Subsidiaries

CREDIT SUISSE

Regulatory disclosures

2Q20

For purposes of this report, unless the context otherwise requires, the terms "Credit Suisse," the "Group," "we," "us" and "our" mean Credit Suisse Group AG and its consolidated subsidiaries. The business of Credit Suisse AG, the direct bank subsidiary of the Group, is substantially similar to the Group, and we use these terms to refer to both when the subject is the same or substantially similar. We use the term the "Bank" when we are only referring to Credit Suisse AG and its consolidated subsidiaries.

Abbreviations are explained in the List of abbreviations in the back of this report.

Publications referenced in this report, whether via website links or otherwise, are not incorporated into this report.

In various tables, use of "–" indicates not meaningful or not applicable.

Regulatory disclosures – subsidiaries 2Q20

Regulatory disclosures

In connection with the FINMA circular 2016/1 “Disclosure – banks”, certain regulatory disclosures, including capital, leverage and liquidity metrics, for Credit Suisse subsidiaries are required. The following entities are contained within this document.

- Credit Suisse AG – consolidated;
- Credit Suisse AG – parent company;
- Credit Suisse (Schweiz) AG – consolidated;
- Credit Suisse (Schweiz) AG – parent company;
- Credit Suisse International;
- Credit Suisse Securities (Europe) Ltd; and
- Credit Suisse Holdings (USA).

For certain prescribed table formats where line items have zero balances, such line items have not been presented.

→ Refer to “Capital management” and “Liquidity and funding management” in III – Treasury, Risk, Balance sheet and Off-balance sheet in the Credit Suisse Annual Report 2019 and in II – Treasury, risk, balance sheet and off-balance sheet in the Credit Suisse 2Q20 Financial Report for further information on capital metrics, risk-weighted assets, leverage metrics and liquidity metrics.

→ Refer to the “Pillar 3 and regulatory disclosures 2Q20” report for information on the Pillar 3 required disclosures, including risk-weighted assets, reconciliation requirements and other regulatory disclosures, such as capital, leverage and liquidity metrics, of Credit Suisse Group AG (Group).

Credit Suisse AG – consolidated

Swiss capital requirements and metrics

end of 2Q20	CHF million	in % of RWA
Swiss risk-weighted assets		
Swiss risk-weighted assets	300,377	–
Risk-based capital requirements (going-concern) based on Swiss capital ratios		
Total	43,031	14.326
of which CET1: minimum	13,517	4.5
of which CET1: buffer	16,521	5.5
of which CET1: countercyclical buffers	77	0.026
of which additional tier 1: minimum	10,513	3.5
of which additional tier 1: buffer	2,403	0.8
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [1]	55,600	18.5
of which CET1 capital [2]	42,225	14.1
of which additional tier 1 high-trigger capital instruments	9,509	3.2
of which additional tier 1 low-trigger capital instruments [3]	3,866	1.3
Risk-based requirements for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total according to size and market share [4]	42,954	14.3
Reductions due to rebates in accordance with article 133 of the CAO	(6,849)	(2.28)
Reductions due to the holding of additional instruments in the form of convertible capital in accordance with Art. 132 para 4 CAO	(2,045)	(0.681)
Total, net	34,061	11.339
Eligible additional total loss-absorbing capacity (gone-concern) [5]		
Total [6]	46,698	15.5
of which bail-in debt instruments	42,726	14.2
of which tier 2 low-trigger capital instruments	3,971	1.3

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

2 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

3 If issued before July 1, 2016, such capital instruments qualify as additional tier 1 high-trigger capital instruments until their first call date according to the transitional Swiss "Too Big to Fail" rules.

4 Consists of a base requirement of 12.86%, or CHF 38,628 million, and a surcharge of 1.44%, or CHF 4,326 million.

5 Excludes formally eligible gone-concern capacity of CHF 3,182 million in order to cover specifically a part of the Bank's exposure, originating from unsecured loans toward the Group.

6 Amounts are shown on a look-through basis. Certain tier 2 capital instruments are subject to phase out through 2022. As of 2Q20, total eligible gone-concern capital was CHF 47,084 million, including CHF 387 million of such instruments.

Swiss leverage requirements and metrics

end of 2Q20	CHF million	in % of LRD
Leverage exposure for going concern		
Leverage ratio denominator	828,685 [1]	–
Unweighted capital requirements (going-concern) based on Swiss leverage ratios		
Total	41,434	5.0
of which CET1: minimum	12,430	1.5
of which CET1: buffer	16,574	2.0
of which additional tier 1: minimum	12,430	1.5
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [2]	55,600	6.7 [3]
of which CET1 capital [4]	42,225	5.1
of which additional tier 1 high-trigger capital instruments	9,509	1.1
of which additional tier 1 low-trigger capital instruments [5]	3,866	0.5
Leverage exposure for gone concern		
Leverage ratio denominator	945,860	–
Unweighted requirements for additional total loss-absorbing capacity (gone-concern) based on Swiss leverage ratios		
Total according to size and market share [6]	47,293	5.0
Reductions due to rebates in accordance with article 133 of the CAO	(7,567)	(0.8)
Reductions due to the holding of additional instruments in the form of convertible capital in accordance with Art. 132 para 4 CAO	(2,061)	(0.218)
Total, net	37,665	3.982
Eligible additional total loss-absorbing capacity (gone-concern) [7]		
Total [8]	46,698	4.9
of which bail-in debt instruments	42,726	4.5
of which tier 2 low-trigger capital instruments	3,971	0.4

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned 2019 dividend payment in 4Q20, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

2 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

3 The going concern ratio would be 5.9%, if calculated using a leverage exposure of CHF 945,860 million without the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned 2019 dividend payment in 4Q20, of CHF 117,175 million.

4 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

5 If issued before July 1, 2016, such capital instruments qualify as additional tier 1 high-trigger capital instruments until their first call date according to the transitional Swiss "Too Big to Fail" rules.

6 Consists of a base requirement of 4.5%, or CHF 42,564 million, and a surcharge of 0.5%, or CHF 4,729 million.

7 Excludes formally eligible gone-concern capacity of CHF 3,182 million in order to cover specifically a part of the Bank's exposure, originating from unsecured loans toward the Group.

8 Amounts are shown on a look-through basis. Certain tier 2 capital instruments are subject to phase out through 2022. As of 2Q20, total eligible gone-concern capital was CHF 47,084 million, including CHF 387 million of such instruments.

Key prudential metrics

Credit Suisse AG – Consolidated is a Swiss systemically important financial institution. Refer to "Swiss capital requirements and metrics" and "Swiss leverage requirements and metrics" tables for the Swiss systemically important financial institution view.

Most lines in the following table present the view as if Credit Suisse AG – Consolidated was not a Swiss systemically important financial institution.

KM1 – Key metrics

end of	2Q20
Capital (CHF million)	
Swiss CET1 capital	42,225
Fully loaded CECL accounting model Swiss CET1 capital [1]	42,225
Swiss tier 1 capital	55,600
Fully loaded CECL accounting model Swiss tier 1 capital [1]	55,600
Swiss total eligible capital	58,816
Fully loaded CECL accounting model Swiss total eligible capital [1]	58,816
Minimum capital requirement (8% of Swiss risk-weighted assets) [2]	24,030
Risk-weighted assets (CHF million)	
Swiss risk-weighted assets	300,377
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
Swiss CET1 capital ratio	14.1
Fully loaded CECL accounting model Swiss CET1 capital ratio [1]	14.1
Swiss tier 1 capital ratio	18.5
Fully loaded CECL accounting model Swiss tier 1 capital ratio [1]	18.5
Swiss total capital ratio	19.6
Fully loaded CECL accounting model Swiss total eligible capital ratio [1]	19.6
BIS CET1 buffer requirements (%) [3]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.026
Progressive buffer for G-SIB and/or D-SIB	1.0
Total BIS CET1 buffer requirement	3.526
CET1 capital ratio available after meeting the bank's minimum capital requirements [4]	9.6
Basel III leverage ratio (CHF million)	
Leverage exposure [5]	828,685
Basel III leverage ratio (%)	6.7
Fully loaded CECL accounting model Basel III leverage ratio (%) [1]	6.7
Liquidity coverage ratio (CHF million) [6]	
Numerator: total high-quality liquid assets	203,131
Denominator: net cash outflows	103,541
Liquidity coverage ratio (%)	196

The new current expected credit loss (CECL) model under US GAAP became effective for Credit Suisse as of January 1, 2020.

1 The fully loaded US GAAP CECL accounting model excludes the transitional relief of recognizing CECL allowances and provisions in CET1 capital, in accordance with FINMA Circular 2013/1, "Eligible capital – banks".

2 Calculated as 8% of Swiss risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.

3 CET1 buffer requirements are based on BIS requirements as a percentage of Swiss risk-weighted assets.

4 Reflects the Swiss CET1 capital ratio of 14.1%, less the BIS CET1 ratio minimum requirement of 4.5%.

5 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned dividend payment in 4Q20, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

6 Calculated using a three-month average, which is calculated on a daily basis.

Credit Suisse AG – parent company

Swiss capital metrics – Bank parent company

In May 2016, the Swiss Federal Council amended the Capital Adequacy Ordinance applicable to Swiss banks. The amendment recalibrates and expands the existing "Too Big to Fail" regime in Switzerland. The amended Capital Adequacy Ordinance came into effect on July 1, 2016, subject to phase-in and grandfathering provisions for certain outstanding instruments, and has been fully applied as of January 1, 2020.

In October 2017, FINMA issued an additional decree (2017 FINMA Decree) specifying the treatment of investments in subsidiaries for capital adequacy purposes for Credit Suisse AG – parent company (Bank parent company). This decree partially replaced certain aspects of the decree issued in 2013 by FINMA (2013 FINMA Decree), but all other aspects of that decree continue to remain in force.

Participations in Swiss-domiciled subsidiaries are currently risk-weighted at 210% and foreign-domiciled participations are currently risk-weighted at 240%. The risk-weights will increase for participations in Swiss subsidiaries by 5% per year and for international participations by 20% per year, up to 250% and 400%, respectively, by 2028.

As of the end of 2Q20, the Bank parent company had Swiss participations with a carrying value of CHF 14.5 billion and foreign participations with a carrying value of CHF 65.7 billion. The capital treatment reflects specific valuation guidance issued by FINMA in July 2020, effective as of 2Q20.

The 2017 FINMA Decree also applies an adjustment (referred to as a regulatory filter) to an impact on CET1 capital arising from the accounting change under applicable Swiss banking rules for the Bank parent company's investments in subsidiaries from the portfolio valuation method to the individual valuation method, which became effective on December 31, 2019. In contrast to the accounting treatment, the regulatory filter allows Credit Suisse to measure the regulatory capital position as if the Bank parent company had maintained the portfolio valuation method. As of June 30, 2020, the CET1 capital impact from the regulatory filter was CHF 12.9 billion. The related risk-weighted assets increase from higher total participation values subject to risk weighting was CHF 31.1 billion, reflecting the risk-weights for these direct investments in subsidiaries.

→ Refer to "Capital management" in III – Treasury, Risk, Balance sheet and Off-balance sheet in the Credit Suisse Annual Report 2019 for further information on Credit Suisse AG – parent company's regulatory requirements.

In November 2019, the Swiss Federal Council adopted amendments to the Capital Adequacy Ordinance. The amendments included a new gone-concern requirements for the Bank parent company. Since January 1, 2020, the quantitative requirement for the additional loss-absorbing capacity (gone concern) at the Bank parent company level comprises three elements. One element is a nominal amount that is identical for risk-weighted assets and the leverage ratio. For the two other elements, the higher aggregate total is relevant (based on the corresponding risk-weighted assets or leverage requirement). In accordance with the Capital Adequacy Ordinance (CAO) transitional provision, one of these two latter elements will be implemented in phases from January 1, 2021 and will therefore not apply fully until January 1, 2024.

The requirements for the additional total loss-absorbing capacity are not based on the same calculation method for risk-weighted funds or leverage exposure, as is the case for the capital requirements (going concern). As of June 30, 2020, the requirements for additional total loss-absorbing capacity (gone concern) amounted to CHF 35.8 billion and were 130% fulfilled.

In January 2020, FINMA and Credit Suisse agreed that a substantial part of the net exposure of Bank parent company toward Credit Suisse Group AG (Group, the Holding Company), originating from unsecured loans, shall be covered by an additional gone concern capacity at the Bank parent company. The Group, in support of its single point-of-entry bail-in strategy, is obliged to make the additional funds available. These additional funds constitute eligible gone concern capacity. However, to the extent that the aforementioned net exposure of the Bank parent company is covered by such funds, they do not qualify for the gone concern capital ratio calculation for the Bank parent company or the Group.

Swiss capital requirements and metrics

end of 2Q20	CHF million	in % of RWA [1]
Swiss risk-weighted assets		
Swiss risk-weighted assets [1]	381,746	–
Risk-based capital requirements (going-concern) based on Swiss capital ratios		
Total	54,720	14.334
of which CET1: minimum	17,179	4.5
of which CET1: buffer	20,996	5.5
of which CET1: countercyclical buffer	130	0.034
of which additional tier 1: minimum	13,361	3.5
of which additional tier 1: buffer	3,054	0.8
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [2]	60,579	15.9
of which CET1 capital [3]	47,510	12.4
of which additional tier 1 high-trigger capital instruments	9,185	2.4
of which additional tier 1 low-trigger capital instruments [4]	3,884	1.0
Risk-based requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total	35,823	–
Eligible additional total loss-absorbing capacity (gone-concern) [5]		
Total [6]	46,699	–
of which bail-in instruments	42,736	–
of which tier 2 low-trigger capital instruments	3,963	–

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Excludes the risk-weighting requirements pertaining to investments in subsidiaries. which will be fully phased-in by 2028. Also excludes elements of the gone concern requirements that will be implemented in phases starting on January 1, 2021 and will therefore not fully apply until January 1, 2024.

2 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

3 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

4 If issued before July 1, 2016, such capital instruments qualify as additional tier 1 high-trigger capital instruments until their first call date according to the transitional Swiss "Too Big to Fail" rules.

5 Excludes formally eligible gone-concern capacity of CHF 3,182 million in order to cover specifically a part of the Bank's exposure, originating from unsecured loans toward the Group.

6 Amounts are shown on a look-through basis. Certain tier 2 capital instruments are subject to phase out through 2022. As of 2Q20, total eligible gone-concern capital was CHF 47,067 million, including CHF 369 million of such instruments.

Swiss leverage requirements and metrics

end of 2Q20	CHF million	in % of LRD [1]
Leverage exposure for going concern		
Leverage ratio denominator	634,153 [2]	–
Unweighted capital requirements (going-concern) based on Swiss leverage ratios		
Total	31,708	5.0
of which CET1: minimum	9,512	1.5
of which CET1: buffer	12,683	2.0
of which additional tier 1: minimum	9,512	1.5
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [3]	60,579	9.6 [4]
of which CET1 capital [5]	47,510	7.5
of which additional tier 1 high-trigger capital instruments	9,185	1.4
of which additional tier 1 low-trigger capital instruments [6]	3,884	0.6
Leverage exposure for gone concern		
Leverage ratio denominator	692,774	–
Unweighted requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss leverage ratios		
Total	35,823	–
Eligible additional total loss-absorbing capacity (gone-concern) [7]		
Total [8]	46,699	–
of which bail-in instruments	42,736	–
of which tier 2 low-trigger capital instruments	3,963	–

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Excludes the risk-weighting requirements pertaining to investments in subsidiaries. which will be fully phased-in by 2028. Also excludes elements of the gone concern requirements that will be implemented in phases starting on January 1, 2021 and will therefore not fully apply until January 1, 2024.

2 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned 2019 dividend payment in 4Q20, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

3 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

4 The going concern ratio would be 8.7%, if calculated using a leverage exposure of CHF 692,774 million without the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned 2019 dividend payment in 4Q20, of CHF 58,621 million.

5 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

6 If issued before July 1, 2016, such capital instruments qualify as additional tier 1 high-trigger capital instruments until their first call date according to the transitional Swiss “Too Big to Fail” rules.

7 Excludes formally eligible gone-concern capacity of CHF 3,182 million in order to cover specifically a part of the Bank’s exposure, originating from unsecured loans toward the Group.

8 Amounts are shown on a look-through basis. Certain tier 2 capital instruments are subject to phase out through 2022. As of 2Q20, total eligible gone-concern capital was CHF 47,067 million, including CHF 369 million of such instruments.

Key prudential metrics

The Bank parent company is a Swiss systemically important financial institution. Refer to "Swiss capital requirements and metrics" and "Swiss leverage requirements and metrics" tables for the Swiss systemically important financial institution view.

Most lines in the following table present the view as if the Bank parent company was not a Swiss systemically important financial institution.

KM1 – Key metrics

end of	**2Q20**
Capital (CHF million)	
Swiss CET1 capital	47,510
Fully loaded CECL accounting model Swiss CET1 capital [1]	47,510
Swiss tier 1 capital	60,579
Fully loaded CECL accounting model Swiss tier 1 capital [1]	60,579
Swiss total eligible capital	63,786
Fully loaded CECL accounting model Swiss total eligible capital [1]	63,786
Minimum capital requirement (8% of Swiss risk-weighted assets) [2]	30,540
Risk-weighted assets (CHF million)	
Swiss total risk-weighted assets	381,746
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
Swiss CET1 capital ratio	12.4
Fully loaded CECL accounting model Swiss CET1 capital ratio [1]	12.4
Swiss tier 1 capital ratio	15.9
Fully loaded CECL accounting model Swiss tier 1 capital ratio [1]	15.9
Swiss total capital ratio	16.7
Fully loaded CECL accounting model Swiss total eligible capital ratio [1]	16.7
BIS CET1 buffer requirements (%) [3]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.034
Progressive buffer for G-SIB and/or D-SIB	1.0
Total BIS CET1 buffer requirement	3.534
CET1 capital ratio available after meeting the bank's minimum capital requirements [4]	7.9
Basel III leverage ratio (CHF million)	
Leverage exposure [5]	634,153
Basel III leverage ratio (%)	9.6
Fully loaded CECL accounting model Basel III leverage ratio (%) [1]	9.6
Liquidity coverage ratio (CHF million) [6]	
Numerator: total high-quality liquid assets	90,871
Denominator: net cash outflows	52,433
Liquidity coverage ratio (%)	173

The new CECL model under US GAAP became effective for Credit Suisse as of January 1, 2020.

1 The fully loaded US GAAP CECL accounting model excludes the transitional relief of recognizing CECL allowances and provisions in CET1 capital, in accordance with FINMA Circular 2013/1, "Eligible capital – banks".

2 Calculated as 8% of Swiss risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.

3 CET1 buffer requirements are based on BIS requirements as a percentage of Swiss risk-weighted assets.

4 Reflects the Swiss CET1 capital ratio of 12.4%, less the BIS CET1 ratio minimum requirement of 4.5%.

5 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, after adjusting for the dividend paid in 2Q20 and the planned dividend payment in 4Q20, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

6 Calculated using a three-month average, which is calculated on a daily basis.

Total assets

end of	2Q20
Total assets (CHF million)	584,110

In accordance with Swiss law. Refer to “Note 2 – Accounting and valuation principles” in IX – Parent company financial statements – Credit Suisse (Bank) in the Credit Suisse Annual Report 2019 for further information.

Credit Suisse (Schweiz) AG – consolidated

Swiss capital requirements and metrics

end of 2Q20	CHF million	in % of RWA
Swiss risk-weighted assets		
Swiss risk-weighted assets	94,307	–
Risk-based capital requirements (going-concern) based on Swiss capital ratios		
Total	13,492	14.307
of which CET1: minimum	4,244	4.5
of which CET1: buffer	5,187	5.5
of which CET1: countercyclical buffer	6	0.007
of which additional tier 1: minimum	3,301	3.5
of which additional tier 1: buffer	754	0.8
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [1]	16,175	17.2
of which CET1 capital [2]	13,050	13.8
of which additional tier 1 high-trigger capital instruments	3,124	3.3
Risk-based requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total [3]	8,361	8.866
Eligible additional total loss-absorbing capacity (gone-concern)		
Total	10,202	10.8
of which bail-in debt instruments	10,200	10.8
of which provision excess	2	0.0

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

2 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

3 In November 2019, the Swiss Federal Council adopted amendments to the Capital Adequacy Ordinance. The amendments included a revision to the gone-concern requirement of Credit Suisse (Schweiz) AG – consolidated, decreasing the gone-concern requirement to 62% of the going-concern requirement according to size and market share, effective as of January 1, 2020.

Swiss leverage requirements and metrics

end of 2Q20	CHF million	in % of LRD
Leverage exposure for going concern		
Leverage ratio denominator	229,171 [1]	–
Unweighted capital requirements (going-concern) based on Swiss leverage ratios		
Total	11,459	5.0
of which CET1: minimum	3,438	1.5
of which CET1: buffer	4,583	2.0
of which additional tier 1: minimum	3,438	1.5
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [2]	16,175	7.1 [3]
of which CET1 capital [4]	13,050	5.7
of which additional tier 1 high-trigger capital instruments	3,124	1.4
Leverage exposure for gone concern		
Leverage ratio denominator	284,850	–
Unweighted requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total [5]	8,830	3.1
Eligible additional total loss-absorbing capacity (gone-concern)		
Total	10,202	3.6
of which bail-in debt instruments	10,200	3.6
of which provision excess	2	0.0

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

2 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

3 The going concern ratio would be 5.7%, if calculated using a leverage exposure of CHF 284,850 million without the temporary exclusion of central bank deposits in all currencies from the leverage exposure, of CHF 55,679 million.

4 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

5 In November 2019, the Swiss Federal Council adopted amendments to the Capital Adequacy Ordinance. The amendments included a revision to the gone-concern requirement of Credit Suisse (Schweiz) AG – consolidated, decreasing the gone-concern requirement to 62% of the going-concern requirement according to size and market share, effective as of January 1, 2020.

Key prudential metrics

Credit Suisse (Schweiz) AG – consolidated is a Swiss systemically important financial institution. Refer to "Swiss capital requirements and metrics" and "Swiss leverage requirements and metrics" tables for the Swiss systemically important financial institution view.

KM1 – Key metrics

end of	2Q20
Capital (CHF million)	
Swiss CET1 capital	13,050
Fully loaded CECL accounting model Swiss CET1 capital [1]	13,044
Swiss tier 1 capital	16,175
Fully loaded CECL accounting model Swiss tier 1 capital [1]	16,169
Swiss total eligible capital	16,177
Fully loaded CECL accounting model Swiss total eligible capital [1]	16,177
Minimum capital requirement (8% of Swiss risk-weighted assets) [2]	7,545
Risk-weighted assets (CHF million)	
Swiss risk-weighted assets	94,307
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
Swiss CET1 capital ratio	13.8
Fully loaded CECL accounting model Swiss CET1 capital ratio [1]	13.8
Swiss tier 1 capital ratio	17.2
Fully loaded CECL accounting model Swiss tier 1 capital ratio [1]	17.1
Swiss total capital ratio	17.2
Fully loaded CECL accounting model Swiss total eligible capital ratio [1]	17.2
BIS CET1 buffer requirements (%) [3]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.007
Progressive buffer for G-SIB and/or D-SIB	1.0
Total BIS CET1 buffer requirement	3.507
CET1 capital ratio available after meeting the bank's minimum capital requirements [4]	9.2
Basel III leverage ratio (CHF million)	
Leverage exposure [5]	229,171
Basel III leverage ratio (%)	7.1
Fully loaded CECL accounting model Basel III leverage ratio (%) [1]	7.1
Liquidity coverage ratio (CHF million) [6]	
Numerator: total high-quality liquid assets	66,749
Denominator: net cash outflows	48,183
Liquidity coverage ratio (%)	139

The new CECL model under US GAAP became effective for Credit Suisse as of January 1, 2020.

1 The fully loaded US GAAP CECL accounting model excludes the transitional relief of recognizing CECL allowances and provisions in CET1 capital, in accordance with FINMA Circular 2013/1, "Eligible capital – banks".

2 Calculated as 8% of Swiss risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.

3 CET1 buffer requirements are based on BIS requirements as a percentage of Swiss risk-weighted assets.

4 Reflects the Swiss CET1 capital ratio of 13.8%, less the BIS CET1 ratio minimum requirement of 4.5% and less the BIS additional tier 1 minimum requirement of 0.185% that is covered by CET1 capital.

5 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

6 Calculated using a three-month average, which is calculated on a daily basis.

Credit Suisse (Schweiz) AG – parent company

Swiss capital requirements and metrics

end of 2Q20	CHF million	in % of RWA
Swiss risk-weighted assets		
Swiss risk-weighted assets	88,201	–
Risk-based capital requirements (going-concern) based on Swiss capital ratios		
Total	12,620	14.308
of which CET1: minimum	3,969	4.5
of which CET1: buffer	4,851	5.5
of which CET1: countercyclical buffer	7	0.008
of which additional tier 1: minimum	3,087	3.5
of which additional tier 1: buffer	706	0.8
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [1]	14,691	16.7
of which CET1 capital [2]	11,568	13.1
of which additional tier 1 high-trigger capital instruments	3,123	3.5
Risk-based requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total [3]	7,820	8.866
Eligible additional total loss-absorbing capacity (gone-concern)		
Total	10,202	11.6
of which bail-in debt instruments	10,200	11.6
of which provision excess	2	0.0

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

2 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

3 In November 2019, the Swiss Federal Council adopted amendments to the Capital Adequacy Ordinance. The amendments included a revision to the gone-concern requirement of Credit Suisse (Schweiz) AG – parent company, decreasing the gone-concern requirement to 62% of the going-concern requirement according to size and market share, effective as of January 1, 2020.

Swiss leverage requirements and metrics

end of 2Q20	CHF million	in % of LRD
Leverage exposure for going concern		
Leverage ratio denominator	210,785 [1]	–
Unweighted capital requirements (going-concern) based on Swiss leverage ratios		
Total	10,539	5.0
of which CET1: minimum	3,162	1.5
of which CET1: buffer	4,216	2.0
of which additional tier 1: minimum	3,162	1.5
Swiss eligible capital (going-concern)		
Swiss CET1 capital and additional tier 1 capital [2]	14,691	7.0 [3]
of which CET1 capital [4]	11,568	5.5
of which additional tier 1 high-trigger capital instruments	3,123	1.5
Leverage exposure for gone concern		
Leverage ratio denominator	262,556	–
Unweighted requirement for additional total loss-absorbing capacity (gone-concern) based on Swiss capital ratios		
Total [5]	8,139	3.1
Eligible additional total loss-absorbing capacity (gone-concern)		
Total	10,202	3.9
of which bail-in debt instruments	10,200	3.9
of which provision excess	2	0.0

The Swiss capital requirements have been fully phased in as of January 1, 2020. Rounding differences may occur.

1 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

2 Excludes tier 1 capital, which is used to fulfill gone-concern requirements.

3 The going concern ratio would be 5.6%, if calculated using a leverage exposure of CHF 262,556 million without the temporary exclusion of central bank deposits in all currencies from the leverage exposure, of CHF 51,771 million.

4 Excludes CET1 capital, which is used to fulfill gone-concern requirements.

5 In November 2019, the Swiss Federal Council adopted amendments to the Capital Adequacy Ordinance. The amendments included a revision to the gone-concern requirement of Credit Suisse (Schweiz) AG – parent company, decreasing the gone-concern requirement to 62% of the going-concern requirement according to size and market share, effective as of January 1, 2020.

Key prudential metrics

Credit Suisse (Schweiz) AG – parent company is a Swiss systemically important financial institution. Refer to "Swiss capital requirements and metrics" and "Swiss leverage requirements and metrics" tables for the Swiss systemically important financial institution view.

KM1 – Key metrics

end of	**2Q20**
Capital (CHF million)	
Swiss CET1 capital	11,568
Fully loaded CECL accounting model Swiss CET1 capital [1]	11,563
Swiss tier 1 capital	14,691
Fully loaded CECL accounting model Swiss tier 1 capital [1]	14,686
Swiss total eligible capital	14,694
Fully loaded CECL accounting model Swiss total eligible capital [1]	14,694
Minimum capital requirement (8% of Swiss risk-weighted assets) [2]	7,056
Risk-weighted assets (CHF million)	
Swiss risk-weighted assets	88,201
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
Swiss CET1 capital ratio	13.1
Fully loaded CECL accounting model Swiss CET1 capital ratio [1]	13.1
Swiss tier 1 capital ratio	16.7
Fully loaded CECL accounting model Swiss tier 1 capital ratio [1]	16.7
Swiss total capital ratio	16.7
Fully loaded CECL accounting model Swiss total eligible capital ratio [1]	16.7
BIS CET1 buffer requirements (%) [3]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.008
Progressive buffer for G-SIB and/or D-SIB	1.0
Total BIS CET1 buffer requirement	3.508
CET1 capital ratio available after meeting the bank's minimum capital requirements [4]	8.6
Basel III leverage ratio (CHF million)	
Leverage exposure [5]	210,785
Basel III leverage ratio (%)	7.0
Fully loaded CECL accounting model Basel III leverage ratio (%) [1]	7.0
Liquidity coverage ratio (CHF million) [6]	
Numerator: total high-quality liquid assets	62,919
Denominator: net cash outflows	45,560
Liquidity coverage ratio (%)	138

The new CECL model under US GAAP became effective for Credit Suisse as of January 1, 2020.

1 The fully loaded US GAAP CECL accounting model excludes the transitional relief of recognizing CECL allowances and provisions in CET1 capital, in accordance with FINMA Circular 2013/1, "Eligible capital – banks".

2 Calculated as 8% of Swiss risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.

3 CET1 buffer requirements are based on BIS requirements as a percentage of Swiss risk-weighted assets.

4 Reflects the Swiss CET1 capital ratio of 13.1%, less the BIS CET1 ratio minimum requirement of 4.5%.

5 Reflects the temporary exclusion of central bank deposits in all currencies from the leverage exposure, in accordance with FINMA Guidance 02/2020, 03/2020 and 06/2020.

6 Calculated using a three-month average, which is calculated on a daily basis.

Guarantee under covered bond program of Credit Suisse AG

Credit Suisse (Schweiz) AG – parent company held assets at a carrying value of CHF 4,733 million as of June 30, 2020, which are pledged under the covered bonds program of Credit Suisse AG and for which the related liabilities of CHF 3,335 million as of June 30, 2020 are reported by Credit Suisse AG.

Credit Suisse International

Key prudential metrics

The FINMA requires banks with capital adequacy requirements for credit risk of more than CHF 4 billion and significant international activities to publish regulatory data on a quarterly basis. In the case of foreign subsidiaries, figures calculated according to local rules may be used.

The following table presents Credit Suisse International's minimum disclosure requirement for large banks prepared in accordance with Prudential Regulatory Authority regulations for non-systemically important financial institutions. Credit Suisse International, a UK entity, is presented on a stand-alone basis.

KM1 – Key metrics

end of	2Q20
Capital (USD million)	
CET1 capital	20,328
Tier 1 capital	20,328
Total eligible capital	20,356
Minimum capital requirement (8% of risk-weighted assets) [1]	7,652
Risk-weighted assets (USD million)	
Total risk-weighted assets	95,656
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
CET1 capital ratio	21.3
Tier 1 capital ratio	21.3
Total capital ratio	21.3
BIS CET1 buffer requirements (%) [2]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.012
Total BIS CET1 buffer requirement	2.512
CET1 capital ratio available after meeting the bank's minimum capital requirements [3]	16.8
Basel III leverage ratio (USD million)	
Leverage exposure	190,496
Basel III leverage ratio (%)	10.7
Liquidity coverage ratio (USD million) [4]	
Numerator: total high-quality liquid assets	16,801
Denominator: net cash outflows	11,093
Liquidity coverage ratio (%)	152

1 Calculated as 8% of risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.
2 CET1 buffer requirements are based on BIS requirements as a percentage of risk-weighted assets.
3 Reflects the CET1 capital ratio of 21.3%, less the BIS CET1 ratio minimum requirement of 4.5%.
4 Calculated using a three-month average.

Total loss absorbing capital

The following table presents information regarding creditors' rankings of the liabilities structure of the resolution entity of Credit Suisse International.

TLAC2 – Material subgroup entity – Creditor ranking at legal entity level

end of 2Q20	Creditor ranking Shareholders' equity	Subordinated debt instruments Tier 2	Bail-in debt instruments and pari passu liabilities	Total
USD million				
Total capital and liabilities net of credit risk mitigation	11,366	4	4,640	16,010
Total capital and liabilities less excluded liabilities	11,366	4	4,640	16,010
of which potentially eligible as TLAC [1]	11,366	4	4,640	16,010
of which residual maturity between 2 to 5 years	–	–	3,881	3,881
of which residual maturity between 5 to 10 years	–	1	759	760
of which residual maturity greater than 10 years, excluding perpetual securities	–	2	–	2
of which perpetual securities	11,366	1	–	11,367

Amounts are prepared in accordance with IFRS.

1 Bail-in instruments include accrued interest.

Credit Suisse Securities (Europe) Ltd.

Total loss absorbing capital

The following table presents information regarding creditors' rankings of the liabilities structure of the resolution entity of Credit Suisse Securities (Europe) Ltd.

TLAC2 – Material subgroup entity – Creditor ranking at legal entity level

	Creditor ranking		
end of 2Q20	Shareholders' equity	Subordinated debt instruments Tier 2	**Total**
USD million			
Total capital and liabilities net of credit risk mitigation	3,859	1,250	5,109
Total capital and liabilities less excluded liabilities	3,859	1,250	5,109
of which potentially eligible as TLAC	3,859	1,250	5,109
of which residual maturity between 5 to 10 years	–	1,250	1,250
of which perpetual securities	3,859	–	3,859

Amounts are prepared in accordance with IFRS.

Credit Suisse Holdings (USA)

Key prudential metrics

The FINMA requires banks with capital adequacy requirements for credit risk of more than CHF 4 billion and significant international activities to publish regulatory data on a quarterly basis. In the case of foreign subsidiaries, figures calculated according to local rules may be used.

The following table presents Credit Suisse Holdings (USA)'s minimum disclosure requirement for large banks prepared in accordance with Federal Reserve Board regulations for non-systemically important financial institutions.

KM1 – Key metrics

end of	2Q20
Capital (USD million)	
CET1 capital	16,882
Tier 1 capital	17,371
Total eligible capital	17,472
Minimum capital requirement (8% of risk-weighted assets) [1]	6,328
Risk-weighted assets (USD million)	
Total risk-weighted assets	79,096
Risk-based capital ratios as a percentage of risk-weighted assets (%)	
CET1 capital ratio	21.3
Tier 1 capital ratio	22.0
Total capital ratio	22.1
BIS CET1 buffer requirements (%) [2]	
Capital conservation buffer	2.5
Extended countercyclical buffer	0.002
Total BIS CET1 buffer requirement	2.502
CET1 capital ratio available after meeting the bank's minimum capital requirements [3]	16.8
Basel III leverage ratio (USD million)	
Leverage exposure [4]	123,912
Basel III leverage ratio (%)	14.0
Supplementary leverage exposure	138,011
Supplementary leverage ratio based on tier 1 capital (%) [5]	12.6

1 Calculated as 8% of risk-weighted assets, based on total capital minimum requirements, excluding the BIS CET1 buffer requirements.
2 CET1 buffer requirements are based on BIS requirements as a percentage of risk-weighted assets.
3 Reflects the CET1 capital ratio of 21.3%, less the BIS CET1 ratio minimum requirement of 4.5%.
4 In line with local requirements, calculated using balance sheet exposure.
5 In line with local requirements, calculated using balance sheet and off-balance sheet exposures, which is comparable to the BCBS leverage exposure definition as used elsewhere in this document.

Total loss absorbing capital

The following table presents information regarding creditors' rankings of the liabilities structure of the resolution entity of Credit Suisse Holdings (USA).

TLAC2 – Material subgroup entity – Creditor ranking at legal entity level

	Creditor ranking			
end of 2Q20	Shareholders' equity	Additional tier 1	Bail-in debt instruments	**Total**
USD million				
Total capital and liabilities net of credit risk mitigation	23,223	550	6,000	29,773
Total capital and liabilities less excluded liabilities	23,223	550	6,000	29,773
of which potentially eligible as TLAC	23,223	550	6,000	29,773
of which residual maturity between 2 to 5 years	–	–	5,000	5,000
of which residual maturity between 5 to 10 years	–	–	1,000	1,000
of which perpetual securities	23,223	550	–	23,773

Credit Suisse has committed internal loss-absorbing capacity to its US subsidiaries through its US intermediate holding company, Credit Suisse Holdings (USA), Inc. Credit Suisse has disclosed all creditors at risk of loss in the event the Board of Governors of the Federal Reserve System issues an internal debt conversion order, converting some or all of Credit Suisse Holdings (USA), Inc.'s eligible internal debt securities into CET1 capital. Consistent with Principle (xi) and Section 20 of the Financial Stability Board's Principles on Loss-absorbing and Recapitalization Capacity of G-SIBs in Resolution Total Loss-absorbing Capacity (TLAC) Term Sheet, November 9, 2015, Credit Suisse considers that this method of disclosure provides as much clarity as possible ex ante about how losses would be absorbed in the event of Credit Suisse Holdings (USA), Inc.'s resolution by disclosing liabilities ranking pari passu or junior to internal TLAC instruments in resolution.

Liquidity coverage ratio – Credit Suisse Holdings (USA)

The Federal Reserve Board currently does not require foreign banking organizations that have created an intermediate holding company to disclose a liquidity coverage ratio.

List of abbreviations

B	
BCBS	Basel Committee on Banking Supervision
BIS	Bank for International Settlements
C	
CAO	Capital Adequacy Ordinance
CECL	Current expected credit loss
CET1	Common equity tier 1
D	
D-SIB	Domestic systemically important bank
F	
FINMA	Swiss Financial Market Supervisory Authority FINMA
G	
G-SIB	Global systemically important bank
I	
IFRS	International financial reporting standards
L	
LRD	Leverage ratio denominator
R	
RWA	Risk-weighted assets
T	
TLAC	Total loss-absorbing capacity
U	
US GAAP	US generally accepted accounting principles

Cautionary statement regarding forward-looking information

This document contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- our plans, targets or goals;
- our future economic performance or prospects;
- the potential effect on our future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels, including the persistence of a low or negative interest rate environment;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular the risk of negative impacts of COVID-19 on the global economy and financial markets and the risk of continued slow economic recovery or downturn in the EU, the US or other developed countries or in emerging markets in 2020 and beyond;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact on our business;
- potential risks and uncertainties relating to the severity of impacts from COVID-19 and the duration of the pandemic, including potential material adverse effects on our business, financial condition and results of operations;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of us, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic goals, including those related to our targets, ambitions and financial goals;
- the ability of counterparties to meet their obligations to us and the adequacy of our allowance for credit losses;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations;
- political, social and environmental developments, including war, civil unrest or terrorist activity and climate change;
- the ability to appropriately address social, environmental and sustainability concerns that may arise from our business activities;
- the effects of, and the uncertainty arising from, the UK's withdrawal from the EU;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- the risk of cyber attacks, information or security breaches or technology failures on our business or operations;
- the adverse resolution of litigation, regulatory proceedings and other contingencies;
- actions taken by regulators with respect to our business and practices and possible resulting changes to our business organization, practices and policies in countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which we conduct our operations;
- the expected discontinuation of LIBOR and other interbank offered rates and the transition to alternative reference rates;
- the potential effects of changes in our legal entity structure;
- competition or changes in our competitive position in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes instituted by us, our counterparties or competitors;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; and
- other unforeseen or unexpected events and our success at managing these and the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, including the information set forth in "Risk factors" in *I – Information on the company* in our Annual Report 2019 and in "Risk factor" in *I – Credit Suisse* in our 1Q20 Financial Report.

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