373	37			51,410
Snowmaking equipment		1,004	4,836				4,836
Power stations		27,723	41,646	1,581	683	-530	43,380
Other facilities		18,702	31,480	13,657	9,407	-417	54,127
Total facilities		114,001	250,230	43,645	44,047	-4,632	333,290
Rail vehicles		119,424	238,902	101	151	-2,476	236,678
Slope vehicles		2,855	8,835	575		-482	8,928
Cars		612	1,368	32		-20	1,380
Other vehicles		496	1,460	128			1,588
Total vehicles		123,387	250,565	836	151	-2,978	248,574
Office equipment		0	1,148				1,148
Devices and tools		1,988	9,721	351		-201	9,871
IT equipment		836	2,995	1,376	172	-68	4,475
Communication equipment		112	336				336
Total other property, plant and equipment		2,936	14,200	1,727	172	-269	15,830
Installations under construction		134,572	134,572	22,619	-115,839	0	41,352
Spare parts / material supplies		5,491	13,537	392	0	-472	13,457
Total		655,663	1,156,116	126,472	0	-8,570	1,274,018

5 Property, plant and equipment - depreciation and impairments 2020

Investment item	CHF (thousands)	Inventory 01/01/2020	Additions	Reclassification	Disposals	Inventory 31/12/2020	Balance sheet value 31/12/2020
Undeveloped land		461	0	0	0	461	1,484
Developed land		1,144				1,144	13,657
Railway stations		29,947	1,073			31,020	63,490
Depots and workshops		11,401	557		-5	11,953	18,138
Railway substructure and superstructure		34,568	2,437			37,005	86,652
Gondola lift, chair lift and ski lift stations		22,655	1,214			23,869	42,134
Ski slopes and fixed snowmaking equipment		19,876	1,347		-214	21,009	17,945
Hiking trails / climbing routes		937	121			1,058	69
Power station		6,765	480			7,245	12,699
Restaurants and accommodation		16,954	646			17,600	15,673
Car parks and parking spaces		14,758	506			15,264	31,180
Residential buildings		2,100	182			2,282	3,673
Administration buildings		1,211	221			1,432	9,284
Other buildings		54,959	2,629			57,588	76,507
Total land and buildings		217,275	11,413	0	-219	228,469	391,101
Railway installations		54,170	3,611		-3,685	54,096	47,041
Gondola lifts		19,001	1,281			20,282	58,118
Chairlifts and ski lifts		32,525	1,864			34,389	17,021
Snowmaking equipment		3,832	267			4,099	737
Power stations		13,923	1,150		-530	14,543	28,837
Other facilities		12,778	1,737		-414	14,101	40,026
Total facilities		136,229	9,910	0	-4,629	141,510	191,780
Rail vehicles		119,478	7,741		-2,476	124,743	111,935
Slope vehicles		5,980	865		-482	6,363	2,565
Cars		756	122		-20	858	522
Other vehicles		964	84			1,048	540
Total vehicles		127,178	8,812	0	-2,978	133,012	115,562
Office equipment		1,148				1,148	0
Devices and tools		7,733	349		-201	7,881	1,990
IT equipment		2,159	216		-68	2,307	2,168
Communication equipment		224	37			261	75
Total other property, plant and equipment		11,264	602	0	-269	11,597	4,233
Installations under construction		0	0	0	0	0	41,352
Spare parts / material supplies		8,046	389	0	-45	8,390	5,067
Total		500,453	31,126	0	-8,140	523,439	750,579

5 Tangible assets - acquisition values 2019

Investment item	CHF (thousands)	Balance sheet value 01/01/2019	Inventory 01/01/2019	Additions	Reclassification	Disposals	Inventory 31/12/2019
Undeveloped land		1,484	1,945	0	0	0	1,945
Developed land		11,624	12,768	1,270	763		14,801
Railway stations		27,741	56,620	383	50		57,053
Depots and workshops		16,760	27,595	261			27,856
Railway substructure and superstructure		81,751	114,087	1,265	506	-281	115,577
Gondola lift, chair lift and ski lift stations		15,555	36,985	11,710			48,695
Ski slopes and fixed snowmaking equipment		15,473	33,991	403	20		34,414
Hiking trails / climbing routes		313	1,127				1,127
Power station		12,872	19,174				19,174
Restaurants and accommodation		16,514	32,808	85	380		33,273
Car parks and parking spaces		1,719	15,970				15,970
Residential buildings		3,024	4,941	7	980		5,928
Administration buildings		1,675	2,758	9,958		-2,000	10,716
Other buildings		49,549	102,270	1,586	2,634	-7	106,483
Total land and buildings		254,570	461,094	26,928	5,333	-2,288	491,067
Railway installations		37,469	89,905	2,293	3,003	-2,549	92,652
Gondola lifts		10,108	27,879	313	51		28,243
Chairlifts and ski lifts		20,446	52,182	295		-1,104	51,373
Snowmaking equipment		1,172	4,779	59	60	-62	4,836
Power stations		26,646	42,118	1,303	922	-2,697	41,646
Other facilities		9,828	21,598	9,855	452	-425	31,480
Total facilities		105,669	238,461	14,118	4,488	-6,837	250,230
Rail vehicles		127,030	239,816	204		-1,118	238,902
Slope vehicles		2,807	8,305	945		-415	8,835
Cars		605	1,261	98	40	-31	1,368
Other vehicles		481	1,397	93		-30	1,460
Total vehicles		130,923	250,779	1,340	40	-1,594	250,565
Office equipment		0	1,381			-233	1,148
Devices and tools		2,305	9,658	122	35	-94	9,721
IT equipment		870	2,863	180		-48	2,995
Communication equipment		149	336				336
Total other property, plant and equipment		3,324	14,238	302	35	-375	14,200
Installations under construction		65,737	65,737	78,731	-9,896	0	134,572
Spare parts / material supplies		5,390	13,212	1,050	0	-725	13,537
Total		567,097	1,045,466	122,469	0	-11,819	1,156,116

5 Property, plant and equipment - depreciation and impairments 2019

Investment item	CHF (thousands)	Inventory 01/01/2019	Additions	Reclassification	Disposals	Inventory 31/12/2019	Balance sheet value 31/12/2019
Undeveloped land		461	0	0	0	461	1,484
Developed land		1,144				1,144	13,657
Railway stations		28,879	1,068			29,947	27,106
Depots and workshops		10,835	566			11,401	16,455
Railway substructure and superstructure		32,336	2,513		-281	34,568	81,009
Gondola lift, chair lift and ski lift stations		21,430	1,225			22,655	26,040
Ski slopes and fixed snowmaking equipment		18,518	1,358			19,876	14,538
Hiking trails / climbing routes		814	123			937	190
Power station		6,302	463			6,765	12,409
Restaurants and accommodation		16,294	660			16,954	16,319
Car parks and parking spaces		14,251	507			14,758	1,212
Residential buildings		1,917	183			2,100	3,828
Administration buildings		1,083	2,128		-2,000	1,211	9,505
Other buildings		52,721	2,245		-7	54,959	51,524
Total land and buildings		206,524	13,039	0	-2,288	217,275	273,792
Railway installations		52,436	4,276		-2,542	54,170	38,482
Gondola lifts		17,771	1,230			19,001	9,242
Chairlifts and ski lifts		31,736	1,893		-1,104	32,525	18,848
Snowmaking equipment		3,607	287		-62	3,832	1,004
Power stations		15,472	1,148		-2,697	13,923	27,723
Other facilities		11,770	1,433		-425	12,778	18,702
Total facilities		132,792	10,267	0	-6,830	136,229	114,001
Rail vehicles		112,786	7,810		-1,118	119,478	119,424
Slope vehicles		5,498	897		-415	5,980	2,855
Cars		656	131		-31	756	612
Other vehicles		916	78		-30	964	496
Total vehicles		119,856	8,916	0	-1,594	127,178	123,387
Office equipment		1,381			-233	1,148	0
Devices and tools		7,353	469		-89	7,733	1,988
IT equipment		1,993	214		-48	2,159	836
Communication equipment		187	37			224	112
Total other property, plant and equipment		10,914	720	0	-370	11,264	2,936
Installations under construction		0	0	0	0	0	134,572
Spare parts / material supplies		7,822	224	0	0	8,046	5,491
Total		478,369	33,166	0	-11,082	500,453	655,663

6 Intangible assets

CHF (thousands)	Concessions and rights	Software	Goodwill	Total
Acquisition values				
Inventory 01/01/2019	4,495	12,396	428	17,319
Additions	920	2,058	762	3,740
Reclassification				0
Disposals	-181	-644		-825
Inventory 31/12/2019	5,234	13,810	1,190	20,234
Additions	3,323	3,654		6,977
Reclassification				0
Disposals	-158	-359		-517
Total Acquisition values 31/12/2020	8,399	17,105	1,190	26,694
Depreciation and impairments				
Inventory 01/01/2019	2,193	5,875	428	8,496
Additions	118	2,018	152	2,288
Reclassification				0
Disposals	-181	-644		-825
Inventory 31/12/2019	2,130	7,249	580	9,959
Additions	238	1,933	153	2,324
Reclassification				0
Disposals	-158	-359		-517
Depreciation and impairments 31/12/2020	2,210	8,823	733	11,766
Balance sheet values				
Inventory 31/12/2019	3,104	6,561	610	10,275
Inventory 31/12/2020	6,189	8,282	457	14,928

7 Liabilities from deliveries and services

CHF (thousands)	2020	2019
Liabilities from deliveries and services owed to third parties	46,247	38,201
Liabilities from deliveries and services owed to associated companies	45	37
Total	46,292	38,238
Change	8,054	

8 Financial liabilities

CHF (thousands)	2020	Maturity less than 1 year	Maturity more than 1 year	Conditionally repayable	Unused limits	2019
Confederation and canton loan public transport (non-interest-bearing)	49,252	1,162	2,561	45,529		43,279
Confederation and canton loan under NRP (non-interest-bearing)	15,000		15,000			7,800
Bank liabilities	45,000	45,000			125,000	0
Total financial liabilities	109,252	46,162	17,561	45,529	125,000	51,079
Liquid funds	20,016					57,432
Net financial liabilities	-89,236					6,353
Change on previous year	-95,589					

9 Other current liabilities

CHF (thousands)	2020	2019
Direct tax	501	3,658
Social security liabilities	300	38
Clearing balance Jungfrau Ski Region, BOB and SBB	3,231	186
Various other liabilities	3,217	725
Liabilities to shareholders [1]	167	198
Total	7,416	4,805
Change	2,611	

[1] Liabilities to shareholders include dividends not yet paid out.

10 Provisions

CHF (thousands)	Holidays / overtime	Demolition Ostgrat building	Deferred taxes	Total provisions
Book value at 01/01/2019	2,050	950	40,281	43,281
Formation	350		308	658
Dissolution	-134		-816	-950
Book value at 31/12/2019	2,266	950	39,773	42,989
of which short-term	2,266	0	0	2,266
Book value at 01/01/2020	2,266	950	39,773	42,989
Formation	231		100	331
Dissolution	-1,137		-2,640	-3,777
Book value at 31/12/2020	1,360	950	37,233	39,543
of which short-term	1,360	0	0	1,360

11 Deferred income

CHF (thousands)	2020	2019
Demarcation of transport income from subscriptions	6,465	8,166
Direct tax	1,417	7,319
Profit sharing	0	1,029
Other demarcations	10,895	7,467
Total	18,777	23,981
Change	-5,204	

12 Transportation revenues

CHF (thousands)	2020	2019
Jungfraujoch – Top of Europe	41,549	120,895
Experience mountains	12,630	25,017
Winter sports	22,247	23,464
Gross transportation revenues	76,426	169,376
Reductions in revenue	-783	-7,569
Total	75,643	161,807
Change	-86,164	

13 Compensation received from government

CHF (thousands)	2020	2019
Lauterbrunnen–Wengen infrastructure	4,465	4,769
Regional passenger transport Lauterbrunnen–Wengen	253	1,493
Freight transport Lauterbrunnen–Wengen	1,846	1,900
Regional passenger transport Lauterbrunnen–Mürren	1,560	2,389
Total	8,124	10,551
Change	-2,427	

The uncovered costs of the transport service ordered by the public authorities (Federation and Canton of Bern) on the routes Lauterbrunnen–Mürren and Lauterbrunnen–Wengen are paid by the purchaser. The corresponding compensation must be negotiated in advance.

14 Rental income

CHF (thousands)	2020	2019
Catering rental rates	639	1,818
Renting of parking spaces	2,635	2,692
Renting of residential and commercial spaces	2,403	1,497
Other renting	2,764	2,543
Total	8,441	8,550
Change	-109	

15 Other income

CHF (thousands)	2020	2019
Adventure offers	1,579	4,043
Events	91	812
Various income	1,237	2,647
Capitalised costs	2,582	1,591
Income from sales of assets	8	70
Total	5,497	9,163
Change	-3,666	

16 Cost of goods

CHF (thousands)	2020	2019
Souvenir shops	-1,491	-4,032
Catering and accommodation	-2,097	-1,551
Total	-3,588	-5,583
Change	1,995	

17 Personnel expenses

CHF (thousands)	2020	2019
Salaries and wages	-48,868	-45,439
Allowances, uniforms and other benefits	-3,218	-6,624
Social expenditure	-10,271	-9,138
remaining personnel expenses	-1,304	-1,477
Insurance payments [1]	6,854	588
Total	-56,807	-62,090
Change	5,283	
Employees (full-time positions)	665	612
Change	53	

[1] of which short-time work compensation kCHF 6,063 (previous year kCHF 0).

The compensation paid to the Management booked under personnel expenses is shown in the remuneration report of Jungfraubahn Holding AG.

18 Employee benefit plans

Number of people	2020	2019
Active insured persons	712	717
Pensioners	263	262
Total persons	975	979
Change	-4	
Expenditure for employee benefit plans in thousands of CHF (included in social expenses)	-4,735	-4,420
Change	-315	

19 Pension plans

Economic benefit / economic commitment [1]	Tausend CHF	Surplus cover / shortfall at 31/12/2019	Surplus cover / shortfall at 31/12/2018	Economic part of the organisation at 31/12/2019	Economic part of the organisation at 31/12/2018
Pension plan with surplus cover					
Jungfrau Railways pension fund [2]		6,252	0	0	0
GastroSocial pension fund [3]		0	0	0	0
Nest pension fund [4]		0	0	0	0
Total		6,252	0	0	0
Change		6,252		0	

[1] As the audited financial statements of the foundations for 2020 are not yet available, the previous year's figures are shown as the last known values. [2] The degree of coverage of the Jungfrau Railways pension fund amounts to 117,3% as of 31/12/2019 in the last revised financial statements. [3] The staff of Jungfrau Gastronomie AG is insured with the GastroSocial pension fund. As at 31/12/2019, this shows a degree of coverage of 120,9%. [4] A part of the staff of Grindelwald Grund Infrastruktur AG is insured with the Nest pension fund. As at 31/12/2019, this shows a degree of coverage of 110,6%.

Pension expenses in personnel expenses	CHF (thousands)	2020	2019
Jungfrau Railways pension fund		-4,195	-4,057
GastroSocial pension fund		-234	-102
Nest pension fund		-82	-13
Total		-4,511	-4,172
Change		-339	

Management insurance is maintained for members of management and extended management. Expenses for the companies amounted to kCHF 224 in 2020 and kCHF 248 in 2019.

20 Other operating expenses

CHF (thousands)	2020	2019
Costs for services	-9,487	-13,347
Rent expenses	-474	-472
Maintenance, renovation and demolition	-8,599	-10,710
Insurance and compensation	-1,624	-1,477
Energy and consumables	-2,632	-2,672
General expenses	-8,186	-9,768
IT	-5,358	-5,128
Marketing	-4,414	-5,747
Events	-116	-1,053
Total	-40,890	-50,374
Change	9,484	

General expenses mainly include administrative costs, fees and duties as well as various sponsorship and cost contributions. The compensation paid to Board members as a general expense is disclosed in the remuneration report of Jungfraubahn Holding AG.

21 Financial expenses

CHF (thousands)	2020	2019
Interest paid	-268	-42
Relative exchange rate losses	-12	-13
Other financial expenses	-489	-199
Total	-769	-254
Change	-515	

22 Financial income

CHF (thousands)	2020	2019
Interest received	40	84
Relative exchange rate gains	95	73
Badwill from the purchase of shares in subsidiaries	10	112
Various income	179	183
Total	324	452
Change	-128	

23 Taxes on profits

CHF (thousands)	2020	2019
Distribution by tax type		
Current income taxes	-586	-14,859
Deferred income taxes	2,540	508
Total	1,954	-14,351
Change	16,305	
Analysis of taxes on profits		
Ordinary earnings before taxes on profits	-11,635	67,695
Average applicable tax rate before taking account of losses carried forward	21.9%	22.2%
Expected taxes on profits related to the ordinary result	2,546	-15,001
Effect of changes in non-capitalised losses carried forward	-1,565	-282
Effect of tax-free results	359	813
Other effects	614	119
Total	1,954	-14,351
Effective tax rate	-16.8%	21.2%

The Group's average income tax rate is based on the weighted average tax rate resulting from the profit or loss before tax as well as the tax rate of each individual company.

With the companies Wengernalpbahn AG, Bergbahn Lauterbrunnen-Mürren AG, Grindelwald Grund Infrastruktur AG, Jungfrau Gastronomie AG as well as Jungfrau Shopping AG there are tax-deductible losses carried forward totalling kCHF 12,835 (previous year kCHF 5,669). The resulting non-capitalised deferred tax claim is kCHF 2,832 (previous year kCHF 1,267).

24 Equity

Share capital

The share capital of Jungfraubahn Holding AG is fully paid up, amounting to CHF 8,752,500 at 31 December 2020 and is divided into 5,835,000 registered shares with a nominal value of CHF 1.50. Rights and restrictions related to the shares are explained in Section 6 of the Corporate Governance report.

Treasury shares

At 31 December 2020, the company held 4,159 registered treasury shares with a nominal value of CHF 1.50 each (previous year 1,085 registered treasury shares). In the reporting year, 25,000 (previous year: 20,052) of the Company's registered treasury shares were purchased at an average price of CHF 126.08 (previous year: CHF 131.54) and 21,926 (previous year 21,985) registered treasury shares were sold at an average price of CHF 116.08 (previous year CHF 154.12).

Since 2005, the employees of the Jungfrau Railway Group as well as the administrative boards of Jungfraubahn Holding AG have been given the option of voluntarily purchasing a limited number of registered shares of Jungfraubahn Holding AG at a preferential price. In the reporting year, this price was CHF 43.00 per registered share (previous year CHF 45.00). The difference between the preferential price and the exchange rate, determined according to circular no. 37 of the Federal Tax Administration, was recognised in the income

statement under personnel expenses. In this way 21,651 registered treasury shares were sold in the reporting year (previous year 21,685).

The share ownership of the Board members and management is shown in the annexe to the financial statements of JungfrauBahn Holding AG.

Reserves

The non-distributable, statutory or legal reserves amounted to kCHF 32,621 at 31 December 2020 (previous year kCHF 28,636).

25 Other information

CHF (thousands)	2020	2019
Investment obligations	43,842	53,095
Sureties, guarantees and pledges in favour of third parties		
Assets pledged to secure building lease charges	51	51
Guarantee obligations	64	64
Joint guarantee Verein Int. Lauberhornrennen Wengen	500	500
Joint and several liability for all value-added tax liabilities of the JungfrauBahn Group and Berner Oberland-Bahnen AG	p.m.	p.m.
Joint and several liability for the obligations of the simple partnership Jungfrau Ski Region	p.m.	p.m.
Other obligations not to be recognised		
Lease obligations from long-term leases	26,328	12,875
• of which due within 1 year	845	567
• of which due in 1-5 years	2,800	1,753
• of which due in more than 5 years	22,683	10,555

26 Continuation and effects of the corona pandemic

On 11 March 2020, the World Health Organisation (WHO) classified the global spread of COVID-19 (the so-called coronavirus) as a pandemic. To curb the pandemic, lockdowns and extensive travel restrictions have been imposed around the globe. This has resulted in an unprecedented decline in international tourism. Moreover, the pandemic and the reactions to the pandemic have impaired the economic performance around the globe. The Jungfrau Railway Group has been affected severely by the corona crisis and especially by the international travel restrictions. Since the outbreak of the pandemic, group travel – especially from Asia – has stopped, and individual tourism is limited to Switzerland and neighbouring countries.

The Board of Directors and the Executive Board monitor the situation carefully and continually take necessary steps. Various measures have already been taken in order to ensure the going concern. Moreover, the valuation of the assets has been reviewed. The conclusion reached is that there is no need for impairment. Despite the ongoing uncertainty as to how demand will develop in the coming months, the Board of Directors and the Executive Board of the Jungfrau Railway Group are of the opinion that the company is soundly financed, and the required liquidity is secured.

As of the date of approval of these consolidated financial statements, it is not possible to reliably estimate the effects of the pandemic and the resulting financing consequences. In particular, it is difficult to predict the scope and duration of international travel restrictions and to assess the impact of any government-imposed restrictions on the Jungfrau Railway Group. Unless potential serious effects of the said factors last for several years, the going concern of the Jungfrau Railway Group is currently not deemed to be in danger.

27 Events after the balance sheet date

Since the balance sheet date 31 December 2020, no events have occurred that would impair the relevance of the consolidated financial statements.

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2020 and the financial statements for 2020 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2020 remuneration report and corporate governance information.

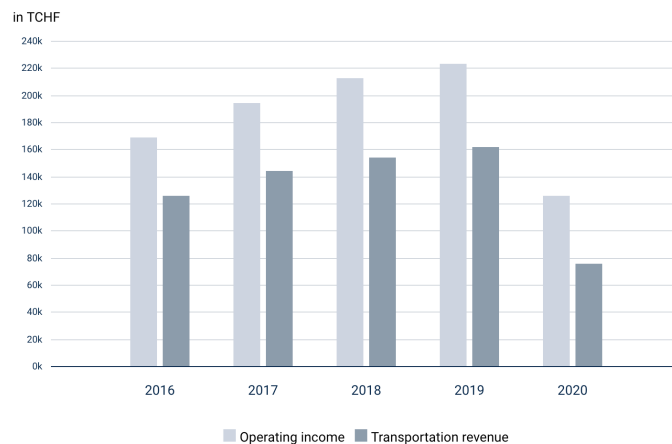
DEVELOPMENT

KEY FIGURES 2016 TO 2020

CHF (thousands)	2020	2019	2018	2017	2016
Balance sheet					
Current assets	46,068	95,769	132,099	116,387	79,613
Fixed assets	772,613	673,068	582,217	540,372	545,691
Outside capital	221,709	161,528	144,656	120,848	119,187
Equity	596,972	607,309	569,660	535,911	506,117
Balance sheet total	818,681	768,837	714,316	656,759	625,304
Income statement					
Operating income	125,651	223,310	212,815	193,770	169,030
Transportation revenues	75,643	161,807	153,833	143,799	125,984
Operating expenses	103,389	120,352	117,704	106,027	97,951
Personnel expenses	56,807	62,090	60,173	55,276	53,402
EBITDA	22,262	102,958	95,111	87,743	71,079
Depreciation and amortisation	33,450	35,454	34,142	34,705	34,747
EBIT (operating profit)	-11,188	67,504	60,969	53,038	36,332
Annual result	-9,681	53,344	47,826	41,601	30,964
Cash flow statement					
Cash flow from operating activities	30,355	97,086	79,885	63,593	68,519
Cash flow from investing activities	-123,697	-118,597	-63,580	-29,756	-50,408
Cash flow from financing activities	55,926	-8,447	-11,199	-10,394	-8,358
Free cash flow	-93,342	-21,511	16,305	33,837	18,111
Key figures					
Equity ratio	72.9%	79.0%	79.7%	81.6%	80.9%
EBITDA in relation to operating income	17.7%	46.1%	44.7%	45.3%	42.1%
EBIT in relation to operating income	-8.9%	30.2%	28.6%	27.4%	21.5%
Return on sales (ROS)	-7.7%	23.9%	22.5%	21.5%	18.3%
Number of personnel	665	612	600	542	536
Earnings per employee	189	365	355	358	315
Personnel expenses in relation to operating income	45.2%	27.8%	28.3%	28.5%	31.6%

CHARTS 2016 TO 2020

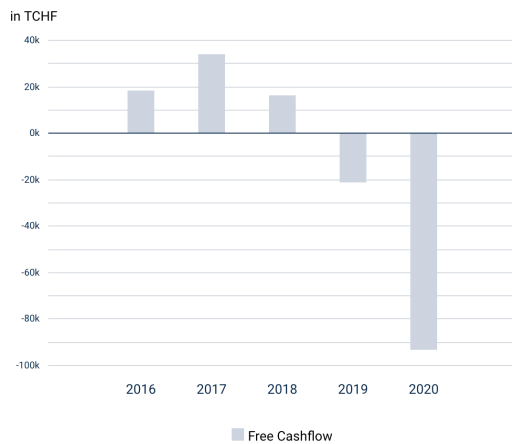
Operating income / transportation revenue



Results



Free Cashflow



Earnings per share



INFORMATION FOR SHAREHOLDERS

Information per registered share

Information per share [1] in CHF	2020	2019	2018	2017	2016
Nominal value	1.50	1.50	1.50	1.50	1.50
Voting rights	1	1	1	1	1
Net result [2]	-1.58	9.08	8.21	7.08	5.30
Dividends (2020: proposal) [3]	0	0	2.80	2.40	2.10
Equity [2]	101.63	103.31	96.90	91.09	86.03

Stock market price

High	176.20	167.00	167.50	134.70	110.50
Low	99.40	130.50	123.50	95.10	88.80
Year-end price	137.20	165.00	125.50	127.20	97.50

Key data [1]

Price/earnings ratio	-86.76	18.17	15.28	17.97	18.41
Price/equity	135.0%	159.7%	129.5%	139.6%	113.3%
Payout ratio	0.0%	0.0%	34.1%	33.9%	39.7%
Dividend yield [3]	0.0%	0.0%	2.2%	1.9%	2.2%
Stock return [3]	-16.8%	31.5%	0.9%	32.3%	4.9%

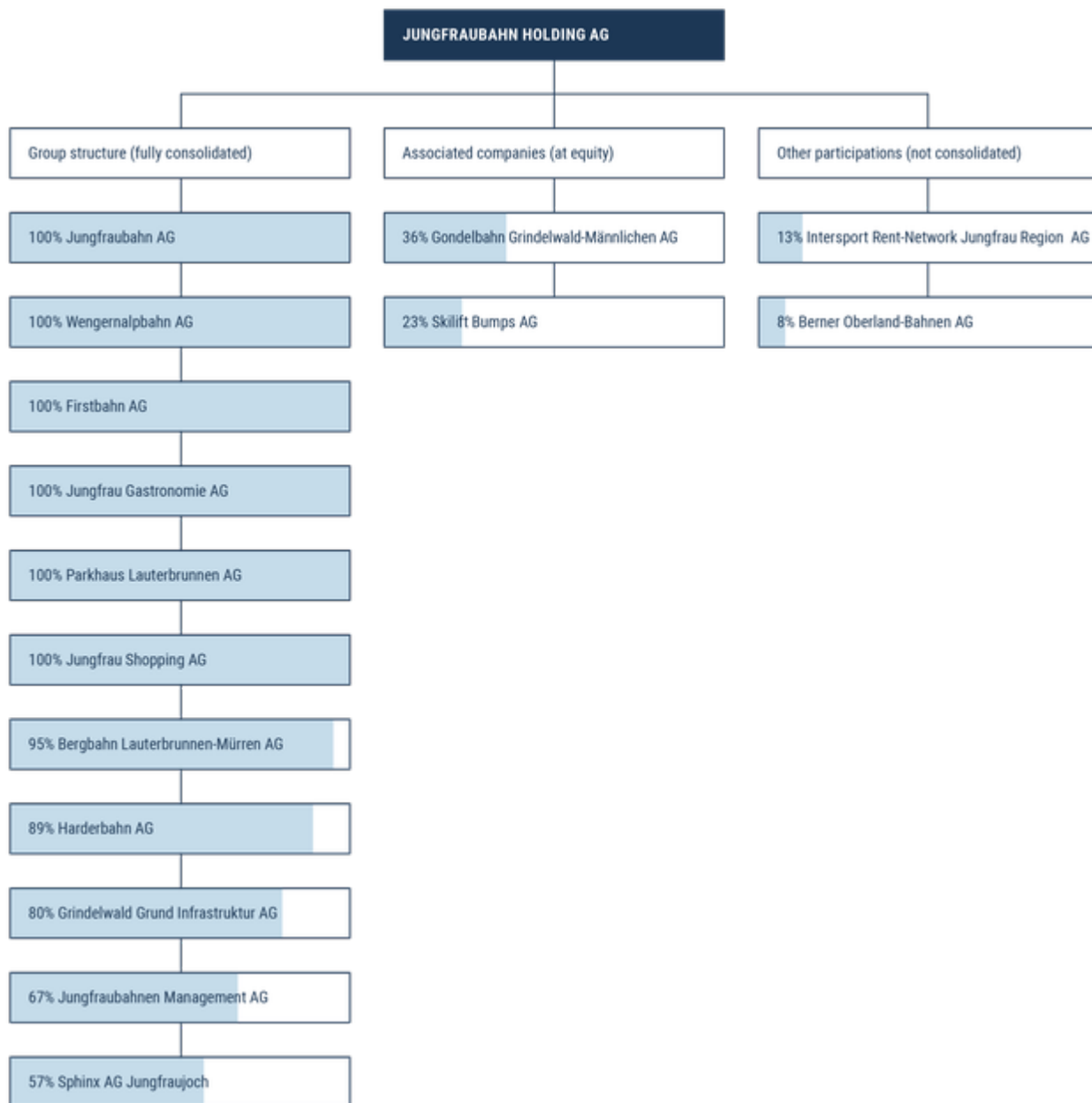
[1] Based on year-end prices, calculated from the total portfolio of 5,835,000 issued shares. [2] Calculated on the share of the shareholders of Jungfraubahn Holding AG. [3] The Board of Directors proposes to the General Meeting not to pay out any dividend.

Share price (closing price) Jungfraubahn Holding AG, January to December 2020



GROUP STRUCTURE

AS AT 31/12/2020



JUNGFRAUBAHN HOLDING AG

BALANCE SHEET

at 31 December

CHF (thousands)	2020	%	2019	%
Assets				
Current assets				
Liquid funds	7,439		25,966	
Other receivables from third parties	787		10,381	
Other receivables from participating interests	1,327		2,123	
Accrued income	44		23	
Total current assets	9,597	3.8%	38,493	17.6%
Fixed assets				
Loans to group companies [1]	226,751		155,580	
Shareholdings	15,803		24,884	
Total fixed assets	242,554	96.2%	180,464	82.4%
Total Assets	252,151	100.0%	218,957	100.0%
Liabilities				
Outside capital				
Current interest-bearing liabilities owed to third parties	48,231		186	
Current interest-bearing liabilities for participating interests	35,256		59,830	
Other current liabilities owed to third parties	41		0	
Other current liabilities owed to shareholders	162		193	
Deferred income	406		396	
Total current borrowed capital	84,096		60,605	
Total non-current borrowed capital	0		0	
Total borrowed capital	84,096	33.4%	60,605	27.7%
Equity				
Share capital	8,753		8,753	
Statutory retained earnings	25,612		25,612	
• Profit carried forward	91,211		74,184	
• Statutory and final reserves	32,920		32,920	
Voluntary retained earnings	124,131		107,104	
Own capital shares	-524		-144	
Annual profit	10,083		17,027	
Total equity	168,055	66.6%	158,352	72.3%
Total liabilities	252,151	100.0%	218,957	100.0%

[1] Loan with subordination kCHF 3,890 (previous year kCHF 0).

INCOME STATEMENT

1 January to 31 December

CHF (thousands)	2020	2019
Operating income		
Service income	697	866
Total operating income	697	866
Operating expenses		
Administration expenses	-1,227	-1,542
Total operating expenses	-1,227	-1,542
Financial result		
Depreciation on investments	-9,090	-762
Other financial expenses	-943	-340
Investment income	18,847	16,972
Other financial income	1,852	1,889
Total financial result	10,666	17,759
Direct tax	-53	-56
Annual profit	10,083	17,027

PROFIT SHARING

Application concerning the use of balance sheet profits

	CHF	CHF
Annual profit 2020		10,082,875
Profit balance carried forward according to AGM resolution of 18 May 2020		91,211,158
Balance sheet profit available to the AGM		101,294,033
Executive Board proposal:		
Waiver of the distribution of a dividend and carrying forward of the balance sheet profit		101,294,033

NOTES TO THE FINANCIAL STATEMENTS

Basis

The 2020 annual accounts of Jungfraubahn Holding AG, Interlaken, have been prepared in accordance with the provisions of Swiss Accounting Law (Section 32 of the Swiss Code of Obligations).

Deviation from consistency

In previous years, shareholdings and loans had been accounted for under consideration of the group valuation. As of the reporting period, individual valuation is newly applied. In these annual financial statements, this results in additional impairment of the shareholdings in the amount of CHF 9,090 thousand.

Shareholdings

The shareholdings are accounted for at cost under consideration of any impairment and under consideration of the individual valuation.

Loans

The loans are accounted for at the nominal value under consideration of any impairment and under consideration of the individual valuation.

Various information

Jungfraubahn Holding AG did not employ any staff in the reporting year nor in the previous year.

Continuation and effects of the corona pandemic

On 11 March 2020, the World Health Organisation (WHO) classified the global spread of COVID-19 (the so-called coronavirus) as a pandemic. To curb the pandemic, lockdowns and extensive travel restrictions have been imposed around the globe. This has resulted in an unprecedented decline in international tourism. Moreover, the pandemic and the reactions to the pandemic have impaired the economic performance around the globe. The Jungfraubahn Holding AG has been affected severely by the corona crisis and especially by the international travel restrictions. Since the outbreak of the pandemic, group travel – especially from Asia – has stopped, and individual tourism is limited to Switzerland and neighbouring countries.

The Board of Directors and the Executive Board monitor the situation carefully and continually take necessary steps. Various measures have already been taken in order to ensure the going concern. Moreover, the valuation of the assets has been reviewed. The conclusion reached is that there is no need for impairment. Despite the ongoing uncertainty as to how demand will develop in the coming months, the Board of Directors and the Executive Board of the Jungfrau Railway Group are of the opinion that the company is soundly financed, and the required liquidity is secured.

As of the date of approval of these consolidated financial statements, it is not possible to reliably estimate the effects of the pandemic and the resulting financing consequences. In particular, it is difficult to predict the scope and duration of international travel restrictions and to assess the impact of any government-imposed

restrictions on the Jungfraubahn Holding AG. Unless potential serious effects of the said factors last for several years, the going concern of the Jungfraubahn Holding AG is currently not deemed to be in danger.

Events after the balance sheet date

Since the balance sheet date 31 December 2020, no events have occurred that would impair the relevance of the financial statement.

Treasury shares

CHF (thousands)		2020	2019
Inventory on 1st January	(2020: 1,085 shares, 2019: 3,018 shares)	144	440
Purchases	(2020: 25,000 shares, 2019: 20,052 shares)	3,152	2,638
Sales	(2020: 21,926 shares, 2019: 21,985 shares)	-2,545	-3,388
Success		-227	454
Inventory on 31st December	(2020: 4,159 shares, 2019: 1,085 shares)	524	144
	Average price of purchased treasury shares (CHF)	126.08	131.54
	Average price of treasury shares sold (CHF)	116.08	154.12

Holdings / voting rights in per cent

	Share capital CHF (thousands)	2020	2019
Group companies			
Jungfrau AG, Interlaken; operation of a rack railway from Kleine Scheidegg to Jungfrauoch	10,000	100.0%	100.0%
Wengernalpbahn AG, Interlaken; operation of a rack railway and of cableways	10,000	100.0%	100.0%
Firstbahn AG, Grindelwald; operation of the First Railway as well as chairlifts and ski lifts, hotels and restaurants	10,000	100.0%	100.0%
Parkhaus Lauterbrunnen AG, Lauterbrunnen; construction and operation of parking halls	1,000	100.0%	100.0%
Jungfrau Shopping AG, Interlaken; trade in accessories and goods of all kinds	100	100.0%	100.0%
Jungfrau Gastronomie AG, Interlaken; operation of hotels and restaurants	100	100.0%	100.0%
Bergbahn Lauterbrunnen-Mürren AG; operation of cable car and narrow gauge railway from Lauterbrunnen to Mürren	1,800	94.8%	94.8%
Harderbahn AG, Interlaken; Interlaken-Harder cable car and Harder Kulm restaurant	705	88.7%	88.6%
Grindelwald Grund Infrastruktur AG, Grindelwald; creating, maintaining and managing the infrastructure of railway stations, terminal, car park and provision of services	10,000	80.0%	80.0%
Jungfrau Bahnen Management AG, Interlaken; management / company consultancy, provision of services	100	67.0%	67.0%
Sphinx AG Jungfrauoch, Fieschertal VS; ownership and management of Sphinx buildings, Jungfrauoch	53	57.1%	57.1%
Associated companies			
Gondelbahn Grindelwald-Männlichen AG, Grindelwald; operation of gondola lift and ski lifts in the Männlichen area	11,000	35.5%	35.5%
Skilift Bumps AG, Wengen (Lauterbrunnen); creation, operation and maintenance of a ski lift on the Wickibort	220	22.7%	22.7%
Deviating voting rights in holdings as a percentage			
Gondelbahn Grindelwald-Männlichen AG, Grindelwald		34.8%	34.8%
Other significant holdings			
Intersport Rent-Network Jungfrau Region AG, Grindelwald	400	12.5%	12.5%
Berner Oberland-Bahnen AG, Interlaken	12,341	8.1%	8.1%

Shareholder structure

	2020	2019
Significant shareholders		
BEKB BCBE (Berner Kantonalbank), Bern	14.2%	14.2%
Gebäudeversicherung Bern, Bern	5.0%	5.5%
JSP Sicherheitsdienste, Alarmempfang und Intervention (Schweiz) AG, Zollikofen	4.7%	4.7%
Erwin Reinhardt, Muri b. Bern [1]	4.4%	4.4%
Martin Haefner, Horw	4.2%	4.0%

[1] Participation directly and as beneficial owner of Montalto Holding AG, Zug, and Epicea Holding AG, Zug. Erwin Reinhardt passed away on 14 February 2021. According to the information received from the legal representatives, the shares will be transferred to his widow, Franziska Reinhardt-Scherz in the course of the financial year 2021.

Further information

CHF (thousands)	2020	2019
Sureties, guarantees and pledges in favour of third parties		
Joint guarantee Grindelwald Grund Infrastruktur AG	15,000	7,800
Joint and several liability for all value-added tax liabilities of the Jungfrau Group and the Berner Oberland-Bahnen AG	p.m.	p.m.
Contingent liabilities		
Liquidity commitments to subsidiaries	p.m.	-

Holding relationships of directors and management board members

Disclosure under Art. 663c OR	Number of shares 2020	Number of shares 2019	Voting rights share 2020
Board of Directors			
Prof. Thomas Bieger, Board Chairman	11,460	11,460	0.2%
Ueli Winzenried, Board Vice-Chairman	5,960	5,210	0.1%
Peter Baumann, Board of Directors	7,827	7,077	0.1%
Nils Graf, Board of Directors	7,123	6,373	0.1%
Heinz Karrer, Board of Directors [1]	200	0	0.0%
Dr. iur. Catrina Luchsinger Gähwiler, Board of Directors	2,210	1,460	0.0%
Hanspeter Rüfenacht, Board of Directors	3,060	2,310	0.1%
Total Board of Directors	37,840	33,890	0.6%
Company Management			
Urs Kessler, Chairman of the Executive Board	38,185	36,008	0.7%
Christoph Schläppi, Head of Corporate Services [2]	8,795	9,795	0.1%
Christoph Seiler, Head of Finances and Controlling	15,692	15,492	0.3%
Total management	62,672	61,295	1.1%

[1] Election to the Board of Directors on 18/05/2020. [2] Retirement on 31/12/2020.

The relationships between the largest shareholders and individual members of the Board of Directors are disclosed in Figure 3 of the Corporate Governance Report. This connection is classified as "not related". There is no attribution of the shareholding held by the major shareholders to individual Board members.

AUDITOR'S REPORT

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2020 and the financial statements for 2020 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2020 remuneration report and corporate governance information.

SUBSIDIARIES

JUNGFRAUBAHN AG

It is from Kleine Scheidegg that the Jungfrau Railway opens up access to the world-famous excursion destination of Jungfrauoch – Top of Europe. Every year, the Jungfrau Railway transports guests from all over the world to Europe’s highest railway station, situated on permanent snow and ice. On the Jungfrauoch and on the Eigergletscher, guests are catered for by a number of gastronomy locations. In the Top of Europe Shops located on the Jungfrauoch, on First, in Interlaken and since 5 December 2020 also in the terminal in Grindelwald Grund, the company sells typical Swiss souvenirs, clothing and accessories. Since its founding, Jungfraubahn AG has been producing electricity in its own hydroelectric power plant in Lütschental, while also providing energy supply services.

Company data

Route	Route length (all rack)	9.3 km
	Length of tunnel	7.6 km
	Altitude difference	1,393 m
Most important rolling stock	Double carriage	8
	Low-floor control cars	4
Conveying capacity per hour	Seats	1,060
Catering (leased)	5 Restaurants Jungfrauoch (seats)	730
	3 Restaurants Eigergletscher (seats)	320
Shopping area Top of Europe Shops	Jungfrauoch	140 m ²
	Flagship Store Interlaken	290 m ²
	Grindelwald Terminal	162 m ²
	First	60 m ²

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	147	151
• of which learners	4	4
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	43,822	102,646
Transportation revenues	23,916	70,903
Goods income from shops	2,560	8,751
Goods expenditure shops	-1,506	-4,034
Sale of energy	12,420	15,083
Purchase of energy	-2,104	-2,306
EBIT	-961	44,560
Annual result	-237	34,666

WENGERNALPBAHN AG

With the longest rack and pinion railway in the world, the Wengernalp Railway opens up the excursion and winter sports area of Kleine Scheidegg and serves as a shuttle service to the world-famous destination of Jungfrauoch – Top of Europe. And for public transport, Wengernalpbahn AG supplies the car-free residential and holiday resort of Wengen. Wengernalpbahn AG also owns the winter sports facilities around Kleine Scheidegg, which have a total of eight chairlifts. On 5 December 2020, the new tricable cableway Eiger Express was opened. It transports guests from Grindelwald Grund to Eigergletscher in 15 minutes.

Company data

Route	Route length (all rack)	19.2 km
	Stations	10
Most important rolling stock	Panorama trains	10
	Double carriage	4
Conveying capacity per hour	Lauterbrunnen (seats/standing places)	1,076 / 444
	Grindelwald (seating / standing)	784 / 420
	Total	2,866
Eiger Express (tricable aerial cableway)	Conveying capacity	2,200 p/h
	Seats per cabine	26
	Track length	6,483 m
	Altitude difference	1,391 m
Winter sports	Chairlifts	8
	Slope vehicles	11
Catering, accommodation (leased)	2 restaurants (number of seats)	550
	Dormitory (number of beds)	90

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	214	224
• of which learners	3	3
Holdings of Jungfrauabahn Holding AG	100.0%	100.0%
Operating income	45,812	74,622
Transportation revenues	33,207	59,668
Compensation	6,564	8,162
EBIT	-8,857	8,258
Annual result	-7,862	6,446

FIRSTBAHN AG

On the Grindelwald-First – Top of Adventure excursion mountain, you can take a trip into the mountains with a spectacular tour on the First Cliff Walk by Tissot, a fast-paced ride with the First Flyer (Tyrolienne) and the First Glider, an adventurous ride in the Mountain Cart and a downhill ride with the Trottibike scooter. With its five service facilities, half-pipe and the Grindelwald-First Snowpark, the sunniest ski area of the Jungfrau region is popular in winter with locals, freestylers and holidaymakers from all over the world. On First, the Firstbahn AG leases a Berghaus that includes a tourist accommodation centre.

Company data

Gondola lift	Gondola lift (sections)	1 (3)
	Gondola lift carrying capacity	1,200 p/h
	Carrying capacity 3rd section	1,800 p/h
Winter sports	Chairlifts	3
	Ski lifts	2
	Carrying capacity chairlifts and ski lifts	8,190 p/h
	Slope vehicles	7
Experience offers	First Flyer (Tyroliennes)	4
	First Glider (number of seats)	4
	Mountain Carts (vehicles)	100
	Trotti-Bikes (vehicles)	120
Catering, accommodation (leased)	2 restaurants (number of seats)	790
	Dormitory (number of beds)	90

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	64	67
• of which learners	7	9
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	15,855	25,724
Transportation revenues	13,266	20,086
EBIT	2,600	9,562
Annual profit	2,011	7,373

BERGBAHN LAUTERBRUNNEN – MÜRREN AG

The Lauterbrunnen-Mürren Mountain Railway is part of the public transport network financed by the canton of Bern. It connects the car-free health resort of Mürren, the Winteregg – Top of Family excursion destination and the Mürren-Schilthorn winter sports area. On Winteregg, the company also leases a restaurant of the same name.

Company data

Lauterbrunnen-Grütschalp cable car	Track length	1,432 m
	Altitude difference	686 m
	Cable car cabin (number of persons / tonnes of goods)	100 / 6
Grütschalp-Mürren adhesion railway	Track length	4.3 km
	Railcars	5
Catering (leased)	Restaurant Winteregg (number of seats)	430

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	33	31
Holdings of Jungfraubahn Holding AG	94.8%	94.8%
Operating income	5,076	8,012
Transportation revenues	3,106	5,254
Compensation	1,560	2,389
EBIT	-1,019	1,466
Annual result	-945	1,499

HARDERBAHN AG

With Harder Kulm – Top of Interlaken, the cable car is positioning itself as an excursion service to Interlaken's local mountain. The short trip, the breath-taking view from an exposed vantage platform over Lake Brienz and Lake Thun, as well as the three peaks of the Eiger, Mönch and Jungfrau, all help to create a special experience. A wide range of dishes in the leased Harder Kulm restaurant tops off the range on offer.

Company data

Funicular	Track length	1,449 m
	Altitude difference	754 m
	Carrying capacity	500 p/h
Catering (leased)	Restaurant Harder Kulm (seats)	560

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	5	5
Holdings of Jungfraubahn Holding AG	88.7%	88.6%
Operating income	3,197	7,231
Transportation revenues	2,817	6,382
EBIT	1,266	4,440
Annual profit	1,001	3,479

PARKHAUS LAUTERBRUNNEN AG

Thanks to its location at the railway station, the Lauterbrunnen multi-storey car park with its 940 parking spaces and bus terminal is the central transfer point between family-owned transport and the car-free resorts of Mürren and Wengen. On 5 December 2020, the new multi-storey car park belonging to Grindelwald Grund Infrastruktur AG was opened, with 1,000 parking spaces. Parkhaus Lauterbrunnen AG is taking over operation of this facility on an agent basis.

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	5	4
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	2,388	2,423
EBIT	1,020	979
Annual profit	799	760

GRINDELWALD GRUND INFRASTRUKTUR AG

Grindelwald Grund Infrastruktur AG (GGI) is the owner of infrastructure built for the V-Cableway project in Grindelwald Grund (terminal and multi-storey car park). It maintains, manages and rents out these facilities. In addition, it has a mandate to provide services for Gondelbahn Grindelwald–Männlichen AG and Wengernalpbahn AG. This includes personnel management, cleaning and operational control, as well as the operational management of Gondelbahn Grindelwald–Männlichen AG. GGI is also responsible for the care of Berner Oberland-Bahnen AG's Rothenegg station facilities and for controlling private traffic with respect to parking at Grindelwald Grund.

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions) [1]	24	14
Holdings of Jungfraubahn Holding AG	80.0%	80.0%
Operating income	3,771	921
Service income	2,203	507
Rental income	1,565	413
EBIT	-1,084	-437
Annual result	-1,788	-764

[1] 2019 Full-time equivalent as of 31 December.

JUNGFRAU GASTRONOMIE AG

Jungfrau Gastronomie AG operates catering establishments along the main traffic axis to the Jungfraujoch – Top of Europe. Bergrestaurant Kleine Scheidegg was the first establishment to open on 1 December 2017 in the railway station on Kleine Scheidegg. This was followed by restaurants on the Eigergletscher and Jungfraujoch in November 2019. On 5 December 2020, the production kitchen and the bistro in the new terminal in Grindelwald Grund and the café-bar in the new mountain station of the tricable cableway Eiger Express were opened. The production kitchen and all restaurants are rented by Jungfrau Gastronomie AG via its sister companies and run under central management based on a holistic concept.

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	96	48
Holdings of Jungfraubahn Holding AG	100.0%	100.0%
Operating income	7,975	5,735
EBIT	-2,590	-512
Annual result	-2,571	-555

JUNGFRAUBAHNEN MANAGEMENT AG

Jungfraubahnen Management AG provides the Executive Board elected by Jungfraubahn Holding AG with a management infrastructure that includes personnel (managers, specialists) and is suitable for managing the Jungfrau Railway Group and successfully fulfilling management mandates for other related companies. Insofar as it coordinates its approach with clients who do not belong to the Group in order to strive for the greatest possible synergies, particularly in marketing, customer service, insurance, quality assurance, compliance management, procurement and IT, it does so as a full-function joint venture of the companies involved.

Key figures

Operating values, in thousands of CHF	2020	2019
Employees (full-time positions)	77	80
• of which learners	4	10
Holdings of Jungfraubahn Holding AG	67.0%	67.0%
Operating income	25,294	30,112
Income from management services	18,878	23,697
EBIT	-850	72
Annual result	-486	139

4

REMUNERATION AND CORPORATE GOVERNANCE

4.1	REMUNERATION REPORT	115
4.2	CORPORATE GOVERNANCE	124

REMUNERATION AND CORPORATE GOVERNANCE

REMUNERATION REPORT

1. INTRODUCTION AND PRINCIPLES

In accordance with article 13 (1) of the Swiss Ordinance against Excessive Remuneration in Listed Companies (VegüV), this report provides information on the remuneration of members of the Board of Directors and of the Executive Board of Jungfraubahn Holding AG. It will be submitted for the attention of the Annual General Meeting (GM) 2021. The report is based on Articles 13 to 16 of VegüV and the applicable standards of the Swiss Code of Best Practice for Corporate Governance including Appendix 1 on the recommendations on remuneration for the Board of Directors and the Executive Board.

The Jungfrau Railway Group offers remuneration according to performance and in line with the market in order to attract, motivate and retain individuals with the necessary skills and character traits for the Board of Directors and the Executive Board. The remuneration policy is based on the following principles: The fees and basic salaries are determined according to the required skills, responsibility and workload. The performance of the Executive Board is taken into account by means of a variable component determined by the result. The Board of Directors and Executive Board as well as all other employees participate in the longer-term performance of the company through a share participation scheme. There are no remuneration components that would hinder a transfer or change of control. The standard notice period for Executive Board members is six months (half of the statutory maximum duration).

The framework for the structure of the remuneration is set out in Article 20 of the statutes of Jungfraubahn Holding AG. These regulations allow both short-term and long-term profit sharing in cash and/or in the form of shares up to a maximum of two-thirds of the basic fee/remuneration. In addition, the statutes allow the company to sell treasury shares at a discounted price, pay contributions to the occupational pension scheme and grant loans of up to CHF 100,000 at standard market conditions.

In its current form, Jungfraubahn Holding AG's remuneration system is designed to be as simple and transparent as possible. No consultants were involved in its design. There are no arrangements for profit sharing using shares and long-term profit sharing. Instead, a participation scheme is in place for discounted employee shares, in which the Board of Directors and Executive Board as well as all other employees may participate if they wish in accordance with the quotas allocated to them. To limit the dynamics of the system when results are very high, caps have been defined for the total remuneration of Executive Board members.

In the course of an adjustment of the organisation and full alignment with the core business areas, the Executive Board was expanded as of 2021 and now comprises six members: the CEO, the CFO and the Heads of Marketing/Sales, Infrastructure and Technology, Railway Operations, Cableway and Winter Sports Operations.

2. CONTENTS OF THE COMPENSATION

MAIN FEATURES

The structure of the remuneration model is based on the basic strategy of positioning the Jungfraubahn Holding AG share as a value stock. The remuneration system supports the long-term increase in value for investors. This is achieved as follows:

- Longer-term determination of the remuneration and, in particular, longer-term fixing of the success component of the Executive Board to ensure continuity.
- calculation of the profit sharing of the Executive Board in the earnings before taxes (EBT) and thus on the basis of team-focused targets (EBT as an important indicator for a value-centric company).
- a share participation scheme with a long-term commitment (transfer of shares is blocked for five years) and thus a focus on the long-term increase in value.

The share participation scheme also exists in the same form for the group's management and employees. The treasury shares are intended to strengthen the bond between the entire staff and the company. The exercise rate in 2020 was 55.5%.

FIXED REMUNERATION

For members of the Board of Directors, the fixed components – i.e. the fee, the expense allowance and the attendance fee – form the basis of the remuneration. The remuneration is paid in two half-yearly instalments. The Executive Board receives a basic salary, paid in the form of 13 monthly salaries. In the case of members of the Board of Directors who represent a legal entity participating in Jungfraubahn Holding AG (article 707 (3) of the organisational regulations), the represented legal entity may determine that the fee is to be paid directly to itself and not to the Board of Directors. In such a case, the amount owed is settled once a year at the end of December.

Where members of the Board of Directors and members of the Executive Board receive remuneration from third parties for activities carried out in connection with their roles at Jungfrau Railways, the following applies:

- The members of the Executive Board fully surrender their fees to Jungfraubahnen Management AG. They are permitted to keep their attendance fees as part of their remuneration.
- The members of the Board of Directors keep the fees and attendance fees. In this report, such payments are included in the fee or salary and are shown for each recipient.

VARIABLE REMUNERATION

The performance of the Executive Board is taken into account by way of profit sharing, the amount of which depends on the success achieved by the company, which is measured on the basis of EBT. It is determined with a long-term perspective.

As a result of the promising investments and the steady increase in profits until the end of 2019, the formula for calculating the profit sharing was modified as follows on 19 February 2020, effective as of 1 January 2021: $(EBT - CHF\ 30\ \text{million}) \times [\text{factor}]$. The factor for the members of the Executive Board was no longer determined uniformly, but varies individually in a range from 0.2% to 0.5%.

The corona pandemic that broke out in early 2020 had a severe economic impact on Jungfrau Railways. The Board of Directors will carefully monitor the further development and adjust the remuneration system if necessary. For 2020, it was decided not to pay out any profit sharing (see section 4 "Calculation").

In accordance with the Statutes, profit sharing is capped at two-thirds of the basic remuneration. It is due for payment to the Executive Board members on the ordinary payment date following the approval of the Jungfraubahn Holding AG results.

SHARE PARTICIPATION SCHEME

The Board of Directors and the Executive Board may voluntarily participate in the programme for discounted employee shares in accordance with the quotas allocated to them. The subscription right is allocated individually at the end of the third quarter, taking into account the amount approved by the GM, the course of business and the seniority. The exercise takes place at a discounted price, which is reviewed annually by the Board of Directors and redefined if necessary. The number of subscription rights for the Board of Directors is also determined by a maximum amount for the share portion, which is determined at such a level that the total remuneration is within a range appropriate to the role.

The subscription period is 60 days, during which the beneficiaries must decide how many shares they wish to purchase. The reference price is determined at the Remuneration Committee meeting that takes place in late summer, based on the average price of the last 30 days before the meeting date. The shares cannot be sold or pledged during a vesting period of five years. The difference between the subscription price and the relevant market value according to Circular No. 37 of the Swiss Federal Tax Administration is reported as a remuneration component.

OCCUPATIONAL PENSION PLAN OF THE EXECUTIVE BOARD

The basic salaries of the Executive Board members are insured in the Jungfrau Railways Staff Pension Fund. An insurance solution for the variable components is in place with a life insurance company.

3. DETERMINATION PROCEDURE

ORGANISATION

The Board of Directors of Jungfrau Holding AG is responsible for the top management as well as the supervision and control of the Executive Board of the entire Jungfrau Railway Group. In accordance with article 21 of the statutes, it may appoint committees to assist it. The duties of the Board of Directors and of the committees are set out in the statutes, the organisational regulations and the regulations of the respective committees. In remuneration matters, the Board of Directors is assisted by a Remuneration Committee. The members are appointed by the GM pursuant to applicable legal provisions (VegüV). In accordance with the proposals of the Board of Directors, the GM 2020 elected Thomas Bieger (Chairman), Peter Baumann and Hanspeter Rüfenacht to the Remuneration Committee for a one-year term of office. They are all independent and “non-executive”. The secretary of the committee is Urs Kessler, the Chief Executive Officer.

According to article 21 (2) of the statutes, the committee has the power to make and implement proposals. Within the scope of its implementation authority, it determines the employment contracts or remuneration of the Executive Board members (excluding the CEO) in accordance with the GM resolution. Taking into account the amount approved by the GM, the committee determines the subscription entitlement and the subscription price for discounted shares (section 2.1. A 2. of the regulations for the Remuneration Committee). In all other respects, decisions on remuneration issues – insofar as they concern the Board of Directors and the Executive Board and thus also the respective proposals to the GM – are made by the full Board of Directors.

PROCEDURE

Remuneration issues are always prepared by the Remuneration Committee. In accordance with the special regulations, the Remuneration Committee draws up the general remuneration policy of the company (Board of Directors, management and staff) for the attention of the Board of Directors and makes proposals for the implementation of the GM resolution concerning the remuneration to be paid to the Board of Directors and CEO and a draft for the proposals concerning the remuneration for the GM. It also prepares the Remuneration Report, which is submitted to the GM for information.

The Remuneration Committee holds meetings as often as necessary. Among other things, it assesses the remuneration and compares it with information on the remuneration paid by other listed companies in the canton of Bern, the neighbouring Espace Mittelland as well as selected companies from the railways and tourism sector.

At each Board of Directors meeting following a committee meeting, the committee reports in detail to the Board of Directors. The subjects discussed within this framework include the results of the benchmark on remuneration issues and the structure of the share participation scheme. In addition, an overall assessment of the remuneration system and its effectiveness is carried out using this method.

Especially towards the end of the year, the Board of Directors examines the remuneration of the Executive Board and of the other executives and, by way of general supervision, the remuneration principles for the entire staff. The Board of Directors usually assesses its own activities and remuneration in the context of an annual

analysis of the business results or the review of its strategies. This cycle does not prevent it from always responding to remuneration issues, even at short notice, or from issuing clarification orders in this regard.

RULES

The principles governing the remuneration of the Board of Directors and Executive Board are set out in a separate chapter of the organisational regulations (Article 24a ff). Jungfraubahn Holding AG's remuneration system aligns the interests of the recipients with the interests of the company and supports the implementation of the strategy (see section 2 of the Remuneration Report). The requirement profiles form the basis for the calculation of the fees.

The Jungfraubahn Holding AG remuneration system is designed for consistency and reliability. The variable remuneration, too, is based on criteria and objectives that are defined in advance and usually in the long term. Accordingly, there are regulations on profit sharing and the participation scheme. The Board of Directors only grants voluntary special bonuses that are paid out retrospectively to a limited extent and in exceptional cases.

4. REMUNERATION IN THE REPORTING YEAR 2020

CALCULATION

Compared to 2019, no restructuring of the remuneration was undertaken. However, due to the economic situation, no profit sharing will be granted.

The detailed disclosures concerning the remuneration in the year under review are shown in the form of a table in Remuneration Overview .

Within the scope of its activities, the Executive Board is also responsible for the management of Berner Oberland-Bahnen AG, which bears 24% of the fixed component of the remuneration reported for the members of the Executive Board.

The subscription rights for the purchase of discounted shares for the Board of Directors and the Executive Board were determined as follows for 2020: Board of Directors 750 shares, Chief Executive Officer 2,000 shares, members of the Executive Board 1,200 shares. The allocated shares were available for purchase at a preferential price of CHF 43, which is valid for all employees of the group. The reference date for the subscription and therefore also for the calculation of the value of this remuneration component was 1 October 2020. The share price was CHF 115.80, which means that the relevant price after deduction of 25.274% (Circular No. 37 of the Swiss Federal Tax Administration) was CHF 86.55. The difference between the discounted value and the subscription price is CHF 43.55. This amount – multiplied by the individual number of shares purchased – is reported as a remuneration component. In 2020, the number of treasury shares issued to members of the company management was as follows:

	Shares
Sales to Executive Board members at a price of CHF 43	3,200
Sales to non-executives (Board of Directors) at a price of CHF 43	4,700
Total shares	7,900

The GM 2020 approved a remuneration of CHF 820,000 for the Board of Directors for the term of office until the GM 2021. The total amount paid to the Board of Directors for the year 2020 is CHF 563,272, seven-twelfths of which (CHF 328,575) are for the period after the GM 2020. Extrapolated, it appears that the remuneration will not exceed the total amount approved by the GM 2020 until the GM 2021.

The total amount paid to the Executive Board for the financial year 2020 is CHF 1,276,469. At the GM 2019, an amount of CHF 1,800,000 had been approved for the financial year 2020.

REMUNERATION OVERVIEW

Members of the Board of Directors (BoD) 2020

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Prof. Dr. Thomas Bieger, Chairman	Ueli Winzenried, Vice-Chairman	Peter Baumann, Member	Nils Graf, Member	Dr. iur. Catrina Luchsinger Gähwiler, Member	Hanspeter Rüfenacht, Member	Heinz Karrer, Member [1]	Board total
Fixed remuneration (cash)	89,842	51,958	38,142	37,892	37,892	38,142	20,500	314,368
Shares [2]	32,663	32,663	32,663	32,663	32,663	32,663	8,710	204,688
Contributions in kind	510	400	555	755	755	400	555	3,930
Social insurance contributions	9,946	4,808	5,785	5,781	5,781	5,772	2,413	40,286
Total remuneration	132,961	89,829	77,145	77,091	77,091	76,977	32,178	563,272

[1] Election to the Board of Directors on 18 May 2020. [2] On 1 October 2020, the relevant date for the calculation of this remuneration component, the fair value of the subscribed shares was CHF 72.80 (share price CHF 115.80 less the subscription price of CHF 43); the total amount was CHF 342,160.

Members of the Board of Directors (BoD) 2019

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Prof. Dr. Thomas Bieger, Chairman	Ueli Winzenried, Vice-Chairman	Peter Baumann, Member	Nils Graf, Member	Dr. iur. Catrina Luchsinger Gähwiler, Member	Hanspeter Rüfenacht, Member [1]	Board total
Fixed remuneration (cash)	103,800	60,300	44,500	45,000	45,000	43,000	341,600
Shares [2]	49,984	49,984	49,984	49,984	49,984	49,984	299,904
Contributions in kind	620	400	555	755	755	400	3,485
Social insurance contributions	12,237	8,778	7,559	7,614	7,614	6,264	50,066
Total remuneration	166,641	119,462	102,598	103,353	103,353	99,648	695,055

[1] Part of the fixed remuneration (fee and expenses allowance from January to May) of Hanspeter Rüfenacht in the amount of CHF 14,625 was paid to his employer BEKB; the attendance fee and the other remuneration was paid directly to him. [2] On 1 October 2019, the relevant date for the calculation of this remuneration component, the fair value of the subscribed shares was CHF 109.40 (share price CHF 154.40 less subscription price CHF 45); the total amount was CHF 466,044.

Members of the Executive Board (EB) 2020

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Highest total compensation: Urs Kessler, Chairman of the Executive Board	Executive Board total
Fixed remuneration (cash)	330,976	743,826
Variable profit sharing (cash)	0	0
Shares [1]	112,057 [2]	164,317
Contributions in kind	2,710	7,309
Social insurance contributions	161,975	361,017
Total remuneration	607,718	1,276,469

[1] On 1 October 2020, the relevant date for the calculation of this remuneration component, the fair value of the subscribed shares was CHF 72.80 (share price CHF 115.80 less subscription price CHF 43); the total amount was CHF 232,960. [2] CHF 24'957 was paid as V-Cableway bonus (177 shares at a price of CHF 141).

Members of the Executive Board (EB) 2019

Disclosure pursuant to Article 663b of the Swiss Code of Obligations, in CHF	Highest total compensation: Urs Kessler, Chairman of the Executive Board	Executive Board total
Fixed remuneration (cash)	331,126	745,301
Variable profit sharing (cash)	157,035	415,146
Shares [1]	140,800	271,040
Contributions in kind	2,553	6,933
Social insurance contributions	168,486	361,580
Total remuneration	800,000	1,800,000

[1] On 1 October 2019, the relevant date for the calculation of this remuneration component, the fair value of the subscribed shares was CHF 109.40 (share price CHF 154.40 less subscription price CHF 45); the total amount was CHF 421,190.

LOANS AND CREDIT

In 2020, no loans were granted to members of the Board of Directors or of the Executive Board.

AUDITOR'S REPORT ON THE REMUNERATION REPORT

The object of the official annual report of Jungfraubahn Holding AG is the management report (with segment reporting) and the financial report, which contains the consolidated financial statements for 2020 and the financial statements for 2020 of the holding company. The auditor's reports are also included in this part of the annual report. The printout of the annual report in German, available at the registered offices of the company during the invitation period to the General Meeting of Jungfraubahn Holding AG, is binding and has been audited. Thus no audit reports were drawn up in English. You can download a PDF document with the same content from the online annual report Download Centre. The accompanying report and the download file also contain the 2020 remuneration report and corporate governance information.

CORPORATE GOVERNANCE

INTRODUCTION

For the Jungfrau Railway Group, constructive dialogue with its diverse stakeholders is at the heart of corporate governance. The Swiss Code of Best Practice of the umbrella organisation Economiesuisse serves as a model. The management and control systems need to be kept to an appropriate level. Our solutions are fine tuned to the needs of the company according to the principle of proportionality. During the last financial year, a number of important steps were taken, such as the introduction of a code of conduct, the creation of the position as compliance officer and the introduction of an internal audit unit.

The following information on corporate governance is structured in accordance with the Corporate Governance Directive (DCG) of the SIX Swiss Exchange. The statutes and the organisational regulations of Jungfraubahn Holding AG, to which reference is made repeatedly, can be downloaded from <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>. The disclosures in the corporate governance report refer to the status as at 31 December 2020. Any significant changes that occurred after this date, but before the editorial deadline, and any decisions of material importance are mentioned separately. The DCG merely serves as a formal basis for a comprehensive understanding of fair and transparent behaviour. To make a true impact, a positive attitude towards this concept is a must. Great importance is attached to open and regular exchange of opinions and information. The people behind the Jungfrau Railway Group – from the company management to the staff – strive to maintain contact and constructive dialogue with all stakeholders.

1. GROUP STRUCTURE AND SHAREHOLDERS

The subsidiaries of Jungfraubahn Holding AG (also collectively referred to as the Jungfrau Railway Group) cooperate closely with Berner Oberland-Bahnen AG, which is majority-owned by the federal government and the canton of Bern. This operating consortium is a virtual combined company. Jungfraubahn Holding AG only holds 8% of the shares of the Berner Oberland-Bahnen AG and does not participate on its Board of Directors. The cooperation is ensured by Jungfraubahnen Management AG (shares: Jungfraubahn Holding AG 67% and Berner Oberland-Bahnen AG 33%). This is done primarily by making the best possible use of management resources (personnel, skills, instruments), that Jungfraubahnen Management AG builds, maintains and develops for all its clients. Insofar as Jungfraubahnen Management AG coordinates its approach with the clients in order to make effective use of synergies, particularly in the fields of marketing, customer service, insurance, quality assurance, compliance management, procurement and IT, it does so as a full-function joint venture of the companies involved. Collectively, the companies involved act as Jungfrau Railways under the Jungfrau – Top of Europe brand. The organisational chart of the operating companies and the operational organisation of Jungfraubahn Holding AG can be found in the chapter “The holding company”.

The only listed company in the scope of consolidation is Jungfraubahn Holding AG, 3800 Interlaken, Switzerland. Its registered shares are listed at the SIX Swiss Exchange in Zurich (security number 1 787 578, ISIN CH0017875789). Based on a closing price of CHF 137.20 of the registered share from Jungfraubahn Holding AG, the market capitalisation as at 31 December 2020 was CHF 800,562,000.

The following non-listed companies are included in the scope of consolidation of Jungfraubahn Holding AG:

Company	Registered office	Share capital as at 31 December 2020 in CHF	Voting share of JBH in percent
Jungfraubahn AG	Interlaken	10,000,000	100
Wengernalpbahn AG	Interlaken	10,000,000	100
Firstbahn AG	Grindelwald	10,000,000	100
Parkhaus Lauterbrunnen AG	Lauterbrunnen	1,000,000	100
Jungfrau Gastronomie AG	Interlaken	100,000	100
Jungfrau Shopping AG	Interlaken	100,000	100
Bergbahn Lauterbrunnen-Mürren AG	Interlaken	1,800,000	95
Harderbahn AG	Interlaken	705,000	89
Grindelwald Grund Infrastruktur AG	Grindelwald	10,000,000	80
Jungfraubahnen Management AG	Interlaken	100,000	67
Sphinx AG Jungfraujoch	Fieschertal	52,500	57

SIGNIFICANT SHAREHOLDERS

On the cut-off date of 31 December 2020, the following shareholders were included in the share register with a shareholding of more than 3% of total capital:

Shareholders	Share
BEKB/BCBE (Berner Kantonalbank)	14.2%
Gebäudeversicherung Bern	5.0%
JSP Sicherheitsdienste Alarmempfang und Intervention (Schweiz AG)	4.7%
Erwin Reinhardt (Erwin Reinhardt is the beneficial owner of Montalto Holding SA, which holds 3.17%, and other participations)	4.4%
Martin Haefner	4.2%

Erwin Reinhardt passed away on 14 February 2021. According to the information received from the legal representatives, the shares will be transferred to his widow, Franziska Reinhardt-Scherz in the course of the financial year 2021.

In 2020, the following disclosure notifications were sent to the disclosure office of SIX Swiss Exchange:

- <http://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/shareholder-details/TAK4R000B8>

CROSS-SHAREHOLDINGS

None of the companies in which Jungfraubahn Holding AG holds more than 5% of shares is a major shareholder of Jungfraubahn Holding AG.

2. CAPITAL STRUCTURE

CAPITAL

The share capital of Jungfraubahn Holding AG amounts to CHF 8,752,500. Further information on the capital can be found in the balance sheets published in the annual report (Consolidated Balance Sheet and Balance Sheet of Jungfraubahn Holding AG) and in the accompanying notes.

AUTHORISED AND CONTINGENT SHARE CAPITAL

Currently, the statutes of Jungfraubahn Holding AG do not contain any provisions on authorised or contingent share capital.

CAPITAL CHANGES IN THE LAST THREE YEARS

In the last three years, the capital of Jungfraubahn Holding AG has not undergone any changes.

SHARES AND PARTICIPATION CERTIFICATES

The share capital is divided into 5,835,000 fully paid up registered shares with a nominal value of CHF 1.50 (single class of shares, security number: 1 787 578). Entry in the share register is a prerequisite for exercising voting rights. The shares are issued and managed in the form of book-entry securities. All shares are entitled to dividends.

Further information on the shares can be found in the Notes to the Annual Financial Statements of Jungfraubahn Holding AG (treasury shares, share indicators) and online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>.

Jungfraubahn Holding AG does not have any participation capital.

PROFIT PARTICIPATION CERTIFICATES

Jungfraubahn Holding AG has not issued any profit participation certificates.

LIMITATIONS ON TRANSFERABILITY AND NOMINEE REGISTRATIONS

Art. 5 (3) letter a of the Jungfraubahn Holding AG status contains the following entry restriction:

The Board of Directors may refuse to register an acquirer as a shareholder with voting rights if an individual shareholder owns more than 5% of the share capital of the company, whereby legal entities and partnerships, other associations of persons as well as joint ownership relationships that are linked to one another by capital or voting rights through uniform management or in some other way, and natural persons or legal entities or

partnerships that act with a view to circumventing the limitation on registration (in particular as a syndicate) are each considered to be one shareholder for the purpose of registration in the share register; Article 685d (3) of the Swiss Code of Obligations remains reserved. The limitation on registration laid down in this section also applies to the establishment of usufruct and to shares subscribed to or acquired by exercising subscription, option or conversion rights.

The Board of Directors exercises the authority granted to it by the statutes ("The Board of Directors may...") and only permits registration of voting rights (see Article 685f (2) and (3) of the Swiss Code of Obligations) in the share register if the share quorum of 5% is not exceeded.

No nominee entries are made in the Jungfraubahn Holding AG share register. Article 5 (3) letter b of the statutes of Jungfraubahn Holding AG gives the Board of Directors the right to refuse registrations unless the shareholder concerned expressly declares, even upon request, that they have acquired the shares in their own name and for their own account. Applications for registration usually already contain a corresponding declaration by the shareholder. In all other cases, specific enquiries are made in accordance with the statutes.

If the restriction on transferability is to be lifted, the statutes must be amended by the General Meeting. For this purpose, Article 15 (3) of the statutes of Jungfraubahn Holding AG provides for a quorum of two-thirds of the votes represented.

CONVERTIBLE BONDS AND OPTIONS

Jungfraubahn Holding AG has not taken up any convertible bonds, and no options are outstanding.

3. BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

The following disclosures concerning the Board of Director refer to 31 December 2020 [3]. In the event of changes, the updated information can always be found online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/board-of-directors/>.

The Board of Directors of Jungfraubahn Holding AG consists of seven members.

Prof. Dr. Thomas Bieger (1961, CH), Chairman



1 Degree (rer. pol.), University of Basel, doctorate 1987; Professor of Business Administration and Tourism (1996) University of St. Gallen 2 Activities at the Universities of Basel and Innsbruck; lecturer and member of the school management at HWV Lucerne and Chur; Director and Manager of Samedan Middle School and Tourism School; teaching, guest professorships and fellowships at Simon Fraser University Vancouver, Vienna University of Economics, University of Lugano and University of Otago; various BoD mandates; 2011–2020 President of the University of St. Gallen; 2016–2020 President of the Chamber of Universities of swissuniversities 3 Since 1999 full professor at University of St. Gallen; since 1997 Director of the Institute for Systemic Management and Public Governance 4 Chairman of the Remuneration Committee; Chairman of JBM AG 5 None 6 President of the Swiss Society for Hotel Credit 7 Board member of the European Foundation for Management Development (EFMD) 8 Board member of the Agency for Quality Assurance and Accreditation Austria; President of Graubünden Tourism Board 9 Non-executive 10 None

[3]

1 Training/Qualifications 2 Professional History 3 Main Occupation 4 Companies/Committees 5 Business Relationship with Jungfrau Railways 6 Management- and Supervisory Activities 7 Activities for Stakeholders 8 Official Roles, Political Offices 9 Operational Management Tasks 10 Previous Activities for Jungfrau Railways

Ueli Winzenried (1955, CH), Vice-Chairman

1 Business administration HWV; further education at IMD Lausanne and Stanford University, CA 2 Managerial function with F. Hoffmann-La Roche AG in Switzerland and abroad (Spain, Peru, Korea, Greece) for 19 years, the last few years as Director and member of Diagnostics Division Management, responsible for international sales and marketing activities including global logistics; subsequently 20 years as Chairman of the Executive Board of Gebäudeversicherung Bern (GVB) 3 Business consultant at law firm Burkhalter Rechtsanwälte in Bern/Zurich 4 Chairman of the Audit Committee, member of the Board of Directors of JBM AG; member of the Foundation Board of the Jungfrau Railways Pension Fund 5 None 6 Member of the BoD of Amerina AG; member of the BoD of Espace Real Estate Holding AG; member of the BoD of Kongress + Kursaal Bern AG (including subsidiaries); member of the Foundation Board of ahal; member of the Foundation Board of Creaviva; member of the Foundation Board of WWF Switzerland; member of the BoD of Helvetas 7 Board member of the Canton of Berne Commerce and Industry Association; Board member of Volkswirtschaftliche Gesellschaft des Kantons Bern 8 None 9 Non-executive 10 None

Peter Baumann (1956, CH)

1 1980 degree in Cultural Engineering (ETH); 1989 INSEAD Executive Program; 1994 Swiss Course in Company Management (SKU) 2 1981–1988 Basler & Hofmann AG, Beratende Ingenieure und Planer AG, Zurich; 1988–1996 Von Roll Transportsysteme AG, Thun (from 1991: Von Roll Seilbahnen AG); 1996–1997 Mecaplex AG, Grenchen; since 1997 Doppelmayr/Garaventa Group 3 Regional Manager LATAM at Doppelmayr/Garaventa Group 4 Member of the Remuneration Committee 5 Garaventa AG is a supplier of cableways for Jungfrau Railways. 6 Member of the BoD of Garaventa AG; member of the BoD of CWA Constructions SA Corp., Olten; member of the BoD of Mecaplex AG, Grenchen; member of the BoD of Ropetrans AG, Rotkreuz 7 None 8 Grindelwald council 9 Non-executive 10 None

Nils Graf (1956, CH)



1 Apprenticeship as bricklayer; training college for foremen; various courses for further training and Swiss Diploma in Contracts Management from the Swiss Construction College in Aarau 2 Co-owner of Graf AG Hoch- & Tiefbau, Holzbau in Wengen since 1982 3 Co-owner of Graf AG Hoch- & Tiefbau, Holzbau in Wengen 4 Member of the Audit Committee 5 Various assignments in the field of building and civil engineering 6 Chairman of the BoD of Beo Bauservice AG; Chairman of Graf Bauberatung GmbH; Vice-Chairman of the BoD of Graf AG 7 Senator of the International Junior Chamber; Vice-President of the OC Jungfrau Marathon 8 Secretary of the Wengernalp Alpine Cooperative; secretary of the Wengen Ski Pistes Committee 9 Non-executive 10 None

Heinz Karrer (1959, CH)

1 Commercial apprenticeship in banking; Swiss university entry qualification via the second educational pathway; two years of study at HSG 2 1985–1987 Managing Director of the Sporting Goods Suppliers Association; 1987–1990 Managing Director of Intersport Schweiz AG; 1990–1995 Chief Executive Officer of Intersport Holding AG; 1995–1997 Chief Executive Officer of Ringier Switzerland and member of the Executive Board of Ringier AG; 1998–2002 member of the Executive Board of Swisscom AG, responsible for the Marketing & Sales division; 2002–2014 CEO of Axpo Holding AG 3 Self-employed 4 None 5 None 6 Member of the Banking Council of the Swiss National Bank; member of the BoD of Ringier Sports AG; member of the BoD of Gregor Furrer & Partner Holding AG; Chairman of the BoD of IFBC AG; Chairman of the BoD of Company Factory AG; Chairman of the Hasler Foundation; Chairman of the UNESCO World Heritage Swiss Alps Jungfrau-Aletsch Foundation; Chairman of the BoD of TenEx Holding AG; Vice-Chairman of the BoD of Palace avenir AG 7 None 8 None 9 Non-executive 10 None

Dr. iur. Catrina Luchsinger Gähwiler (1967, CH/GB)

1 1991 law studies at the University of Zurich, degree in law (lic. iur.); 1995 bar exam in the canton of Zurich; 2004 graduation as Dr. iur. 2 1996–2000 lawyer at Zurich-based law firms with an international focus; 2012–2016 Managing Partner of Froriep Rechtsanwälte; lawyer (since 2000) and partner (since 2007) of Froriep Legal AG, Zurich 3 Lawyer 4 Member of the Audit Committee 5 None 6 Member of the BoD of Baader Helvea AG, Zurich; Nova Property Fund Management AG, Zurich; Brevalia AG, Zurich; member of the Foundation Board of the Sanitas Foundation 7 Member of the International Bar Association; member of the International Pacific Bar Association (Vice-Chair of the Banking and Finance Committee); member of the Swiss-Asian Chamber of Commerce 8 None 9 Non-executive 10 None

Hanspeter Rüfenacht (1958, CH)



1 Apprenticeship, Berufsmittelschule KV Bern; business administration HWV 2 1974–1999 Schweizerische Bankgesellschaft/UBS AG, various management functions in private and corporate business and credit management; from 1999: Berner Kantonalbank AG, Head of Credit Management, from 2002 member of the Executive Board and Head of the Consulting and Sales department, 2012–2019 Chief Executive Officer 3 None 4 Member of the Remuneration Committee 5 None 6 None 7 None 8 None 9 Non-executive 10 None

NUMBER OF APPROVED MANDATES

For members of the Board of Directors, the number of mandates in the top executive and administrative bodies of legal entities outside the group, which need to be entered in the Swiss commercial register or a comparable international register, is limited to 3 mandates in listed companies, 10 mandates in non-listed companies and 20 mandates in other legal entities such as foundations and associations (article 17 of the Jungfraubahn Holding AG statutes).

ELECTION AND TERM OF OFFICE

The General Meeting elects all members of the Board of Directors, the Chairman and the members of the Remuneration Committee annually by way of separate election (Article 17 of the Jungfraubahn Holding AG statutes, according to VegüV (Ordinance against Excessive Remuneration of Listed Companies)). In accordance

with the organisational regulations of the Board of Directors, the following limitations apply:

The age limit is 70, i.e. at the General Meeting of the year in which the mandate holder reaches the age of 70, they must resign from the Board of Directors.

A limit on the term of office for mandates on the Board of Directors has again been introduced in the organisational regulations of Jungfraubahn Holding AG. The period of successive service on the Board of Directors has been limited to 12 years. Members of the Board of Directors who had been elected at the General Meeting 2010 or earlier, who are active when this limit enters into force, are subject to a transitional phase until the General Meeting 2022.

The new organisational regulations entered into force on 24 February 2021.

INTERNAL ORGANISATION

Except for the Chairman and the members of the Remuneration Committee, the Board of Directors is self-constituting with regard to its duties and the composition of the committees. It has appointed Isabelle Hofer (not a Board of Directors member) as its secretary in the place of Christoph Schläppi, who retired at the end of 2020.

The Chairman of the Board of Directors, or when the the Chairman is not available, the Vice-Chairman leads the Board of Directors and chairs its meetings as well as the General Meeting. This person is a key contact for the Chief Executive Officer in all aspects of company management. In plenary sessions, all other Board of Director members perform the same duties and have the same responsibilities. The Board is supported by two specialised committees that are formed from among its members. These committees analyse specific areas in depth and report on the preparation of resolutions or the exercise of the supervisory function. For details, please refer to the rules of the respective committee.

COMMITTEES

Audit Committee

Ueli Winzenried (Chairman), Nils Graf, Dr. iur. Catrina Luchsinger Gähwiler

In particular, the Audit Committee has the following duties:

- Assessment of the semi-annual and annual financial statements
- Assessment of the organisation of internal financial control and external auditing
- Assessment of the independence, performance and remuneration of external auditors and the compatibility of consultancy mandates with auditing activities

The Audit Committee does not carry out any audits itself.

As of 1 January 2021, the Audit Committee was renamed "Audit and Compliance Committee". Moreover, the

new regulations entered into force as of 1 January 2021.

Remuneration Committee

Prof. Dr. Thomas Bieger (Chairman), Peter Baumann, Hanspeter Rüfenacht

As a matter of principle, the Remuneration Committee has the authority to make proposals and implement them. The committee is also responsible for the employment contracts of the members of the Executive Board. For additional authorisation procedures, the organisational regulations refer to the regulations of the Remuneration Committee. According to these regulations, the committee makes the final decision on the remuneration of the extended Executive Board, the reference price for and entitlement to discounted shares for executives and employees and on the approval of ancillary activities of the Executive Board and extended Executive Board. The Remuneration Committee also ensures that a benchmark for remuneration is established regularly (at least once a year) – for which the remuneration paid by comparable listed companies and Bern-based companies is determined –, that the Board of Directors requirement profile is periodically compared with the actual situation, that substitutes and succession plans for members of the Executive Board and of the extended Executive Board and other key personnel are discussed with the Chief Executive Officer, that the employees are regularly assessed and that a self-assessment of the work of the Remuneration Committee is carried out.

The Remuneration Committee makes the following preparations for the attention of the Board of Directors:

- Determination of the remuneration policy as a whole (Board of Directors, management, staff)
- Proposal for the implementation of the General Meeting resolution regarding the remuneration to be paid to the Board of Directors and CEO
- Preparation of the remuneration proposals for the General Meeting
- Preparation of the remuneration report
- Preparation of amendment proposals for the statutes concerning the principles for the remuneration of the members of the Board of Directors and of the Executive Board
- One-off, voluntary bonuses for staff (principle, framework)

The new regulations of the Remuneration Committee, which were approved on 19 November 2020, have been applied since 1 January 2021. According to the amendment of the regulations and the reorganisation of the Executive Board as of 1 January 2021 the executive level “extended Executive Board” no longer exists.

WORKING METHODS OF THE BOARD OF DIRECTORS

Normally, the Board of Directors holds five meetings a year, one of which is a two-day strategy meeting. Resolutions are always adopted by the entire Board of Directors with the simple majority of those present. The CEO attends meetings of the Board of Directors in an advisory capacity. In addition, the persons responsible for a particular transaction attend the meetings. The invitation for Board of Directors meetings lists all topics to be covered. The meeting participants receive a written breakdown of the proposals in advance. In urgent cases and subject to certain restrictive formal requirements, resolutions may also be adopted by way of circular resolution. The Board of Directors members may use the meeting preparation tool Diligent, which gives them access to the documents of the current and previous meetings. In the course of the year, the Board of Directors adheres to

the following cycle of successive analysis and decision-making steps:

- Strategy control and risk assessment
- Elaboration/modification of the business plan
- Budgeting according to the business plan
- Investment decisions
- Analysis of the results

In the year under review, the Board of Directors held nine meetings, the Audit Committee held three meetings and the Remuneration Committee held three meetings.

COMPETENCIES

The Board of Directors of Jungfrau Holding AG is responsible for the overall management, supervision and control of the Executive Board throughout the Jungfrau Railway Group.

The tasks of the Board of Directors are laid down in the statutes and in the organisational regulations of Jungfrau Holding AG. The Board of Directors is authorised to make decisions on all matters that are not expressly transferred to or reserved for the General Meeting or other corporate bodies by virtue of law, the statutes or the organisational regulations. The organisational regulations detail the competencies of the Board of Directors and of the Executive Board, taking into account the legal requirements (Article 716a CO), which are always observed in the day-to-day business. Rules concerning insider prevention and disclosure requirements for management transactions can be found in the appendices. The organisational regulations, which also contain a table listing the competencies of the Board of Directors and of the Executive Board as well as a summary of the project management can be found online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/shareholder-information/>.

The Board of Directors has a Directors and Officers insurance, the premiums for which are covered by the company.

INFORMATION AND CONTROL INSTRUMENTS

Open and timely reporting to the Board of Directors is ensured (the Chief Executive Officer is responsible for this). This takes place in the form of oral information at Board of Directors meetings (standard agenda items for CEO and CFO) and special reporting on large projects (annual project status and project accounting upon completion). In the case of special events, the Board of Directors is notified immediately in an appropriate way.

The Chairman of the Board of Directors and the Chief Executive Officer communicate on a weekly basis and advise each other regularly of all significant transactions.

The Jungfrau Railway Group has a management system certified in accordance with the ISO 9001:2015 standard. This system integrates the process organisation, the structural organisation, the work instructions, the internal control system (ICS), the risk management and the quality assurance in a uniform management tool.

The Jungfrau Railway Group has a performance measurement system that contains key figures on the business performance, finances and framework conditions. It is updated continually. The most important figures are included in the reports.

4. EXECUTIVE BOARD

MEMBERS OF THE EXECUTIVE BOARD

The following disclosures concerning the Executive Board refer to 31 December 2020 [4]. Up-to-date information can be found online at <http://www.jungfrau.ch/en-gb/corporate/jungfrau-railways/alliance-jungfrau-top-of-europe/management/>.

Urs Kessler (1962, CH)



1 Operational dispatcher; higher commercial business school; training as sales trainer, Swiss diploma in Marketing Planning; Swiss diploma in Marketing Management; SKU management course 2 Operational dispatcher at train stations in Switzerland in dispatch and sales; various managerial functions at BLS with emphasis on marketing; joined Jungfrau Railways in 1987 3 Chief Executive Officer of Jungfrau Railways since 2008 4 Chairman of the BoD of the subsidiaries (BLM, FB, GGI, HB, JB, JGA, JS, PHL and WAB) 5 None 6 Member of the BoD of Congress Centre Kursaal Interlaken AG 7 Board member of the Canton of Berne Commerce and Industry Association; Board member of Interlaken Tourismus (TOI); member of the BoD of RAILplus; member of the Direct Transport Strategy Committee (StAD); member of the BoD of BE! Tourismus AG; member of the BoD of öV Preis- und Vertriebssystemgesellschaft AG; Advisory Board of SNB 8 None 9 Chief Executive Officer 10 Start as salesman; 1990 Head of "Commercial Services"; 1994 Head of the new Marketing and Operations department, election to the Executive Board

[4]

1 Training/Qualifications 2 Professional Career 3 Main Occupation 4 Companies/Committees 5 Business Relationship With Jungfrau Railways 6 Management- and Supervisory Activities 7 Activities for Stakeholders 8 Official Roles, Political Offices 9 Operational Management Tasks 10 Previous Activities for Jungfrau Railways

Christoph Schläppi (1959, CH)

1 Lawyer; Management for the Legal Profession HSG 2 Lawyer in Interlaken; joined Jungfrau Railways in 1996
 3 Member of the Executive Board of Jungfrau Railways 4 Member of the BoD of subsidiaries (BLM, FB, GGI, HB, JB, JGA, JS, PHL and WAB) 5 None 6 Member of the BoD of Bank EKI; Chairman of the Audit Committee of Bank EKI 7 None 8 None 9 Corporate Secretary 10 Joined as Management Secretary (later Head of the Directorate) and Secretary to the Board of Directors, Head of Corporate Services until the end of 2017

Christoph Schläppi retired on 31 December 2020. Thereafter, he resigned from the Executive Board of Jungfrau Railways and from all Boards of Directors of its subsidiaries.

Christoph Seiler (1969, CH)

1 University degree as lic. rer. pol.; Rochester-Bern Executive MBA Program 2 Various positions in the banking industry; Loeb Holding AG, Bern, most recently as CFO; joined Jungfrau Railways in 2002 3 Member of the Executive Board of Jungfrau Railways 4 Member of the BoD of subsidiaries (BLM, GGI, HB, JB, JGA, JS, PHL,

SPX and WAB) **5** None **6** Chairman of the Foundation Board of Jungfrau Railways Staff Pension Fund; member of the Foundation Board of Sportanlagen Mürren Foundation; member of the BoD of Seiler AG, Bönigen **7** Chairman of Swiss Athletics **8** None **9** Head of the Finance & Controlling department (CFO) **10** None

NUMBER OF PERMISSIBLE MANDATES

For members of the Executive Board, the limit is one mandate for listed companies, three mandates for non-listed companies and 15 mandates for other legal entities such as foundations and associations (Article 17 of the Jungfraubahn Holding AG statutes).

MANAGEMENT CONTRACTS

There are no management contracts. The management is carried out entirely from within the group.

5. REMUNERATION, SHAREHOLDINGS AND LOANS

All disclosures on the remuneration, shareholdings and loans (scope and determination of the remuneration shareholding schemes for the Board of Directors and Executive Board, principles for and elements of the remuneration and the shareholding schemes, and organisation, procedures and rules for the determination of such) are set forth in the separate Remuneration Report.

The statutes of the Jungfraubahn Holding AG stipulate the following rules regarding remuneration, shareholdings and loans for the Board of Directors and the Executive Board:

Regarding	Board of Directors	Executive Board
Additional amount for the remuneration of Executive Board members who are appointed after the General Meeting's vote on remuneration	–	Article 14a (2)
Rules concerning the General Meeting's vote on remuneration	Article 14a, (1), (2) and (3)	Article 14a, (1), (2) and (3)
Guidelines for performance-related remuneration	Article 20 (1)	Article 20 (2)
Guidelines for the allocation of equity instruments, conversion rights and option rights	Article 20 (3)	Article 20 (3)
Rules on loans, credit and pension payments	Article 20 (4) and (5)	Article 20 (4) and (5)

6. SHAREHOLDER'S PARTICIPATION RIGHTS

RESTRICTIONS OF VOTING RIGHTS AND PROXIES

The registered shares issued by Jungfraubahn Holding AG belong to a single class. Though there is no statutory restriction on voting rights, the transferability provision in conjunction with the provisions of article 685f (2) and (3) Swiss Law of Obligations results in a de facto restriction on voting rights: "Registration in the share register without voting right" (see section "2. Capital structure").

Exceptions to and suspension of the restriction on voting rights

No information.

Statutory rules concerning the participation in the General Meeting

A shareholder may only be represented at the General Meeting by a legal representative or another shareholder who is participating in the General Meeting and is registered in the share register. There is also the possibility of representation by the independent proxy via written instructions or by electronic remote voting. The required information concerning the regulations that govern the instructions to the independent proxy as well as the electronic remote voting are contained in the respective invitation to the General Meeting. With regard to the admittance control at the General Meeting, an effectively signed power of attorney is required for authentication purposes for executives who want to represent their company at the General Meeting, but do not have sole signatory authority.

STATUTORY QUORUM

In addition to the special quorums required by law, the statutes of Jungfraubahn Holding AG also provide for a two-thirds majority and an absolute majority of the nominal value of the shares represented for the following resolutions:

- The facilitation of the transferability of registered shares
- The dissolution and/or merger of the company

CONVOCAION OF THE GENERAL MEETING

With regard to the convening of the General Meeting, the statutes of Jungfraubahn Holding AG comply with the statutory regulations. They designate the Swiss Official Gazette of Commerce as its publication medium. The Board of Directors may determine further publication media and send invitations to the shareholders registered in the share register by letter. It has made use of all these options since the company came into existence.

The date of the General Meeting and the dates resulting from the the deadlines specified below are published online at <http://www.jungfrau.ch/en-gb/corporate/investor-relations/jungfraubahn-holding-ag/calendar/> and in a shareholder letter that is sent to the shareholders before the General Meeting.

AGENDA

Shareholders who, alone or together, represent 10% or more of the share capital (currently: shares of a nominal value of at least CHF 875,250) may request the inclusion of an item on the agenda, specifying the item to be discussed and the proposals. The request must be submitted to the Board of Directors in writing and no later than 45 days before the respective General Meeting (date of arrival).

ENTRIES IN THE SHARE REGISTER

Only shareholders with voting rights, who are registered in the share register, are admitted to the General Meeting. They receive an invitation with an admission ticket by mail. The access authorisation is verified one week before the General Meeting (the exact date is published in a letter to the shareholders). Thereafter, no further entries are made in the share register until the day after the General Meeting. Shareholders who sell shares during this vesting period lose the associated voting rights. They must have their admission ticket corrected at the admission control on the day of the General Meeting.

7. CHANGE OF CONTROL AND DEFENCE MEASURES

There are no special arrangements for a change of control. The legally required obligation to submit a takeover bid remains unchanged. The limit of 33% has not been raised or lowered (no opting-up/opting-out).

8. AUDITORS

MANDATE PERIOD AND LEAD AUDITOR

At the General Meeting of Jungfraubahn Holding AG 2020, BDO AG, Bern, were elected as auditors. The lead auditor (mandate partner) for 2020 is Matthias Hildebrandt. He has held this office since 2019.

AUDIT FEE

The fees charged by the auditors in 2020 for their activities throughout the Jungfrau Railway Group including audits of the companies in the scope of consolidation and the audits in connection with railway regulations amount to CHF 130,500.

ADDITIONAL FEES

BDO AG, Bern, has not performed any additional services and has therefore not received any additional fees.

SUPERVISORY AND CONTROL INSTRUMENTS VIS-À-VIS THE AUDITORS

The assessment of the independence, performance and compensation of the external auditors as well as the compatibility of consultancy mandates with the auditing activities is one of the duties of the Audit Committee (see sections "Board of Directors" and "Committees"). It shall report regularly to the Board of Directors. The auditing company was present at all meetings of the Audit Committee.

9. INFORMATION POLICY

Jungfraubahn Holding AG endeavours to communicate with all stakeholders in an active, open and timely manner. In this task, the management is supported by Kathrin Naegeli, who is responsible for the media.

The shareholders of Jungfraubahn Holding AG are actively informed by means of the annual report, the semi-annual financial statements and, if required, by means of shareholder letters. Share price-relevant matters are published according to the SIX rules on ad-hoc publicity.

On the Jungfrau Railways website, up-to-date information can be accessed in English and German and, among other things, the ad-hoc newsletter required by the Listing Rules can be subscribed to. The corporate section (<http://www.jungfrau.ch/en-gb/corporate/>) features a wealth of information and downloads for all who are specifically interested in the company.

Jungfrau Railways informs its employees and the public promptly, actively and transparently about important developments in the company. Media representatives are welcome to approach the company for information at any time. The company promotes the sale of its offerings by means of service-focused communication.

Media contact

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