



J. SAFRA SARASIN



Sustainable Swiss Private Banking since 1841

Basel III Pillar 3 Disclosures 31 December 2021

J. Safra Sarasin Holding Ltd.

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Basel III Pillar 3 Disclosures (FINMA circ. 2016/1)

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Introduction

J. Safra Sarasin Holding Ltd. (the “Group” or the “Holding”) is regulated by the Swiss Financial Market Supervisory Authority (FINMA) which requires it to comply with Pillar III disclosures that are part of the Basel III Capital Adequacy Framework. This report discloses the Group’s application of Basel III framework as of 31 December 2021. In order to have the full view of the Group’s regulatory environment and capital requirements, this report should be read along with the Holding’s Annual Report 2021. For more information on the way the Group manages risk, please refer to the Risk Management (pages 56 – 63) section in the Holding’s Annual Report 2021. Certain disclosures contained in this report can not be reconciled with disclosures in the Annual Report due to the way the Group manages risk internally being different to the way it reports it hereunder.

Consolidation perimeter

The consolidation perimeter includes all entities wholly and partially owned, direct or indirect subsidiaries (and their branches and representative offices). Methodology used is the same than the accounting principles described on page 52 of the Holding’s Annual Report. On page 69 of the Holding’s Annual Report is a list of the main subsidiaries of the Group as at 31 December 2021. There are no internal and external limitations which could prevent the transfer of funds or capital within the Group.

Table KM1: Key metrics

(in 1'000 CHF)		31.12.2021	30.06.2021	31.12.2020
Available capital (amounts)				
1	Common Equity Tier 1 (CET1)	5,707,838	5,388,112	5,354,825
2	Tier 1	5,707,838	5,388,112	5,354,825
3	Total capital	5,814,809	5,501,664	5,354,825
Risk-weighted assets (amounts)				
4	Total risk-weighted assets (RWA)	14,751,415	15,020,690	14,580,635
4a	Minimum capital requirement	1,180,113	1,201,655	1,166,451
Risk-based capital ratios as a percentage of RWA				
5	Common Equity Tier 1 ratio (%)	38.69%	35.87%	36.73%
6	Tier 1 ratio (%)	38.69%	35.87%	36.73%
7	Total capital ratio (%)	39.42%	36.63%	36.73%
Additional CET1 buffer requirements as a percentage of RWA				
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.05%	0.04%	0.02%
11	Total of bank CET1 specific buffer requirements (%)	2.55%	2.54%	2.52%
12	CET1 available after meeting the bank's minimum capital requirements (%)	31.42%	28.63%	28.73%
Target equity ratios according to DRAO Annex 8 (as a % of RWA)				
12a	Capital conservation buffer according to Annex 8 of CAO (in % of RWA)	4.00%	4.00%	4.00%
12b	Countercyclical buffers (Art. 44 and 44a CAO) (%)	0.05%	0.04%	0.02%
12c	CET1 target rate (in %) according to CAO Annex 8 plus countercyclical buffers according to CAO Art. 44 and 44a	7.85%	7.84%	7.82%
12d	T1 target rate (in %) according to CAO Annex 8 plus countercyclical buffers according to CAO Art. 44 and 44a "	9.65%	9.64%	9.62%
12e	Total capital target ratio (in %) according to CAO Annex 8 plus countercyclical buffer according to CAO Art. 44 and 44a	12.05%	12.04%	12.02%
Basel III leverage ratio				
13	Total Basel III leverage ratio exposure measure	47,238,247	44,436,128	32,314,289
14	Basel III leverage ratio (%)	12.08%	12.13%	16.57%
Liquidity Coverage Ratio				
15	Total HQLA	13,605,209	14,115,896	11,938,409
16	Total net cash outflow	10,208,449	11,100,784	9,670,929
17	LCR ratio (%)	133.27%	127.16%	123.45%
Net Stable Funding Ratio				
18	Total available stable funding	26,275,009	24,754,634	22,822,710
19	Total required stable funding	19,391,050	18,611,010	18,187,934
20	NSFR ratio (%)	135.31%	133.01%	125.48%

Table OVA: Bank risk management approach

Pillar 3 disclosure requirement	Annual Report 2021 section	Disclosure	Annual Report 2021 Page number
Risk Profile	Consolidated Financial	Governance	56
	Statements - Consolidated	Risk management framework	56-57
	Notes	Organisation of risk management	57-58
		Risk categories	59-61
Risk Governance	Consolidated Financial	Governance	56
	Statements - Consolidated	Risk management framework	56-57
	Notes	Committees	57
Communication	Consolidated Financial	Organisation of risk	57-58
	Statements - Consolidated	management	
	Notes	Committees	57
Scope and main features of risk measurement systems	Consolidated Financial	Risk categories	59-61
	Statements - Consolidated		
	Notes		
Risk information reporting	Consolidated Financial	Organisation of risk	56-57
	Statements - Consolidated	management	
	Notes		
Stress testing	Consolidated Financial	Risk indicators	58-59
	Statements - Consolidated		
	Notes		
Strategies and processes to manage, capture and mitigate risks	Consolidated Financial	Organisation of risk	57-58
	Statements - Consolidated	management	
	Notes	Risk indicators	58-59
		Risk categories	59-61
		Business policy regarding hedging	62-63

Table OV1: Overview of risk-weighted assets

	RWA	RWA	Minimum Capital Requirement
(in 1'000 CHF)	31.12.2021	31.12.2020	31.12.2021
1 Credit risk (excluding counterparty credit risk) (CCR)	8,002,688	8,383,333	640,215
2 Of which standardised approach (SA)	8,002,688	8,383,333	640,215
6 Counterparty credit risk CCR	981,858	543,784	78,549
7 Of which standardised approach for counterparty credit risk (SA-CCR)	644,999	514,100	51,600
7b Of which determined using the market value method			
9 Of which others (CCR)	336,859	29,684	26,949
10 Value adjustment risk of derivatives (CVA)	332,766	350,159	26,621
11 Equity positions in banking book under market-based approach			
12 Equity investments in funds – look-through approach			
13 Equity investments in funds – mandate-based approach	196,583	190,736	15,727
14 Equity investments in funds – fall-back approach			
14a Investments in managed collective assets - simplified approach			
15 Settlement risk			
16 Securitisation exposures in banking book			
17 Of which IRB ratings-based approach (SEC-IRBA)			
18 Of which under the external ratings-based approach (SEC-ERBA), including the Internal Assessment Approach (IAA)			
19 Of which under the standardised approach (SEC-SA)			
20 Market risk	2,783,120	2,775,203	222,650
21 Of which standardised approach (SA)	2,783,120	2,775,203	222,650
22 Of which determined with model approach (IMA)			
23 Capital charge for switch between trading book and banking book			
24 Operational risk	2,359,567	2,298,663	188,765
25 Amounts below the thresholds for deduction (subject to 250% risk-weight)	94,833	38,757	7,587
26 Floor adjustment			
27 Total (1+6+10+11+12+13+14+14a+15+16+20+23+24+25+26)	14,751,415	14,580,635	1,180,113

Table LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values				
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework ¹⁾	Not subject to capital requirements or subject to deduction from capital
(in 1'000 CHF)			31.12.2021				
ASSETS							
Liquid assets	8,830,547	8,830,547	8,830,547				
Amounts due from banks	1,759,114	1,759,114	1,288,074	471,040			
Amounts due from securities financing transactions							
Amounts due from customers	10,035,007	10,035,007	10,008,352	26,655			
Amounts due secured by mortgage	3,370,501	3,370,501	3,370,501				
Trading portfolio assets	3,133,839	3,133,839	370,846			3,126,941	
Positive replacement values of derivative financial instruments	624,716	624,716		624,716		1,145,494	
Other financial instruments at fair value	2,273,891	2,273,891				2,231,173	
Financial investments	11,092,276	11,092,276	11,092,276				0
Accrued income and prepaid expenses	171,369	171,369	171,369				
Participations	37,544	37,544	37,544			8,359	
Tangible fixed assets	552,018	552,018	552,018				
Intangible assets	35,501	35,501					
Other assets	409,033	409,033	205,368				165,732
Bank's capital not paid in							
TOTAL ASSETS	42,325,355	42,325,355	35,926,895	1,122,410		6,511,967	165,732
LIABILITIES							
Amounts due to banks	824,376	824,376		25,787			18,073
Liabilities from securities financing transactions							
Amounts due in respect of customer deposits	32,370,958	32,370,958	3,344,392				876,004
Trading portfolio liabilities	14,013	14,013				5,585	8,428
Negative replacement values of derivative financial instruments	873,445	873,445		873,445		1,343,257	
Liabilities from other financial instruments at fair value	1,508,563	1,508,563					185,845
Cash bonds							
Bond issues and central mortgage institution loans	133,307	133,307					60,415
Accrued expenses and deferred income	373,043	373,043					242,279
Other liabilities	413,336	413,336					58,791
Provisions	68,478	68,478					53,618
TOTAL LIABILITIES	36,579,520	36,579,520	3,344,392	899,232		1,348,842	1,503,453

¹⁾ For reasons of clarity, the Bank does not list foreign currency and precious metal positions in the market risk column.

Table CC1 : Presentation of the regulatory eligible capital

(in 1'000 CHF)	31.12.2021	31.12.2020
Common Equity Tier 1 (CET1)		
1 Issued fully paid-up capital, fully eligible	848,245	848,245
2 Retained earnings reserve, incl. Reserves for general banking risks / profit-loss carried forward / profit-loss of the period	2,311,331	2,022,849
3 capital reserves / foreign currency translation reserves (+/-)	1,665,758	1,674,736
4 Issued fully paid-up capital, transitory recognised (phase out)		
5 Minority interests	882,503	808,995
6 = Common Equity Tier 1 (CET1) before adjustments	5,707,838	5,354,825
Adjustments referring to Common Equity Tier 1		
7 Prudential valuation adjustments		
8 Goodwill (net of related tax liability)		
9 Other intangible assets other than mortgage-servicing rights (net of related tax liability)		
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)		
11 Cash-flow hedge reserve (-/+)		
12 Shortfall of provisions to expected losses		
13 Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)		
14 Gains and losses due to changes in own credit risk on fair valued liabilities		
15 Defined-benefit pension fund net assets		
16 Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		
17 Reciprocal cross-holdings in common equity		
17a Qualified participations, where a controlling influence exists together with other owners (CET1-Instruments)		
17b Immaterial participations (CET1-Instruments)		
18 Not qualified participations in the financial sector (max 10%) (Amount exceeding threshold 1) (CET1-Instruments)		
19 Other qualified participations in the financial sector (Amount exceeding threshold 2) (CET1-Instruments)		
20 Mortgage servicing rights (amount above threshold 2)		
21 Deferred tax assets arising from temporary differences (amount above threshold 2, net of related tax liability)		
22 Amount exceeding the threshold 3 (15%)		
23 of which: significant investments in the common stock of financials		
24 of which: mortgage servicing rights		
25 of which: deferred tax assets arising from temporary differences		
26 Expected loss for investments based on the PD/LGD-approach		
26a Further adjustments for financial statements with generally accepted international accounting standards		
26b Further deductions		
27 Amount of AT1 deductions, which exceeds the AT1-capital		
28 = Sum of CET1-Adjustments		
29 = Common Equity Tier 1 (net CET1)	5,707,838	5,354,825
Additional Tier 1 Capital (AT1)		
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus		
31 of which: classified as equity under applicable accounting standards		
32 of which: classified as liabilities under applicable accounting standards		
33 Directly issued capital instruments subject to phase out from Additional Tier 1		
34 Minority interests eligible for AT1		
35 of which : transitorily recognised		
36 = Sum of additional Tier 1 capital (AT1), before adjustments		
Adjustments of additional Tier 1 capital		

(in 1'000 CHF)	31.12.2021	31.12.2020
37 Net long position in own AT1 instruments		
38 Reciprocal cross-holdings (AT1-Instruments)		
38a Qualified investments with where a dominant influence is executed together with other owners (AT1-Instruments)		
38b Immaterial participations (AT1-Instruments)		
39 Non-qualifying holdings (max. 10%) in financial sector (amount exceeding threshold 1) (AT1-Instruments)		
40 Other qualifying holdings in financial sector (AT1-Instruments)		
41 Other deductions		
42 Amount of T2 deductions, which exceed the T2-capital		
42a CET1 capped AT1 deductions		
43 = Sum of AT1-Adjustments		
44 = additional Tier 1 capital (AT1)		
45 Tier 1 capital (T1 = CET1 + AT1)	5,707,838	5,354,825
Eligible Tier 2 capital (T2)		
46 Directly issued qualifying Tier 2 instruments plus related stock surplus		
47 Directly issued capital instruments subject to phase out from Tier 2		
48 Minority interests eligible for T2		
49 Of which : transitorily recognised (phase out)		
50 Value adjustments; Provisions and losses due to reasons of prudence; forced reserves on financial investments	106,971	
51 Eligible Tier 2 capital (T2) before adjustments	106,971	
Adjustments of Tier 2 capital		
52 Net long position in own T2 instruments		
53 Reciprocal cross-holdings (T2- Instruments)		
53a Qualified investments with where a dominant influence is executed together with other owners (T2-Instruments)		
53b Immaterial participations (T2-Instruments)		
54 Non-qualifying holdings (max. 10%) in financial sector (amount exceeding threshold 1) (T2-Instruments)		
55 Other qualifying holdings in financial sector (T2-Instruments)		
56 Other deductions		
56a T2 deduction covered by AT1-capital		
57 = sum of T2 Adjustments		
58 = Tier 2 capital (T2)	106,971	
59 = Total regulatory capital (TC = T1 + T2)	5,814,809	5,354,825
60 Total risk-weighted assets	14,751,415	14,580,635
Capital ratio		
61 Common Equity Tier 1 (as a percentage of risk-weighted assets) para 29	38.69%	36.73%
62 Tier 1 (as a percentage of risk-weighted assets) para 45	38.69%	36.73%
63 Total capital (as a percentage of risk-weighted assets) para 59	39.42%	36.73%
64 Institution-specific CET1 buffer requirements in accordance with Basel minimum standards (capital conservation buffer + countercyclical buffer according to Art. 44a CAO + own funds buffer for systemically important banks) (in % of the risk-weighted positions)	2.55%	2.52%
65 of which: capital conservation buffer according to Basel minimum standard (in % of the risk-weighted positions)	2.50%	2.50%
66 of which: countercyclical buffer according to Basel minimum standards (Article 44a CAO, in % of the risk-weighted positions)	0.05%	0.02%
67 of which: capital conservation buffer for systemically important banks according to Basel minimum standard (in % of the risk-weighted positions)	0%	0%
68 Available CET1 to meet the buffer requirements according to Basel minimum standards (after deduction of CET1 to cover the minimum requirements and, where applicable, to cover TLAC requirements) (in % of the risk-weighted positions)	31.42%	28.73%

(in 1'000 CHF)	31.12.2021	31.12.2020
68a CET1 total requirement according to Annex 8 CAO plus the countercyclical buffers according to Art. 44 and 44a CAO (in % of the risk-weighted positions)	7.85%	7.82%
68b of which: countercyclical buffers according to Art. 44 and 44a CAO (in % of risk-weighted positions)	0.05%	0.02%
68c Available CET1 (in % of the risk-weighted positions)	35.22%	32.53%
68d T1 total requirement according to Annex 8 CAO plus the countercyclical buffers according to Art. 44 and 44a CAO (in % of the risk-weighted positions)	9.65%	9.62%
68e Available T1 (in % of the risk-weighted positions)	37.02%	34.33%
68f Total regulatory capital requirement in accordance with Annex 8 CAO plus countercyclical buffers according to Art. 44 and 44a CAO (in % of the risk-weighted positions)	12.05%	12.02%
68g Available regulatory capital (in % of the risk-weighted positions)	39.42%	36.73%
Amounts below threshold for deductions (before risk weighting)		
72 Non-qualifying holdings in financial sector and other TLAC investments	37,793	37,491
73 Other qualifying holdings in financial sector		
74 Mortgage servicing rights		
75 Other deferred tax assets		
Applicable caps on the inclusion of provisions in Tier 2		
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach BIS		
77 Cap on inclusion of provisions in Tier 2 under standardised approach BIS	106,971	109,418
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach		
Capital instruments subject to phase-out arrangements (01.01.2018-01.01.2022) according to Art. 141 CAO		
80 Current cap on CET1 instruments subject to phase-out arrangements		
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82 Current cap on AT1 instruments subject to phase-out arrangements		
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84 Current cap on T2 instruments subject to phase-out arrangements		
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Table CC2: Composition of available own funds / reconciliation

Balance sheet	According to	According to the	According to	According to the
	the accounting rules	regulatory scope of consolidation	the accounting rules	regulatory scope of consolidation
(in 1'000 CHF)	31.12.2021	31.12.2021	31.12.2020	31.12.2020
Assets				
Liquid assets	8,830,547	8,830,547	8,704,108	8,704,108
Amounts due from banks	1,759,114	1,759,114	1,987,717	1,987,717
Amounts due from securities financing transactions				
Amounts due from customers	10,035,007	10,035,007	9,068,576	9,068,576
Mortgage loans	3,370,501	3,370,501	2,993,009	2,993,009
Trading portfolio assets	3,133,839	3,133,839	2,305,828	2,305,828
Positive replacement values of derivative financial instruments	624,716	624,716	610,210	610,210
Other financial instruments at fair value	2,273,891	2,273,891	1,723,620	1,723,620
Financial investments	11,092,276	11,092,276	9,800,985	9,800,985
Accrued income and prepaid expenses	171,369	171,369	181,813	181,813
Participations	37,544	37,544	37,224	37,224
Tangible fixed assets	552,018	552,018	282,765	282,765
Intangible assets	35,501	35,501		
Of which goodwill				
Of which other intangible assets	35,501	35,501		
Other assets	409,033	409,033	299,491	299,491
Of which deferred taxes depending on future revenues				
Of which deferred taxes from temporary differences	37,933	37,933	15,503	15,503
Total assets	42,325,355	42,325,355	37,995,345	37,995,345
Liabilities				
Amounts due to banks	824,376	824,376	753,259	753,259
Liabilities from securities financing transactions				
Amounts due in respect of customer deposits	32,370,958	32,370,958	28,974,946	28,974,946
Trading portfolio liabilities	14,013	14,013	8,939	8,939
Negative replacement values of derivative financial instruments	873,445	873,445	1,035,731	1,035,731
Liabilities from other financial instruments at fair value	1,508,563	1,508,563	1,182,574	1,182,574
Cash bonds				
Bond issues and central mortgage institution loans	133,307	133,307	78,250	78,250
Accrued expenses and deferred income	373,043	373,043	321,460	321,460
Other liabilities	413,336	413,336	210,451	210,451
Provisions	68,478	68,478	38,935	38,935
Total Liabilities	36,579,520	36,579,520	32,604,544	32,604,544
Equity				
Reserves for general banking risks	175,622	175,622	98,122	98,122
Capital	848,245	848,245	848,245	848,245
Of which eligible for CET1	848,245	848,245	848,245	848,245
Legal reserves/Voluntary retained earnings reserve/Profit- Loss carried forward/Profit- Loss of period	3,801,467	3,801,467	3,599,463	3,599,463
Minority interests	920,500	920,500	844,971	844,971
Of which eligible for CET1			808,995	808,995
Total own funds	5,745,834	5,745,834	5,390,801	5,390,801

- The scope of regulatory consolidation is the same as for financial consolidation.
- A list of group companies is enclosed in the annual report 2021, page 69.
- There were no essential changes in the scope of consolidation compared to previous year.
- There are no applicable restrictions.

Table LR1: Leverage Ratio: Summary comparison of accounting assets vs leverage ratio exposure measure

(in 1'000 CHF)		31.12.2021	31.12.2020
1	Total assets as per published financial statements	42,325,355	37,995,345
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes (Cm 6 and 7 FINMA-Circ. 15/3), as well as adjustment for assets deducted from Tier 1 capital (margin nos. 16-17 FINMA Circ. 15/3)		
3	Adjustment for fiduciary assets recognised on the balance sheet for accounting purposes, but excluded from the leverage ratio exposure measure (margin no. 15 FINMA Circ. 15/3)		
4	Adjustments for derivative financial instruments (Cm 21 to 51 FINMA-Circ. 15/3)	1,531,774	205,211
5	Adjustment for securities financing transactions (securities financing transactions, SFT) (Cm 52 to 73 FINMA-Circ. 15/3)	1,415,264	168,558
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) (Cm 74 to 76 FINMA-Circ. 15/3)	1,965,854	1,664,563
7	Other adjustments		-7,719,388
8	Leverage ratio exposure (sum of Rows 1-7)	47,238,247	32,314,289

Table LR2: Leverage ratio: Detailed presentation

(in 1'000 CHF)	31.12.2021	31.12.2020
On-balance sheet exposures		
1 On-balance sheet items (excluding derivatives and SFTs, but including collateral) (Cm 14 and 15 FINMA-Circ. 15/3)	41,700,639	29,665,746
2 (Assets that must be deducted in determining the eligible Tier 1 capital) (Cm 7, 16 and 17 FINMA-Circ. 15/3)	0	0
3 = Total on-balance sheet exposures within the leverage ratio framework, excluding derivatives and SFTs (sum of Rows 1 and 2)	41,700,639	29,665,746
Derivatives		
4 Replacement values associated with all derivatives transactions, including those with CCPs, taking into account the margin payments received and netting agreements (ie net of eligible cash variation margin) (according to Cm 22 and 23, 34 and 35 FINMA-Circ. 15/3)	681,403	664,316
5 Add-on amounts for PFE associated with all derivatives transactions (Cm 22 and 25 Circ.-FINMA 15/3)	1,972,782	788,456
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework (Cm 27 FINMA-Circ. 15/3)		
7 (Deduction of receivables assets for cash variation margin provided in derivatives transactions, according to cm 36 FINMA-Circ. 15/3)	-497,694	-637,351
8 (Deduction relating to exposures to QCCPs if there is no obligation to reimburse the client in the event of the QCCP defaulting) (Cm 39 FINMA-Circ. 15/3)		
9 Adjusted effective notional amount of written credit derivatives, after deduction of negative replacement values (Cm 43 FINMA-Circ. 15/3)		
10 (Adjusted effective notional offsets of bought/written credit derivatives (Cm 44 to 50 FINMA-Circ. 15/3) and add-on deductions for written credit derivatives (Cm 51 FINMA-Circ. 15/3))		
11 = Total derivative exposures (sum of Rows 4-10)	2,156,490	815,422
Securities financing transaction exposures		
12 Gross SFT assets with no recognition of netting (except in the case of novation with a QCCP as per cm 57 FINMA Circ. 15/3) including sale accounting transactions (cm 69 FINMA Circ. 15/3), less the items specified in cm 58 FINMA Circ. 15/3)	790,846	138,357
13 (Netted amounts of cash payables and cash receivables relating to SFT counterparties) (Cm 59 to 62 FINMA-Circ. 15/3)		
14 CCR exposure for SFT assets (Cm 63 to 68 FINMA-Circ. 15/3)	624,418	30,201
15 Agent transaction exposures (Cm 70 to 73 FINMA-Circ. 15/3)		
16 = Total securities financing transaction exposures (sum of Rows 12-15)	1,415,264	168,558
Other off-balance sheet exposures		
17 Off-balance sheet exposure at gross notional amount before application of credit conversion factors	14,894,309	13,162,325
18 (Adjustments for conversion to credit equivalent amounts) (Cm 75 and 76 FINMA-Circ. 15/3)	-12,928,455	-11,497,762
19 = Total off-balance-sheet items (sum of Rows 17-18)	1,965,854	1,664,563
Eligible capital and total exposures		
20 Tier 1 capital (Cm 5 FINMA-Circ. 15/3)	5,707,838	5,354,825
21 Total exposures (sum of Rows 3, 11, 16 and 19)	47,238,247	32,314,289
Leverage ratio		
22 Leverage ratio (Cm 3 to 4 FINMA-Circ. 15/3)	12.1%	16.6%

Table LIQA: Liquidity: Management of liquidity risks

Pillar 3 disclosure requirement	Disclosure
Managing liquidity risk management, including risk tolerance, structure and responsibility for liquidity risk management, internal reporting on liquidity and communication of liquidity risk strategy, policies and practices in the business units and to the senior management body.	Annual Report 2021 page number 59 Liquidity risk
Refinancing strategy, including guidelines for diversifying sources and maturities of refinancing, and whether the refinancing strategy is centralized or decentralized.	The Group aims at having a well-diversified funding structure, characterised by diversification across different: <ul style="list-style-type: none">– Counterparties (private customers/institutional customers/interbank market)– Instruments (Structured products, current accounts, "Pfandbriefe", Fiduciaries etc.)– Markets– Currencies– Maturities The TC regularly assesses the Group's current funding structure as well the Group's potential funding ability in the above defined funding segments. The Group aims to avoid large refinancing gaps which could possibly lead to future liquidity problems.
Methods for reducing liquidity risks.	Annual Report 2021 page number 59 Liquidity risk
Explanation of the use of stress testing.	Annual Report 2021 page number 59 Liquidity risk
Overview of the Bank's contingency plans for refinancing.	The following liquidity and refinancing positions are possible sources of liquidity either short term or long term, and can therefore be used to provide additional liquidity for example in case of a liquidity crisis: <ul style="list-style-type: none">– Withdrawal of current credit lines– Sale of positions from the Group's yield enhancement portfolio– Utilisation of Central Bank's bridging facility– Increase of collateral trading and security borrowing in order to generate additional securities eligible for repo transactions– Restrictions on the drawing of new loans for mortgages and new approvals of lines of credit– Increasing issues of "Pfandbrief" bonds (resp. loans)– Placement of bonds– Capital increase

Table LIQ1: Information on the liquidity (LCR)

(in 1'000 CHF)	Unweighted values		Unweighted values		Unweighted values		Unweighted values		
	Weighted values	Weighted values	Weighted values	Weighted values	Weighted values	Weighted values	Weighted values	Weighted values	
	Average Quarter 1/21	Average Quarter 1/21	Average Quarter 2/21	Average Quarter 2/21	Average Quarter 3/21	Average Quarter 3/21	Average Quarter 4/21	Average Quarter 4/21	
A. High-quality liquid assets (HQLA)									
1	Total high-quality liquid assets (HQLA)	12,557,830	12,128,782	13,491,437	13,109,358	13,809,991	13,512,701	14,004,274	13,653,015
B. Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	11,940,491	1,741,053	12,702,652	1,853,851	12,898,615	1,882,171	13,153,775	1,933,923
3	Stable deposits	775,811	38,791	795,405	39,770	800,835	40,042	793,812	39,691
4	Less stable deposits	11,164,679	1,702,263	11,907,247	1,814,081	12,097,780	1,842,129	12,359,963	1,894,232
5	Unsecured wholesale funding, of which:	14,540,954	10,433,557	14,872,291	11,213,511	14,731,111	11,167,961	15,372,449	10,762,489
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks								
7	Non-operational deposits (all counterparties)	14,540,954	10,433,557	14,872,291	11,213,511	14,731,111	11,167,961	15,351,000	10,741,041
8	Unsecured debt					0	0	21,448	21,448
9	Secured wholesale funding								
10	Additional requirements, of which:	1,520,676	883,889	1,457,660	847,953	1,609,229	838,581	2,018,794	891,055
11	Outflows related to derivative exposures and other collateral requirements	1,494,772	869,693	1,427,979	834,868	1,578,538	827,984	1,986,920	879,243
12	Outflows related to loss of funding on debt products			2,000	2,000				
13	Credit and liquidity facilities	25,904	14,196	27,681	11,085	30,691	10,597	31,875	11,811
14	Other contractual funding obligations	12,704	12,704	32,206	32,206	66,174	66,174	33,731	33,731
15	Other contingent funding obligations	14,096,374	28,913	14,408,511	27,687	14,907,125	26,867	14,928,285	29,678
16	Total cash outflows	42,111,199	13,100,116	43,473,321	13,975,208	44,212,255	13,981,754	45,507,034	13,650,876
C. Cash inflows									
17	Secured lending (eg reverse repos)								
18	Inflows from fully performing exposures	5,189,259	2,927,000	5,761,320	3,107,655	5,828,301	3,138,513	5,231,497	3,006,065
19	Other cash inflows	81,855	81,855	131,539	131,539	84,782	84,782	123,888	123,888
20	Total cash inflows	5,271,114	3,008,855	5,892,859	3,239,194	5,913,083	3,223,295	5,355,386	3,129,953
Total adjusted value									
21	Total HQLA		12,128,782		13,109,358		13,512,701		13,653,015
22	Total net cash outflows		10,091,261		10,736,014		10,758,459		10,520,922
23	Liquidity coverage ratio (in %)		120.18%		121.92%		125.61%		129.82%

In 2021, the four-month average total LCR remained stable in the range of 120% - 130%. Slightly higher net cash outflow is compensated by an increase in HQLA. The stock of HQLA is under the control of Group Treasury. In average about 90% of the stock of HQLA consists of assets that qualify as Level 1, primarily cash holdings and central bank reserves. As a result, a significant part of the HQLA is denominated in CHF. In contrast, the majority of the customer deposits are denominated in USD and EUR. All currencies can easily be converted in times of liquidity stress since the relevant FX spot markets are highly liquid.

In general, sources of funding are well diversified across counterparties as a result of the broad positioning as an international wealth management bank. The bank uses internationally acknowledged ISDA/CSA agreements to mitigate the credit risk arising from OTC derivative transactions that are mainly related to FX, interest rate and equity derivative trading. Liquidity risk is managed and monitored centrally by the Group Treasury Committee with the involvement of the local Treasury representatives to ensure that all internal and local regulatory requirements are met. Liquidity risk limits are set at a Group and individual entity level and are reviewed and approved at least once a year by the Board of Directors (BoD). Specific liquidity levels are defined that would trigger various escalation scenarios. Breaches of Group level limits are immediately reported to the Group Treasury Committee, the Executive Committee and the Group Audit Committee.

Table CRA: Credit risk: General information

Pillar 3 disclosure requirement	Disclosure	Annual Report 2021 Page number
How the business model impacts the components of the bank's credit risk profile.	Risk strategy and risk profile	32, 58–61
	Risk management and risk categories	
Criteria and approach used for defining credit risk management policy and for setting credit risk limits.	Risk management Framework	
	Forms of risk management	56–57
	Risk categories	58–59
Structure and organisation of the credit risk management and control function.	Organisation of risk management	59–61
	Governance of risk management	57–58
	Risk management Committees	56
Relationships between the credit risk management, risk control, compliance and internal audit functions.		57
Scope and main content of the reporting on credit risk exposure and on the credit risk management function to the executive management and to the board of directors.	A comprehensive reporting of the qualitative and quantitative development of the Bank's credit book, including the aggregate view on Group level is periodically provided by the Credit Department and distributed to BJSS Management.	57–58

Table CR1: Credit risk: Credit quality of assets

		Gross carrying values of		Allowances/ impairments	Net values
		Defaulted exposures	Non-defaulted exposures		
(in 1'000 CHF)		31.12.2021			
1	Loans (excluding debt securities)	546,175	13,214,581	355,248	13,405,508
2	Debt securities	428	9,794,418	428	9,794,418
3	Off-balance sheet exposures	0	541,784	0	541,784
4	TOTAL	546,603	23,550,784	355,676	23,741,710
	TOTAL 31.12.2020	498,155	20,871,615	337,071	21,032,698

Impaired loans

If a borrower's total indebtedness exceeds the amount that can foreseeably be realised bearing in mind the counterparty risk and the net proceeds from the liquidation of any collateral that has been pledged, a corresponding value adjustment is made in the income statement.

Non-performing loans

A loan is classified as non-performing as soon as the contractually agreed capital and/or interest payments are 90 days overdue or more. Overdue interest is not shown as income but is recorded directly under value adjustments. Being overdue can indicate that a loan is impaired.

Since the criteria coincide with the indicators for impaired loans, non-performing loans are generally included under impaired loans.

Definitions for accounting purposes and for regulatory purposes are the same.

Table CR2: Credit risk: Changes in stock of defaulted loans and debt securities

(in 1'000 CHF)		31.12.2021
1	Defaulted loans and debt securities at end of the previous reporting period	528,614
2	Loans and debt securities that have defaulted since the last reporting period	22,055
3	Returned to non-defaulted status	-471
4	Amounts written off	-642
5	Other changes	-2,954
6	Defaulted loans and debt securities at end of the reporting period	546,603

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - geographical credit risk

(in 1'000 CHF)	Latin									Total
	Switzerland	Oceania	North America	Liechtenstein	America	Europe	Caribbean	Asia	Africa	
Balance sheet/Amounts due:										31.12.2021
Liquid assets	6,210,424		447			2,614,147	2	5,527		8,830,547
Amounts due from banks	224,896	4,209	123,949	4,656	115	194,478	9,085	70,736	45	632,169
Amounts due from securities financing transactions										
Amounts due from customers	871,314	80,657	904,582	11,304	164,005	3,261,142	2,952,917	1,462,626	117,970	9,826,518
Mortgage loans	470,957	310	269,240	5	455	2,077,602	558,580	42,405	164	3,419,717
Trading portfolio assets	24	2	370,820			0				370,846
Positive replacement values of derivative financial instruments										
Other financial instruments at fair value										
Financial investments	319,506	45,018	4,099,488		533,648	1,384,198	1,240,432	2,455,281		10,077,570
Accrued income and prepaid expenses	74,995	291	18,656	26	5,287	33,028	22,427	9,662	142	164,514
Participations	29,185					8,359				37,544
Tangible fixed assets	534,379		6,062		35	3,285	6,551	1,705		552,018
Intangible assets										
Other assets	75,629		56		140	137,334	8,152	2,801	-1	224,110
Value adjustments not offset according to transitional provisions (negative position)										
Capital not paid in										
Total	8,811,310	130,486	5,793,299	15,991	703,684	9,713,573	4,798,146	4,050,743	118,321	34,135,554
Off Balance sheet										
Contingent liabilities	59,980	1,998	82,813	809	5,734	144,507	198,159	21,931	2,232	518,164
Irrevocable commitments	17,316		430			3,313		2,560		23,620
Contingent liability for calls and margin liabilities	1,652									1,652
Commitment credits										
Total	78,948	1,998	83,244	809	5,734	147,821	198,159	24,491	2,232	543,436
Total of reporting period	8,890,258	132,484	5,876,543	16,800	709,419	9,861,394	4,996,305	4,075,234	120,553	34,678,990

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - sectors

(in 1'000 CHF)	Central governments and Central banks							Other exposures	Total
	Banks	Institutions	Stockbrokers	Enterprises	Retail	Equity			
Balance sheet/Amounts due:								31.12.2021	
Liquid assets	6,668,148		1,178,750				983,648	8,830,547	
Amounts due from banks	90,968		541,163	38				632,169	
Amounts due from securities financing transactions									
Amounts due from customers	144,408	9,678	790,903	5,597,189	3,256,322		28,019	9,826,518	
Mortgage loans	119,583		24,086	1,668,303	1,607,581		164	3,419,717	
Trading portfolio assets	143,792		227,028				27	370,846	
Positive replacement values of derivative financial instruments									
Other financial instruments at fair value									
Financial investments	5,837,397	25,930	2,097,375	1,875,687	0	15,411	225,770	10,077,570	
Accrued income and prepaid expenses	11,144	313	112,282	38,098	2,610		67	164,514	
Participations						37,544		37,544	
Tangible fixed assets							552,018	552,018	
Intangible assets									
Other assets	10,079	1,031	185,701	14,942	2,056		10,300	224,110	
Value adjustments not offset according to transitional provisions (negative position)									
Capital not paid in									
Total	13,025,521	36,951	5,157,289	9,194,255	4,868,569	52,982	1,799,986	34,135,554	
Off Balance sheet									
Contingent liabilities	495	15,545	111,439	140,829	249,666		189	518,164	
Irrevocable commitments		15,688	40	5,366	2,526			23,620	
Contingent liability for calls and margin liabilities			1,652					1,652	
Commitment credits									
Total	495	31,233	113,131	146,195	252,192		189	543,436	
Total of reporting period	13,026,016	68,184	5,270,420	9,340,451	5,120,762	52,982	1,800,175	34,678,990	

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - duration

(in 1'000 CHF)	at sight	cancellable	within 12				no maturity	Total
			within 3 months	within 3 to 12 months	5 years	months to after 5 years		
Balance sheet/Amounts due:								31.12.2021
Liquid assets	8,830,547							8,830,547
Amounts due from banks	334,826	5,182	238,973	50,000	3,189			632,169
Amounts due from securities financing transactions								
Amounts due from customers	2,843	1,949,070	5,733,258	821,783	1,231,829	87,735		9,826,518
Mortgage loans	0	110,348	840,848	152,882	1,898,863	416,776		3,419,717
Trading portfolio assets	370,846							370,846
Positive replacement values of derivative financial instruments								
Other financial instruments at fair value								
Financial investments	241,181	0	4,387,833	989,978	3,358,445	1,100,134		10,077,570
Accrued income and prepaid expenses	85,765	1	61,660	15,498	1,530	60		164,514
Participations	37,544							37,544
Tangible fixed assets	552,018							552,018
Intangible assets								
Other assets	202,992		2,838	-31	-432	18,742		224,110
Value adjustments not offset according to transitional provisions (negative position)								
Capital not paid in								
Total	10,658,562	2,064,602	11,265,409	2,030,110	6,493,423	1,623,448		34,135,554
Off Balance sheet								
Contingent liabilities	997	256,267	25,929	186,570	43,835	4,565		518,164
Irrevocable commitments			4,365		3,568	15,688		23,620
Contingent liability for calls and margin liabilities	1,652							1,652
Commitment credits								
Total	2,649	256,267	30,294	186,570	47,403	20,253		543,436
Total of reporting period	10,661,211	2,320,869	11,295,703	2,216,680	6,540,826	1,643,701		34,678,990

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - Legal Risk weights

(in 1'000 CHF)	0%	20%	35%	50%	75%	100%	150%	Total
Balance sheet/Amounts due:								31.12.2021
Liquid assets	8,830,547							8,830,547
Amounts due from banks	92,200	469,966		61,902		8,102		632,169
Amounts due from securities financing transactions								
Amounts due from customers	7,711,928	1,572	4,296	81,440	150,321	1,874,555	2,405	9,826,518
Mortgage loans	760,939	1,500	995,714	18,935	23,061	1,619,569		3,419,717
Trading portfolio assets	143,792	227,028					27	370,846
Positive replacement values of derivative financial instruments								
Other financial instruments at fair value								
Financial investments	4,616,299	1,581,155		2,068,212		1,767,844	44,061	10,077,570
Accrued income and prepaid expenses	17,432	90,143	499	18,780	562	35,106	1,993	164,514
Participations							37,544	37,544
Tangible fixed assets						552,018		552,018
Intangible assets								
Other assets	8,853	179,299		2,457		33,501		224,110
Value adjustments not offset according to transitional provisions (negative position)								
Capital not paid in								
Total	22,181,989	2,550,662	1,000,509	2,251,726	173,944	5,890,694	86,030	34,135,554
Off Balance sheet								
Contingent liabilities	455,662	617		23,398	3,051	35,436		518,164
Irrevocable commitments	7,908	15,688			24			23,620
Contingent liability for calls and margin liabilities						1,652		1,652
Commitment credits								
Total	463,570	16,305		23,398	3,075	37,088		543,436
Total of reporting period	22,645,559	2,566,967	1,000,509	2,275,124	177,019	5,927,782	86,030	34,678,990

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - Credit risk / depreciation of credit risk

	covered by recognized financial securities or REPOS	covered by garanties and credit derivatives	real security covered	Others	Uncovered	Total
(in 1'000 CHF)						
Balance sheet/Amounts due:						31.12.2021
Liquid assets					8,830,547	8,830,547
Amounts due from banks	92,162				540,007	632,169
Amounts due from securities financing transactions						
Amounts due from customers	7,649,428	83,789	4,800	60,554	2,027,947	9,826,518
Mortgage loans	760,935	20,435	2,520,898	4	117,445	3,419,717
Trading portfolio assets					370,846	370,846
Positive replacement values of derivative financial instruments						
Other financial instruments at fair value						
Financial investments					10,077,570	10,077,570
Accrued income and prepaid expenses	14,935	172	1,653	154	147,601	164,514
Participations					37,544	37,544
Tangible fixed assets					552,018	552,018
Intangible assets						
Other assets					224,110	224,110
Value adjustments not offset according to transitional provisions (negative position)						
Capital not paid in						
Total	8,517,460	104,396	2,527,352	60,711	22,925,635	34,135,554
Off Balance sheet						
Contingent liabilities	452,393	1,183		3,269	61,319	518,164
Irrevocable commitments	7,908				15,712	23,620
Contingent liability for calls and margin liabilities					1,652	1,652
Commitment credits						
Total	460,301	1,183		3,269	78,683	543,436
Total of reporting period	8,977,761	105,579	2,527,352	63,980	23,004,318	34,678,990

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRB: Credit risk: Additional information of credit quality of the assets

Segmentation of the credit risk - Rating

(in 1'000 CHF)	1	2	3	4	5	6	7 / 8 / 9	No Rating	Total
Balance sheet/Amounts due:									31.12.2021
Liquid assets	5,267,518							3,563,028	8,830,547
Amounts due from banks		94,914	137,908	53,465	91,894		6	253,983	632,169
Amounts due from securities financing transactions									
Amounts due from customers								9,826,518	9,826,518
Mortgage loans								3,419,717	3,419,717
Trading portfolio assets	143,792	227,028						27	370,846
Positive replacement values of derivative financial instruments									
Other financial instruments at fair value									
Financial investments	4,535,109	650,277	2,627,952	813,446	939,174	87,276	0	424,337	10,077,570
Accrued income and prepaid expenses	1,841	5,703	15,395	10,721	16,871	3,650	28	110,304	164,514
Participations								37,544	37,544
Tangible fixed assets								552,018	552,018
Intangible assets									
Other assets			94	0				224,016	224,110
Value adjustments not offset according to transitional provisions (negative position)									
Capital not paid in									
Total	9,948,260	977,922	2,781,348	877,631	1,047,939	90,932	28	18,411,493	34,135,554
Off Balance sheet									
Contingent liabilities			11,220					506,944	518,164
Irrevocable commitments								23,620	23,620
Contingent liability for calls and margin liabilities								1,652	1,652
Commitment credits									
Total			11,220					532,216	543,436
Total of reporting period	9,948,260	977,922	2,792,568	877,631	1,047,939	90,932	28	18,943,709	34,678,990

As a result of FINMA's clarification, financial derivative instruments, receivables/liabilities resulting from loans and repurchase agreements and "SFTs" were excluded from all CR tables.

Table CRC: Credit risk: Qualitative disclosure requirements related to mitigation techniques

Pillar 3 disclosure requirement	Annual Report 2021 section	Disclosure	Annual Report 2021 Page number
Core features of policies and processes for, and an indication of the extent to which the bank makes use of, on- and off-balance sheet netting.	Consolidated Financial Statements - Consolidated Notes	Amounts due from and liabilities from securities financing transactions	54
		Positive and negative replacement values of derivative financial instruments	54-55, 62-63
		Breakdown of securities financing transactions (assets and liabilities)	64
		Presentation of derivative financial instruments (assets and liabilities)	67
Core features of policies and processes for collateral evaluation and management.	Consolidated Financial Statements - Consolidated Notes	Explanations of the valuation of collateral, in particular key criteria for the calculation of current market value and lending value	62-63
Information about market or credit risk concentrations under the credit risk mitigation instruments used.	Consolidated Financial Statements - Consolidated Notes	Risk categories	59-61
		Presentation of derivative financial instruments (assets and liabilities)	67

Table CR3: Credit risk: Credit risk mitigation techniques – overview

	Exposures unsecured: carrying amount	Exposures secured carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
(in 1'000 CHF)					
Loans	1,339	13,404,169	13,404,169		
Debt securities	9,794,419				
TOTAL	9,795,758	13,404,169	13,404,169		
Of which defaulted		190,927	190,927		
TOTAL 31.12.2020	8,574,260	12,060,485	12,060,485		

Table CRD: Credit risk: Disclosures of banks' use of external credit ratings under the standardised approach

With reference to Art. 63 and 64 of the Capital Adequacy Ordinance the following position categories are covered by external ratings from FINMA recognised credit rating agencies.

Central governments and central banks	Moody's and S&P
Public-sector entities	Moody's and S&P
BIS, IMF and multilateral development banks	Moody's and S&P
Banks and securities traders	Moody's and S&P
Joint institutions	Moody's and S&P
Stock exchanges and clearing houses	Moody's and S&P
Corporates	Moody's and S&P

In case of availability of both ratings the inferior is applied.

All ratings listed above cover both counterparty ratings as well as asset ratings with the exception of corporates, for which only asset ratings are applied.

Table CR4: Credit risk: Credit risk exposure and effect of the Credit Risk Mitigation (CRM) under the standardised approach

(in 1'000 CHF)

Asset classes	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA	RWA density
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount		
1 Sovereigns and their central banks	12,665,417		12,665,417		372,982	2.94%
2 Banks and securities traders	4,432,679	24,484	4,444,795	25,667	1,648,580	36.88%
3 Public-sector entities and multilateral developments banks	27,262	15,719	27,262	7,844	2,780	7.92%
4 Corporate	5,735,508	216,644	3,361,379	15,570	2,525,212	74.78%
5 Retail	9,433,503	286,589	3,217,345	22,922	2,741,243	84.6%
6 Equity securities	52,982		52,982		166,641	314.52%
7 Other assets	1,788,203		1,788,203		826,536	46.22%
8 TOTAL	34,135,554	543,436	25,557,383	72,003	8,283,974	32.32%
TOTAL 31.12.2020	31,172,863	399,604	23,742,617	109,415	8,604,795	36.08%

Table CR5: Credit risk: Exposures by asset classes and risk weights under the standardised approach

Asset classes / Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	Other	Total credit exposures amount (post CCF and post-CRM)
(in 1'000 CHF)										31.12.2021
1 Sovereigns and their central banks	11,416,544		1,014,278		128,938		105,657	0		12,665,417
2 Banks and securities traders	1,178,750		1,137,801		1,465,423	777	687,683	28		4,470,462
3 Public-sector entities and multilateral developments banks	22,783		11,284		1,031		8			35,106
4 Corporate	147		395,758	300,907	679,716	2,180	1,996,222	2,019		3,376,948
5 Retail	1,946			699,603		174,043	2,362,324	2,350		3,240,267
6 Equity securities							15,331	37,651	37,933	90,915
7 Other assets	983,648		2		16		760,556	43,981		1,788,203
8 TOTAL	13,603,818		2,559,123	1,000,509	2,275,124	177,000	5,927,782	86,030	37,933	25,667,318
9 Thereof receivables secured by real estate				1,000,509		19,770	1,506,568			2,526,848
TOTAL 31.12.2020	11,000,003		2,854,752	834,984	3,015,585	126,199	5,860,724	159,784	15,503	23,867,535

Table CCRA: Counterparty credit risk: Qualitative disclosure

Pillar 3 disclosure requirement	Annual Report 2021 section	Disclosure	Annual Report 2021 Page number
Risk management objectives and policies related to counterparty credit risk.	Consolidated Financial Statements - Consolidated Notes	Risk Management	56–63
		Breakdown of securities financing transactions (assets and liabilities)	64
		Presentation of derivative financial instruments (assets and liabilities)	67
The method used to assign the operating limits for counterparty credit exposures and for CCP exposures.	Consolidated Financial Statements - Consolidated Notes	Risk Management	56–63
Policies relating to guarantees and other risk mitigants and counterparty risk assessment.	Consolidated Financial Statements - Consolidated Notes	Risk Management	56–63

Table CCR3: Counterparty credit risk: Exposures by regulatory portfolio and risk weights under the standardised approach

Asset classes / Risk weight	0%	10%	20%	50%	75%	100%	150%	Other	Total credit exposure 31.12.2021
(in 1'000 CHF)									
1 Sovereigns and their central banks									
2 Banks and securities traders			167,655	880,383		64		514,825	1,562,929
3 Public-sector entities and multilateral developments banks			13,316			133			13,449
4 Corporates	100,341			9,153		316,453	697	562	427,207
5 Retail					120	172,726			172,846
6 Equity securities									
7 Other assets						77			77
8 TOTAL	100,341		180,972	889,537	120	489,452	697	515,387	2,176,506
TOTAL 31.12.2020	117,872		176,767	217,624	0	393,053	95	321,122	1,226,534

Table MRA: Market risk: Qualitative disclosure requirements

Pillar 3 disclosure requirement	Annual Report 2021 section	Disclosure	Annual Report 2021 Page number
Strategies and processes of the bank.	Consolidated Financial	Governance	56
	Statements - Consolidated	Risk management framework	56-57
	Notes	Organisation of risk management	57-58
		Risk indicators	58-59
		Business policy regarding hedging	62-63
Structure and organisation of the market risk management function.	Consolidated Financial	Governance	56
	Statements - Consolidated	Risk management framework	56-57
	Notes	Organisation of risk management	57-58
Scope and nature of reporting and/or measurement systems.	Consolidated Financial	Risk categories	59-61
	Statements - Consolidated		
	Notes		

Table MR1: Market risk: Capital requirements under the standardised approach

	RWA	RWA
(in 1'000 CHF)	31.12.2021	31.12.2020
Outright products		
1 Interest rate risk (general and specific)	979,855	975,209
2 Equity risk (general and specific)	223,452	341,715
3 Foreign exchange risk	603,466	562,291
4 Commodity risk	915,246	829,154
Options		
5 Simplified approach		
6 Delta-plus method	61,102	66,833
7 Scenario approach		
8 Securitisation		
9 TOTAL	2,783,120	2,775,203

Table IRRBBA: Interest rate risks: Objectives and guidelines for interest rate risk management in the banking book

- a** Interest rate risk in the banking book (IRBBA) is internally defined as the risk to both the earnings and capital of the group arising from adverse movements in interest rates. Changes in market interest rates impact the economic value of assets, liabilities and relevant off-balance positions (Economic Value of Equity (EVE)) and affect as well the earnings from interest activities (Net Interest Income (NII)).
- b** The Board of Directors defines the overall tolerance for IRBBA and monitors its implementation by the Group Executive Board. Delegated by the Group Executive Board the Treasury Committee is responsible for the definition of the methodological standards for analysing and measuring interest rate risk in the banking book.
- The Risk Office (RIOF) reports and monitors weekly the interest rate risk according to internal and external risk measures for NII and EVE and checks the compliance with the corresponding limits. Internal limits are defined as buffers to the regulatory limit. Any breach is immediately reported to the corresponding instance and RIOF informs the members about the extent and the reason of the overrun.
- The Group makes use of stress testing in order to evaluate the impact of adverse scenarios on the IRBBA and uses derivative financial instruments as part of its balance sheet management activities in order to hedge the interest risk in its banking book.
- The risk function conducts the calibration and review of the interest rate risk model, methodological standard and measuring assumptions to changed market environments.
- c** The EVE measures are calculated and monitored on a weekly basis. The Group assesses the interest rate risk exposure results based on the results from the standard regulatory scenarios and additional internal scenarios (please refer to next point “d”).
- NII is calculated on a monthly basis. The impact of an immediate change of +/- 100 BPS in rates on the projected interest income is calculated on an aggregated basis and for the most relevant currencies individually.
- d** The measurement of IRBBA for EVE and NII in the banking book is based on diversified and adequate interest rate shock and stress scenarios. The internal interest rate risk measurement system considers the following FINMA and internal scenarios:
- Scenarios for EVE:
- The six prescribed standard interest rate shock scenarios defined by FINMA
 - Internally selected interest rate shock scenarios for the present value measure:
 - PVBP: parallel shift in interest rate curve (+1bp) for all currencies
 - Internally defined Twist shock scenarios: Twist of the interest rate curve with center of rotation at 5 years, a shift of up to plus (minus) 100bp at the 1-month interest rate and a maximum shift of minus (plus) 100bps at the 10 year interest rate for all currencies
 - Internally defined shock scenario: parallel shift in interest rate curve (+200bps) for all currencies
- Scenarios for NII:
- Parallel shift in interest rate curve without floor, instantaneous shock at day 1 over a horizon of 1 year (+/- 100bps) for all currencies
 - Parallel shift in interest rate curve without floor, instantaneous shock at day 1 over a horizon of 1 year based on standard parallel stress scenarios as defined by FINMA.
- e** The model assumptions used internally do not differ from the ones set by FINMA.
- f** The Group implements interest rate risk hedging strategies mainly through derivatives and micro hedges. In order to avoid asymmetric profit and loss recognition, the Group may apply hedge accounting if applicable. Interest rate risk of assets and liabilities are typically hedged by interest rate swaps (IRS), but other instruments could also be used (for example Futures). All the hedge relationships of underlying hedged item(s)/risk and hedge transactions are documented.
- The effectiveness of hedging transactions is measured prospectively either by the differential of sensitivity to the risk parameter of the hedged item(s)/risk and the hedging transaction, or by matching the cash flows of the hedge and the risk position. The hedging relationships are periodically checked, whether hedge effectiveness is still in place and hedge effectiveness is guaranteed.
- Where the effect of the hedging transactions exceeds the effect of the hedged items, the excess portion of the derivative financial instrument is treated as equivalent to a trading position. The excess portion is recorded in the profit and loss item “Result from trading activities”.
- g - 1** The EVE is calculated based on the assumption that expired interest rate bearing positions are not replaced. The cash flows include commercial spread components and financial investments consider credit dependent spread components.
- g - 2** Cash flows are allocated to the time buckets defined by FINMA based on the expiry or actual payment date.
- g - 3** Cash flows including commercial margins and other spread components are discounted with a risk free rate curve per currency (based on Libor and Swap market rates). Financial investments are discounted with these risk-free rate curves plus issuer specific credit spreads.
- g - 4** The NII is computed based on an interest rate shock of (+/- 100bps) at day 1 over a horizon of 1 year and the assumption of a constant balance sheet excluding P/L (treated as non-rate-sensitive). Non-maturing positions are 100% repriced after 1 day. Maturing Fixed instruments positions get renewed with similar features as the maturing positions.
- g - 5** Variable positions are 100% repriced after 1 day.
- g - 6** Cash flows from loans are shown on the next repricing or maturity date.
- g - 7** Cash flows from deposits are shown on the next repricing or maturity date.
- g - 8** The Group holds no automatic option positions in the banking book.
- g - 9** The Group uses linear interest rate derivatives for hedging purposes, there no non-linear derivatives held in the banking book.
- g - 10** The interest rate risk exposures are netted over currencies based on the assumption of perfect correlation.

Interest rate Swaps, Cross-Currency Swaps and FX Swaps are included under “Receivables from interest derivatives” and “Liabilities from interest derivatives” as the instruments consist of two legs (receivable and payables leg). Sight deposits at SNB and foreign central banks are excluded as per FINMA requirement.

Table IRRBBA1: Interest rate risks: Quantitative information on the position structure and resetting of interest rates

CHF 000		Volume in CHF 000			Average repricing maturities (in years)		
		Total	Of which CHF	Of which other significant currencies (>10%)	Total	Of which CHF	
Determined repricing maturity	Due from banks	292,162	100,000	192,162	0.18	0.37	
	Due from customers	8,447,809	828,468	6,272,978	0.65	1.73	
	Money-market mortgages	2,425,979	325,043	795,692	0.21	0.12	
	Fixed-rate mortgages	999,186	140,638	241,639	2.93	2.81	
	Financial investments	10,673,294	619,291	8,480,688	2.90	2.21	
	Other receivables	38	-	-	-	-	
	Receivables from interest derivatives	15,116,757	766,888	12,514,380	0.21	0.05	
	Liabilities to banks	-333,752	-	-214,659	0.09	-	
	Liabilities from client deposits	-2,998,329	-622,662	-1,692,215	0.29	0.22	
	Medium-term notes	-	-	-	-	-	
	Bonds and mortgage-backed bonds	-60,415	-60,415	-	1.91	1.91	
	Other liabilities	-	-	-	-	-	
	Liabilities from interest derivatives	-15,269,517	-4,739,881	-7,436,530	2.15	0.33	
	Undetermined repricing maturity	Due from banks	1,341,794	109,254	589,654	0.00	0.00
		Due from customers	1,524,196	390,860	1,004,037	0.00	0.00
Variable mortgage claims		1,417	1,417	-	0.01	0.01	
Other receivables		4,252,011	1,951,084	2,102,646	0.00	0.00	
Liabilities at sight in personal and current accounts		-28,755,936	-3,536,791	-21,121,600	0.00	0.00	
Other liabilities		-833,961	-173,539	-644,588	0.00	0.00	
Liabilities from client deposits, call but not transferable (savings)		-165,053	-164,895	-158	0.00	0.00	
Total		-3,342,322	-4,065,240	1,084,125	0.82	0.43	

Interest rate Swaps, Cross-Currency Swaps and FX Swaps are included under "Receivables from interest derivatives" and "Liabilities from interest derivatives" as the instruments consist of two legs (receivable and payables leg). Sight deposits at SNB and foreign central banks are excluded as per FINMA requirement.

Table IRRBB1: Interest rate risks: Quantitative information on present value and interest income

The values in Table IRRBB1 are based on the six interest-rate scenarios and the NII scenarios defined by FINMA. The change in the EVE (Δ EVE) is shown for each of the interest rate shock scenarios, of which the scenario "Parallel up" has the strongest impact indicating the sensitivity of the banking book to an increase of the interest rates.

The change of the net interest income (Δ NII) under the assumption of a constant balance sheet and computed for a 12 month period shows the worst case for the scenario "Parallel down" highlighting the impact of rate cut to the income.

CHF 000	Δ EVE		Δ NII	
	Change in economic value of equity		Change in net interest income	
Period	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Parallel up	-148,322	-432,434	280,100	163,277
Parallel down	154,727	466,994	-127,324	-33,903
Steeper-Shock	66,661	-6,591		
Flattener-Shock	-97,769	-86,343		
Short rate up	-145,037	-245,385		
Short rate down	151,538	260,381		
Worst scenario	-148,322	-432,434	-127,324	-33,903
Tier 1 capital	5,707,838	5,354,825		

Table ORA: Qualitative disclosure requirements related to operational risks

Pillar 3 disclosure requirement	Annual Report 2021 section	Disclosure	Annual Report 2021 Page number
Description of strategy, processes and organisational structure for managing operational risks.	Consolidated Financial Statements - Consolidated Notes	Operational risk	60–61

«Basic Indicator Approach» is used to calculate capital requirements.