

VIII – Consolidated financial statements – Credit Suisse (Bank)

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Notes to the consolidated financial statements

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Report of the Statutory Auditor

To the General Meeting of Credit Suisse AG, Zurich

Report on the audit of the consolidated financial statements

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of Credit Suisse AG and its subsidiaries (the "Bank") as of December 31, 2020, and the related consolidated statements of operations, comprehensive income, changes in equity and cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2020, and the results of its operations and its cash flows for the year then ended, in conformity with the U.S. Generally Accepted Accounting Principles, and comply with Swiss law.

We also have audited the adjustments to reflect the change in the composition of reportable segments as presented in Note 4. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2018 and 2019 financial statements of the Bank other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2018 and 2019 financial statements taken as a whole.

Change in Accounting Principle

As discussed in Note 19 to the consolidated financial statements, the Bank changed the manner in which it accounts for credit losses on certain financial instruments in 2020.

Basis for Opinions

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on the Bank's consolidated financial statements based on our audits. We are a public accounting firm registered with the Swiss Federal Audit Oversight Authority and the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Bank in accordance with Swiss law and the U.S. federal securities laws and the applicable rules and regulations of the Swiss audit profession, the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with Swiss law, Swiss Auditing Standards and the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit

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matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Fair Value of Certain Level 3 Financial Instruments

As described in Note 35 to the consolidated financial statements, the Bank carries CHF 16.4 billion of its assets and CHF 14.0 billion of its liabilities at fair value on a recurring basis that are classified in level 3 of the fair value hierarchy as of December 31, 2020. For these financial instruments, for which no prices are available and which have few or no observable inputs, the determination of fair value may require the use of either industry standard models or internally developed proprietary models as well as require subjective assessment and judgment, depending on liquidity, pricing assumptions, the current economic and competitive environment and the risks affecting the specific instrument. Unobservable inputs used by management to value certain of these level 3 financial instruments included adjusted Net Asset Value ("NAV"), discount rate, terminal growth rate, credit spread, correlation, volatility, market implied life expectancy, mortality rate and market comparable price.

The principal considerations for our determination that performing procedures relating to the fair value of certain level 3 financial instruments is a critical audit matter are the significant judgment by management to determine the fair value of these financial instruments due to the use of either industry standard models or internally developed proprietary models, which included unobservable inputs related to adjusted NAV, discount rate, terminal growth rate, credit spread, correlation, volatility, market implied life expectancy, mortality rate and market comparable price. This in turn led to a high degree of auditor subjectivity, judgment and effort to evaluate the audit evidence obtained related to the valuation, and the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the fair value of certain level 3 financial instruments, including controls over the Bank's models, significant unobservable inputs, and data. These procedures also included, among others (i) the involvement of professionals with specialized skill and knowledge to assist in developing an independent range of prices for a sample of financial instruments and (ii) comparing the independent estimate to management's estimate to evaluate the reasonableness of management's estimate. Developing the independent estimate involved (i) testing the completeness and accuracy of data provided by management, and as appropriate, (ii) evaluating management's unobservable inputs and (iii) independently developing unobservable inputs related to adjusted NAV, discount rate, terminal growth rate, credit spread, correlation, volatility, market implied life expectancy, mortality rate and market comparable price.

Allowance for Credit Losses - Collectively Evaluated Corporate and Institutional Loans - Investment Bank

As described in Note 19 to the consolidated financial statements, the Bank's allowance for credit losses represents management's estimate of expected credit losses on loans held at amortized cost. As of December 31, 2020, the collectively evaluated expected credit losses in the Investment Bank of CHF 194 million primarily consist of Corporate and Institutional loans with a gross loan balance, excluding those which are held at fair value, of CHF 13,776 million. The Bank's credit loss requirements are based on a forward-looking, lifetime current expected credit loss ("CECL") model by incorporating reasonable and supportable forecasts of future economic conditions available at the reporting date. Management's estimation of expected credit losses is based on a discounted probability-weighted estimate that considers three future macroeconomic scenarios: a baseline scenario, an upside scenario and a downside scenario. For extreme and statistically rare events which cannot be adequately reflected in CECL models, such as the current effects of the COVID-19 pandemic on the global economy, the event becomes the baseline scenario. In the current environment, to address circumstances where in management's judgment the CECL model outputs are overly sensitive to the effect of economic inputs that lie significantly outside of their historical range, model overlays are applied. These overlays are based on expert judgment and are applied in response to these exceptional circumstances to consider historical stressed losses and industry and counterparty credit level reviews.

The principal consideration for our determination that performing procedures relating to the allowance for credit losses on collectively evaluated corporate and institutional loans within the Investment Bank is a critical audit matter are (i) the significant judgment by management in evaluating model results and assessing the need for overlays to the CECL model output in the current environment, (ii) the significant judgment and estimation by management in determining an appropriate methodology for the overlays applied, which both in turn led to a high degree of auditor judgment, subjectivity and effort in performing procedures and in evaluating audit evidence obtained relating to the appropriateness of overlays to the CECL model output, and (iii) the audit effort involved professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's expected credit loss process. The procedures also included, among others, testing management's process for estimating expected credit losses, which included (i) evaluating the appropriateness of the methodologies used to determine the allowance for credit losses, (ii) testing the completeness and accuracy of data used in the estimate, and (iii) evaluating the reasonableness of management's model overlays. The procedures included



the use of professionals with specialized skill and knowledge to assist in evaluating the appropriateness of model methodologies and assist in evaluating the audit evidence.

Goodwill Impairment Assessment - Investment Bank Reporting Unit

As described in Note 20 to the consolidated financial statements, the Bank's goodwill balance was CHF 3.8 billion as of December 31, 2020 of which CHF 0.9 billion was allocated to the Investment Bank reporting unit. Goodwill is reviewed for impairment on an annual basis as of December 31 and at any other time that events or circumstances indicate that the carrying value of goodwill may not be recoverable. Goodwill is allocated to the Bank's reporting units for the purposes of the impairment test. In estimating the fair value of its reporting units, the Bank applied a combination of the market approach and the income approach. In determining the estimated fair value, the Bank relied upon its latest five-year financial plan which included significant management assumptions and estimates based on its view of current and future economic conditions and assumptions regarding the discount rate under the income approach as well as price to projected earnings and price to book value multiples ("multiples") under the market approach.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment of the Investment Bank reporting unit is a critical audit matter are (i) the significant judgment by management when developing the fair value measurement of the Investment Bank reporting unit, (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to the combination of the market approach and income approach, five-year financial plan, discount rate and multiples, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessment. These procedures also included, among others (i) testing management's process for developing the fair value estimate of the Investment Bank reporting unit; (ii) evaluating the appropriateness of the combination of the market approach and income approach; (iii) testing the completeness and accuracy of underlying data used in the model; and (iv) evaluating the reasonableness of the significant assumptions used by management related to the five-year financial plan, discount rate and the multiples. Evaluating management's assumptions related to the five-year financial plan involved evaluating whether the assumptions used by management were reasonable considering the current and past performance of the reporting unit. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Bank's market approach and income approach as well as the discount rate and multiples assumptions.

Litigation provisions

As described in Note 39 to the consolidated financial statements, the Bank is involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of its businesses. The Bank's aggregate litigation provisions include estimates of losses, additional losses or ranges of loss for proceedings for which such losses are probable and can be reasonably estimated. As of December 31, 2020, the Bank has recorded litigation provisions of CHF 1.7 billion. Management's estimate of the aggregate range of reasonably possible losses that are not covered by existing provisions for which the Bank believes an estimate is possible is zero to CHF 0.9 billion.

The principal considerations for our determination that performing procedures relating to the litigation provision is a critical audit matter are the significant judgment by management when assessing the likelihood of a loss being incurred and when determining a reasonable estimate of the loss, which in turn led to a high degree of auditor judgment, subjectivity, and effort in evaluating management's assessment of the provision for losses and related disclosures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's estimation of the litigation provisions, including controls over determining whether a loss is probable and whether the amount of loss can be reasonably estimated, as well as controls over the related financial statement disclosures. These procedures also included, among others, obtaining and evaluating the letters of audit inquiry with external legal counsel, evaluating the reasonableness of management's assessment regarding whether an unfavorable outcome is reasonably possible or probable and reasonably estimable, and evaluating the sufficiency of the Bank's litigation disclosures.

Report on other legal and regulatory requirements

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

We recommend that the consolidated financial statements submitted to you be approved.

We have also audited, in accordance with the standards of the PCAOB, the Bank's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 18, 2021 expressed an unqualified opinion on the effectiveness of the Bank's internal control over financial reporting.

PricewaterhouseCoopers AG



Matthew Falconer
Audit expert
Auditor in charge



Matthew Goldman
Group Audit Partner

Zürich, Switzerland
March 18, 2021

We have served as the Group's auditor since 2020.



Report of Independent Registered Public Accounting Firm

To the Board of Directors and shareholders of Credit Suisse AG

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Credit Suisse AG and its subsidiaries (the "Bank") as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Bank maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheet of the Bank as of December 31, 2020, and the related consolidated statements of operations, comprehensive income, changes in equity and cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements"), and our report dated March 18, 2021 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Bank's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Bank's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Bank in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PricewaterhouseCoopers AG

Handwritten signature of Matthew Falconer in blue ink on a light blue grid background. A small red Swiss cross logo is visible in the top right corner of the signature area.

Matthew Falconer
Audit expert
Auditor in charge

Handwritten signature of Matthew Goldman in blue ink on a light blue grid background. A small red Swiss cross logo is visible in the top right corner of the signature area.

Matthew Goldman
Group Audit Partner

Zürich, Switzerland
March 18, 2021



Consolidated financial statements

Consolidated statements of operations

in	Note	2020	2019	2018
Consolidated statements of operations (CHF million)				
Interest and dividend income	5	13,878	20,180	19,623
Interest expense	5	(7,918)	(13,131)	(12,498)
Net interest income	5	5,960	7,049	7,125
Commissions and fees	6	11,850	11,071	11,742
Trading revenues	7	3,178	1,773	456
Other revenues	8	1,515	2,793	1,497
Net revenues		22,503	22,686	20,820
Provision for credit losses	9	1,092	324	245
Compensation and benefits	10	8,860	9,105	8,864
General and administrative expenses	11	7,962	7,588	7,068
Commission expenses		1,256	1,276	1,259
Restructuring expenses	12	122	–	528
Total other operating expenses		9,340	8,864	8,855
Total operating expenses		18,200	17,969	17,719
Income before taxes		3,211	4,393	2,856
Income tax expense	28	697	1,298	1,134
Net income		2,514	3,095	1,722
Net income attributable to noncontrolling interests		3	14	(7)
Net income attributable to shareholders		2,511	3,081	1,729

Consolidated statements of comprehensive income

in	2020	2019	2018
Comprehensive income/(loss) (CHF million)			
Net income	2,514	3,095	1,722
Gains/(losses) on cash flow hedges	177	86	(7)
Foreign currency translation	(3,014)	(995)	(321)
Unrealized gains/(losses) on securities	(17)	21	(18)
Actuarial gains/(losses)	(44)	(24)	31
Net prior service credit/(cost)	(4)	1	(10)
Gains/(losses) on liabilities related to credit risk	151	(1,738)	1,442
Other comprehensive income/(loss), net of tax	(2,751)	(2,649)	1,117
Comprehensive income/(loss)	(237)	446	2,839
Comprehensive income/(loss) attributable to noncontrolling interests	(55)	7	(3)
Comprehensive income attributable to shareholders	(182)	439	2,842

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated balance sheets

end of	Note	2020	2019
Assets (CHF million)			
Cash and due from banks		138,207	101,044
of which reported at fair value		525	356
of which reported from consolidated VIEs		90	138
Interest-bearing deposits with banks		1,230	673
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	14	79,133	106,997
of which reported at fair value		57,994	85,556
Securities received as collateral, at fair value		50,773	40,219
of which encumbered		27,614	22,521
Trading assets, at fair value	15	157,511	153,895
of which encumbered		43,511	46,650
of which reported from consolidated VIEs		2,164	2,788
Investment securities	16	605	1,004
of which reported at fair value		605	1,004
Other investments	17	5,379	5,634
of which reported at fair value		3,793	3,548
of which reported from consolidated VIEs		1,251	1,412
Net loans	18	300,341	304,025
of which reported at fair value		11,408	12,661
of which encumbered		179	293
of which reported from consolidated VIEs		900	649
allowance for loan losses		(1,535)	(945)
Goodwill	20	3,755	3,960
Other intangible assets	21	237	291
of which reported at fair value		180	244
Brokerage receivables		35,943	35,648
Other assets	22	36,574	37,069
of which reported at fair value		8,373	10,402
of which encumbered		167	217
of which reported from consolidated VIEs		1,858	1,674
of which loans held-for-sale reported at lower of cost and market value (amortized cost base)		650	–
Total assets		809,688	790,459

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated balance sheets (continued)

end of	Note	2020	2019
Liabilities and equity (CHF million)			
Due to banks	24	16,420	16,742
of which reported at fair value		413	322
Customer deposits	24	392,039	384,950
of which reported at fair value		4,343	3,339
of which reported from consolidated VIEs		1	0
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	14	23,944	27,641
of which reported at fair value		13,688	10,823
Obligation to return securities received as collateral, at fair value		50,773	40,219
Trading liabilities, at fair value	15	45,871	38,186
of which reported from consolidated VIEs		10	8
Short-term borrowings		21,308	28,869
of which reported at fair value		10,740	11,333
of which reported from consolidated VIEs		4,178	4,885
Long-term debt	25	160,279	151,000
of which reported at fair value		70,243	69,406
of which reported from consolidated VIEs		1,746	1,671
Brokerage payables		21,655	25,683
Other liabilities	22	30,340	30,406
of which reported at fair value		7,756	7,869
of which reported from consolidated VIEs		207	296
Total liabilities		762,629	743,696
Common shares		4,400	4,400
Additional paid-in capital		46,232	45,774
Retained earnings		15,871	13,492
Accumulated other comprehensive income/(loss)	26	(20,239)	(17,546)
Total shareholders' equity		46,264	46,120
Noncontrolling interests		795	643
Total equity		47,059	46,763
Total liabilities and equity		809,688	790,459

end of	2020	2019
Additional share information		
Par value (CHF)	1.00	1.00
Issued shares	4,399,680,200	4,399,680,200
Shares outstanding	4,399,680,200	4,399,680,200

The Bank's total share capital is fully paid and consists of 4,399,680,200 registered shares as of December 31, 2020. Each share is entitled to one vote. The Bank has no warrants on its own shares outstanding.

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of changes in equity

	Attributable to shareholders						Non-controlling interests	Total equity
	Common shares	Additional paid-in capital	Retained earnings	Treasury shares, at cost ¹	AOCI	Total shareholders' equity		
2020 (CHF million)								
Balance at beginning of period	4,400	45,774	13,492	0	(17,546)	46,120	643	46,763
Purchase of subsidiary shares from non-controlling interests, not changing ownership ^{2, 3}	–	–	–	–	–	–	(20)	(20)
Sale of subsidiary shares to noncontrolling interests, not changing ownership ³	–	–	–	–	–	–	19	19
Net income/(loss)	–	–	2,511	–	–	2,511	3	2,514
Cumulative effect of accounting changes, net of tax	–	–	(132)	–	–	(132)	–	(132)
Total other comprehensive income/(loss), net of tax	–	–	–	–	(2,693)	(2,693)	(58)	(2,751)
Share-based compensation, net of tax	–	494	–	–	–	494	–	494
Dividends on share-based compensation, net of tax	–	(41)	–	–	–	(41)	–	(41)
Dividends paid	–	(10)	–	–	–	(10)	–	(10)
Changes in scope of consolidation, net	–	–	–	–	–	–	198	198
Other	–	15	–	–	–	15	10	25
Balance at end of period	4,400	46,232	15,871	0	(20,239)	46,264	795	47,059
2019 (CHF million)								
Balance at beginning of period	4,400	45,557	10,179	0	(14,840)	45,296	698	45,994
Purchase of subsidiary shares from non-controlling interests, not changing ownership	–	–	–	–	–	–	(103)	(103)
Sale of subsidiary shares to noncontrolling interests, not changing ownership	–	–	–	–	–	–	68	68
Net income/(loss)	–	–	3,081	–	–	3,081	14	3,095
Cumulative effect of accounting changes, net of tax	–	–	242	–	(64)	178	–	178
Total other comprehensive income/(loss), net of tax	–	–	–	–	(2,642)	(2,642)	(7)	(2,649)
Share-based compensation, net of tax	–	254	–	–	–	254	–	254
Dividends on share-based compensation, net of tax	–	(35)	–	–	–	(35)	–	(35)
Dividends paid	–	–	(10)	–	–	(10)	(1)	(11)
Changes in scope of consolidation, net	–	–	–	–	–	–	(4)	(4)
Other	–	(2)	–	–	–	(2)	(22)	(24)
Balance at end of period	4,400	45,774	13,492	0	(17,546)	46,120	643	46,763

¹ Reflects Credit Suisse Group shares which are reported as treasury shares. Those shares are held to economically hedge share award obligations.

² Distributions to owners in funds include the return of original capital invested and any related dividends.

³ Transactions with and without ownership changes related to fund activity are all displayed under "not changing ownership".

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of changes in equity (continued)

	Attributable to shareholders							Non-controlling interests	Total equity
	Common shares/participation securities	Additional paid-in capital	Retained earnings	Treasury shares, at cost	AOI	Total shareholders' equity			
2018 (CHF million)									
Balance at beginning of period	4,400	45,718	8,484	0	(15,932)	42,670	880	43,550	
Purchase of subsidiary shares from non-controlling interests, changing ownership	–	(1)	–	–	–	(1)	(4)	(5)	
Purchase of subsidiary shares from non-controlling interests, not changing ownership	–	–	–	–	–	–	(70)	(70)	
Sale of subsidiary shares to noncontrolling interests, changing ownership	–	2	–	–	–	2	(2)	–	
Sale of subsidiary shares to noncontrolling interests, not changing ownership	–	–	–	–	–	–	30	30	
Net income/(loss)	–	–	1,729	–	–	1,729	(7)	1,722	
Cumulative effect of accounting changes, net of tax	–	–	(24)	–	(21)	(45)	–	(45)	
Total other comprehensive income/(loss), net of tax	–	–	–	–	1,113	1,113	4	1,117	
Share-based compensation, net of tax	–	(140)	–	–	–	(140)	–	(140)	
Dividends on share-based compensation, net of tax	–	(22)	–	–	–	(22)	–	(22)	
Dividends paid	–	–	(10)	–	–	(10)	(5)	(15)	
Changes in scope of consolidation, net	–	–	–	–	–	–	(128)	(128)	
Balance at end of period	4,400	45,557	10,179	0	(14,840)	45,296	698	45,994	

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of cash flows

in	2020	2019	2018
Operating activities (CHF million)			
Net income	2,514	3,095	1,722
Adjustments to reconcile net income/(loss) to net cash provided by/(used in) operating activities (CHF million)			
Impairment, depreciation and amortization	1,196	1,134	844
Provision for credit losses	1,092	324	245
Deferred tax provision/(benefit)	358	616	592
Valuation adjustments relating to long-term debt	2,706	10,193	(4,737)
Share of net income/(loss) from equity method investments	(120)	(78)	(107)
Trading assets and liabilities, net	(7,071)	(27,700)	25,511
(Increase)/decrease in other assets	(7,221)	2,956	3,519
Increase/(decrease) in other liabilities	487	(6,461)	(14,228)
Other, net	(104)	(2,497)	(827)
Total adjustments	(8,677)	(21,513)	10,812
Net cash provided by/(used in) operating activities	(6,163)	(18,418)	12,534
Investing activities (CHF million)			
(Increase)/decrease in interest-bearing deposits with banks	(520)	411	(364)
(Increase)/decrease in central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	19,219	8,386	(1,372)
Purchase of investment securities	(402)	(557)	(683)
Proceeds from sale of investment securities	629	6	255
Maturities of investment securities	184	1,007	567
Investments in subsidiaries and other investments	(210)	(284)	(546)
Proceeds from sale of other investments	677	1,133	1,770
(Increase)/decrease in loans	(6,979)	(17,309)	(13,701)
Proceeds from sales of loans	3,860	4,612	5,981
Capital expenditures for premises and equipment and other intangible assets	(1,044)	(1,133)	(989)
Proceeds from sale of premises and equipment and other intangible assets	45	30	80
Other, net	113	537	342
Net cash provided by/(used in) investing activities	15,572	(3,161)	(8,660)

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Consolidated statements of cash flows (continued)

in	2020	2019	2018
Financing activities (CHF million)			
Increase/(decrease) in due to banks and customer deposits	21,335	24,684	2,006
Increase/(decrease) in short-term borrowings	(5,290)	6,911	(2,985)
Increase/(decrease) in central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(1,469)	3,491	(2,052)
Issuances of long-term debt	57,641	34,911	33,308
Repayments of long-term debt	(42,768)	(46,290)	(43,858)
Dividends paid	(10)	(11)	(15)
Other, net	934	208	(494)
Net cash provided by/(used in) financing activities	30,373	23,904	(14,090)
Effect of exchange rate changes on cash and due from banks (CHF million)			
Effect of exchange rate changes on cash and due from banks	(2,619)	(595)	20
Net increase/(decrease) in cash and due from banks (CHF million)			
Net increase/(decrease) in cash and due from banks	37,163	1,730	(10,196)
Cash and due from banks at beginning of period ¹	101,044	99,314	109,510
Cash and due from banks at end of period ¹	138,207	101,044	99,314

¹ Includes restricted cash.

Supplemental cash flow information

in	2020	2019	2018
Cash paid for income taxes and interest (CHF million)			
Cash paid for income taxes	735	706	666
Cash paid for interest	8,126	13,015	12,524
Assets and liabilities sold in business divestitures (CHF million)			
Assets sold	0	38	0
Liabilities sold	0	8	0

The accompanying notes to the consolidated financial statements are an integral part of these statements.

Notes to the consolidated financial statements

1 Summary of significant accounting policies

The accompanying consolidated financial statements of Credit Suisse AG (the Bank), the direct bank subsidiary of Credit Suisse Group AG (the Group), are prepared in accordance with accounting principles generally accepted in the US (US GAAP) and are stated in Swiss francs (CHF). The financial year for the Bank ends on December 31. Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the current presentation which had no impact on net income/(loss) or total shareholders' equity.

In preparing the consolidated financial statements, management is required to make estimates and assumptions including, but not limited to, the fair value measurements of certain financial assets and liabilities, the allowance for loan losses, the evaluation of variable interest entities (VIEs), the impairment of assets other than loans, recognition of deferred tax assets, tax uncertainties, pension liabilities and various contingencies. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the dates of the consolidated balance sheets and the reported amounts of revenues and expenses during the reporting period. While management evaluates its estimates and assumptions on an ongoing basis, actual results could differ materially from management's estimates. Market conditions may increase the risk and complexity of the judgments applied in these estimates.

→ Refer to "Note 1 – Summary of significant accounting policies" in VI – Consolidated financial statements – Credit Suisse Group for a summary of significant accounting policies, with the exception of the following accounting policies.

Pension and other post-retirement benefits

Credit Suisse sponsors a Group defined benefit pension plan in Switzerland that covers eligible employees of the Bank domiciled in Switzerland. The Bank also has single-employer defined benefit pension plans and defined contribution pension plans in Switzerland and other countries around the world.

For the Bank's participation in the Group defined benefit pension plan, no retirement benefit obligation is recognized in the consolidated balance sheets of the Bank and defined contribution accounting is applied, as the Bank is not the sponsoring entity of the Group plan.

For single-employer defined benefit plans, the Bank uses the projected unit credit actuarial method to determine the present value of its projected benefit obligations (PBO) and the current and past service costs or credits related to its defined benefit and other post-retirement benefit plans. The measurement date used to perform the actuarial valuation is December 31 and is performed by independent qualified actuaries.

→ Refer to "Pension and other post-retirement benefits" in VI – Consolidated financial statements – Credit Suisse Group – Note 1 – Summary of significant accounting policies for further information.

Own shares, own bonds and financial instruments on Group shares

The Bank's shares are wholly owned by Credit Suisse Group AG and are not subject to trading. The Bank may buy and sell Credit Suisse Group AG shares (Group shares) and Group bonds, own bonds and financial instruments on Group shares within its normal trading and market-making activities. In addition, the Bank may hold Group shares to economically hedge commitments arising from employee share-based compensation awards. Group shares are reported as trading assets, unless those shares are held to economically hedge share award obligations. Hedging shares are reported as treasury shares, resulting in a reduction to total shareholder's equity. Financial instruments on Group shares are recorded as assets or liabilities and carried at fair value. Dividends received on Group shares and unrealized and realized gains and losses on Group shares are recorded according to the classification of the shares as trading assets or treasury shares. Purchases of bonds originally issued by the Bank are recorded as an extinguishment of debt.

2 Recently issued accounting standards

→ Refer to "Note 2 – Recently issued accounting standards" in VI – Consolidated financial statements – Credit Suisse Group for recently adopted accounting standards and standards to be adopted in future periods.

The impact on the Bank's and Group's financial position, results of operations or cash flows was or is expected to be identical.

3 Business developments, significant shareholders and subsequent events

→ Refer to "Note 3 – Business developments, significant shareholders and subsequent events" in VI – Consolidated financial statements – Credit Suisse Group for further information.

4 Segment information

For the purposes of the presentation of reportable segments, the Bank has included accounts of affiliate entities wholly owned by the same parent which are managed together with the operating segments of the Bank.

→ Refer to "Note 4 – Segment information" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Net revenues and income/(loss) before taxes

in	2020	2019	2018
Net revenues (CHF million)			
Swiss Universal Bank	5,615	5,905	5,443
International Wealth Management	4,837	5,816	5,320
Asia Pacific	3,155	3,029	2,759
Investment Bank	9,098	8,161	8,004
Adjustments ¹	(202)	(225)	(706)
Net revenues	22,503	22,686	20,820
Income/(loss) before taxes (CHF million)			
Swiss Universal Bank	2,104	2,573	1,991
International Wealth Management	1,052	2,065	1,610
Asia Pacific	828	922	632
Investment Bank	1,655	1,026	818
Adjustments ¹	(2,428)	(2,193)	(2,195)
Income before taxes	3,211	4,393	2,856

¹ Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice versa, and certain revenues and expenses that were not allocated to the segments, including such items relating to the Asset Resolution Unit.

Total assets

end of	2020	2019
Total assets (CHF million)		
Swiss Universal Bank	261,465	249,829
International Wealth Management	95,206	91,277
Asia Pacific	67,356	73,719
Investment Bank	270,488	266,257
Adjustments ¹	115,173	109,377
Total assets	809,688	790,459

¹ Adjustments represent certain consolidating entries and balances, including those relating to items that are managed but are not legally owned by the Bank and vice versa, and certain revenues and expenses that were not allocated to the segments, including such items relating to the Asset Resolution Unit.

Net revenues and income/(loss) before taxes by geographical location

in	2020	2019	2018
Net revenues (CHF million)			
Switzerland	8,659	9,239	8,047
EMEA	3,162	1,244	1,164
Americas	7,765	9,253	8,750
Asia Pacific	2,917	2,950	2,859
Net revenues	22,503	22,686	20,820
Income/(loss) before taxes (CHF million)			
Switzerland	2,477	3,259	1,927
EMEA	(847)	(2,574)	(2,520)
Americas	1,419	3,348	3,344
Asia Pacific	162	360	105
Income before taxes	3,211	4,393	2,856

The designation of net revenues and income/(loss) before taxes is based on the location of the office recording the transactions. This presentation does not reflect the way the Bank is managed.

Total assets by geographical location

end of	2020	2019
Total assets (CHF million)		
Switzerland	266,095	245,819
EMEA	159,465	145,219
Americas	287,640	305,330
Asia Pacific	96,488	94,091
Total assets	809,688	790,459

The designation of total assets by region is based upon customer domicile.

5 Net interest income

in	2020	2019	2018
Net interest income (CHF million)			
Loans	5,694	7,173	6,778
Investment securities	3	9	80
Trading assets	5,816	7,341	7,131
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,596	2,926	2,856
Other	769	2,731	2,778
Interest and dividend income	13,878	20,180	19,623
Deposits	(1,107)	(3,055)	(2,291)
Short-term borrowings	(170)	(422)	(370)
Trading liabilities	(2,658)	(3,513)	(3,453)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(908)	(1,669)	(1,877)
Long-term debt	(2,702)	(3,361)	(3,696)
Other	(373)	(1,111)	(811)
Interest expense	(7,918)	(13,131)	(12,498)
Net interest income	5,960	7,049	7,125

6 Commissions and fees

in	2020	2019	2018
Commissions and fees (CHF million)			
Lending business	1,612	1,663	1,902
Investment and portfolio management	3,087	3,295	3,415
Other securities business	73	89	83
Fiduciary business	3,160	3,384	3,498
Underwriting	2,348	1,602	1,735
Brokerage	3,246	2,900	2,797
Underwriting and brokerage	5,594	4,502	4,532
Other services	1,484	1,522	1,810
Commissions and fees	11,850	11,071	11,742

7 Trading revenues

in	2020	2019	2018
Trading revenues (CHF million)			
Interest rate products	(91)	67	759
Foreign exchange products	2,482	656	372
Equity/index-related products	387	1,146	(481)
Credit products	192	(513)	(97)
Commodity and energy products	132	144	102
Other products	76	273	(199)
Trading revenues	3,178	1,773	456

Represents revenues on a product basis which are not representative of business results within segments, as segment results utilize financial instruments across various product types.

→ Refer to "Note 7 – Trading revenues" in VI – Consolidated financial statements – Credit Suisse Group for further information.

8 Other revenues

in	2020	2019	2018
Other revenues (CHF million)			
Loans held-for-sale	(34)	(14)	(4)
Long-lived assets held-for-sale	26	252	39
Equity method investments	(255)	230	221
Other investments	769	1,142	335
Other	1,009	1,183	906
Other revenues	1,515	2,793	1,497

→ Refer to "Note 8 – Other revenues" and "Note 18 – Other investments" in VI – Consolidated financial statements – Credit Suisse Group for further information.

9 Provision for credit losses

in	2020	2019	2018
Provision for credit losses (CHF million)			
Loans held at amortized cost	863	284	201
Other financial assets held at amortized cost	19	11	0
Off-balance sheet credit exposures	210	29	44
Provision for credit losses	1,092	324	245

10 Compensation and benefits

in	2020	2019	2018
Compensation and benefits (CHF million)			
Salaries and variable compensation	7,521	7,733	7,449
Social security	559	554	567
Other ¹	780	818	848
Compensation and benefits	8,860	9,105	8,864

¹ Includes pension-related expenses of CHF 503 million, CHF 502 million and CHF 533 million in 2020, 2019 and 2018, respectively, relating to service costs for defined benefit pension plans and employer contributions for defined contribution pension plans.

11 General and administrative expenses

in	2020	2019	2018
General and administrative expenses (CHF million)			
Occupancy expenses	883	990	855
IT, machinery and equipment	1,129	1,066	926
Provisions and losses	1,253	639	433
Travel and entertainment	134	303	310
Professional services	3,025	3,132	2,991
Amortization and impairment of other intangible assets	8	10	9
Other ¹	1,530	1,448	1,544
General and administrative expenses	7,962	7,588	7,068

¹ Includes pension-related expenses/(credits) of CHF 10 million and CHF 32 million in 2019 and 2018, respectively, relating to certain components of net periodic benefit costs for defined benefit plans.

12 Restructuring expenses

In connection with the key strategic growth initiatives announced in July 2020, restructuring expenses of CHF 122 million were recognized in 2020.

→ Refer to "Note 12 – Restructuring expenses" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Restructuring expenses by type

in	2020	2019	2018
Restructuring expenses by type (CHF million)			
Compensation and benefits-related expenses	102	–	233
of which severance expenses	66	–	157
of which accelerated deferred compensation	36	–	76
General and administrative-related expenses	20	–	295
of which pension expenses	8	–	0
Total restructuring expenses	122	–	528

Restructuring liabilities

in	2020			2019			2018		
	Compen- sation and benefits	General and administrative expenses	Total	Compen- sation and benefits	General and administrative expenses	Total	Compen- sation and benefits	General and administrative expenses	Total
Restructuring liabilities (CHF million)									
Balance at beginning of period	–	–	–	152	190	342	191	110	301
Net additional charges ¹	66	6	72	–	–	–	157	216	373
Reclassifications	–	–	–	(152) ²	(190) ³	(342)	–	–	–
Utilization	(19)	(4)	(23)	–	–	–	(196)	(136)	(332)
Balance at end of period	47	2	49	–	–	–	152	190	342

¹ The following items for which expense accretion was accelerated in 2020 and 2018 due to the restructuring of the Bank are not included in the restructuring provision: unsettled share-based compensation of CHF 25 million and CHF 55 million, respectively; unsettled pension obligations of CHF 8 million and CHF 0 million, respectively, which remain classified as pension provisions; unsettled cash-based deferred compensation of CHF 11 million and CHF 21 million, respectively, which remain classified as compensation liabilities; and accelerated accumulated depreciation and impairment of CHF 6 million and CHF 79 million, respectively, which remain classified as premises and equipment. The settlement date for the unsettled share-based compensation remains unchanged at three years.

² In 2019, CHF 97 million was transferred to litigation provisions and CHF 55 million was transferred to other liabilities.

³ In 2019, CHF 167 million was transferred to right-of-use assets in accordance with ASU 2016-02 and CHF 23 million to other liabilities.

13 Revenue from contracts with customers

→ Refer to "Note 14 – Revenue from contracts with customers" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Contracts with customers and disaggregation of revenues			
in	2020	2019	2018
Contracts with customers (CHF million)			
Investment and portfolio management	3,087	3,295	3,415
Other securities business	73	89	83
Underwriting	2,348	1,602	1,735
Brokerage	3,243	2,898	2,812
Other services	1,566	1,611	1,949
Total revenues from contracts with customers	10,317	9,495	9,994

The table above differs from "Note 6 – Commissions and fees" as it includes only those contracts with customers that are in scope of ASC Topic 606 – Revenue from Contracts with Customers.

Contract balances		
end of	2020	2019
Contract balances (CHF million)		
Contract receivables	993	886
Contract liabilities	48	53

Contract balances				
in	4Q20	3Q20	2Q20	1Q20
Revenue recognized (CHF million)				
Revenue recognized in the reporting period included in the contract liabilities balance at the beginning of period	7	12	12	11

The Bank's contract terms are generally such that they do not result in any contract assets.

There were no material net impairment losses on contract receivables in 2020, 2019 or 2018. The Bank did not recognize any revenues in the reporting period from performance obligations satisfied in previous periods.

Capitalized costs

The Bank has not incurred costs to obtain a contract nor costs to fulfill a contract that are eligible for capitalization.

Remaining performance obligations

ASC Topic 606's practical expedient allows the Bank to exclude from its remaining performance obligations disclosure any performance obligations which are part of a contract with an original expected duration of one year or less. Additionally, any variable consideration, for which it is probable that a significant reversal in the amount of cumulative revenue recognized will occur when the uncertainty associated with the variable consideration is subsequently resolved, is not subject to the remaining performance obligations disclosure because such variable consideration is not included in the transaction price (e.g., investment management fees). Upon review, the Bank determined that no material remaining performance obligations are in scope of the remaining performance obligations disclosure.

14 Securities borrowed, lent and subject to repurchase agreements

end of	2020	2019
Securities borrowed or purchased under agreements to resell (CHF million)		
Central bank funds sold and securities purchased under resale agreements	53,910	78,835
Deposits paid for securities borrowed	25,223	28,162
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	79,133	106,997
Securities lent or sold under agreements to repurchase (CHF million)		
Central bank funds purchased and securities sold under repurchase agreements	19,829	21,849
Deposits received for securities lent	4,115	5,792
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	23,944	27,641

→ Refer to "Note 15 – Securities borrowed, lent and subject to repurchase agreements" in VI – Consolidated financial statements – Credit Suisse Group for further information.

15 Trading assets and liabilities

end of	2020	2019	end of	2020	2019
Trading assets (CHF million)			Cash collateral on derivative instruments – netted (CHF million) ¹		
Debt securities	64,532	67,030	Cash collateral paid	26,885	20,739
Equity securities	63,273	64,604	Cash collateral received	16,795	14,633
Derivative instruments ¹	25,531	17,730	Cash collateral on derivative instruments – not netted (CHF million) ²		
Other	4,175	4,531	Cash collateral paid	7,741	4,570
Trading assets	157,511	153,895	Cash collateral received	7,831	7,457
Trading liabilities (CHF million)			¹ Recorded as cash collateral netting on derivative instruments in Note 27 – Offsetting of financial assets and financial liabilities. ² Recorded as cash collateral on derivative instruments in Note 22 – Other assets and other liabilities.		
Short positions	28,126	24,714			
Derivative instruments ¹	17,745	13,472			
Trading liabilities	45,871	38,186			

¹ Amounts shown after counterparty and cash collateral netting.

16 Investment securities

end of	2020	2019
Investment securities (CHF million)		
Debt securities available-for-sale	605	1,004
Total investment securities	605	1,004

Investment securities by type

end of	2020				2019			
	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
Investment securities by type (CHF million)								
Swiss federal, cantonal or local government entities	1	0	0	1	0	0	0	0
Foreign governments	0	0	0	0	163	8	0	171
Corporate debt securities	594	10	0	604	807	28	2	833
Debt securities available-for-sale	595	10	0	605	970	36	2	1,004

Gross unrealized losses on debt securities and related fair value

end of	Less than 12 months		12 months or more		Total	
	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
2019 (CHF million)						
Corporate debt securities	204	2	0	0	204	2
Debt securities available-for-sale	204	2	0	0	204	2

Proceeds from sales, realized gains and realized losses from debt securities available-for-sale

in	2020	2019	2018
Sales of debt securities available-for-sale (CHF million)			
Proceeds from sales	629	6	255
Realized gains	42	0	8

Amortized cost, fair value and average yield of debt securities

end of	Amortized cost	Fair value	Average yield (in %)
2020 (CHF million, except where indicated)			
Due within 1 year	149	149	0.26
Due from 5 to 10 years	446	456	(0.01)
Debt securities available-for-sale	595	605	0.05

Allowance for credit losses on debt securities available-for-sale

→ Refer to "Note 17 – Investment securities" in VI – Consolidated financial statements – Credit Suisse Group for further information on allowance for credit losses on debt securities available for sale.

As of the end of 2020, the Bank had no allowance for credit losses on debt securities available-for-sale.

17 Other investments

end of	2020	2019
Other investments (CHF million)		
Equity method investments	2,624	2,361
Equity securities (without a readily determinable fair value) ¹	1,776	2,145
of which at net asset value	111	407
of which at measurement alternative	357	272
of which at fair value	1,278	1,434
of which at cost less impairment	30	32
Real estate held-for-investment ²	59	76
Life finance instruments ³	920	1,052
Total other investments	5,379	5,634

¹ Includes private equity, hedge funds and restricted stock investments as well as certain investments in non-marketable mutual funds for which the Bank has neither significant influence nor control over the investee.

² As of the end of 2020 and 2019, real estate held for investment included foreclosed or repossessed real estate of CHF 16 million and CHF 24 million, respectively, of which CHF 13 million and CHF 10 million, respectively, were related to residential real estate.

³ Includes single premium immediate annuity contracts.

Accumulated depreciation related to real estate held-for-investment amounted to CHF 31 million, CHF 29 million and CHF 27 million for 2020, 2019 and 2018, respectively.

An impairment of CHF 1 million was recorded on real estate held-for-investments in 2020. No impairments were recorded on real estate held-for-investments in 2019 and 2018, respectively.

Equity securities at measurement alternative

in / end of	2020	Cumulative	2019
Impairments and adjustments (CHF million)			
Impairments and downward adjustments	(17)	(25)	(1)
Upward adjustments	137	147	11

→ Refer to "Note 36 – Financial instruments" for further information on such investments and "Note 18 – Other investments" in VI – Consolidated financial statements – Credit Suisse Group for further information.

18 Loans

→ Refer to "Note 19 – Loans" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Loans

end of	2020	2019
Loans (CHF million)		
Mortgages ¹	111,270	109,671
Loans collateralized by securities ¹	51,789	56,425
Consumer finance	4,888	4,401
Consumer	167,947	170,497
Real estate	29,045	29,220
Commercial and industrial loans ¹	74,700	74,094
Financial institutions	26,901	27,013
Governments and public institutions	3,378	4,262
Corporate & institutional	134,024	134,589
Gross loans	301,971	305,086
of which held at amortized cost	290,563	292,425
of which held at fair value	11,408	12,661
Net (unearned income)/deferred expenses	(95)	(116)
Allowance for credit losses	(1,535)	(945)
Net loans	300,341	304,025
Gross loans by location		
Switzerland	176,312	169,671
Foreign	125,659	135,415
Gross loans	301,971	305,086
Impaired loans		
Non-performing loans	1,666	1,250
Non-interest-earning loans	363	248
Non-accrual loans	2,029	1,498
Restructured loans	313	350
Potential problem loans	843	266
Other impaired loans	1,156	616
Gross impaired loans ²	3,185	2,114

¹ Certain corporate & institutional loans have been reclassified to consumer loans following the application of a look-through approach with regard to beneficial owners. The prior period has been reclassified to conform to the current presentation.

² As of December 31, 2020 and 2019, CHF 180 million and CHF 208 million, respectively, were related to consumer mortgages secured by residential real estate for which formal foreclosure proceedings according to local requirements of the applicable jurisdiction were in process.

→ Refer to "Loans" in Note 1 – Summary of significant accounting policies in VI – Consolidated financial statements – Credit Suisse Group for further information on categories of impaired loans.

→ Refer to "Note 19 – Financial instruments measured at amortized cost and credit losses" for further information on loans held at amortized cost.

19 Financial instruments measured at amortized cost and credit losses

→ Refer to "Note 20 – Financial instruments measured at amortized cost and credit losses" in VI – Consolidated financial statements – Credit Suisse Group for further information on loans held at amortized cost.

Overview of financial instruments measured at amortized cost – by balance sheet position

end of	Amortized cost basis ¹	Allowance for credit losses	Net carrying value
2020 (CHF million)			
Cash and due from banks	137,683	(1)	137,682
Interest-bearing deposits with banks	1,235 ²	(5)	1,230
Securities purchased under resale agreements and securities borrowing transactions	21,139	0	21,139
Loans	290,468 ^{2,3}	(1,535)	288,933
Brokerage receivables	35,944 ²	(1)	35,943
Other assets	15,540	(41)	15,499
Total	502,009	(1,583)	500,426

¹ Net of unearned income/deferred expenses, as applicable.

² Excludes accrued interest for credit losses in the total amount of CHF 351 million, with no related allowance for credit losses. Of the accrued interest balance, CHF 1 million relates to interest-bearing deposits with banks, CHF 334 million to loans and CHF 16 million to brokerage receivables. These accrued interest balances are reported in other assets.

³ Includes endangered interest of CHF 87 million on non-accrual loans which are reported as part of the loans' amortized cost balance.

Allowance for credit losses

→ Refer to "Note 20 – Financial instruments measured at amortized cost and credit losses" in VI – Consolidated financial statements – Credit Suisse Group for further information on estimating expected credit losses.

Loans held at amortized cost

Allowance for credit losses – loans held at amortized cost

	2020			2019 ¹			2018 ¹		
	Consumer	Corporate & institutional	Total	Consumer	Corporate & institutional	Total	Consumer	Corporate & institutional	Total
Allowance for credit losses (CHF million)									
Balance at beginning of period	241	807	1,048 ²	187	714	901	220	661	881
Current-period provision for expected credit losses	191	709	900	63	221	284	19	182	201
of which methodology changes	0	(19)	(19)	–	–	–	–	–	–
of which provisions for interest ³	22	15	37	–	–	–	–	–	–
Gross write-offs	(87)	(238)	(325)	(86)	(213)	(299)	(85)	(184)	(269)
Recoveries	8	5	13	9	16	25	21	37	58
Net write-offs	(79)	(233)	(312)	(77)	(197)	(274)	(64)	(147)	(211)
Provisions for interest ³	–	–	–	14	28	42	11	19	30
Foreign currency translation impact and other adjustments, net	(35)	(66)	(101)	(1)	(7)	(8)	1	(1)	0
Balance at end of period	318	1,217	1,535	186	759	945	187	714	901
of which individually evaluated	230	635	865	145	463	608	146	461	607
of which collectively evaluated	88	582	670	41	296	337	41	253	294

¹ Measured under the previous accounting guidance (incurred loss model).

² Includes a net impact of CHF 103 million from the adoption of the new CECL guidance and the related election of the fair value option for certain loans on January 1, 2020, of which CHF 55 million reflected in consumer loans and CHF 48 million in corporate & institutional loans.

³ Represents the current-period net provision for accrued interest on non-accrual loans and lease financing transactions which is recognized as a reversal of interest income.

→ Refer to "Note 20 – Financial instruments measured at amortized cost and credit losses" in VI – Consolidated financial statements – Credit Suisse Group for further information on the Bank's gross write-offs.

Purchases, reclassifications and sales – loans held at amortized cost

in	2020			2019			2018		
	Consumer	Corporate & institutional	Total	Consumer	Corporate & institutional	Total	Consumer	Corporate & institutional	Total
CHF million									
Purchases ¹	45	2,756	2,801	18	2,478	2,496	0	2,163	2,163
Reclassifications from loans held-for-sale ²	0	6	6	0	11	11	0	1	1
Reclassifications to loans held-for-sale ³	18	2,007	2,025	0	3,138	3,138	1	2,351	2,352
Sales ³	18	1,626	1,644	0	3,001	3,001	1	2,267	2,268

¹ Includes drawdowns under purchased loan commitments.

² Includes loans previously reclassified to held-for-sale that were not sold and were reclassified back to loans held-to-maturity.

³ All loans held at amortized cost which are sold are reclassified to loans held-for-sale on or prior to the date of the sale.

Other financial assets

Allowance for credit losses – other financial assets held at amortized cost

	2020
CHF million	
Balance at beginning of period	43
Current-period provision for expected credit losses	19
Gross write-offs	(12)
Recoveries	2
Net write-offs	(10)
Foreign currency translation impact and other adjustments, net	(4)
Balance at end of period	48
of which individually evaluated	15
of which collectively evaluated	33

Credit quality information

Credit quality of loans held at amortized cost

The following table presents the Bank's carrying value of loans held at amortized cost by aggregated internal counterparty credit ratings investment grade and non-investment grade that are used as credit quality indicators for the purpose of this disclosure, by year of origination.

Consumer loans held at amortized cost by internal counterparty rating

end of	Investment	Non-investment		Total
	grade	grade		
	AAA to BBB	BB to C	D	
2020 (CHF million)				
Mortgages				
2020	18,765	1,664	3	20,432
2019	14,072	1,511	26	15,609
2018	10,242	932	58	11,232
2017	7,087	857	44	7,988
2016	10,951	914	76	11,941
Prior years	39,918	2,854	216	42,988
Total term loans	101,035	8,732	423	110,190
Revolving loans	528	548	4	1,080
Total	101,563	9,280	427	111,270
Loans collateralized by securities				
2020	1,682	1,547	149	3,378
2019	1,019	324	0	1,343
2018	499	64	0	563
2017	61	41	0	102
2016	200	127	0	327
Prior years	563	622	0	1,185
Total term loans	4,024	2,725	149	6,898
Revolving loans ¹	41,749	3,038	104	44,891
Total	45,773	5,763	253	51,789
Consumer finance				
2020	1,297	903	5	2,205
2019	519	505	22	1,046
2018	279	237	23	539
2017	81	154	17	252
2016	16	57	10	83
Prior years	48	92	41	181
Total term loans	2,240	1,948	118	4,306
Revolving loans	328	88	81	497
Total	2,568	2,036	199	4,803
Consumer – total				
2020	21,744	4,114	157	26,015
2019	15,610	2,340	48	17,998
2018	11,020	1,233	81	12,334
2017	7,229	1,052	61	8,342
2016	11,167	1,098	86	12,351
Prior years	40,529	3,568	257	44,354
Total term loans	107,299	13,405	690	121,394
Revolving loans	42,605	3,674	189	46,468
Total	149,904	17,079	879	167,862

¹ Lombard loans are generally classified as revolving loans.

Corporate & institutional loans held at amortized cost by internal counterparty rating

end of	Investment grade		Non-investment grade		Total
	AAA to BBB	BB to C	D		
2020 (CHF million)					
Real estate					
2020	6,054	2,792	106		8,952
2019	2,902	1,611	0		4,513
2018	1,849	1,133	24		3,006
2017	1,033	346	72		1,451
2016	1,591	285	25		1,901
Prior years	5,982	1,105	33		7,120
Total term loans	19,411	7,272	260		26,943
Revolving loans	1,027	172	69		1,268
Total	20,438	7,444	329		28,211
Commercial and industrial loans					
2020	7,724	11,621	310		19,655
2019	3,851	6,411	133		10,395
2018	1,781	4,321	247		6,349
2017	964	1,981	60		3,005
2016	809	1,248	22		2,079
Prior years	2,830	3,837	116		6,783
Total term loans	17,959	29,419	888		48,266
Revolving loans	12,913	8,908	464		22,285
Total	30,872	38,327	1,352		70,551
Financial institutions					
2020	3,386	697	43		4,126
2019	1,973	132	39		2,144
2018	960	432	9		1,401
2017	97	92	0		189
2016	37	102	20		159
Prior years	288	38	2		328
Total term loans	6,741	1,493	113		8,347
Revolving loans	5,718	419	1		6,138
Total	12,459	1,912	114		14,485
Governments and public institutions					
2020	174	33	0		207
2019	135	20	10		165
2018	80	0	0		80
2017	35	0	0		35
2016	74	1	0		75
Prior years	388	41	0		429
Total term loans	886	95	10		991
Revolving loans	19	0	0		19
Total	905	95	10		1,010
Corporate & institutional – total					
2020	17,338	15,143	459		32,940
2019	8,861	8,174	182		17,217
2018	4,670	5,886	280		10,836
2017	2,129	2,419	132		4,680
2016	2,511	1,636	67		4,214
Prior years	9,488	5,021	151		14,660
Total term loans	44,997	38,279	1,271		84,547
Revolving loans	19,677	9,499	534		29,710
Total	64,674	47,778	1,805		114,257

Total loans held at amortized cost by internal counterparty rating

end of	Investment grade		Non-investment grade		Total
	AAA to BBB	BB to C	D		
2020 (CHF million)					
Loans held at amortized cost – total					
2020	39,082	19,257	616		58,955
2019	24,471	10,514	230		35,215
2018	15,690	7,119	361		23,170
2017	9,358	3,471	193		13,022
2016	13,678	2,734	153		16,565
Prior years	50,017	8,589	408		59,014
Total term loans	152,296	51,684	1,961		205,941
Revolving loans	62,282	13,173	723		76,178
Total loans to third parties	214,578	64,857	2,684		282,119
Total loans to entities under common control	8,444	0	0		8,444
Total	223,022	64,857	2,684		290,563 ¹

¹ Excludes accrued interest on loans held at amortized cost of CHF 334 million.

2019 Gross loans held at amortized cost by internal counterparty rating

end of	Investment grade		Non-investment grade		Total
	AAA to BBB	BB to C	D		
2019 (CHF million)					
Mortgages ¹	99,677	9,629	365		109,671
Loans collateralized by securities ¹	50,766	5,531	128		56,425
Consumer finance	1,527	2,677	167		4,371
Consumer	151,970	17,837	660		170,467
Real estate	20,524	7,674	125		28,323
Commercial and industrial loans ¹	30,703	38,522	1,096		70,321
Financial institutions	19,912	2,122	47		22,081
Governments and public institutions	1,166	67	0		1,233
Corporate & institutional	72,305	48,385	1,268		121,958
Gross loans held at amortized cost	224,275	66,222	1,928		292,425

¹ Certain corporate & institutional loans have been reclassified to consumer loans following the application of a look-through approach with regard to beneficial owners. The prior period has been reclassified to conform to the current presentation.

Credit quality of other financial assets held at amortized cost

The following table presents the Bank's carrying value of other financial assets held at amortized cost by aggregated internal

counterparty credit ratings investment grade and non-investment grade, by year of origination.

Other financial assets held at amortized cost by internal counterparty rating

end of	Investment grade		Non-investment grade		Total
	AAA to BBB	BB to C	D		
2020 (CHF million)					
Other financial assets held at amortized cost					
2018	0	70	0		70
2017	0	2	0		2
2016	0	4	0		4
Total term positions	0	76	0		76
Revolving positions	0	934	0		934
Total	0	1,010	0		1,010

Includes primarily mortgage servicing advances and failed purchases.

Past due financial assets

Loans held at amortized cost – past due

end of	Current				Past due		Total
	Up to 30 days	31–60 days	61–90 days	More than 90 days	Total		
2020 (CHF million)							
Mortgages	110,747	63	68	34	358	523	111,270
Loans collateralized by securities	51,668	17	0	0	104	121	51,789
Consumer finance	4,361	156	68	47	171	442	4,803
Consumer	166,776	236	136	81	633	1,086	167,862
Real estate	28,070	50	3	11	77	141	28,211
Commercial and industrial loans	69,060	630	54	137	670	1,491	70,551
Financial institutions	14,311	41	15	72	46	174	14,485
Governments and public institutions	969	37	4	0	0	41	1,010
Corporate & institutional	112,410	758	76	220	793	1,847	114,257
Total loans to third parties	279,186	994	212	301	1,426	2,933	282,119
Total loans to entities under common control	8,444	0	0	0	0	0	8,444
Total loans held at amortized cost	287,630	994	212	301	1,426	2,933	290,563 ¹
2019 (CHF million)							
Mortgages ²	109,279	83	16	9	284	392	109,671
Loans collateralized by securities ²	56,287	79	0	2	57	138	56,425
Consumer finance	3,826	283	61	43	158	545	4,371
Consumer	169,392	445	77	54	499	1,075	170,467
Real estate	28,094	95	10	2	122	229	28,323
Commercial and industrial loans ²	69,075	528	62	71	585	1,246	70,321
Financial institutions	21,945	85	1	3	47	136	22,081
Governments and public institutions	1,207	26	0	0	0	26	1,233
Corporate & institutional	120,321	734	73	76	754	1,637	121,958
Total loans held at amortized cost	289,713	1,179	150	130	1,253	2,712	292,425

¹ Excludes accrued interest on loans held at amortized cost of CHF 334 million.

² Certain corporate & institutional loans have been reclassified to consumer loans following the application of a look-through approach with regard to beneficial owners. The prior period has been reclassified to conform to the current presentation.

As of December 31, 2020, the Bank did not have any loans that were more than 90 days past due and still accruing interest. Also, the Bank did not have any other financial assets held at amortized cost that were past due.

Non-accrual financial assets

Non-accrual loans held at amortized cost

				2020
	Amortized cost of non-accrual assets at beginning of period	Amortized cost of non-accrual assets at end of period	Interest income recognized	Amortized cost of non-accrual assets with no specific allowance at end of period
CHF million				
Mortgages	337	418	3	60
Loans collateralized by securities	122	105	1	0
Consumer finance	168	201	3	1
Consumer	627	724	7	61
Real estate	155	324	8	27
Commercial and industrial loans	670	913	38	4
Financial institutions	46	68	0	8
Corporate & institutional	871	1,305	46	39
Total loans held at amortized cost	1,498	2,029	53	100

Collateral-dependent financial assets

→ Refer to "Note 20 – Financial instruments measured at amortized cost and credit losses" in VI – Consolidated financial statements – Credit Suisse Group for further information on the Bank's collateral-dependent financial assets.

Troubled debt restructurings and modifications

Restructured financing receivables held at amortized cost

in	2020			2019			2018		
	Number of contracts	Recorded investment – pre-modification	Recorded investment – post-modification	Number of contracts	Recorded investment – pre-modification	Recorded investment – post-modification	Number of contracts	Recorded investment – pre-modification	Recorded investment – post-modification
CHF million, except where indicated									
Mortgages	0	0	0	1	7	7	5	29	29
Loans collateralized by securities	3	165	165	0	0	0	0	0	0
Commercial and industrial loans	17	127	95	25	172	161	13	182	160
Total loans	20	292	260	26	179	168	18	211	189

Restructured financing receivables held at amortized cost that defaulted within 12 months from restructuring

in	2020		2019		2018	
	Number of contracts	Recorded investment	Number of contracts	Recorded investment	Number of contracts	Recorded investment
CHF million, except where indicated						
Mortgages	0	0	1	13	1	8
Commercial and industrial loans	4	13	1	2	8	76
Total loans	4	13	2	15	9	84

In 2020, the loan modifications of the Bank included waivers of interest, principal or other claims, extended loan repayment terms, including postponed or reduced loan amortizations,

extended pay-back period or maturity date, partly in combination with changes in covenants.

As of December 31, 2020 and 2019, the Bank did not have any commitments to lend additional funds to debtors whose loan terms had been modified in troubled debt restructurings.

20 Goodwill

2020	Swiss Universal Bank	International Wealth Management	Asia Pacific	Investment Bank	Bank ¹
Gross amount of goodwill (CHF million)					
Balance at beginning of period	589	1,481	986	4,783	7,851
Goodwill acquired during the year	0	9	98	24	131
Foreign currency translation impact	(30)	(113)	(68)	(73)	(284)
Other	(2)	(39)	(11)	0	(52)
Balance at end of period	557	1,338	1,005	4,734	7,646
Accumulated impairment (CHF million)					
Balance at beginning of period	0	0	0	3,879	3,891
Balance at end of period	0	0	0	3,879	3,891
Net book value (CHF million)					
Net book value	557	1,338	1,005	855	3,755
2019					
Gross amount of goodwill (CHF million)					
Balance at beginning of period	597	1,531	1,009	4,798	7,947
Foreign currency translation impact	(5)	(22)	(13)	(15)	(55)
Other	(3)	(28)	(10)	0	(41)
Balance at end of period	589	1,481	986	4,783	7,851
Accumulated impairment (CHF million)					
Balance at beginning of period	0	0	0	3,879	3,891
Balance at end of period	0	0	0	3,879	3,891
Net book value (CHF million)					
Net book value	589	1,481	986	904	3,960

¹ Gross amount of goodwill and accumulated impairment include goodwill of CHF 12 million related to legacy business transferred to the former Strategic Resolution Unit in 4Q15 and fully written off at the time of transfer, in addition to the divisions disclosed.

→ Refer to "Note 21 – Goodwill" in VI – Consolidated financial statements – Credit Suisse Group for further information.

21 Other intangible assets

end of	2020			2019		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Other intangible assets (CHF million)						
Trade names/trademarks	24	(24)	0	27	(26)	1
Client relationships	30	0	30	20	(2)	18
Other	(3)	3	0	(3)	4	1
Total amortizing other intangible assets	51	(21)	30	44	(24)	20
Non-amortizing other intangible assets	207	–	207	271	–	271
of which mortgage servicing rights, at fair value	180	–	180	244	–	244
Total other intangible assets	258	(21)	237	315	(24)	291

Additional information

in	2020	2019	2018
Aggregate amortization and impairment (CHF million)			
Aggregate amortization	6	5	8
Impairment	2	5	1

Estimated amortization

Estimated amortization (CHF million)	
2021	2
2022	2
2023	2
2024	1
2025	1

22 Other assets and other liabilities

end of	2020	2019
Other assets (CHF million)		
Cash collateral on derivative instruments	7,741	4,570
Cash collateral on non-derivative transactions	635	428
Derivative instruments used for hedging	131	183
Assets held-for-sale	7,077	8,971
of which loans ¹	7,046	8,886
allowance for loans held-for-sale	(48)	0
of which real estate ²	27	38
of which long-lived assets	4	47
Premises, equipment and right-of-use assets	6,213	6,652
Assets held for separate accounts	102	111
Interest and fees receivable	4,397	5,301
Deferred tax assets	3,630	4,337
Prepaid expenses	367	343
of which cloud computing arrangement implementation costs	32	21
Failed purchases	1,451	1,643
Defined benefit pension and post-retirement plan assets	975	1,067
Other	3,855	3,463
Other assets	36,574	37,069

end of	2020	2019
Other liabilities (CHF million)		
Cash collateral on derivative instruments	7,831	7,457
Cash collateral on non-derivative transactions	174	516
Derivative instruments used for hedging	45	48
Operating leases liabilities	1,981	2,388
Provisions	2,067	1,171
of which expected credit losses on off-balance sheet credit exposures	311	172
Restructuring liabilities	49	–
Liabilities held for separate accounts	102	111
Interest and fees payable	4,397	5,690
Current tax liabilities	542	658
Deferred tax liabilities	157	167
Failed sales	1,120	936
Defined benefit pension and post-retirement plan liabilities	403	455
Other	11,472	10,809
Other liabilities	30,340	30,406

¹ Included as of the end of 2020 and 2019 were CHF 262 million and CHF 800 million, respectively, in restricted loans, which represented collateral on secured borrowings.

² As of the end of 2020 and 2019, real estate held-for-sale included foreclosed or repossessed real estate of CHF 8 million and CHF 9 million, respectively, of which CHF 8 million and CHF 9 million, respectively, were related to residential real estate.

Premises, equipment and right-of-use assets

end of	2020	2019
Premises and equipment (CHF million)		
Buildings and improvements	1,403	1,413
Land	291	294
Leasehold improvements	1,634	1,712
Software	6,663	6,190
Equipment	1,128	1,162
Premises and equipment	11,119	10,771
Accumulated depreciation	(6,761)	(6,359)
Total premises and equipment, net	4,358	4,412
Right-of-use assets (CHF million)		
Operating leases	1,855	2,240
Right-of-use assets	1,855	2,240
Total premises, equipment and right-of-use assets	6,213	6,652

Depreciation, amortization and impairment

end of	2020	2019	2018
CHF million			
Depreciation on premises and equipment	860	844	745
Impairment on premises and equipment	10	3	8
Amortization and impairment on right-of-use assets	284	279	–

→ Refer to "Note 23 – Leases" for further information on right-of-use assets.

23 Leases

→ Refer to "Note 24 – Leases" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Lessee arrangements

Lease costs

end of	2020	2019
Lease costs (CHF million)		
Operating lease costs	305	324
Variable lease costs	45	37
Sublease income	(87)	(95)
Total lease costs	263	266

During 2020, the Bank entered into one sale-leaseback transaction with a lease term of one year. During 2019, the Bank entered into 4 sale-leaseback transactions with lease terms ranging from 5 to 10 years. During 2018, the Bank entered into one sale-leaseback transaction with a lease term of ten years.

Other information

end of	2020	2019
Other information (CHF million)		
Gains/(losses) on sale and leaseback transactions	15	274
Cash paid for amounts included in the measurement of operating lease liabilities recorded in operating cash flows	(340)	(400)
Right-of-use assets obtained in exchange of new operating lease liabilities ¹	32	100
Changes to right-of-use assets due to lease modifications for operating leases	26	214

¹ Includes right-of-use assets relating to changes in classification of scope of variable interest entities.

Weighted average remaining lease term and discount rate

end of	2020	2019
Operating leases		
Remaining lease term (years)	10.4	10.7
Discount rate (%)	2.9	3.0

Maturities relating to operating lease arrangements

end of	2020	2019
Maturity (CHF million)		
Due within 1 year	320	403
Due between 1 and 2 years	299	322
Due between 2 and 3 years	262	306
Due between 3 and 4 years	219	274
Due between 4 and 5 years	190	227
Thereafter	1,054	1,314
Operating lease obligations	2,344	2,846
Future interest payable	(363)	(458)
Operating lease liabilities	1,981	2,388

Lessor arrangements

As of December 31, 2020 and 2019, the Bank had approximately CHF 0.9 billion and CHF 0.8 billion, respectively, of residual value guarantees associated with lessor arrangements.

Net investments

end of	2020		2019	
	Sales-type leases	Direct financing leases	Sales-type leases	Direct financing leases
Net investments (CHF million)				
Lease receivables	862	2,299	526	2,573
Unguaranteed residual assets	43	188	28	440
Valuation allowances	(6)	(23)	(3)	(15)
Total net investments	899	2,464	551	2,998

Maturities relating to lessor arrangements

end of 2019	2020			2019		
	Sales-type leases	Direct financing leases	Operating leases	Sales-type leases	Direct financing leases	Operating leases
Maturity (CHF million)						
Due within 1 year	359	755	63	221	917	66
Due between 1 and 2 years	213	620	57	129	689	59
Due between 2 and 3 years	142	514	53	90	550	55
Due between 3 and 4 years	84	402	52	53	391	52
Due between 4 and 5 years	43	125	50	25	136	51
Thereafter	66	48	217	37	110	241
Total	907	2,464	492	555	2,793	524
Future interest receivable	(45)	(165)	–	(29)	(220)	–
Lease receivables	862	2,299	–	526	2,573	–

As of December 31, 2020 and 2019, the Bank had CHF 234 million and CHF 200 million, respectively, of related party operating leases.

end of	2020	2019
Lease income		
Lease income (CHF million)		
Interest income on sales-type leases	19	13
Interest income on direct financing leases	74	97
Lease income from operating leases	107	119
Variable lease income	0	3
Total lease income	200	232

24 Deposits

end of	2020			2019		
	Switzerland	Foreign	Total	Switzerland	Foreign	Total
Deposits (CHF million)						
Non-interest-bearing demand deposits	3,231	3,097	6,328	2,665	1,745	4,410
Interest-bearing demand deposits	145,296	42,172	187,468	119,193	30,747	149,940
Savings deposits	62,769	8,764	71,533	64,304	46	64,350
Time deposits	27,188	115,942	143,130 ¹	27,847	155,145	182,992 ¹
Total deposits	238,484	169,975	408,459²	214,009	187,683	401,692²
of which due to banks	–	–	16,420	–	–	16,742
of which customer deposits	–	–	392,039	–	–	384,950

The designation of deposits in Switzerland versus foreign deposits is based upon the location of the office where the deposit is recorded.

¹ Included CHF 143,041 million and CHF 182,377 million as of December 31, 2020 and 2019, respectively, of the Swiss franc equivalent of individual time deposits greater than USD 100,000 in Switzerland and foreign offices.

² Not included as of December 31, 2020 and 2019 were CHF 106 million and CHF 116 million, respectively, of overdrawn deposits reclassified as loans.

25 Long-term debt

end of	2020	2019
Long-term debt (CHF million)		
Senior	94,768	88,307
Subordinated	63,765	61,022
Non-recourse liabilities from consolidated VIEs	1,746	1,671
Long-term debt	160,279	151,000
of which reported at fair value	70,243	69,406
of which structured notes	47,039	49,435

Group-internal funding related to loss-absorbing instruments has been aligned to international standards for internal total loss-absorbing capacity (TLAC) instruments and to the new article 126b of the Swiss Capital Adequacy Ordinance, effective January 1, 2020. Due to this alignment, the bail-in debt instruments issued by Credit Suisse AG to Credit Suisse Group AG and to Credit Suisse Group Funding (Guernsey) Limited, a non-consolidated funding entity, have been permanently subordinated in 2019.

end of	2020	2019
Structured notes by product (CHF million)		
Equity	29,907	31,666
Fixed income	13,882	13,558
Credit	2,881	3,734
Other	369	477
Total structured notes	47,039	49,435

Long-term debt by maturities

end of	2021	2022	2023	2024	2025	Thereafter	Total
Long-term debt (CHF million)							
Senior debt							
Fixed rate	9,367	4,583	1,892	3,856	2,425	13,957	36,080
Variable rate	13,380	12,615	8,274	4,131	6,117	14,171	58,688
Interest rates (range in %) ¹	0.1–4.0	0.1–8.2	0.1–2.2	0.1–3.6	0.1–3.5	0.1–7.1	–
Subordinated debt							
Fixed rate	1,342	7,343	10,464	4,508	9,501	27,162	60,320
Variable rate	881	688	88	1,708	4	76	3,445
Interest rates (range in %) ¹	2.5–4.7	0.1–7.1	0.6–8.0	0.8–6.5	0.4–7.3	0.7–7.2	–
Non-recourse liabilities from consolidated VIEs							
Fixed rate	7	128	0	0	208	0	343
Variable rate	9	22	17 ²	25 ²	14	1,316	1,403
Interest rates (range in %) ¹	6.7–10.3	1.3–2.9	–	–	1.9	0.0–10.7	–
Total long-term debt	24,986	25,379	20,735	14,228	18,269	56,682	160,279
of which structured notes	12,299	8,788	5,132	3,508	3,956	13,356	47,039

The maturity of perpetual debt is based on the earliest callable date. The maturity of all other debt is based on contractual maturity and includes certain structured notes that have mandatory early redemption features based on stipulated movements in markets or the occurrence of a market event. Within this population there are approximately CHF 3.4 billion of such notes with a contractual maturity of greater than one year that have an observable likelihood of redemption occurring within one year based on a modelling assessment.

¹ Excludes structured notes for which fair value has been elected as the related coupons are dependent upon the embedded derivatives and prevailing market conditions at the time each coupon is paid.

² Reflects equity linked notes, where the payout is not fixed.

→ Refer to "Note 26 – Long-term debt" in VI – Consolidated financial statements – Credit Suisse Group for further information.

26 Accumulated other comprehensive income

	Gains/ (losses) on cash flow hedges	Cumulative translation adjustments	Unrealized gains/ (losses) on securities ¹	Actuarial gains/ (losses)	Net prior service credit/ (cost)	Gains/ (losses) on liabilities relating to credit risk	AOCI
2020 (CHF million)							
Balance at beginning of period	28	(14,560)	30	(417)	(7)	(2,620)	(17,546)
Increase/(decrease)	90	(2,974)	(49)	(55)	(4)	(6)	(2,998)
Reclassification adjustments, included in net income/(loss)	87	17	32	12	0	157	305
Total increase/(decrease)	177	(2,957)	(17)	(43)	(4)	151	(2,693)
Balance at end of period	205	(17,517)	13	(460)	(11)	(2,469)	(20,239)
2019 (CHF million)							
Balance at beginning of period	(58)	(13,573)	9	(350)	(8)	(860)	(14,840)
Increase/(decrease)	65	(990)	21	(42)	0	(1,931)	(2,877)
Reclassification adjustments, included in net income/(loss)	21	3	0	17	1	193	235
Cumulative effect of accounting changes, net of tax	0	0	0	(42)	0	(22)	(64)
Total increase/(decrease)	86	(987)	21	(67)	1	(1,760)	(2,706)
Balance at end of period	28	(14,560)	30	(417)	(7)	(2,620)	(17,546)
2018 (CHF million)							
Balance at beginning of period	(51)	(13,248)	48	(381)	2	(2,302)	(15,932)
Increase/(decrease)	(115)	(344)	(11)	(18)	(10)	1,394	896
Reclassification adjustments, included in net income/(loss)	108	19	(7)	49	0	48	217
Cumulative effect of accounting changes, net of tax	0	0	(21)	0	0	0	(21)
Total increase/(decrease)	(7)	(325)	(39)	31	(10)	1,442	1,092
Balance at end of period	(58)	(13,573)	9	(350)	(8)	(860)	(14,840)

¹ No impairments on available-for-sale debt securities were recognized in net income/(loss) in 2020, 2019 and 2018.

→ Refer to "Note 28 – Tax" and "Note 31 – Pension and other post-retirement benefits" for income tax expense/(benefit) on the movements of accumulated other comprehensive income/(loss).

Details of significant reclassification adjustments

in	2020	2019	2018
Reclassification adjustments, included in net income/(loss) (CHF million)			
Cumulative translation adjustments			
Reclassification adjustments ¹	17	3	19
Actuarial gains/(losses)			
Amortization of recognized actuarial losses ²	13	22	55
Tax expense/(benefit)	(1)	(5)	(6)
Net of tax	12	17	49

¹ Includes net releases of CHF 21 million on the liquidation of Credit Suisse Securities (Johannesburg) Proprietary Limited in 2018. These were reclassified from cumulative translation adjustments and included in net income in other revenues.

² These components are included in the computation of total benefit costs. Refer to "Note 31 – Pension and other post-retirement benefits" for further information.

27 Offsetting of financial assets and financial liabilities

→ Refer to "Note 28 – Offsetting of financial assets and financial liabilities" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Offsetting of derivatives

end of	2020		2019	
	Derivative assets	Derivative liabilities	Derivative assets	Derivative liabilities
Gross derivatives subject to enforceable master netting agreements (CHF billion)				
OTC-cleared	6.1	4.6	3.9	3.0
OTC	68.2	65.7	63.6	61.9
Exchange-traded	0.5	0.6	0.3	0.2
Interest rate products	74.8	70.9	67.8	65.1
OTC-cleared	0.2	0.2	0.1	0.2
OTC	23.1	27.7	21.0	25.4
Foreign exchange products	23.3	27.9	21.1	25.6
OTC	10.7	15.1	10.1	10.4
Exchange-traded	19.9	20.4	5.3	5.0
Equity/index-related products	30.6	35.5	15.4	15.4
OTC-cleared	0.7	0.7	2.8	3.0
OTC	3.9	4.9	3.1	4.0
Credit derivatives	4.6	5.6	5.9	7.0
OTC	1.6	0.8	1.2	0.5
Exchange-traded	0.1	0.1	0.0	0.0
Other products ¹	1.7	0.9	1.2	0.5
OTC-cleared	7.0	5.5	6.8	6.2
OTC	107.5	114.2	99.0	102.2
Exchange-traded	20.5	21.1	5.6	5.2
Total gross derivatives subject to enforceable master netting agreements	135.0	140.8	111.4	113.6
Offsetting (CHF billion)				
OTC-cleared	(6.2)	(5.4)	(6.0)	(5.3)
OTC	(94.4)	(104.4)	(87.0)	(93.6)
Exchange-traded	(20.0)	(20.3)	(4.9)	(4.9)
Offsetting	(120.6)	(130.1)	(97.9)	(103.8)
of which counterparty netting	(103.2)	(103.2)	(83.2)	(83.2)
of which cash collateral netting	(17.4)	(26.9)	(14.7)	(20.6)
Net derivatives presented in the consolidated balance sheets (CHF billion)				
OTC-cleared	0.8	0.1	0.8	0.9
OTC	13.1	9.8	12.0	8.6
Exchange-traded	0.5	0.8	0.7	0.3
Total net derivatives subject to enforceable master netting agreements	14.4	10.7	13.5	9.8
Total derivatives not subject to enforceable master netting agreements ²	11.2	6.8	4.4	3.7
Total net derivatives presented in the consolidated balance sheets	25.6	17.5	17.9	13.5
of which recorded in trading assets and trading liabilities	25.5	17.5	17.7	13.5
of which recorded in other assets and other liabilities	0.1	0.0	0.2	0.0

¹ Primarily precious metals, commodity and energy products.

² Represents derivatives where a legal opinion supporting the enforceability of netting in the event of default or termination under the agreement is not in place.

Offsetting of securities purchased under resale agreements and securities borrowing transactions

end of	2020			2019		
	Gross	Offsetting	Net book value	Gross	Offsetting	Net book value
Securities purchased under resale agreements and securities borrowing transactions (CHF billion)						
Securities purchased under resale agreements	55.8	(7.5)	48.3	80.6	(10.9)	69.7
Securities borrowing transactions	11.9	(0.4)	11.5	12.3	(0.5)	11.8
Total subject to enforceable master netting agreements	67.7	(7.9)	59.8	92.9	(11.4)	81.5
Total not subject to enforceable master netting agreements ¹	19.3	–	19.3	25.5	–	25.5
Total	87.0	(7.9)	79.1 ²	118.4	(11.4)	107.0 ²

¹ Represents securities purchased under resale agreements and securities borrowing transactions where a legal opinion supporting the enforceability of netting in the event of default or termination under the agreement is not in place.

² CHF 57,994 million and CHF 85,556 million of the total net amount as of the end of 2020 and 2019, respectively, are reported at fair value.

Offsetting of securities sold under repurchase agreements and securities lending transactions

end of	2020			2019		
	Gross	Offsetting	Net book value	Gross	Offsetting	Net book value
Securities sold under repurchase agreements and securities lending transactions (CHF billion)						
Securities sold under repurchase agreements	26.1	(7.9)	18.2	28.1	(11.4)	16.7
Securities lending transactions	3.5	0.0	3.5	5.5	0.0	5.5
Obligation to return securities received as collateral, at fair value	49.9	0.0	49.9	39.0	0.0	39.0
Total subject to enforceable master netting agreements	79.5	(7.9)	71.6	72.6	(11.4)	61.2
Total not subject to enforceable master netting agreements ¹	3.1	–	3.1	2.0	–	2.0
Total	82.6	(7.9)	74.7	74.6	(11.4)	63.2
of which securities sold under repurchase agreements and securities lending transactions	31.8	(7.9)	23.9 ²	34.4	(11.4)	23.0 ²
of which obligation to return securities received as collateral, at fair value	50.8	0.0	50.8	40.2	0.0	40.2

¹ Represents securities sold under repurchase agreements and securities lending transactions where a legal opinion supporting the enforceability of netting in the event of default or termination under the agreement is not in place.

² CHF 13,688 million and CHF 10,823 million of the total net amount as of the end of 2020 and 2019, respectively, are reported at fair value.

Amounts not offset in the consolidated balance sheets

end of	2020				2019			
	Net	Financial instruments ¹	Cash collateral received/pledged ¹	Net exposure	Net	Financial instruments ¹	Cash collateral received/pledged ¹	Net exposure
Financial assets subject to enforceable master netting agreements (CHF billion)								
Derivatives	14.4	5.5	0.1	8.8	13.5	4.4	0.0	9.1
Securities purchased under resale agreements	48.3	48.3	0.0	0.0	69.7	69.7	0.0	0.0
Securities borrowing transactions	11.5	11.1	0.0	0.4	11.8	11.2	0.0	0.6
Total financial assets subject to enforceable master netting agreements	74.2	64.9	0.1	9.2	95.0	85.3	0.0	9.7
Financial liabilities subject to enforceable master netting agreements (CHF billion)								
Derivatives	10.7	2.2	0.0	8.5	9.8	1.7	0.0	8.1
Securities sold under repurchase agreements	18.2	18.2	0.0	0.0	16.7	16.7	0.0	0.0
Securities lending transactions	3.5	3.2	0.0	0.3	5.5	4.5	0.0	1.0
Obligation to return securities received as collateral, at fair value	49.9	43.4	0.0	6.5	39.0	33.0	0.0	6.0
Total financial liabilities subject to enforceable master netting agreements	82.3	67.0	0.0	15.3	71.0	55.9	0.0	15.1

¹ The total amount reported in financial instruments (recognized financial assets and financial liabilities and non-cash financial collateral) and cash collateral is limited to the amount of the related instruments presented in the consolidated balance sheets and therefore any over-collateralization of these positions is not included.

28 Tax

Details of current and deferred taxes

in	2020	2019	2018
Current and deferred taxes (CHF million)			
Switzerland	151	164	126
Foreign	188	518	416
Current income tax expense	339	682	542
Switzerland	367	194	266
Foreign	(9)	422	326
Deferred income tax expense	358	616	592
Income tax expense	697	1,298	1,134
Income tax expense/(benefit) reported in shareholder's equity related to:			
Gains/(losses) on cash flow hedges	25	13	(28)
Cumulative translation adjustment	0	(4)	(7)
Unrealized gains/(losses) on securities	(6)	7	(5)
Actuarial gains/(losses)	(19)	4	7
Net prior service cost	1	0	0

Reconciliation of taxes computed at the Swiss statutory rate

in	2020	2019	2018
Income/(loss) before taxes (CHF million)			
Switzerland	2,477	3,259	1,927
Foreign	734	1,134	929
Income before taxes	3,211	4,393	2,856
Reconciliation of taxes computed at the Swiss statutory rate (CHF million)			
Income tax expense/(benefit) computed at the statutory tax rate ¹	642	966	628
Increase/(decrease) in income taxes resulting from			
Foreign tax rate differential	(64)	(109)	89
Non-deductible amortization of other intangible assets and goodwill impairment	0	1	3
Other non-deductible expenses	253	368	455
Additional taxable income	8	7	5
Lower taxed income	(221)	(314)	(187)
(Income)/loss taxable to noncontrolling interests	18	8	10
Changes in tax law and rates	(5)	9	(2)
Changes in deferred tax valuation allowance	281	114	(115)
Change in recognition of outside basis difference	(13)	4	(32)
Tax deductible impairments of Swiss subsidiary investments	0	0	(65)
(Windfall tax benefits)/shortfall tax charges on share-based compensation	75	39	10
Other	(277)	205	335
Income tax expense	697	1,298	1,134

¹ The statutory tax rate was 20% in 2020 and 22% in 2019 and 2018.

2020

Foreign tax rate differential of CHF 64 million reflected a foreign tax benefit primarily driven by losses in higher tax jurisdictions, mainly in the UK, and profits incurred in lower tax jurisdictions, mainly in Singapore, partially offset by profits made in higher tax jurisdictions, such as the US. The foreign tax rate expense of CHF 179 million comprised not only the foreign tax expense based on statutory tax rates but also the tax impacts related to the following reconciling items.

Other non-deductible expenses of CHF 253 million included the impact of CHF 117 million relating to non-deductible interest

expenses and non-deductible costs related to funding and capital (including the impact of a previously unrecognized tax benefit of CHF 157 million relating to the resolution of interest costs deductibility with and between international tax authorities, partially offset by a contingency accrual of CHF 41 million), CHF 68 million relating to non-deductible bank levy costs and other non-deductible compensation expenses and management costs, CHF 46 million relating to non-deductible legacy litigation provisions and CHF 23 million relating to other non-deductible expenses.

Lower taxed income of CHF 221 million included a tax benefit of CHF 79 million related to the revaluations of the equity investments in the SIX Group AG, Allfunds Group and Pfandbriefbank in Switzerland, CHF 53 million related to concessionary and lower taxed income, CHF 67 million related to non-taxable life insurance income, CHF 19 million related to the transfer of the InvestLab fund platform to Allfunds Group and various smaller items.

Changes in deferred tax valuation allowances of CHF 281 million included a tax charge from the increase in valuation allowances on deferred tax assets of CHF 312 million, mainly in respect of the re-assessment of deferred tax assets reflecting changes in the future profitability of one of the Bank's operating entities in Switzerland of CHF 222 million, and also in respect of one of the Bank's operating entities in the UK. Also included was the net impact of the release of valuation allowances on deferred tax assets of CHF 31 million, mainly in respect of one of the Bank's operating entities in Hong Kong and another of the Bank's operating entities in the UK.

Other of CHF 277 million included an income tax benefit from the re-assessment of the US base erosion and anti-abuse tax (BEAT) provision for 2019 of CHF 180 million and the impact of a change in US tax rules relating to federal net operating losses (NOLs), where federal NOLs generated in tax years 2018, 2019, or 2020 can be carried back for five years instead of no carry back before and also the deductible interest expense limitations for the years 2019 and 2020 have been increased from 30% to 50% of adjusted taxable income for the year, which in aggregate resulted in a benefit of CHF 141 million. Additionally, this included an income tax benefit of CHF 80 million relating to prior years' adjustments and a tax benefit of CHF 34 million relating to the beneficial earnings mix of one of the Bank's operating entities in Switzerland. These benefits were partially offset by CHF 78 million relating to the tax impact of an accounting standard implementation transition adjustment for own credit movements, CHF 61 million relating to withholding taxes, CHF 26 million relating to the current year BEAT provision and the remaining balance included various smaller items.

The US tax reform enacted in December 2017 introduced the BEAT tax regime, effective as of January 1, 2018, for which final regulations were issued by the US Department of Treasury on December 2, 2019. Following the publication of the 2019 financial statements, Credit Suisse continued its analysis of the final regulations, resulting in a revision to the technical application of the prior BEAT estimate. This new information was not available or reasonably knowable at the time of the publication of the 2019

financial statements and resulted in a change of accounting estimate reflected in 2020.

2019

Foreign tax rate differential of CHF 109 million reflected a foreign tax benefit mainly driven by losses in higher tax jurisdictions, mainly in the UK, and profits incurred in lower tax jurisdictions, mainly in Singapore, partially offset by profits made in higher tax jurisdictions, such as Brazil. The foreign tax rate expense of CHF 940 million comprised not only the foreign tax expense based on statutory tax rates but also the tax impacts related to the following reconciling items.

Other non-deductible expenses of CHF 368 million included the impact of CHF 274 million relating to non-deductible interest expenses (including a contingency accrual of CHF 28 million), CHF 56 million relating to non-deductible bank levy costs and other non-deductible compensation expenses and management costs, CHF 34 million relating to non-deductible fines and various smaller non-deductible expenses.

Lower taxed income of CHF 314 million included a tax benefit of CHF 160 million related to the transfer of the InvestLab fund platform to Allfunds Group and SIX Group AG equity investment revaluation gain in Switzerland, CHF 73 million related to non-taxable life insurance income, CHF 45 million related to non-taxable dividend income, CHF 20 million related to concessionary and lower taxed income, CHF 14 million related to exempt income and various smaller items.

Changes in deferred tax valuation allowances of CHF 114 million included a tax charge from the increase in valuation allowances on deferred tax assets of CHF 272 million, mainly in respect of three of the Bank's operating entities in Japan, the UK and the US. Also included was the net impact of the release of valuation allowances on deferred tax assets of CHF 158 million, mainly in respect of one of the Bank's operating entities in the UK.

Other of CHF 205 million included CHF 165 million relating to BEAT and CHF 123 million relating to the tax impact of an accounting standard implementation transition adjustment for own credit movements. This was partially offset by CHF 53 million relating to agreements reached with tax authorities relating to an advanced pricing agreement and the closure of a tax audit, and CHF 20 million relating to a prior year adjustment. The remaining balance included various smaller items.

2018

Foreign tax rate differential of CHF 89 million reflected a foreign tax expense mainly driven by profits made in higher tax jurisdictions, such as the US, partially offset by foreign tax rate differential related to profits incurred in lower tax jurisdictions, mainly in Singapore. The foreign tax rate expense of CHF 742 million comprised not only the foreign tax expense based on statutory tax rates but also the tax impacts related to the following reconciling items.

Other non-deductible expenses of CHF 455 million included the impact of CHF 325 million relating to non-deductible interest expenses (including a contingency accrual of CHF 92 million), CHF 49 million relating to non-deductible bank levy costs and other non-deductible compensation expenses and management costs, CHF 15 million relating to non-deductible fines and various smaller non-deductible expenses.

Lower taxed income of CHF 187 million included a tax benefit of CHF 66 million related to non-taxable dividend income, CHF 48 million related to non-taxable life insurance income, CHF 33 million related to concessionary and lower taxed income, CHF 23 million related to exempt income and various smaller items.

Changes in deferred tax valuation allowances of CHF 115 million included a tax benefit from the release of valuation allowances of CHF 191 million, mainly in respect of two of the Bank's operating entities in the UK. Also included was the net impact of the increase in valuation allowances on deferred tax assets of CHF 76 million, mainly in respect of one of the Bank's operating entities in Switzerland.

Other of CHF 335 million included CHF 202 million relating to the tax impact of an accounting standard implementation transition adjustment for own credit movements, CHF 65 million relating to BEAT, CHF 56 million relating to the net re-assessment of deferred tax balances in respect of one of the Bank's operating entities in Switzerland, CHF 26 million relating to the increase of tax contingency accruals and various smaller balances. This was partially offset by prior year adjustments of CHF 76 million.

As of December 31, 2020, the Bank had accumulated undistributed earnings from foreign subsidiaries of CHF 19.6 billion compared to CHF 17.2 billion as of December 31, 2019. The increase compared to the end of 2019 reflected a reserve transfer in one of the Bank's entities. No deferred tax liability was recorded in respect of those amounts as these earnings are considered indefinitely reinvested. It is not practicable to estimate the amount of unrecognized deferred tax liabilities for these undistributed foreign earnings.

Deferred tax assets and liabilities

end of	2020	2019
Deferred tax assets and liabilities (CHF million)		
Compensation and benefits	916	950
Loans	342	341
Investment securities	1,347	1,437
Provisions	999	769
Leases	254	302
Derivatives	51	72
Real estate	168	183
Net operating loss carry-forwards	5,278	5,657
Goodwill and intangible assets	209	394
Other	107	66
Gross deferred tax assets before valuation allowance	9,671	10,171
Less valuation allowance	(4,323)	(4,067)
Gross deferred tax assets net of valuation allowance	5,348	6,104
Compensation and benefits	(304)	(301)
Loans	(60)	(108)
Investment securities	(523)	(502)
Provisions	(332)	(336)
Leases	(233)	(267)
Derivatives	(211)	(214)
Real estate	(36)	(35)
Other	(176)	(171)
Gross deferred tax liabilities	(1,875)	(1,934)
Net deferred tax assets	3,473	4,170
of which deferred tax assets	3,630	4,337
of which net operating losses	1,064	1,437
of which deductible temporary differences	2,566	2,900
of which deferred tax liabilities	(157)	(167)

Net deferred tax assets of CHF 3,473 million decreased CHF 697 million from 2019 to 2020, primarily due to the impact of foreign exchange translation losses of CHF 345 million, which were included within the current translation adjustments recorded in accumulated other comprehensive income/(loss) (AOCI), CHF 222 million from the re-assessment of deferred tax balances in Switzerland and CHF 130 million related to current year earning.

In 2019, the US and Switzerland contributed the majority of the net deferred tax assets, CHF 3,855 million, net of a valuation allowance of CHF 606 million. In 2020, following the deferred tax assets re-assessment in Switzerland, the US contributed the majority of the net deferred tax assets, CHF 3,040 million. No valuation allowance was required on the US deferred tax assets as of the end of 2020.

Due to uncertainty concerning its ability to generate the necessary amount and mix of taxable income in future periods, the Bank recorded a valuation allowance against gross deferred tax assets in the amount of CHF 4.3 billion as of December 31, 2020, compared to CHF 4.1 billion as of December 31, 2019.

Amounts and expiration dates of net operating loss carry-forwards

end of 2020	Total
Net operating loss carry-forwards (CHF million)	
Due to expire within 1 year	17
Due to expire within 2 to 5 years	4,157
Due to expire within 6 to 10 years	3,720
Due to expire within 11 to 20 years	5,303
Amount due to expire	13,197
Amount not due to expire	16,156
Total net operating loss carry-forwards	29,353

Movements in the valuation allowance

in	2020	2019	2018
Movements (CHF million)			
Balance at beginning of period	4,067	3,957	4,224
Net changes	256	110	(267)
Balance at end of period	4,323	4,067	3,957

Tax benefits associated with share-based compensation

in	2020	2019	2018
Tax benefits (CHF million)			
Tax benefits recorded in the consolidated statements of operations ¹	252	256	236

¹ Calculated at the statutory tax rate before valuation allowance considerations.

→ Refer to "Note 29 – Employee deferred compensation" for further information on share-based compensation.

Uncertain tax positions

Reconciliation of gross unrecognized tax benefits

in	2020	2019	2018
Movements in gross unrecognized tax benefits (CHF million)			
Balance at beginning of period	595	574	481
Increases in unrecognized tax benefits as a result of tax positions taken during a prior period	14	27	10
Decreases in unrecognized tax benefits as a result of tax positions taken during a prior period	(249)	(64)	(2)
Increases in unrecognized tax benefits as a result of tax positions taken during the current period	90	105	112
Decreases in unrecognized tax benefits relating to settlements with tax authorities	(3)	0	0
Reductions to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations	(17)	(35)	(4)
Other (including foreign currency translation)	(48)	(12)	(23)
Balance at end of period	382	595	574
of which, if recognized, would affect the effective tax rate	382	595	574

Interest and penalties

in	2020	2019	2018
Interest and penalties (CHF million)			
Interest and penalties recognized in the consolidated statements of operations	(16)	(10)	(28)
Interest and penalties recognized in the consolidated balance sheets	61	77	87

Interest and penalties are reported as tax expense. The Bank is currently subject to ongoing tax audits, inquiries and litigation with the tax authorities in a number of jurisdictions, including Brazil, Switzerland, the UK, the US and the Netherlands. Although the

timing of completion is uncertain, it is reasonably possible that some of these will be resolved within 12 months of the reporting date. It is reasonably possible that there will be a decrease of between zero and CHF 40 million in unrecognized tax benefits within 12 months of the reporting date.

The Bank remains open to examination from federal, state, provincial or similar local jurisdictions from the following years onward in these major countries: Brazil – 2016; Switzerland – 2015 (federal and Zurich cantonal level); the UK – 2012; the US – 2010; and the Netherlands – 2010.

→ Refer to "Note 29 – Tax" in VI – Consolidated financial statements – Credit Suisse Group for further information.

29 Employee deferred compensation

The following tables show the compensation expense for deferred compensation awards granted in 2020 and prior years that was recognized in the consolidated statements of operations during 2020, 2019 and 2018, the total shares delivered, the estimated

unrecognized compensation expense for deferred compensation awards granted in 2020 and prior years outstanding as of December 31, 2020 and the remaining requisite service period over which the estimated unrecognized compensation expense

will be recognized. The recognition of compensation expense for the deferred compensation awards granted in February 2021 began in 2021 and thus had no impact on the 2020 consolidated financial statements.

→ Refer to "Note 30 – Employee deferred compensation" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Deferred compensation expense

in	2020	2019	2018
Deferred compensation expense (CHF million)			
Share awards	555	573	501
Performance share awards	427	423	371
Contingent Capital Awards	245	298	149
Deferred cash awards	378	378	227
Retention awards	43	22	54
Total deferred compensation expense	1,648	1,694	1,302
Total shares delivered (million)			
Total shares delivered	48.3	40.1	45.0

In 2020, Contingent Capital share awards are included in the category share awards, and Capital Opportunity Facility awards are included in the category deferred cash awards. Prior periods have been reclassified to conform to the current presentation.

Estimated unrecognized deferred compensation

end of	2020
Estimated unrecognized compensation expense (CHF million)	
Share awards	435
Performance share awards	185
Contingent Capital Awards	145
Deferred cash awards	192
Retention awards	40
Total	997

Aggregate remaining weighted-average requisite service period (years)

Aggregate remaining weighted-average requisite service period	1.2
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Does not include the estimated unrecognized compensation expense relating to grants made in 2021 for 2020.

Share awards

On February 19, 2021, the Bank granted 43.5 million share awards with a total value of CHF 576 million. The estimated unrecognized compensation expense of CHF 524 million was determined based on the fair value of the awards on the grant date, includes the current estimated future forfeitures and will be recognized over the vesting period, subject to early retirement rules.

Share awards granted for previous years

For compensation year	2020	2019	2018
Shares awarded (million)	43.5	55.9	54.0
Value of shares awarded (CHF million)	576	604	620

On February 19, 2021, the Bank granted 2.3 million blocked shares with a total value of CHF 31 million that vested immediately upon grant, have no future service requirements and were attributed to services performed in 2020.

Blocked share awards granted for previous years

For compensation year	2020	2019	2018
Blocked shares awarded (million)	2.3	2.8	2.7
Value of shares awarded (CHF million)	31	32	31

Share award activities

	2020		2019		2018	
	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF	Number of share awards in million	Weighted-average grant-date fair value in CHF
Share awards						
Balance at beginning of period	101.9	13.45	77.1	16.23	79.9	15.77
Granted	64.0	10.65	65.0	11.69	40.5	16.97
Settled	(45.1)	13.83	(35.2)	16.20	(39.0)	16.02
Forfeited	(5.6)	11.74	(5.0)	13.93	(4.3)	16.33
Balance at end of period	115.2	11.82	101.9	13.45	77.1	16.23
of which vested	12.0	–	10.9	–	8.4	–
of which unvested	103.2	–	91.0	–	68.7	–

Performance share awards

On February 19, 2021, the Bank granted 36.6 million performance share awards with a total value of CHF 478 million. The estimated unrecognized compensation expense of CHF 439 million was determined based on the fair value of the awards on the grant date, includes the current estimated outcome of the relevant performance criteria and estimated future forfeitures and

will be recognized over the vesting period, subject to early retirement rules.

Performance share awards granted for previous years

For compensation year	2020	2019	2018
Performance shares awarded (million)	36.6	48.7	44.6
Value of performance shares awarded (CHF million)	478	531	515

Performance share award activities

	2020		2019		2018	
	Number of performance share awards in million	Weighted-average grant-date fair value in CHF	Number of performance share awards in million	Weighted-average grant-date fair value in CHF	Number of performance share awards in million	Weighted-average grant-date fair value in CHF
Performance share awards						
Balance at beginning of period	69.7	13.37	50.0	16.33	52.8	15.88
Granted	48.8	10.63	43.9	11.60	25.6	16.98
Settled	(28.0)	14.12	(22.3)	16.51	(25.6)	16.07
Forfeited	(2.5)	11.64	(1.9)	13.58	(2.8)	16.26
Balance at end of period	88.0	11.67	69.7	13.37	50.0	16.33
of which vested	9.6	–	6.4	–	5.2	–
of which unvested	78.4	–	63.3	–	44.8	–

Contingent Capital Awards

On February 19, 2021, the Bank awarded CHF 245 million of Contingent Capital Awards (CCA) that will be expensed over the vesting period. The estimated unrecognized compensation expense of CHF 234 million was determined based on the fair value of the awards on the grant date, including the current estimated outcome of the relevant performance criteria and estimated future forfeitures. This will be recognized over the vesting period, subject to early retirement rules.

compensation in 2020 totaled CHF 112 million, of which CHF 65 million was related to awards granted in 2020.

Contingent Capital Awards granted for previous years

For compensation year	2020	2019	2018
CCA awarded (CHF million)	245	257	289

Upfront cash awards

In February 2021, certain managing directors and directors in International Wealth Management were granted CHF 59 million of upfront cash awards as part of the cash component of their 2020 variable compensation. During 2020 and 2019, the Bank granted upfront cash awards of CHF 146 million and CHF 47 million, respectively. These awards are subject to repayment (clawback) by the employee in the event of voluntary resignation, termination for cause or in connection with other specified events or conditions within three years of the award grant. The amount subject to repayment is reduced in equal monthly installments during the three-year period following the grant date. The expense recognition will occur over the three-year vesting period, subject to service conditions. Amortization of this compensation in 2020 totaled CHF 79 million.

Deferred cash awards

Deferred fixed cash awards

The Bank granted deferred fixed cash compensation during 2020, 2019 and 2018 of CHF 120 million, CHF 108 million and CHF 98 million, respectively, to certain employees in the Americas. This compensation has been expensed in the Investment Bank and International Wealth Management divisions over a three-year vesting period from the grant date. Amortization of this

Retention awards

The Bank granted deferred cash and stock retention awards during 2020, 2019 and 2018 of CHF 40 million, CHF 40 million and CHF 25 million, respectively. These awards are expensed over the applicable vesting period from the grant date. Amortization of these awards in 2020 totaled CHF 43 million, of which CHF 13 million was related to awards granted in 2020.

30 Related parties

The Group owns all of the Bank's outstanding voting registered shares. The Bank is involved in significant financing and other transactions with subsidiaries of the Group. The Bank generally enters into these transactions in the ordinary course of business and believes that these transactions are generally on market terms that could be obtained from unrelated third parties.

→ Refer to "Note 31 – Related parties" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Related party assets and liabilities

end of	2020	2019
Assets (CHF million)		
Net loans	8,444	7,258
Other assets	200	665
Total assets	8,644	7,923
Liabilities (CHF million)		
Due to banks/customer deposits	1,119	1,268
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	93	108
Short-term borrowings	440	485
Long-term debt	52,144	32,764
Other liabilities	1,098	1,401
Total liabilities	54,894	36,026

Related party revenues and expenses

in	2020	2019	2018
Revenues (CHF million)			
Interest and dividend income	(39)	(5)	10
Interest expense	(1,618)	(1,307)	(924)
Net interest income	(1,657)	(1,312)	(914)
Commissions and fees	114	80	87
Other revenues	104	104	72
Net revenues	(1,439)	(1,128)	(755)
Expenses (CHF million)			
Total operating expenses	1,967	1,867	1,642

Related party guarantees and commitments

end of	2020	2019
Guarantees and commitments (CHF million)		
Credit guarantees and similar instruments	4	5
Revocable loan commitments	88	0

→ Refer to "Note 23 – Leases" for information about related party leases.

Executive Board and Board of Directors loans

	2020	2019	2018
Loans to members of the Executive Board (CHF million)			
Balance at beginning of period	32¹	33	26
Additions	5	13	8
Reductions	(24)	(14)	(1)
Balance at end of period	13¹	32	33
Loans to members of the Board of Directors (CHF million)			
Balance at beginning of period	9²	10	11
Additions	0	3	0
Reductions	0	(4)	(1)
Balance at end of period	9²	9	10

¹ The number of individuals with outstanding loans was five at the beginning of the year and four at the end of the year.

² The number of individuals with outstanding loans was four at the beginning of the year and three at the end of the year.

Other related party transaction

In December 2018, a subsidiary of the Bank executed a transaction with an affiliate to sell a minority interest in a trading platform for a gain of approximately USD 80 million.

Liabilities due to own pension plans

Liabilities due to the Bank's own defined benefit pension plans as of December 31, 2020 and 2019 of CHF 643 million and CHF 703 million, respectively, were reflected in various liability accounts in the Bank's consolidated balance sheets.

31 Pension and other post-retirement benefits

The Bank participates in a defined benefit pension plan sponsored by the Group and has defined contribution pension plans, single-employer defined benefit pension plans and other post-retirement defined benefit plans. The Bank's principal plans are located in Switzerland, the US and the UK.

→ Refer to "Note 32 – Pension and other post-retirement benefits" in VI – Consolidated financial statements – Credit Suisse Group for further information on pension and other post-retirement benefits.

Defined contribution pension plans

The Bank contributes to various defined contribution pension plans primarily in Switzerland, the US and the UK as well as other countries throughout the world. During 2020, 2019 and 2018, the Bank contributed to these plans and recognized as expense CHF 240 million, CHF 150 million and CHF 140 million, respectively. This included expenses of CHF 96 million in 2020 related to the new Swiss defined contribution pension plan which took effect on January 1, 2020.

Defined benefit pension and other post-retirement benefit plans

Defined benefit pension plans

Group pension plan

The Bank covers pension requirements for its employees in Switzerland by participating in a defined benefit pension plan sponsored by the Group (Group plan), the Group's most significant defined benefit pension plan. The Group plan provides benefits in the event of retirement, death and disability. Various legal entities within the Group participate in the Group plan, which is set up as an independent trust domiciled in Zurich. Benefits in the Group plan are determined on the basis of the accumulated employer and employee contributions and accumulated interest credited. In accordance with US GAAP, the Group accounts for the Group plan as a single-employer defined benefit pension plan and uses the projected unit credit actuarial method to determine the net periodic benefit costs, the PBO and the accumulated benefit obligation (ABO). The Bank accounts for the defined benefit pension plan sponsored by the Group as a multi-employer pension plan because other legal entities within the Group also participate in the Group plan and the assets contributed by the Bank are not segregated into a separate account or restricted to provide benefits only to employees of the Bank. The assets contributed by the Bank are commingled with the assets contributed by the other legal entities of the Group and can be used to provide benefits to any employee of any participating legal entity. The Bank's contributions to the Group plan comprise 84% of the total assets

contributed to the Group plan by all participating legal entities on an annual basis.

The Bank accounts for the Group plan on a defined contribution basis whereby it only recognizes the amounts required to be contributed to the Group plan during the period as net periodic pension expense and only recognizes a liability for any contributions due and unpaid. No other expenses or balance sheet amounts related to the Group plan were recognized by the Bank. In the savings section of the Group plan, the Bank's contribution varies between 7.5% and 25.0% of the pensionable salary depending on the employee's age.

During 2020, 2019 and 2018, the Bank contributed and recognized as expense CHF 249 million, CHF 338 million and CHF 377 million to the Group plan, respectively. The Bank expects to contribute CHF 249 million to the Group plan during 2021.

International pension plans

Various defined benefit pension plans cover the Bank's employees outside Switzerland. These plans provide benefits in the event of retirement, death, disability or termination of employment. Retirement benefits under the plans depend on age, contributions and salary. The Bank's principal defined benefit pension plans outside Switzerland are located in the US and in the UK. Both plans are funded, closed to new participants and have ceased accruing new benefits. Smaller defined benefit pension plans, both funded and unfunded, are operated in other locations.

Other post-retirement defined benefit plan

In the US, the Bank has a defined benefit plan that provides post-retirement benefits other than pension benefits that primarily focus on health and welfare benefits for certain retired employees. In exchange for the current services provided by the employee, the Bank promises to provide health and welfare benefits after the employee retires. The Bank's obligation for that compensation is incurred as employees render the services necessary to earn their post-retirement benefits.

Net periodic benefit costs of defined benefit plans

The net periodic benefit costs for defined benefit pension and other post-retirement defined benefit plans are the costs of the respective plan for a period during which an employee renders services. The actual amount to be recognized is determined using the standard actuarial methodology which considers, among other factors, current service cost, interest cost, expected return on plan assets and the amortization of both prior service costs/(credits) and actuarial losses/(gains) recognized in AOCI.

Components of net periodic benefit costs

in	International single-employer defined benefit pension plans			Other post-retirement defined benefit plan		
	2020	2019	2018	2020	2019	2018
Net periodic benefit costs (CHF million)						
Service costs on benefit obligation	14	14	16	0	0	0
Interest costs on benefit obligation	68	90	86	4	6	5
Expected return on plan assets	(85)	(108)	(114)	0	0	0
Amortization of recognized prior service cost/(credit)	1	1	0	0	0	0
Amortization of recognized actuarial losses/(gains)	13	19	47	1	3	8
Settlement losses/(gains)	(1)	0	0	0	0	0
Curtailement losses/(gains)	0	0	(1)	0	0	0
Net periodic benefit costs/(credits)	10	16	34	5	9	13

Service costs on benefit obligation are reflected in compensation and benefits. Other components of net periodic benefit costs are reflected in general and administrative expenses or, except for 2019, in restructuring expenses.

Benefit obligation

The "Obligations and funded status of the plans" table shows the changes in the PBO, the ABO, the fair value of plan assets and the amounts recognized in the consolidated balance sheets for the international single-employer defined benefit pension plans and other post-retirement defined benefit plans.

Obligations and funded status of the plans

in / end of	International single-employer defined benefit pension plans		Other post-retirement defined benefit plan	
	2020	2019	2020	2019
PBO (CHF million) ¹				
Beginning of the measurement period	3,325	2,951	164	160
Service cost	14	14	0	0
Interest cost	68	90	4	6
Plan amendments	5	0	0	0
Settlements	(23)	0	0	0
Actuarial losses/(gains)	453	410	13	13
Business combinations and transfers	(3)	0	0	0
Benefit payments	(156)	(149)	(11)	(12)
Exchange rate losses/(gains)	(208)	9	(14)	(3)
End of the measurement period	3,475	3,325	156	164
Fair value of plan assets (CHF million)				
Beginning of the measurement period	4,111	3,604	0	0
Actual return on plan assets	476	487	0	0
Employer contributions	61	130	11	12
Settlements	(23)	0	0	0
Benefit payments	(156)	(149)	(11)	(12)
Exchange rate gains/(losses)	(257)	39	0	0
End of the measurement period	4,212	4,111	0	0
Total funded status recognized (CHF million)				
Funded status of the plan – over/(underfunded)	737	786	(156)	(164)
Funded status recognized in the consolidated balance sheet as of December 31	737	786	(156)	(164)
Total amount recognized (CHF million)				
Noncurrent assets	975	1,068	0	0
Current liabilities	(8)	(6)	(11)	(11)
Noncurrent liabilities	(230)	(276)	(145)	(153)
Net amount recognized in the consolidated balance sheet as of December 31	737	786	(156)	(164)
ABO (CHF million) ²				
End of the measurement period	3,445	3,294	156	164

¹ Including estimated future salary increases.

² Excluding estimated future salary increases.

The net amount recognized in the consolidated balance sheets as of December 31, 2020 and 2019 was an overfunding of CHF 581 million and CHF 622 million, respectively.

In 2020 and 2019, the Bank made contributions of CHF 61 million and CHF 130 million, respectively, to the international single-employer defined benefit pension plans and CHF 11 million and CHF 12 million, respectively, to the other post-retirement defined benefit plans. In 2020, there was a special cash contribution made to the defined benefit pension plan in the US of CHF 43 million. In 2019, a special cash contribution was made to

the defined benefit pension plan in Germany of CHF 111 million. In 2021, the Bank expects to contribute CHF 16 million to the international single-employer defined benefit pension plans and CHF 11 million to other post-retirement defined benefit plans.

PBO or ABO in excess of plan assets

The following table shows the aggregate PBO and ABO, as well as the aggregate fair value of plan assets for those plans with PBO in excess of plan assets and those plans with ABO in excess of plan assets as of December 31, 2020 and 2019, respectively.

Defined benefit pension plans in which PBO or ABO exceeded plan assets

December 31	PBO exceeds fair value of plan assets ¹		ABO exceeds fair value of plan assets ¹	
	2020	2019	2020	2019
PBO/ABO exceeded plan assets (CHF million)				
PBO	1,397	1,455	1,386	1,443
ABO	1,373	1,431	1,365	1,422
Fair value of plan assets	1,159	1,174	1,150	1,163

¹ Includes only those defined benefit pension plans where the PBO/ABO exceeded the fair value of plan assets.

Amounts recognized in AOCI and OCI

The following table shows the actuarial gains/(losses), the prior service credits/(costs) and the cumulative effect of accounting changes, which were recorded in AOCI and subsequently recognized as components of net periodic benefit costs.

Amounts recognized in AOCI, net of tax

end of	International single-employer defined benefit pension plans		Other post-retirement defined benefit plan		Total	
	2020	2019	2020	2019	2020	2019
Amounts recognized in AOCI (CHF million)						
Actuarial gains/(losses)	(421)	(345)	(39)	(30)	(460)	(375)
Prior service credits/(costs)	(14)	(10)	3	3	(11)	(7)
Cumulative effect of accounting changes	0	(42)	0	0	0	(42)
Total	(435)	(397)	(36)	(27)	(471)	(424)

The following table shows the changes in other comprehensive income (OCI) due to actuarial gains/(losses), the prior service credits/(costs) recognized in AOCI during 2020 and 2019, the

amortization of the aforementioned items as components of net periodic benefit costs for these periods and the cumulative effect of accounting changes.

Amounts recognized in OCI

in	International single-employer defined benefit pension plans			Other post-retirement defined benefit plan			Total net
	Gross	Tax	Net	Gross	Tax	Net	
2020 (CHF million)							
Actuarial gains/(losses)	(62)	17	(45)	(13)	3	(10)	(55)
Prior service credits/(costs)	(5)	1	(4)	0	0	0	(4)
Amortization of actuarial losses/(gains)	13	(1)	12	1	0	1	13
Amortization of prior service costs/(credits)	1	(1)	0	0	0	0	0
Immediate recognition due to curtailment/settlement	(1)	0	(1)	0	0	0	(1)
Total	(54)	16	(38)	(12)	3	(9)	(47)
2019 (CHF million)							
Actuarial gains/(losses)	(31)	(2)	(33)	(12)	3	(9)	(42)
Amortization of actuarial losses/(gains)	19	(4)	15	3	(1)	2	17
Amortization of prior service costs/(credits)	1	0	1	0	0	0	1
Cumulative effect of accounting changes	0	(42)	(42)	0	0	0	(42)
Total	(11)	(48)	(59)	(9)	2	(7)	(66)

Assumptions

The measurement of both the net periodic benefit costs and the benefit obligation is determined using explicit assumptions, each of which individually represents the best estimate of a particular future event.

Weighted-average assumptions used to determine net periodic benefit costs and benefit obligation

December 31	International single-employer defined benefit pension plans			Other post-retirement defined benefit plan		
	2020	2019	2018	2020	2019	2018
Net periodic benefit cost (%)						
Discount rate – service cost	2.62	3.28	2.96	–	4.38	3.86
Discount rate – interest cost	2.37	3.28	2.77	2.77	3.95	3.28
Salary increases	2.84	2.92	2.97	–	–	–
Expected long-term rate of return on plan assets	2.37	3.00	3.22	–	–	–
Benefit obligation (%)						
Discount rate	1.66	2.38	3.30	2.55	3.23	4.37
Salary increases	2.97	2.84	2.90	–	–	–

Mortality tables and life expectancies for major plans

December 31		Life expectancy at age 65 for a male member currently				Life expectancy at age 65 for a female member currently			
		aged 65		aged 45		aged 65		aged 45	
		2020	2019	2020	2019	2020	2019	2020	2019
Life expectancy (years)									
UK	SAPS S2 light tables ¹	23.3	23.2	24.9	24.8	24.5	24.3	26.3	26.1
US	Pri-2012 mortality tables ²	21.1	21.1	22.3	22.2	22.8	22.7	23.9	23.8

¹ 95% of Self-Administered Pension Scheme (SAPS) S2 light tables were used, which included final CMI projections, with a long-term rate of improvement of 1.5% per annum.
² The Private retirement plan 2012 (Pri-2012) mortality tables were used, with projections based on the Social Security Administration's intermediate improvement scale.

Health care cost assumptions

The health care cost trend is used to determine the appropriate other post-retirement defined benefit costs. In determining those costs, an annual weighted-average rate is assumed in the cost of covered health care benefits.

The following table provides an overview of the assumed health care cost trend rates

Health care cost trend rates

in / end of	2020	2019	2018
Health care cost trend rate (%)			
Annual weighted-average health care cost trend rate ¹	7.0	8.0	8.7

¹ The annual health care cost trend rate is assumed to decrease gradually to achieve the long-term health care cost trend rate of 5.0% by 2025.

The annual health care cost trend rate used to determine the net periodic defined benefit costs for 2021 is 7.0%.

Plan assets and investment strategy

As of December 31, 2020 and 2019, no Group debt or equity securities were included in plan assets for the international single-employer defined benefit pension plans.

Fair value of plan assets

The following table presents the plan assets measured at fair value on a recurring basis as of December 31, 2020 and 2019, for the Bank's defined benefit pension plans.

Plan assets measured at fair value on a recurring basis

end of	2020					2019				
	Level 1	Level 2	Level 3	Assets measured at net asset value per share	Total	Level 1	Level 2	Level 3	Assets measured at net asset value per share	Total
Plan assets at fair value (CHF million)										
Cash and cash equivalents	17	247	0	0	264	14	104	0	0	118
Debt securities	2,519	872	0	422	3,813	2,277	1,016	0	430	3,723
of which governments	2,169	7	0	0	2,176	1,904	9	0	0	1,913
of which corporates	350	865	0	422	1,637	373	1,007	0	430	1,810
Equity securities	33	0	0	52	85	58	0	0	91	149
Real estate – indirect	0	0	0	20	20	0	0	0	29	29
Alternative investments	0	(47)	0	0	(47)	0	(37)	0	45	8
of which hedge funds	0	0	0	0	0	0	0	0	45	45
of which other	0	(47) ¹	0	0	(47)	0	(37) ¹	0	0	(37)
Other investments	0	77	0	0	77	0	84	0	0	84
Total plan assets at fair value	2,569	1,149	0	494	4,212	2,349	1,167	0	595	4,111

¹ Primarily related to derivative instruments.

Plan asset allocation

The following table shows the plan asset allocation as of the measurement date calculated based on the fair value at that date including the performance of each asset class.

Plan asset allocation

December 31	2020	2019
Weighted-average (%)		
Cash and cash equivalents	6.3	2.9
Debt securities	90.5	90.6
Equity securities	2.0	3.6
Real estate	0.5	0.7
Alternative investments	(1.1)	0.2
Insurance	1.8	2.0
Total	100.0	100.0

The following table shows the target plan asset allocation for 2021 in accordance with the Bank's investment strategy. The target plan asset allocation is used to determine the expected return on plan assets to be considered in the net periodic benefit costs for 2021.

2021 target plan asset allocation

Weighted-average (%)

Cash and cash equivalents	0.3
Debt securities	94.0
Equity securities	2.1
Real estate	0.6
Alternative investments	1.2
Insurance	1.8
Total	100.0

Estimated future benefit payments

The following table shows the estimated future benefit payments for defined benefit pension and other post-retirement defined benefit plans.

Estimated future benefit payments

	International single-employer defined benefit pension plans	Other post-retirement defined benefit plan
Payments (CHF million)		
2021	99	11
2022	89	10
2023	99	10
2024	103	10
2025	108	9
For five years thereafter	600	40

32 Derivatives and hedging activities

→ Refer to "Note 33 – Derivatives and hedging activities" in VI – Consolidated financial statements – Credit Suisse Group for further information.

flows for forecasted transactions, excluding those forecasted transactions related to the payment of variable interest on existing financial instruments, was 12 months.

Hedge accounting

Cash flow hedges

As of the end of 2020, the maximum length of time over which the Bank hedged its exposure to the variability in future cash

Fair value of derivative instruments

end of 2020	Trading			Hedging ¹		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
Derivative instruments (CHF billion)						
Forwards and forward rate agreements	5,221.5	2.7	2.8	0.0	0.0	0.0
Swaps	8,088.7	53.5	50.3	126.1	0.9	0.1
Options bought and sold (OTC)	968.6	18.2	18.0	0.0	0.0	0.0
Futures	296.6	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	116.1	0.5	0.6	0.0	0.0	0.0
Interest rate products	14,691.5	74.9	71.7	126.1	0.9	0.1
Forwards	928.4	10.1	11.8	13.9	0.1	0.1
Swaps	345.8	10.9	13.4	0.0	0.0	0.0
Options bought and sold (OTC)	236.3	3.4	3.7	0.0	0.0	0.0
Futures	8.8	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	1.0	0.0	0.0	0.0	0.0	0.0
Foreign exchange products	1,520.3	24.4	28.9	13.9	0.1	0.1
Forwards	1.0	0.0	0.3	0.0	0.0	0.0
Swaps	167.6	4.3	8.8	0.0	0.0	0.0
Options bought and sold (OTC)	218.3	14.9	10.0	0.0	0.0	0.0
Futures	23.5	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	454.0	20.0	20.7	0.0	0.0	0.0
Equity/index-related products	864.4	39.2	39.8	0.0	0.0	0.0
Credit derivatives²	467.8	4.9	6.0	0.0	0.0	0.0
Forwards	12.2	0.3	0.2	0.0	0.0	0.0
Swaps	9.8	1.1	0.5	0.0	0.0	0.0
Options bought and sold (OTC)	14.8	0.3	0.2	0.0	0.0	0.0
Futures	4.2	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	11.6	0.1	0.1	0.0	0.0	0.0
Other products³	52.6	1.8	1.0	0.0	0.0	0.0
Total derivative instruments	17,596.6	145.2	147.4	140.0	1.0	0.2

The notional amount, PRV and NRV (trading and hedging) was CHF 17,736.6 billion, CHF 146.2 billion and CHF 147.6 billion, respectively, as of December 31, 2020.

¹ Relates to derivative contracts that qualify for hedge accounting under US GAAP.

² Primarily credit default swaps.

³ Primarily precious metals, commodity and energy products.

Fair value of derivative instruments (continued)

end of 2019	Trading			Hedging ¹		
	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)	Notional amount	Positive replacement value (PRV)	Negative replacement value (NRV)
Derivative instruments (CHF billion)						
Forwards and forward rate agreements	6,226.5	0.9	0.9	0.0	0.0	0.0
Swaps	9,184.5	50.8	48.4	113.2	0.5	0.1
Options bought and sold (OTC)	1,355.4	16.3	16.4	0.0	0.0	0.0
Futures	264.2	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	103.4	0.3	0.2	0.0	0.0	0.0
Interest rate products	17,134.0	68.3	65.9	113.2	0.5	0.1
Forwards	1,073.5	8.0	9.1	14.1	0.1	0.1
Swaps	389.5	10.9	13.7	0.0	0.0	0.0
Options bought and sold (OTC)	270.8	3.0	3.5	0.0	0.0	0.0
Futures	9.1	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	0.1	0.0	0.0	0.0	0.0	0.0
Foreign exchange products	1,743.0	21.9	26.3	14.1	0.1	0.1
Forwards	1.0	0.0	0.0	0.0	0.0	0.0
Swaps	175.2	4.3	4.6	0.0	0.0	0.0
Options bought and sold (OTC)	213.6	7.7	7.3	0.0	0.0	0.0
Futures	41.2	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	427.2	5.4	5.1	0.0	0.0	0.0
Equity/index-related products	858.2	17.4	17.0	0.0	0.0	0.0
Credit derivatives²	538.1	6.2	7.2	0.0	0.0	0.0
Forwards	13.2	0.2	0.1	0.0	0.0	0.0
Swaps	11.6	1.0	0.5	0.0	0.0	0.0
Options bought and sold (OTC)	15.5	0.2	0.1	0.0	0.0	0.0
Futures	14.8	0.0	0.0	0.0	0.0	0.0
Options bought and sold (exchange-traded)	1.7	0.0	0.0	0.0	0.0	0.0
Other products³	56.8	1.4	0.7	0.0	0.0	0.0
Total derivative instruments	20,330.1	115.2	117.1	127.3	0.6	0.2

The notional amount, PRV and NRV (trading and hedging) was CHF 20,457.4 billion, CHF 115.8 billion and CHF 117.3 billion, respectively, as of December 31, 2019.

¹ Relates to derivative contracts that qualify for hedge accounting under US GAAP.

² Primarily credit default swaps.

³ Primarily precious metals, commodity and energy products.

Gains or (losses) on fair value hedges

in	2020	2019	2018
	Net interest income	Net interest income	Trading revenues
Interest rate products (CHF million)			
Hedged items	(1,679)	(1,721)	423
Derivatives designated as hedging instruments	1,564	1,550	(415)
Net gains/(losses) on the ineffective portion	-	-	8

As a result of the adoption of ASU 2017-12 on January 1, 2019, the gains/(losses) on interest rate risk hedges are included in net interest income since 2019, while in 2018 they were recorded in trading revenue. Additionally, the gains/(losses) on the ineffective portion are no longer separately measured and reported. The accrued interest on fair value hedges is recorded in net interest income and is excluded from this table.

Hedged items in fair value hedges

end of	2020						2019		
	Hedged items			Hedged items			Discontinued hedges ²	Discontinued hedges ²	Discontinued hedges ²
	Carrying amount	Hedging adjustments ¹	Discontinued hedges ²	Carrying amount	Hedging adjustments ¹	Discontinued hedges ²			
Assets and liabilities (CHF billion)									
Investment securities	0.4	0.0	0.0	–	–	–	–	–	–
Net loans	20.5	0.2	0.5	15.2	0.1	0.7			
Long-term debt	65.8	1.9	0.8	65.8	1.2	0.3			

¹ Relates to the cumulative amount of fair value hedging adjustments included in the carrying amount.

² Relates to the cumulative amount of fair value hedging adjustments remaining for any hedged items for which hedge accounting has been discontinued.

Cash flow hedges

in	2020	2019	2018
Interest rate products (CHF million)			
Gains/(losses) recognized in AOCI on derivatives	134	85	(76)
Gains/(losses) reclassified from AOCI into interest and dividend income	(70)	3	(85)
Foreign exchange products (CHF million)			
Gains/(losses) recognized in AOCI on derivatives	(33)	(5)	(86)
Trading revenues	(30)	(7)	(37)
Total other operating expenses	(2)	(16)	(5)
Gains/(losses) reclassified from AOCI into income	(32)	(23)	(42)
Gains/(losses) excluded from the assessment of effectiveness reported in trading revenues ¹	1	(20)	–

¹ Related to the forward points of a foreign currency forward.

The net gain associated with cash flow hedges expected to be reclassified from AOCI within the next 12 months was CHF 119 million.

Net investment hedges

in	2020	2019	2018
Foreign exchange products (CHF million)			
Gains/(losses) recognized in the cumulative translation adjustments section of AOCI	451	(133)	131
Gains/(losses) reclassified from the cumulative translation adjustments section of AOCI into other revenues	10	0	(2)

The Bank includes all derivative instruments not included in hedge accounting relationships in its trading activities.

→ Refer to "Note 7 – Trading revenues" for gains and losses on trading activities by product type.

Disclosures relating to contingent credit risk

The following table provides the Bank's current net exposure from contingent credit risk relating to derivative contracts with bilateral counterparties and special purpose entities (SPEs) that include credit support agreements, the related collateral posted and the additional collateral required in a one-notch, two-notch and a three-notch downgrade event, respectively. The table also includes derivative contracts with contingent credit risk features without credit support agreements that have accelerated termination event conditions. The current net exposure for derivative contracts with bilateral counterparties and contracts with accelerated termination event conditions is the aggregate fair value of derivative instruments that were in a net liability position. For SPEs, the current net exposure is the contractual amount that is used to determine the collateral payable in the event of a downgrade. The contractual amount could include both the negative replacement value and a percentage of the notional value of the derivative.

Contingent credit risk

end of	2020								2019
	Bilateral counterparties	Special purpose entities	Accelerated terminations	Total	Bilateral counterparties	Special purpose entities	Accelerated terminations	Total	
									Total
Contingent credit risk (CHF billion)									
Current net exposure	3.0	0.0	0.4	3.4	3.1	0.0	0.3	3.4	
Collateral posted	2.4	0.0	–	2.4	2.7	0.1	–	2.8	
Impact of a one-notch downgrade event	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	
Impact of a two-notch downgrade event	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	
Impact of a three-notch downgrade event	0.5	0.0	0.2	0.7	0.7	0.1	0.1	0.9	

The impact of a downgrade event reflects the amount of additional collateral required for bilateral counterparties and special purpose entities and the amount of additional termination expenses for accelerated terminations, respectively.

Credit derivatives

→ Refer to "Note 33 – Derivatives and hedging activities" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Credit protection sold/purchased

The following tables do not include all credit derivatives and differ from the credit derivatives in the "Fair value of derivative instruments" table. This is due to the exclusion of certain credit derivative instruments under US GAAP, which defines a credit derivative as a derivative instrument (a) in which one or more of its

underlyings are related to the credit risk of a specified entity (or a group of entities) or an index based on the credit risk of a group of entities and (b) that exposes the seller to potential loss from credit risk-related events specified in the contract.

Total return swaps (TRS) of CHF 14.4 billion and CHF 16.7 billion as of December 31, 2020 and 2019, respectively, were also excluded because a TRS does not expose the seller to potential loss from credit risk-related events specified in the contract. A TRS only provides protection against a loss in asset value and not against additional amounts as a result of specific credit events.

Credit protection sold/purchased

end of	2020					2019				
	Credit protection sold	Credit protection purchased ¹	Net credit protection (sold)/purchased	Other protection purchased	Fair value of credit protection sold	Credit protection sold	Credit protection purchased ¹	Net credit protection (sold)/purchased	Other protection purchased	Fair value of credit protection sold
Single-name instruments (CHF billion)										
Investment grade ²	(52.5)	47.8	(4.7)	13.0	0.5	(52.6)	47.9	(4.7)	11.5	0.5
Non-investment grade	(28.5)	26.5	(2.0)	11.8	0.4	(32.1)	29.5	(2.6)	16.1	0.9
Total single-name instruments	(81.0)	74.3	(6.7)	24.8	0.9	(84.7)	77.4	(7.3)	27.6	1.4
of which sovereign	(12.5)	11.6	(0.9)	5.3	0.0	(17.2)	15.4	(1.8)	4.1	0.0
of which non-sovereign	(68.5)	62.7	(5.8)	19.5	0.9	(67.5)	62.0	(5.5)	23.5	1.4
Multi-name instruments (CHF billion)										
Investment grade ²	(99.5)	95.2	(4.3)	23.1	(0.7)	(109.5)	108.9	(0.6)	44.0	0.7
Non-investment grade	(24.3)	19.9	(4.4)	11.3 ³	0.2	(27.7)	24.5	(3.2)	17.1 ³	1.0
Total multi-name instruments	(123.8)	115.1	(8.7)	34.4	(0.5)	(137.2)	133.4	(3.8)	61.1	1.7
of which non-sovereign	(123.8)	115.1	(8.7)	34.4	(0.5)	(137.2)	133.4	(3.8)	61.1	1.7
Total instruments (CHF billion)										
Investment grade ²	(152.0)	143.0	(9.0)	36.1	(0.2)	(162.1)	156.8	(5.3)	55.5	1.2
Non-investment grade	(52.8)	46.4	(6.4)	23.1	0.6	(59.8)	54.0	(5.8)	33.2	1.9
Total instruments	(204.8)	189.4	(15.4)	59.2	0.4	(221.9)	210.8	(11.1)	88.7	3.1
of which sovereign	(12.5)	11.6	(0.9)	5.3	0.0	(17.2)	15.4	(1.8)	4.1	0.0
of which non-sovereign	(192.3)	177.8	(14.5)	53.9	0.4	(204.7)	195.4	(9.3)	84.6	3.1

¹ Represents credit protection purchased with identical underlyings and recoveries.

² Based on internal ratings of BBB and above.

³ Includes synthetic securitized loan portfolios.

The following table reconciles the notional amount of credit derivatives included in the table "Fair value of derivative instruments" to the table "Credit protection sold/purchased".

Credit derivatives

end of	2020	2019
Credit derivatives (CHF billion)		
Credit protection sold	204.8	221.9
Credit protection purchased	189.4	210.8
Other protection purchased	59.2	88.7
Other instruments ¹	14.4	16.7
Total credit derivatives	467.8	538.1

¹ Consists of total return swaps and other derivative instruments.

Maturity of credit protection sold

end of	Maturity less than 1 year	Maturity between 1 to 5 years	Maturity greater than 5 years	Total
2020 (CHF billion)				
Single-name instruments	14.0	62.7	4.3	81.0
Multi-name instruments	29.6	82.6	11.6	123.8
Total instruments	43.6	145.3	15.9	204.8
2019 (CHF billion)				
Single-name instruments	19.2	60.6	4.9	84.7
Multi-name instruments	41.9	79.8	15.5	137.2
Total instruments	61.1	140.4	20.4	221.9

33 Guarantees and commitments

Guarantees

end of	Maturity less than 1 year ¹	Maturity between 1 to 3 years	Maturity between 3 to 5 years	Maturity greater than 5 years ¹	Total gross amount	Total net amount ²	Carrying value	Collateral received
2020 (CHF million)								
Credit guarantees and similar instruments	1,645	653	203	582	3,083	3,020	27	1,637
Performance guarantees and similar instruments	3,607	1,885	526	514	6,532	5,601	30	2,535
Derivatives ³	10,531	3,921	698	1,423	16,573	16,573	380	– ⁴
Other guarantees	3,555	996	421	1,171	6,143	6,130	85	3,725
Total guarantees	19,338	7,455	1,848	3,690	32,331	31,324	522	7,897
2019 (CHF million)								
Credit guarantees and similar instruments	1,813	252	189	864	3,118	3,065	10	1,655
Performance guarantees and similar instruments	4,407	3,059	668	723	8,857	7,833	31	2,793
Derivatives ³	13,194	2,665	695	690	17,244	17,244	295	– ⁴
Other guarantees	3,507	1,386	367	1,243	6,503	6,457	64	4,003
Total guarantees	22,921	7,362	1,919	3,520	35,722	34,599	400	8,451

¹ Prior period has been corrected.

² Total net amount is computed as the gross amount less any participations.

³ Excludes derivative contracts with certain active commercial and investment banks and certain other counterparties, as such contracts can be cash settled and the Bank had no basis to conclude it was probable that the counterparties held, at inception, the underlying instruments.

⁴ Collateral for derivatives accounted for as guarantees is not significant.

→ Refer to "Note 34 – Guarantees and commitments" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Deposit-taking banks and securities dealers in Switzerland and certain other European countries are required to ensure the payout of privileged deposits in case of specified restrictions or compulsory liquidation of a deposit-taking bank. In Switzerland, deposit-taking banks and securities dealers jointly guarantee an amount of up to CHF 6 billion. Upon occurrence of a payout event triggered by a specified restriction of business imposed by the Swiss Financial Market Supervisory Authority FINMA (FINMA) or by the compulsory liquidation of another deposit-taking bank, the Bank's contribution will be calculated based on its share

of privileged deposits in proportion to total privileged deposits. Based on FINMA's estimate for the Bank, the Bank's share in the deposit insurance guarantee program for the period July 1, 2020 to June 30, 2021 is CHF 0.5 billion. These deposit insurance guarantees were reflected in other guarantees.

Representations and warranties on residential mortgage loans sold

In connection with the Investment Bank division's sale of US residential mortgage loans, the Bank has provided certain representations and warranties relating to the loans sold.

Other commitments

end of	Maturity less than 1 year	Maturity between 1 to 3 years	Maturity between 3 to 5 years	Maturity greater than 5 years	Total gross amount	Total net amount ¹	Collateral received
2020 (CHF million)							
Irrevocable commitments under documentary credits	3,915	97	0	0	4,012	3,963	2,404
Irrevocable loan commitments	19,813	48,855	39,605	10,749	119,022 ²	115,116	53,039
Forward reverse repurchase agreements	17	0	0	0	17	17	17
Other commitments	135	1,418	9	381	1,943	1,943	19
Total other commitments	23,880	50,370	39,614	11,130	124,994	121,039	55,479
2019 (CHF million)							
Irrevocable commitments under documentary credits	4,434	163	0	0	4,597	4,518	3,077
Irrevocable loan commitments	27,145	38,974	48,856	10,152	125,127 ²	120,436	60,118
Forward reverse repurchase agreements	41	0	0	0	41	41	41
Other commitments	630	121	121	58	930	930	127
Total other commitments	32,250	39,258	48,977	10,210	130,695	125,925	63,363

¹ Total net amount is computed as the gross amount less any participations.

² Irrevocable loan commitments do not include a total gross amount of CHF 130,965 million and CHF 128,295 million of unused credit limits as of December 31, 2020 and 2019, respectively, which were revocable at the Bank's sole discretion upon notice to the client.

34 Transfers of financial assets and variable interest entities

Transfers of financial assets

→ Refer to "Note 35 – Transfers of financial assets and variable interest entities" in VI – Credit Suisse Group – Consolidated financial statements for further information.

Securizations

The following table provides the gains or losses and proceeds from the transfer of assets relating to 2020, 2019 and 2018 securizations of financial assets that qualify for sale accounting and subsequent derecognition, along with the cash flows between the Bank and the SPEs used in any securizations in which the Bank still has continuing involvement, regardless of when the securitization occurred.

Securizations	2020	2019	2018
in			
Gains/(losses) and cash flows (CHF million)			
CMBS			
Net gain ¹	85	10	10
Proceeds from transfer of assets	9,209	7,757	5,861
Cash received on interests that continue to be held	52	162	41
RMBS			
Net gain/(loss) ¹	32	2	(1)
Proceeds from transfer of assets	23,358	21,566	22,536
Purchases of previously transferred financial assets or its underlying collateral	0	(1)	0
Servicing fees	2	2	3
Cash received on interests that continue to be held	864	312	576
Other asset-backed financings			
Net gain ¹	105	101	77
Proceeds from transfer of assets	9,564	11,702	6,422
Purchases of previously transferred financial assets or its underlying collateral	(1,606)	(763)	(318)
Fees ²	148	151	142
Cash received on interests that continue to be held	17	6	3

¹ Includes underwriting revenues, deferred origination fees, gains or losses on the sale of collateral to the SPE and gains or losses on the sale of newly issued securities to third parties, but excludes net interest income on assets prior to the securitization. The gains or losses on the sale of the collateral is the difference between the fair value on the day prior to the securitization pricing date and the sale price of the loans.

² Represents management fees and performance fees earned for investment management services provided to managed CLOs.

Continuing involvement in transferred financial assets

The following table provides the outstanding principal balance of assets to which the Bank continued to be exposed after the transfer of the financial assets to any SPE and the total assets of the SPE as of December 31, 2020 and 2019, regardless of when the transfer of assets occurred.

Principal amounts outstanding and total assets of SPEs resulting from continuing involvement

end of	2020	2019
CHF million		
CMBS		
Principal amount outstanding	17,421	21,079
Total assets of SPE	24,455	28,748
RMBS		
Principal amount outstanding	47,324	54,001
Total assets of SPE	47,863	55,595
Other asset-backed financings		
Principal amount outstanding	24,968	27,982
Total assets of SPE	50,817	54,974

Principal amount outstanding relates to assets transferred from the Bank and does not include principal amounts for assets transferred from third parties.

Fair value of beneficial interests

The fair value measurement of beneficial interests held at the time of transfer and as of the reporting date that result from any continuing involvement is determined using fair value estimation techniques, such as the present value of estimated future cash flows that incorporate assumptions that market participants customarily use in these valuation techniques. The fair value of the assets or liabilities that result from any continuing involvement does not include any benefits from financial instruments that the Bank may utilize to hedge the inherent risks.

Key economic assumptions at the time of transfer

→ Refer to "Note 35 – Financial instruments" for further information on the fair value hierarchy.

Key economic assumptions used in measuring fair value of beneficial interests at time of transfer

at time of transfer, in	2020		2019		2018	
	CMBS	RMBS	CMBS	RMBS	CMBS	RMBS
CHF million, except where indicated						
Fair value of beneficial interests	342	2,692	549	3,171	662	3,613
of which level 2	305	2,398	455	2,978	640	3,509
of which level 3	37	294	94	193	22	103
Weighted-average life, in years	6.4	3.8	5.5	5.5	6.6	7.8
Prepayment speed assumption (rate per annum), in % ¹	- ²	1.0-47.0	- ²	2.0-37.3	- ²	5.0-13.5
Cash flow discount rate (rate per annum), in % ³	1.4-20.9	0.2-40.8	2.5-8.3	1.5-15.7	3.6-9.8	3.0-13.6
Expected credit losses (rate per annum), in % ⁴	1.9-8.6	1.6-22.9	1.3-1.9	1.5-7.6	1.8-3.1	2.3-7.2

Transfers of assets in which the Bank does not have beneficial interests are not included in this table.

¹ Prepayment speed assumption (PSA) is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the constant prepayment rate (CPR) assumptions. A 100% prepayment assumption assumes a prepayment rate of 0.2% per annum of the outstanding principal balance of mortgage loans in the first month. This increases by 0.2 percentage points thereafter during the term of the mortgage loan, leveling off to a CPR of 6% per annum beginning in the 30th month and each month thereafter during the term of the mortgage loan. 100 PSA equals 6 CPR.

² To deter prepayment, commercial mortgage loans typically have prepayment protection in the form of prepayment lockouts and yield maintenances.

³ The rate was based on the weighted-average yield on the beneficial interests.

⁴ The range of expected credit losses only reflects instruments with an expected credit loss greater than zero unless all of the instruments have an expected credit loss of zero.

Key economic assumptions as of the reporting date

The following table provides the sensitivity analysis of key economic assumptions used in measuring the fair value of beneficial interests held in SPEs as of December 31, 2020 and 2019.

Key economic assumptions used in measuring fair value of beneficial interests held in SPEs

end of	2020			2019		
	CMBS ¹	RMBS	Other asset-backed financing activities ²	CMBS ¹	RMBS	Other asset-backed financing activities ²
CHF million, except where indicated						
Fair value of beneficial interests	296	1,851	350	399	2,282	751
of which non-investment grade	36	631	23	46	711	15
Weighted-average life, in years	5.6	4.0	4.8	6.4	5.7	1.6
Prepayment speed assumption (rate per annum), in % ³	-	4.0-50.1	-	-	3.0-35.7	-
Impact on fair value from 10% adverse change	-	(43.7)	-	-	(38.1)	-
Impact on fair value from 20% adverse change	-	(92.1)	-	-	(72.6)	-
Cash flow discount rate (rate per annum), in % ⁴	0.6-38.2	0.3-39.7	0.7-27.7	2.2-15.2	1.5-36.2	0.7-13.1
Impact on fair value from 10% adverse change	(4.9)	(22.4)	(4.2)	(6.8)	(38.3)	(2.1)
Impact on fair value from 20% adverse change	(9.6)	(43.5)	(8.2)	(13.4)	(74.7)	(4.2)
Expected credit losses (rate per annum), in % ⁵	0.4-14.7	0.6-39.6	0.7-26.8	0.5-8.5	1.1-34.5	0.7-12.8
Impact on fair value from 10% adverse change	(4.3)	(20.2)	(4.5)	(4.1)	(24.1)	(2.0)
Impact on fair value from 20% adverse change	(8.5)	(39.2)	(8.9)	(8.1)	(47.3)	(4.0)

¹ To deter prepayment, commercial mortgage loans typically have prepayment protection in the form of prepayment lockouts and yield maintenances.

² CDOs within this category are generally structured to be protected from prepayment risk.

³ PSA is an industry standard prepayment speed metric used for projecting prepayments over the life of a residential mortgage loan. PSA utilizes the CPR assumptions. A 100% prepayment assumption assumes a prepayment rate of 0.2% per annum of the outstanding principal balance of mortgage loans in the first month. This increases by 0.2 percentage points thereafter during the term of the mortgage loan, leveling off to a CPR of 6% per annum beginning in the 30th month and each month thereafter during the term of the mortgage loan. 100 PSA equals 6 CPR.

⁴ The rate was based on the weighted-average yield on the beneficial interests.

⁵ The range of expected credit losses only reflects instruments with an expected credit loss greater than zero unless all of the instruments have an expected credit loss of zero.

Transfers of financial assets where sale treatment was not achieved

The following table provides the carrying amounts of transferred financial assets and the related liabilities where sale treatment was not achieved as of December 31, 2020 and 2019.

Carrying amounts of transferred financial assets and liabilities where sale treatment was not achieved

end of	2020	2019
CHF million		
Other asset-backed financings		
Trading assets	496	279
Other assets	246	0
Liability to SPE, included in other liabilities	(742)	(279)

Securities sold under repurchase agreements and securities lending transactions accounted for as secured borrowings

The following tables provide the gross obligation relating to securities sold under repurchase agreements, securities lending transactions and obligation to return securities received as collateral by the class of collateral pledged and by remaining contractual maturity as of December 31, 2020 and 2019.

Securities sold under repurchase agreements, securities lending transactions and obligation to return securities received as collateral – by class of collateral pledged

end of	2020	2019
CHF billion		
Government debt securities ¹	12.2	16.5
Corporate debt securities ¹	7.7	8.6
Asset-backed securities	6.0	2.5
Equity securities	0.0	0.7
Other	1.8	0.2
Securities sold under repurchase agreements	27.7	28.5
Government debt securities	0.4	0.1
Corporate debt securities	0.1	0.1
Equity securities	3.5	5.4
Other	0.1	0.1
Securities lending transactions	4.1	5.7
Government debt securities	5.8	5.3
Corporate debt securities	5.6	1.8
Asset-backed securities	0.0	0.1
Equity securities	39.3	33.0
Other	0.1	0.0
Obligation to return securities received as collateral, at fair value	50.8	40.2
Total	82.6	74.4

¹ Prior period has been corrected.

Securities sold under repurchase agreements, securities lending transactions and obligation to return securities received as collateral – by remaining contractual maturity

end of	No stated maturity ¹	Remaining contractual maturities			Total
		Up to 30 days ²	31-90 days	More than 90 days	
2020 (CHF billion)					
Securities sold under repurchase agreements	5.8	11.8	5.9	4.2	27.7
Securities lending transactions	4.0	0.0	0.1	0.0	4.1
Obligation to return securities received as collateral, at fair value	50.2	0.3	0.3	0.0	50.8
Total	60.0	12.1	6.3	4.2	82.6
2019 (CHF billion)					
Securities sold under repurchase agreements	5.2	15.2	5.9	2.2	28.5
Securities lending transactions	5.7	0.0	0.0	0.0	5.7
Obligation to return securities received as collateral, at fair value	40.0	0.1	0.1	0.0	40.2
Total	50.9	15.3	6.0	2.2	74.4

¹ Includes contracts with no contractual maturity that may contain termination arrangements subject to a notice period.

² Includes overnight transactions.

→ Refer to "Note 27 – Offsetting of financial assets and financial liabilities" for further information on the gross amount of securities sold under repurchase agreements, securities lending transactions and obligation to return securities received as collateral and the net amounts disclosed in the consolidated balance sheets.

Variable interest entities

→ Refer to "Note 35 – Transfers of financial assets and variable interest entities" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Commercial paper conduit

The Bank acts as the administrator and provider of liquidity and credit enhancement facilities for Alpine Securitization Ltd (Alpine), a multi-seller asset-backed commercial paper (CP) conduit used for client and Bank financing purposes. Alpine discloses to CP investors certain portfolio and asset data and submits its portfolio to rating agencies for public ratings on its CP. This CP conduit purchases assets such as loans and receivables or enters into reverse repurchase agreements and finances such activities through the issuance of CP backed by these assets. In addition to CP, Alpine may also issue term notes with maturities up to 30 months. The Bank (including Alpine) can enter into liquidity facilities with third-party entities pursuant to which it may be required to purchase assets from these entities to provide them with liquidity and credit support. The financing transactions are structured to provide credit support in the form of over-collateralization and other asset-specific enhancements. Alpine is a separate legal entity that is wholly owned by the Bank. However, its assets are available to satisfy only the claims of its creditors. In addition, the Bank, as administrator and liquidity facility provider, has significant exposure to and power over the activities of Alpine. Alpine is considered a VIE for accounting purposes and the Bank is deemed the primary beneficiary and consolidates this entity.

The overall average maturity of Alpine's outstanding CP was approximately 209 days as of December 31, 2020. Alpine's CP was rated A-1(sf) by Standard & Poor's and P-1(sf) by Moody's and had exposures mainly in reverse repurchase agreements with a Bank entity, solar loans and leases, consumer loans, aircraft loans and leases and car loans and leases.

The Bank's financial commitment to this CP conduit consists of obligations under liquidity agreements. The liquidity agreements are asset-specific arrangements, which require the Bank to provide short-term financing to the CP conduit or to purchase assets from the CP conduit in certain circumstances, including, but not limited to, a lack of liquidity in the CP market such that the CP conduit cannot refinance its obligations or a default of an underlying asset. The asset-specific credit enhancements provided by the client seller of the assets remain unchanged as a result of such a purchase. In entering into such agreements, the Bank reviews the credit risk associated with these transactions on the same basis that would apply to other extensions of credit.

The Bank enters into liquidity facilities with CP conduits administered and sponsored by third parties. These third-party CP conduits are considered to be VIEs for accounting purposes. The Bank is not the primary beneficiary and does not consolidate these third-party CP conduits. The Bank's financial commitment to these third-party CP conduits consists of obligations under liquidity agreements. The liquidity agreements are asset-specific arrangements, which require the Bank to provide short-term financing to the third-party CP conduits or to purchase assets from these CP conduits in certain circumstances, including, but not limited to, a lack of liquidity in the CP market such that the CP conduits cannot refinance their obligations or a default of an underlying asset. The asset-specific credit enhancements, if any, provided by the client seller of the assets remain unchanged as a result of such a purchase. In entering into such agreements, the Bank reviews the credit risk associated with these transactions on the same basis that would apply to other extensions of credit. In some situations, the Bank can enter into liquidity facilities with these third-party CP conduits through Alpine.

The Bank's economic risks associated with the Alpine CP conduit and the third-party CP conduits are included in the Bank's risk management framework including counterparty, economic risk capital and scenario analysis.

Consolidated VIEs

The Bank has significant involvement with VIEs in its role as a financial intermediary on behalf of clients. The Bank consolidates all VIEs related to financial intermediation for which it is the primary beneficiary.

The consolidated VIEs table provides the carrying amounts and classifications of the assets and liabilities of consolidated VIEs as of December 31, 2020 and 2019.

Consolidated VIEs in which the Bank was the primary beneficiary

end of	CDO/ CLO	CP Conduit	Financial intermediation				Total
			Securi- tizations	Funds	Loans	Other	
2020 (CHF million)							
Cash and due from banks	0	0	23	22	37	8	90
Trading assets	0	0	1,255	50	840	19	2,164
Other investments	0	0	0	129	920	202	1,251
Net loans	0	653	0	51	29	167	900
Other assets	0	21	979	15	65	778	1,858
of which loans held-for-sale	0	0	462	10	0	0	472
of which premises and equipment	0	0	0	0	13	4	17
Total assets of consolidated VIEs	0	674	2,257	267	1,891	1,174	6,263
Customer deposits	0	0	0	0	0	1	1
Trading liabilities	0	0	0	0	10	0	10
Short-term borrowings	0	4,178	0	0	0	0	4,178
Long-term debt	0	0	1,701	0	10	35	1,746
Other liabilities	0	53	1	3	72	78	207
Total liabilities of consolidated VIEs	0	4,231	1,702	3	92	114	6,142
2019 (CHF million)							
Cash and due from banks	6	1	71	11	39	10	138
Trading assets	75	0	1,554	82	1,063	14	2,788
Other investments	0	0	0	113	1,052	247	1,412
Net loans	0	325	53	1	29	241	649
Other assets	1	21	638	4	67	943	1,674
of which loans held-for-sale	0	0	93	0	0	0	93
of which premises and equipment	0	0	0	0	17	8	25
Total assets of consolidated VIEs	82	347	2,316	211	2,250	1,455	6,661
Trading liabilities	0	0	0	0	8	0	8
Short-term borrowings	0	4,885	0	0	0	0	4,885
Long-term debt	7	0	1,614	1	13	36	1,671
Other liabilities	0	54	1	4	91	146	296
Total liabilities of consolidated VIEs	7	4,939	1,615	5	112	182	6,860

Non-consolidated VIEs

The non-consolidated VIEs table provides the carrying amounts and classification of the assets of variable interests recorded in the Bank's consolidated balance sheets, maximum exposure to loss and total assets of the non-consolidated VIEs.

Certain VIEs have not been included in the following table, including VIEs structured by third parties in which the Bank's interest is in the form of securities held in the Bank's inventory, certain repurchase financings to funds and single-asset financing vehicles not sponsored by the Bank to which the Bank provides financing but has very little risk of loss due to over-collateralization and/or guarantees, failed sales where the Bank does not have any other holdings and other entities out of scope.

Non-consolidated VIEs

end of	CDO/ CLO	CP Conduit ¹	Financial intermediation			Total	
			Securi- tizations	Funds	Loans		Other
2020 (CHF million)							
Trading assets	250	0	4,500	1,113	66	8,617	14,546
Net loans	357	371	734	1,967	6,989	939	11,357
Other assets	2	0	3	110	0	344	459
Total variable interest assets	609	371	5,237	3,190	7,055	9,900	26,362
Maximum exposure to loss	852	5,538	7,329	3,190	11,235	10,226	38,370
Total assets of non-consolidated VIEs	8,553	11,148	127,785	87,618	26,186	25,759	287,049
2019 (CHF million)							
Trading assets	230	0	4,897	962	109	4,311	10,509
Net loans	456	325	904	1,945	7,930	709	12,269
Other assets	3	0	26	513	0	380	922
Total variable interest assets	689	325	5,827	3,420	8,039	5,400	23,700
Maximum exposure to loss	785	6,484	7,664	3,425	12,239	5,937	36,534
Total assets of non-consolidated VIEs	8,057	13,488	141,608	127,558	25,590	14,274	330,575

¹ Includes liquidity facilities provided to third-party CP conduits through Alpine Securities Ltd. Prior period has been adjusted to conform to the current presentation.

35 Financial instruments

→ Refer to "Note 36 – Financial instruments" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Assets and liabilities measured at fair value on a recurring basis

end of 2020	Level 1	Level 2	Level 3	Netting impact ¹	Assets measured at net asset value per share ²	Total
Assets (CHF million)						
Cash and due from banks	0	525	0	–	–	525
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	57,994	0	–	–	57,994
Securities received as collateral	44,074	6,598	101	–	–	50,773
Trading assets	87,746	181,303	7,535	(119,731)	658	157,511
of which debt securities	16,321	45,903	2,253	–	55	64,532
of which foreign government	15,908	11,909	140	–	–	27,957
of which corporates	353	9,936	1,270	–	55	11,614
of which RMBS	0	20,882	557	–	–	21,439
of which equity securities	60,080	2,466	124	–	603	63,273
of which derivatives	9,297	132,054	3,911	(119,731)	–	25,531
of which interest rate products	3,036	71,043	733	–	–	–
of which foreign exchange products	42	24,259	143	–	–	–
of which equity/index-related products	6,150	31,945	1,186	–	–	–
of which other derivatives	22	110	1,079	–	–	–
of which other trading assets	2,048	880	1,247	–	–	4,175
Investment securities	1	604	0	–	–	605
Other investments	13	6	3,054	–	720	3,793
of which other equity investments	13	6	2,132	–	609	2,760
of which life finance instruments	0	0	920	–	–	920
Loans	0	7,739	3,669	–	–	11,408
of which commercial and industrial loans	0	2,187	1,347	–	–	3,534
of which financial institutions	0	3,506	1,082	–	–	4,588
Other intangible assets (mortgage servicing rights)	0	0	180	–	–	180
Other assets	137	7,315	1,825	(904)	–	8,373
of which failed purchases	109	1,229	51	–	–	1,389
of which loans held-for-sale	0	4,870	1,576	–	–	6,446
Total assets at fair value	131,971	262,084	16,364	(120,635)	1,378	291,162

¹ Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable master netting agreements.

² In accordance with US GAAP, certain investments that are measured at fair value using the net asset value per share practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2020	Level 1	Level 2	Level 3	Netting impact ¹	Liabilities measured at net asset value per share ²	Total
Liabilities (CHF million)						
Due to banks	0	413	0	–	–	413
Customer deposits	0	3,895	448	–	–	4,343
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	13,688	0	–	–	13,688
Obligation to return securities received as collateral	44,074	6,598	101	–	–	50,773
Trading liabilities	33,543	138,018	4,246	(129,937)	1	45,871
of which equity securities	20,527	111	55	–	1	20,694
of which derivatives	10,535	132,956	4,191	(129,937)	–	17,745
of which interest rate products	3,264	68,229	169	–	–	–
of which foreign exchange products	51	28,819	72	–	–	–
of which equity/index-related products	7,149	30,612	2,010	–	–	–
of which credit derivatives	0	4,663	1,335	–	–	–
Short-term borrowings	0	10,039	701	–	–	10,740
Long-term debt	0	62,957	7,286	–	–	70,243
of which structured notes over one year and up to two years	0	11,787	1,133	–	–	12,920
of which structured notes over two years	0	28,330	5,526	–	–	33,856
of which high-trigger instruments	0	10,627	0	–	–	10,627
Other liabilities	0	6,675	1,250	(169)	–	7,756
Total liabilities at fair value	77,617	242,283	14,032	(130,106)	1	203,827

¹ Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable master netting agreements.

² In accordance with US GAAP, certain investments that are measured at fair value using the net asset value per share practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2019	Level 1	Level 2	Level 3	Netting impact ¹	Assets measured at net asset value per share ²	Total
Assets (CHF million)						
Cash and due from banks	0	356	0	–	–	356
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	85,556	0	–	–	85,556
Securities received as collateral	36,438	3,780	1	–	–	40,219
Trading assets	85,622	157,186	7,885	(97,606)	808	153,895
of which debt securities	19,430	45,677	1,923	–	–	67,030
of which foreign government	19,281	7,484	198	–	–	26,963
of which corporates	16	10,941	1,128	–	–	12,085
of which RMBS	0	23,199	317	–	–	23,516
of which equity securities	60,737	2,862	197	–	808	64,604
of which derivatives	3,539	108,263	3,534	(97,606)	–	17,730
of which interest rate products	1,091	66,763	554	–	–	–
of which foreign exchange products	23	21,754	152	–	–	–
of which equity/index-related products	2,417	13,918	1,040	–	–	–
of which credit derivatives	0	5,336	879	–	–	–
of which other derivatives	5	66	909	–	–	–
of which other trading assets	1,916	384	2,231	–	–	4,531
Investment securities	0	1,004	0	–	–	1,004
Other investments	24	5	2,523	–	996	3,548
of which other equity investments	24	5	1,463	–	589	2,081
of which life finance instruments	0	0	1,052	–	–	1,052
Loans	0	8,945	3,716	–	–	12,661
of which commercial and industrial loans	0	2,491	1,283	–	–	3,774
of which financial institutions	0	3,730	1,201	–	–	4,931
of which government and public institutions	0	2,200	830	–	–	3,030
Other intangible assets (mortgage servicing rights)	0	0	244	–	–	244
Other assets	101	8,902	1,846	(447)	–	10,402
of which loans held-for-sale	0	6,594	1,619	–	–	8,213
Total assets at fair value	122,185	265,734	16,215	(98,053)	1,804	307,885

¹ Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable master netting agreements.

² In accordance with US GAAP, certain investments that are measured at fair value using the net asset value per share practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Assets and liabilities measured at fair value on a recurring basis (continued)

end of 2019	Level 1	Level 2	Level 3	Netting impact ¹	Liabilities measured at net asset value per share ²	Total
Liabilities (CHF million)						
Due to banks	0	322	0	–	–	322
Customer deposits	0	2,865	474	–	–	3,339
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	0	10,823	0	–	–	10,823
Obligation to return securities received as collateral	36,438	3,780	1	–	–	40,219
Trading liabilities	23,009	115,107	3,854	(103,786)	2	38,186
of which debt securities	3,636	5,286	0	–	–	8,922
of which foreign government	3,544	345	0	–	–	3,889
of which equity securities	15,628	109	53	–	2	15,792
of which derivatives	3,745	109,712	3,801	(103,786)	–	13,472
of which interest rate products	1,101	64,687	167	–	–	–
of which foreign exchange products	31	26,156	98	–	–	–
of which equity/index-related products	2,603	12,518	1,921	–	–	–
of which credit derivatives	0	5,963	1,211	–	–	–
Short-term borrowings	0	10,336	997	–	–	11,333
Long-term debt	0	56,657	12,749	–	–	69,406
of which structured notes over one year and up to two years	0	9,291	891	–	–	10,182
of which structured notes over two years	0	27,626	11,458	–	–	39,084
Other liabilities	0	6,650	1,367	(148)	–	7,869
Total liabilities at fair value	59,447	206,540	19,442	(103,934)	2	181,497

¹ Derivative contracts are reported on a gross basis by level. The impact of netting represents legally enforceable master netting agreements.

² In accordance with US GAAP, certain investments that are measured at fair value using the net asset value per share practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

Assets and liabilities measured at fair value on a recurring basis for level 3

2020	Balance at beginning of period	Transfers in	Transfers out	Purchases	Sales	Issuances	Settlements
Assets (CHF million)							
Securities received as collateral	1	0	0	213	(106)	0	0
Trading assets	7,885	3,255	(3,271)	6,304	(6,740)	2,064	(2,968)
of which debt securities	1,923	2,078	(1,775)	3,811	(3,493)	0	0
of which corporates	1,128	703	(809)	2,685	(2,464)	0	0
of which derivatives	3,534	995	(1,207)	0	0	2,064	(2,891)
of which equity/index-related products	1,040	255	(519)	0	0	507	(743)
of which other derivatives	909	0	0	0	0	303	(326)
of which other trading assets	2,231	119	(246)	2,420	(3,189)	0	(77)
Other investments	2,523	8	0	442	(194)	0	0
of which other equity investments	1,463	7	0	408	(22)	0	0
of which life finance instruments	1,052	0	0	34	(172)	0	0
Loans ²	3,835	1,268	(549)	437	(640)	1,170	(1,435)
of which commercial and industrial loans ²	1,402	446	(170)	184	(442)	610	(435)
of which financial institutions	1,201	238	(245)	0	(31)	499	(531)
Other intangible assets (mortgage servicing rights)	244	0	0	0	0	0	0
Other assets	1,846	1,440	(709)	4,553	(4,595)	547	(995)
of which loans held-for-sale	1,619	1,380	(665)	4,504	(4,567)	547	(994)
Total assets at fair value	16,334	5,971	(4,529)	11,949	(12,275)	3,781	(5,398)
Liabilities (CHF million)							
Customer deposits	474	0	0	0	0	0	(27)
Obligation to return securities received as collateral	1	0	0	213	(106)	0	0
Trading liabilities	3,854	848	(1,614)	471	(310)	2,146	(2,375)
of which derivatives	3,801	829	(1,611)	198	(8)	2,146	(2,375)
of which equity/index-related derivatives	1,921	248	(954)	0	0	776	(536)
of which credit derivatives	1,211	539	(562)	0	0	1,111	(1,425)
Short-term borrowings	997	37	(294)	0	0	1,307	(1,189)
Long-term debt	12,749	3,089	(7,478)	0	0	5,891	(5,622)
of which structured notes over one year and up to two years	891	689	(676)	0	0	1,022	(690)
of which structured notes over two years	11,458	1,614	(6,479)	0	0	4,766	(4,577)
Other liabilities	1,367	160	(183)	266	(277)	129	(390)
Total liabilities at fair value	19,442	4,134	(9,569)	950	(693)	9,473	(9,603)
Net assets/(liabilities) at fair value	(3,108)	1,837	5,040	10,999	(11,582)	(5,692)	4,205

1 Changes in unrealized gains/(losses) on total assets at fair value and changes in unrealized (gains)/losses on total liabilities at fair value relating to assets and liabilities held at period end are included in net revenues or accumulated other comprehensive income. As of 2020, changes in net unrealized gains/(losses) of CHF (667) million and CHF 296 million were recorded in trading revenues and other revenues, respectively, and changes in unrealized (gains)/losses of CHF 98 million were recorded in Gains/(losses) on liabilities relating to credit risk in Accumulated other comprehensive income/(loss).

2 Includes an adjustment of CHF 119 million reflecting the impact of applying the fair value option on certain loans (previously held at amortized cost) at the adoption of the ASU 2019-05.

Trading revenues		Other revenues		Accumulated other comprehensive income		Foreign currency translation impact	Balance at end of period	Changes in unrealized gains/losses ¹
On transfers out	On all other	On transfers out	On all other	On transfers out	On all other			
0	0	0	0	0	0	(7)	101	0
290	1,598	0	5	0	0	(887)	7,535	1,377
1	14	0	5	0	0	(311)	2,253	166
26	211	0	0	0	0	(210)	1,270	196
213	1,607	0	1	0	0	(405)	3,911	1,323
107	725	0	0	0	0	(186)	1,186	752
(1)	291	0	0	0	0	(97)	1,079	310
72	76	0	(1)	0	0	(158)	1,247	(87)
0	112	0	286	0	0	(123)	3,054	409
0	13	0	293	0	0	(30)	2,132	298
0	99	0	0	0	0	(93)	920	112
52	(164)	0	1	0	0	(306)	3,669	(97)
6	(150)	0	1	0	0	(105)	1,347	(183)
20	43	0	0	0	0	(112)	1,082	47
0	0	0	(44)	0	0	(20)	180	(44)
(17)	(14)	0	0	0	0	(231)	1,825	(48)
(41)	4	0	0	0	0	(211)	1,576	(73)
325	1,532	0	248	0	0	(1,574)	16,364	1,597
0	7	0	0	0	10	(16)	448	46
0	0	0	0	0	0	(7)	101	0
260	1,428	0	0	0	0	(462)	4,246	1,653
259	1,410	0	0	0	0	(458)	4,191	1,646
167	644	0	0	0	0	(256)	2,010	1,162
85	502	0	0	0	0	(126)	1,335	277
4	(62)	0	0	0	0	(99)	701	94
568	(690)	0	0	99	(82)	(1,238)	7,286	209
40	(38)	0	0	1	(1)	(105)	1,133	(19)
532	(683)	0	0	98	(92)	(1,111)	5,526	224
(33)	37	0	289	0	0	(115)	1,250	64
799	720	0	289	99	(72)	(1,937)	14,032	2,066
(474)	812	0	(41)	(99)	72	363	2,332	(469)

Assets and liabilities measured at fair value on a recurring basis for level 3 (continued)

2019	Balance at beginning of period	Transfers in	Transfers out	Purchases	Sales	Issuances	Settlements
Assets (CHF million)							
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	0	0	(12)	0	0	12	0
Securities received as collateral	30	0	0	2	(31)	0	0
Trading assets	8,980	1,600	(2,723)	16,544	(17,005)	1,142	(1,641)
of which debt securities	2,242	793	(1,508)	4,037	(3,537)	0	0
of which corporates	1,260	485	(843)	3,076	(2,768)	0	0
of which derivatives	3,298	592	(734)	0	0	1,142	(1,616)
of which equity/index-related products	1,054	224	(400)	0	0	361	(402)
of which credit derivatives	673	282	(244)	0	0	390	(765)
of which other derivatives	806	6	(1)	0	0	303	(317)
of which other trading assets	3,308	132	(424)	12,333	(13,384)	0	(25)
Other investments	1,309	48	(6)	1,184	(194)	0	0
of which other equity investments	227	48	(6)	1,134	10	0	0
of which life finance instruments	1,067	0	0	39	(186)	0	0
Loans	4,324	731	(470)	255	(275)	1,436	(2,170)
of which commercial and industrial loans	1,949	269	(335)	49	(194)	346	(734)
of which financial institutions	1,391	414	(76)	5	(81)	524	(957)
of which government and public institutions	446	48	(58)	199	0	251	(28)
Other intangible assets (mortgage servicing rights)	163	0	0	85	0	0	0
Other assets	1,543	470	(283)	1,970	(1,913)	703	(565)
of which loans held-for-sale	1,235	444	(222)	1,718	(1,693)	703	(564)
Total assets at fair value	16,349	2,849	(3,494)	20,040	(19,418)	3,293	(4,376)
Liabilities (CHF million)							
Customer deposits	453	0	0	0	0	6	(34)
Obligation to return securities received as collateral	30	0	0	2	(31)	0	0
Trading liabilities	3,589	743	(723)	874	(891)	2,079	(2,478)
of which derivatives	3,527	723	(714)	1	(4)	2,079	(2,478)
of which equity/index-related derivatives	1,500	344	(405)	0	0	692	(761)
of which credit derivatives	1,140	314	(273)	0	0	1,101	(1,327)
Short-term borrowings	784	187	(494)	0	0	1,477	(1,151)
Long-term debt	12,671	2,707	(4,398)	0	0	6,102	(5,668)
of which structured notes over two years	11,800	2,286	(3,708)	0	0	4,546	(4,744)
Other liabilities	1,327	51	(80)	80	(131)	114	(377)
Total liabilities at fair value	18,854	3,688	(5,695)	956	(1,053)	9,778	(9,708)
Net assets/(liabilities) at fair value	(2,505)	(839)	2,201	19,084	(18,365)	(6,485)	5,332

1 Changes in unrealized gains/(losses) on total assets at fair value and changes in unrealized (gains)/losses on total liabilities at fair value relating to assets and liabilities held at period end are included in net revenues. As of 2019, changes in net unrealized gains/(losses) of CHF (1,423) million and CHF 149 million were recorded in trading revenues and other revenues, respectively.

→ Refer to "Note 36 – Financial instruments" in VI – Consolidated financial statements – Credit Suisse Group for qualitative information about level 3 assets and liabilities measured at fair value on a recurring basis.

	Trading revenues		Other revenues		Accumulated other comprehensive income		Foreign currency translation impact	Balance at end of period	Changes in unrealized gains/losses ¹
	On transfers out	On all other	On transfers out	On all other	On transfers out	On all other			
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	1	0
	(80)	1,281	0	0	0	0	(213)	7,885	1,085
	17	(41)	0	0	0	0	(80)	1,923	146
	21	(52)	0	0	0	0	(51)	1,128	153
	(92)	1,034	0	0	0	0	(90)	3,534	957
	(80)	316	0	0	0	0	(33)	1,040	404
	(6)	565	0	0	0	0	(16)	879	320
	0	128	0	0	0	0	(16)	909	266
	(2)	333	0	0	0	0	(40)	2,231	(43)
	0	151	0	56	0	0	(25)	2,523	328
	0	1	0	56	0	0	(7)	1,463	83
	0	150	0	0	0	0	(18)	1,052	181
	4	(64)	0	0	0	0	(55)	3,716	(8)
	0	(49)	0	0	0	0	(18)	1,283	(9)
	0	(9)	0	0	0	0	(10)	1,201	10
	2	(9)	0	0	0	0	(21)	830	(12)
	0	0	0	2	0	0	(6)	244	2
	17	(48)	0	0	0	0	(48)	1,846	29
	3	36	0	0	0	0	(41)	1,619	51
	(59)	1,320	0	58	0	0	(347)	16,215	1,436
	0	23	0	0	0	51	(25)	474	29
	0	0	0	0	0	0	0	1	0
	108	626	0	0	0	0	(73)	3,854	1,019
	108	631	0	0	0	0	(72)	3,801	1,016
	92	500	0	0	0	0	(41)	1,921	841
	28	249	0	0	0	0	(21)	1,211	147
	30	191	0	0	0	0	(27)	997	127
	149	1,291	0	0	13	175	(293)	12,749	1,477
	94	1,256	0	0	13	173	(258)	11,458	1,301
	(4)	65	0	346	0	0	(24)	1,367	58
	283	2,196	0	346	13	226	(442)	19,442	2,710
	(342)	(876)	0	(288)	(13)	(226)	95	(3,227)	(1,274)

Fair value, unfunded commitments and term of redemption conditions of investment funds measured at NAV per share

end of	2020				2019			
	Non-redeemable	Redeemable	Total fair value	Unfunded commitments	Non-redeemable	Redeemable	Total fair value	Unfunded commitments
Fair value of investment funds and unfunded commitments (CHF million)								
Funds held in trading assets and trading liabilities	138	519	657	45	58	748	806	53
Private equity funds	92	0	92	77	321	0	321	161
Hedge funds	12	7	19	0	21	65	86	0
Equity method investment funds	322	287	609	226	187	402	589	14
Funds held in other investments	426	294	720	303	529	467	996	175
Fair value of investment funds and unfunded commitments	564¹	813²	1,377	348	587³	1,215⁴	1,802	228

1 CHF 190 million of the underlying assets have known liquidation periods and for CHF 374 million, the timing of liquidation is unknown.

2 CHF 540 million of the redeemable on demand with a notice period of primarily less than 30 day. CHF 4 million of the investment funds had restrictions on redemptions, which have a redemption restriction of less than 1 year.

3 CHF 162 million of the underlying assets have known liquidation periods and for CHF 425 million, the timing of liquidation is unknown.

4 CHF 724 million of the redeemable on demand with a notice period of primarily less than 30 day. CHF 13 million of the investment funds had restrictions on redemptions, which have a redemption restriction of less than 1 year.

Assets measured at fair value on a nonrecurring basis

end of 2020	Level 1	Level 2	Level 3	Total
Assets (CHF million)				
Other investments	0	217	326	543
of which equity method investments	0	0	303	303
of which equity securities (without a readily determinable fair value)	0	217	10	227
Net loans	0	67	4	71
Other assets	0	104	97	201
of which loans held-for-sale	0	97	39	136
of which premises, equipment and right-of-use assets	0	4	54	58
Total assets recorded at fair value on a nonrecurring basis	0	388	427	815
Liabilities (CHF million)				
Other liabilities	0	0	14	14
of which commitments held-for-sale	0	0	14	14
Total liabilities recorded at fair value on a nonrecurring basis	0	0	14	14

end of 2019

Assets (CHF million)				
Other investments	0	0	1	1
Other intangible assets	0	0	10	10
Other assets	0	0	60	60
of which loans held-for-sale	0	0	29	29
of which premises, equipment and right-of-use assets	0	0	5	5
of which real estate held-for-sale	0	0	26	26
Total assets recorded at fair value on a nonrecurring basis	0	0	71	71
Liabilities (CHF million)				
Other liabilities	0	0	22	22
of which commitments held-for-sale	0	0	22	22
Total liabilities recorded at fair value on a nonrecurring basis	0	0	22	22

→ Refer to "Note 36 – Financial instruments" in VI – Consolidated financial statements – Credit Suisse Group for quantitative information about level 3 assets and liabilities measured at fair value on a nonrecurring basis.

Difference between the aggregate fair value and unpaid principal balances of fair value option-elected financial instruments

end of	2020			2019		
	Aggregate fair value	Aggregate unpaid principal	Difference	Aggregate fair value	Aggregate unpaid principal	Difference
Financial instruments (CHF million)						
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	57,994	57,895	99	85,556	85,463	93
Loans	11,408	12,079	(671)	12,661	13,103	(442)
Other assets ¹	7,834	10,090	(2,256)	9,710	12,006	(2,296)
Due to banks and customer deposits	(578)	(489)	(89)	(582)	(508)	(74)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(13,688)	(13,672)	(16)	(10,823)	(10,827)	4
Short-term borrowings	(10,740)	(10,632)	(108)	(11,333)	(11,187)	(146)
Long-term debt ²	(70,243)	(73,175)	2,932	(69,406)	(71,177)	1,771
Other liabilities	(616)	(1,569)	953	(709)	(1,681)	972
Non-performing and non-interest-earning loans ³	543	3,364	(2,821)	543	3,235	(2,692)

¹ Primarily loans held-for-sale.

² Long-term debt includes both principal-protected and non-principal protected instruments. For non-principal-protected instruments, the original notional amount has been reported in the aggregate unpaid principal.

³ Included in loans or other assets.

Gains and losses on financial instruments

in	2020	2019	2018
	Net gains/ (losses)	Net gains/ (losses)	Net gains/ (losses)
Financial instruments (CHF million)			
Interest-bearing deposits with banks	15 ¹	29 ¹	2 ¹
of which related to credit risk	0	11	(10)
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	1,198 ¹	2,696 ¹	2,451 ¹
Other investments	397 ²	268 ³	241 ²
of which related to credit risk	1	2	(1)
Loans	510 ¹	908 ¹	717 ¹
of which related to credit risk	(181)	26	(296)
Other assets	489 ¹	892 ¹	770 ¹
of which related to credit risk	(106)	111	61
Due to banks and customer deposits	(10) ³	(29) ³	(39) ³
of which related to credit risk	0	1	(37)
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	(58) ¹	(612) ¹	(890) ¹
Short-term borrowings	(687) ³	(50) ³	2,807 ³
of which related to credit risk	0	8	(5)
Long-term debt	(2,349) ³	(7,950) ³	4,375 ³
of which related to credit risk	11	(5)	7
Other liabilities	(20) ³	92 ²	72 ²
of which related to credit risk	(15)	50	4

¹ Primarily recognized in net interest income.

² Primarily recognized in other revenues.

³ Primarily recognized in trading revenues.

Gains/(losses) attributable to changes in instrument-specific credit risk on fair value option elected liabilities

in	Gains/(losses) recorded into AOCI ¹			Gains/(losses) recorded in AOCI transferred to net income ¹	
	2020	Cumulative	2019	2020	2019
Financial instruments (CHF million)					
Customer deposits	(9)	(75)	(51)	0	0
Short-term borrowings	(13)	(66)	(2)	1	2
Long-term debt	24	(2,457)	(2,125)	155	190
of which treasury debt over two years	188	(729)	(1,133)	0	0
of which structured notes over two years	(177)	(1,602)	(769)	155	179
Total	2	(2,598)	(2,178)	156	192

¹ Amounts are reflected gross of tax.

Carrying value and fair value of financial instruments not carried at fair value

end of	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
2020 (CHF million)					
Financial assets					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	21,139	0	21,139	0	21,139
Loans	285,570	0	281,097	14,534	295,631
Other financial assets ¹	154,441	137,763	16,399	302	154,464
Financial liabilities					
Due to banks and customer deposits	403,704	235,477	168,262	0	403,739
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	10,256	0	10,256	0	10,256
Short-term borrowings	10,568	0	10,569	0	10,569
Long-term debt	90,035	0	90,716	2,317	93,033
Other financial liabilities ²	16,131	0	15,694	403	16,097
2019 (CHF million)					
Financial assets					
Central bank funds sold, securities purchased under resale agreements and securities borrowing transactions	21,441	0	21,441	0	21,441
Loans	287,815	0	285,575	11,562	297,137
Other financial assets ¹	114,267	100,765	12,769	719	114,253
Financial liabilities					
Due to banks and customer deposits	398,032	190,251	207,786	0	398,037
Central bank funds purchased, securities sold under repurchase agreements and securities lending transactions	16,818	0	16,818	0	16,818
Short-term borrowings	17,536	0	17,536	0	17,536
Long-term debt	81,593	0	83,081	1,123	84,204
Other financial liabilities ²	16,508	0	16,343	168	16,511

¹ Primarily includes cash and due from banks, interest-bearing deposits with banks, loans held-for-sale, cash collateral on derivative instruments, interest and fee receivables and non-marketable equity securities.

² Primarily includes cash collateral on derivative instruments and interest and fee payables.

36 Assets pledged and collateral

Assets pledged

The Bank pledges assets mainly for repurchase agreements and other securities financing. Certain pledged assets may be encumbered, meaning they have the right to be sold or repledged. The encumbered assets are parenthetically disclosed on the consolidated balance sheet.

Assets pledged

end of	2020	2019
CHF million		
Total assets pledged or assigned as collateral	144,355	121,800
of which encumbered	71,471	59,013

Prior period has been corrected.

Collateral

The Bank receives cash and securities in connection with resale agreements, securities borrowing and loans, derivative transactions and margined broker loans. A significant portion of the collateral and securities received by the Bank was sold or repledged in connection with repurchase agreements, securities sold not yet purchased, securities borrowings and loans, pledges to clearing organizations, segregation requirements under securities laws and regulations, derivative transactions and bank loans.

Collateral

end of	2020	2019
CHF million		
Fair value of collateral received with the right to sell or repledge	413,154	412,765
of which sold or repledged	184,837	185,935

Other information

end of	2020	2019
CHF million		
Swiss National Bank required minimum liquidity reserves	2,092	2,059
Other restricted cash, securities and receivables ¹	4,441	4,703

¹ Includes cash, securities and receivables recorded on the Group's consolidated balance sheets and restricted under Swiss or foreign regulations for financial institutions; excludes restricted cash, securities and receivables held on behalf of clients which are not recorded on the Group's consolidated balance sheet. Prior periods have been adjusted to conform to the current presentation.

→ Refer to "Note 37 – Assets pledged and collateral" in VI – Consolidated financial statements – Credit Suisse Group for further information.

37 Capital adequacy

The Bank is subject to the Basel III framework, as implemented in Switzerland, as well as Swiss legislation and regulations for systemically important banks (Swiss Requirements). The Bank, which is subject to regulation by FINMA, has based its capital adequacy calculations on US GAAP financial statements, as permitted by FINMA Circular 2013/1.

→ Refer to "Note 38 – Capital adequacy" in VI – Consolidated financial statements – Credit Suisse Group for further information.

As of December 31, 2020 and 2019, the Bank's capital position exceeded its capital requirements under the regulatory provisions outlined under Swiss Requirements.

Broker-dealer operations

Certain of the Bank's broker-dealer subsidiaries are also subject to capital adequacy requirements. As of December 31, 2020 and 2019, the Bank and its subsidiaries complied with all applicable regulatory capital adequacy requirements.

Dividend restrictions

Certain of the Bank's subsidiaries are subject to legal restrictions governing the amount of dividends they can pay (for example, pursuant to corporate law as defined by the Swiss Code of Obligations).

As of December 31, 2020 and 2019, Credit Suisse AG was not subject to restrictions on its ability to pay the proposed dividends.

Swiss metrics

end of	2020	2019
Swiss capital (CHF million)		
Swiss CET1 capital	40,691	41,899
Going concern capital ¹	55,648	53,990
Gone concern capital	41,857	41,136
Total loss-absorbing capacity (TLAC)	97,505	95,126

Swiss risk-weighted assets and leverage exposure (CHF million)

Swiss risk-weighted assets	276,157	291,651
Leverage exposure	792,862 ²	915,814

Swiss capital ratios (%)

Swiss CET1 ratio	14.7	14.4
Going concern capital ratio	20.2	18.5
Gone concern capital ratio	15.2	14.1
TLAC ratio	35.3	32.6

Swiss leverage ratios (%)

Swiss CET1 leverage ratio	5.1	4.6
Going concern leverage ratio	7.0	5.9
Gone concern leverage ratio	5.3 ³	4.5
TLAC leverage ratio	12.3	10.4

Swiss capital ratio requirements (%)

Swiss CET1 ratio requirement	10.0	9.68
Going concern capital ratio requirement	14.3	13.58
Gone concern capital ratio requirement	14.3	11.6
TLAC ratio requirement	28.6	25.18

Swiss leverage ratio requirements (%)

Swiss CET1 leverage ratio requirement	3.5	3.2
Going concern leverage ratio requirement	5.0	4.5
Gone concern leverage ratio requirement	5.0	4.0
TLAC leverage ratio requirement	10.0	8.5

The Swiss capital requirements have been fully phased-in as of January 1, 2020 and the 2019 balances are presented on a comparative basis. Does not include the effects of the countercyclical buffers and any rebates for resolvability and for certain tier 2 low-trigger instruments recognized in gone concern capital.

¹ Amounts are shown on a look-through basis. Certain tier 2 instruments and their related tier 2 amortization components are subject to phase out through 2022. As of 2020 and 2019, gone concern capital was CHF 42,203 million and CHF 38,574 million, including CHF 346 million and CHF 372 million, respectively, of such instruments.

² Excludes CHF 124,218 million of cash held at central banks, after adjusting for the dividend paid in 2020.

³ The gone concern ratio would be 4.6%, if calculated using a leverage exposure of CHF 917,080 million, without the temporary exclusion of cash held at central banks, after adjusting for the dividend paid in 2020, of CHF 124,218 million.

38 Assets under management

The following disclosure provides information regarding client assets, assets under management and net new assets as regulated by FINMA.

→ Refer to "Note 39 – Assets under management" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Assets under management

end of	2020	2019
CHF billion		
Assets in collective investment instruments managed by Credit Suisse	210.7	205.7
Assets with discretionary mandates	267.3	277.5
Other assets under management	1,029.0	1,017.5
Assets under management (including double counting)	1,507.0	1,500.7
of which double counting	48.8	50.2

Changes in assets under management

	2020	2019
Assets under management (CHF billion)		
Balance at beginning of period ¹	1,500.7	1,336.8
Net new assets/(net asset outflows)	43.4	80.3
Market movements, interest, dividends and foreign exchange	(14.5)	107.4
of which market movements, interest and dividends ²	53.2	127.1
of which foreign exchange	(67.7)	(19.7)
Other effects	(22.6)	(23.8)
Balance at end of period	1,507.0	1,500.7

¹ Including double counting.

² Net of commissions and other expenses and net of interest expenses charged.

39 Litigation

→ Refer to "Note 40 – Litigation" in VI – Consolidated financial statements – Credit Suisse Group for further information.

40 Significant subsidiaries and equity method investments

The entities presented in the table below generally include subsidiaries with total assets over CHF 100 million or net income attributable to shareholders over CHF 10 million. Also included

are entities which are deemed regionally significant or otherwise relevant from an operational perspective.

Significant subsidiaries

Company name	Domicile	Currency	Nominal capital in million	Equity interest in %
End of 2020				
Credit Suisse AG				
Alpine Securitization LTD	George Town, Cayman Islands	USD	83.0	100
Asset Management Finance LLC	Wilmington, United States	USD	167.4	100
Banco Credit Suisse (Brasil) S.A.	São Paulo, Brazil	BRL	53.6	100
Banco Credit Suisse (Mexico), S.A.	Mexico City, Mexico	MXN	1,716.7	100
Banco de Investimentos Credit Suisse (Brasil) S.A.	São Paulo, Brazil	BRL	164.8	100
Bank-now AG	Horgen, Switzerland	CHF	30.0	100
Boston Re Ltd.	Hamilton, Bermuda	USD	2.0	100
Casa de Bolsa Credit Suisse (Mexico), S.A. de C.V.	Mexico City, Mexico	MXN	274.0	100
Column Financial, Inc.	Wilmington, United States	USD	0.0	100
Credit Suisse (Australia) Limited	Sydney, Australia	AUD	34.1	100
Credit Suisse (Brasil) S.A. Corretora de Titulos e Valores Mobiliarios	São Paulo, Brazil	BRL	98.4	100
Credit Suisse (Deutschland) Aktiengesellschaft	Frankfurt, Germany	EUR	130.0	100
Credit Suisse (Hong Kong) Limited	Hong Kong, China	HKD	8,192.9	100
Credit Suisse (Italy) S.p.A.	Milan, Italy	EUR	170.0	100
Credit Suisse (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	230.9	100
Credit Suisse (Qatar) LLC	Doha, Qatar	USD	29.0	100
Credit Suisse (Schweiz) AG	Zurich, Switzerland	CHF	100.0	100
Credit Suisse (Singapore) Limited	Singapore, Singapore	SGD	743.3	100
Credit Suisse (UK) Limited	London, United Kingdom	GBP	245.2	100
Credit Suisse (USA), Inc.	Wilmington, United States	USD	0.0	100
Credit Suisse Asset Management (UK) Holding Limited	London, United Kingdom	GBP	144.2	100
Credit Suisse Asset Management Immobilien Kapitalanlagegesellschaft mbH	Frankfurt, Germany	EUR	6.1	100
Credit Suisse Asset Management International Holding Ltd	Zurich, Switzerland	CHF	20.0	100
Credit Suisse Asset Management Investments Ltd	Zurich, Switzerland	CHF	0.1	100
Credit Suisse Asset Management Limited	London, United Kingdom	GBP	45.0	100
Credit Suisse Asset Management, LLC	Wilmington, United States	USD	1,115.9	100
Credit Suisse Atlas I Investments (Luxembourg) S.à.r.l.	Luxembourg, Luxembourg	USD	0.0	100
Credit Suisse Brazil (Bahamas) Limited	Nassau, Bahamas	USD	70.0	100
Credit Suisse Business Analytics (India) Private Limited	Mumbai, India	INR	40.0	100
Credit Suisse Capital LLC	Wilmington, United States	USD	2,137.3	100
Credit Suisse Entrepreneur Capital AG	Zurich, Switzerland	CHF	15.0	100
Credit Suisse Equities (Australia) Limited	Sydney, Australia	AUD	62.5	100
Credit Suisse Finance (India) Private Limited	Mumbai, India	INR	1,050.1	100
Credit Suisse First Boston (Latam Holdings) LLC	George Town, Cayman Islands	USD	28.8	100
Credit Suisse First Boston Finance B.V.	Amsterdam, The Netherlands	EUR	0.0	100
Credit Suisse First Boston Mortgage Capital LLC	Wilmington, United States	USD	356.6	100
Credit Suisse First Boston Next Fund, Inc.	Wilmington, United States	USD	0.0	100
Credit Suisse Fund Management S.A.	Luxembourg, Luxembourg	CHF	0.3	100

Significant subsidiaries (continued)

Company name	Domicile	Currency	Nominal capital in million	Equity interest in %
Credit Suisse Fund Services (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	1.5	100
Credit Suisse Funds AG	Zurich, Switzerland	CHF	7.0	100
Credit Suisse Hedging-Griffo Corretora de Valores S.A.	São Paulo, Brazil	BRL	29.6	100
Credit Suisse Holding Europe (Luxembourg) S.A.	Luxembourg, Luxembourg	CHF	32.6	100
Credit Suisse Holdings (Australia) Limited	Sydney, Australia	AUD	3.0	100
Credit Suisse Holdings (USA), Inc.	Wilmington, United States	USD	550.0	100
Credit Suisse Istanbul Menkul Degerler A.S.	Istanbul, Turkey	TRY	10.0	100
Credit Suisse Life & Pensions AG	Vaduz, Liechtenstein	CHF	15.0	100
Credit Suisse Life (Bermuda) Ltd.	Hamilton, Bermuda	USD	0.5	100
Credit Suisse Loan Funding LLC	Wilmington, United States	USD	1.7	100
Credit Suisse Management LLC	Wilmington, United States	USD	891.4	100
Credit Suisse Prime Securities Services (USA) LLC	Wilmington, United States	USD	73.3	100
Credit Suisse PSL GmbH	Zurich, Switzerland	CHF	0.0	100
Credit Suisse Saudi Arabia	Riyadh, Saudi Arabia	SAR	737.5	100
Credit Suisse Securities (Canada), Inc.	Toronto, Canada	CAD	3.4	100
Credit Suisse Securities (Europe) Limited	London, United Kingdom	USD	3,859.3	100
Credit Suisse Securities (Hong Kong) Limited	Hong Kong, China	HKD	2,080.9	100
Credit Suisse Securities (India) Private Limited	Mumbai, India	INR	2,214.7	100
Credit Suisse Securities (Japan) Limited	Tokyo, Japan	JPY	78,100.0	100
Credit Suisse Securities (Johannesburg) Proprietary Limited – in liquidation	Johannesburg, South Africa	ZAR	0.0	100
Credit Suisse Securities (Malaysia) Sdn. Bhd.	Kuala Lumpur, Malaysia	MYR	100.0	100
Credit Suisse Securities (Singapore) Pte Limited	Singapore, Singapore	SGD	30.0	100
Credit Suisse Securities, Sociedad de Valores, S.A.	Spain, Madrid	EUR	5.3	100
Credit Suisse Securities (Thailand) Limited	Bangkok, Thailand	THB	500.0	100
Credit Suisse Securities (USA) LLC	Wilmington, United States	USD	2,200.7	100
Credit Suisse Services (India) Private Limited	Pune, India	INR	0.1	100
Credit Suisse Services (USA) LLC	Wilmington, United States	USD	15.4	100
CS Non-Traditional Products Ltd.	Nassau, Bahamas	USD	0.1	100
DLJ Mortgage Capital, Inc.	Wilmington, United States	USD	0.0	100
Fides Treasury Services AG	Zurich, Switzerland	CHF	2.0	100
JSC "Bank Credit Suisse (Moscow)"	Moscow, Russia	USD	37.8	100
Lime Residential, Ltd.	Nassau, Bahamas	USD	100.0	100
LLC "Credit Suisse Securities (Moscow)"	Moscow, Russia	RUB	97.1	100
Merban Equity AG	Zug, Switzerland	CHF	0.1	100
Solar Investco II Ltd.	George Town, Cayman Islands	USD	0.0	100
SP Holding Enterprises Corp.	Wilmington, United States	USD	0.0	100
SR Lease Co VI Ltd.	Cayman Islands	USD	0.0	100
PT Credit Suisse Sekuritas Indonesia	Jakarta, Indonesia	IDR	235,000.0	99
Credit Suisse Hypotheken AG	Zurich, Switzerland	CHF	0.1	98
Credit Suisse International	London, United Kingdom	USD	11,366.2	98 ¹
Credit Suisse Founder Securities Limited	Beijing, China	CNY	1,089.0	51

¹ Remaining 2% held directly by Credit Suisse Group AG. 98% of voting rights and 98% of equity interest held by Credit Suisse AG.

Significant equity method investments

Company name	Domicile	Equity interest in %
End of 2020		
Credit Suisse AG		
Swisscard AECS GmbH	Horgen, Switzerland	50
Stockbrokers Holdings Pty Ltd.	Melbourne, Australia	23
ICBC Credit Suisse Asset Management Co., Ltd.	Beijing, China	20
ALLFUNDS (UK) LIMITED	London, United Kingdom	14
York Capital Management Global Advisors, LLC	New York, United States	5 ¹
Holding Verde Empreendimentos e Participações S.A.	São Paulo, Brazil	0 ¹

¹ The Bank holds a significant noncontrolling interest.

41 Significant valuation and income recognition differences between US GAAP and Swiss GAAP banking law (true and fair view)

→ Refer to "Note 44 – Significant valuation and income recognition differences between US GAAP and Swiss GAAP banking law (true and fair view)" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Controls and procedures

Evaluation of disclosure controls and procedures

The Bank has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of the end of the period covered by this report under the supervision and with the participation of management, including the Bank Chief Executive Officer (CEO) and Chief Financial Officer (CFO), pursuant to Rule 13(a)-15(a) under the Securities Exchange Act of 1934 (the Exchange Act). There are inherent limitations to the effectiveness of any system of controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective controls and procedures can only provide reasonable assurance of achieving their control objectives.

The CEO and CFO concluded that, as of December 31, 2020, the design and operation of the Bank's disclosure controls and procedures were effective, in all material respects, to ensure that information required to be disclosed in reports filed and submitted under the Exchange Act is recorded, processed, summarized and reported as and when required.

Management report on internal control over financial reporting

The management of the Bank is responsible for establishing and maintaining adequate internal control over financial reporting. The Bank's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with US GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Management has made an evaluation and assessment of the Bank's internal control over financial reporting as of December 31, 2020 using the criteria issued in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in "Internal Control – Integrated Framework".

Based upon its review and evaluation, management, including the Bank CEO and CFO, has concluded that the Bank's internal control over financial reporting is effective as of December 31, 2020.

The Bank's independent registered public accounting firm, PricewaterhouseCoopers AG, has issued an unqualified opinion on the effectiveness of the Bank's internal control over financial reporting as of December 31, 2020, as stated in their report.

Changes in internal control over financial reporting

There were no changes in the Bank's internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting.