

Capital adequacy and liquidity disclosure requirements in accordance with FINMA Circular 2016/1

(in CHF 1,000)

KM1: Key regulatory figures

	31.12.2018	31.12.2017
Eligible capital		
Common Equity Tier 1 (CET 1)	66,312	65,838
Tier 1 capital (Tier 1)	66,312	65,838
Total capital	66,312	65,838
Risk-weighted assets (RWA)		
RWA	296,167	305,511
Required capital	23,693	24,441
Ratio of risk-based capital (in % of RWA)		
Ratio CET1	22.39%	21.55%
Tier 1 capital ratio	22.39%	21.55%
Total capital ratio	22.39%	21.55%
Requirements for CET1 buffer (in % of RWA)		
Capital buffer on the basis of Basel framework	1.875%	1.250%
Countercyclical buffer on the basis of Basel framework	0.032%	0.031%
Supplemental capital buffer in consideration of systemic international and national risks	-	-
Total capital buffer on the basis of CET1 Basel framework	1.907%	1.281%
CET1 available to meet minimum and buffer requirements, after deduction of the AT1 and T2 requirements met by CET1	14.39%	13.55%
Minimum required capital on the basis of Annex 8 CAO (in % of RWA)		
Capital buffer on the basis of Annex 8 CAO	2.50%	2.50%
Countercyclical buffer (art. 44 and 44a CAO)	0.032%	0.031%
Target CET1 rate on the basis of Annex 8 (CAO) plus the countercyclical buffer on the basis of art. 44 and 44a CAO	7.03%	7.03%
Target T1 rate on the basis of Annex 8 (CAO) plus the countercyclical buffer on the basis of art. 44 and 44a CAO	8.53%	8.50%
Target total capital on the basis of Annex 8 (CAO) plus the countercyclical buffer on the basis of art. 44 and 44a CAO	10.53%	10.53%
Leverage ratio Basel III		
Financial leverage	521,053	543,225
Basel III financial leverage (common equity as a % of total exposure)	12.73%	12.12%

	Weighted values (monthly averages) 1st quarter 2018	Weighted values (monthly averages) 2nd quarter 2018	Weighted values (monthly averages) 3rd quarter 2018	Weighted values (monthly averages) 4th quarter 2018	Weighted values (monthly averages) 4th quarter 2017
Liquidity coverage ratio (LCR)					
LCR numerator:					
total of high quality assets	51,376	53,244	49,849	47,755	40,455
LCR denominator:					
total net cash outflows	48,674	44,625	37,085	36,135	32,949
Liquidity coverage ratio (LCR)	105.55%	119.31%	134.42%	132.16%	122.78%

OV1: Overview of risk-weighted assets

	31.12.2018 RWA	31.12.2017 RWA	31.12.2018 Required capital
Credit risk (standardised international approach)	215,831	229,194	17,267
Market risk (standardised approach for currency and precious metals risks and de minimis approach for the Bank's portfolio)	21,745	13,657	1,740
Operational risks (basic indicator approach)	45,869	50,475	3,670
"Amounts below the thresholds for deduction (subject to 250% risk weight)"	-	-	-
Total	283,445	293,326	22,677

LIQA: Liquidity risk management

The management of liquidity risk is described in point two of the notes to the annual financial statements.

CR1: Credit risk – credit quality of assets

	a	31.12.18		d
	Gross carrying values of Defaulted exposures	b Gross carrying values of Non-defaulted exposures	c Valuation adjustments / impairments	Net values (a+b-c)
Loans (excluding debt securities)	225	474,230	225	474,230
Debt securities	-	30,701	-	30,701
Off-balance-sheet exposures	-	8,641	-	8,641
Total	225	513,572	225	513,572

CR3: Overview of credit risk mitigation techniques

	a	c	e & g
	Exposures unsecured / carrying values	Exposures secured by collateral: secured amount	Exposures secured by financial guarantees or credit derivatives: secured amount
Loans (including debt securities)	¹⁾ 322,116	182,815	-
Off-balance-sheet exposures	6,856	1,785	-
Total	328,972	184,600	-
<i>of which in default</i>	-	-	-

ORA: Rischi operativi - indicazioni generali

The strategies, procedures and organisation relating to the management of operational risks are described in section 2 of the notes to the annual financial statements.

IRRBBA, IRRBBA1, IRRBB1: Interest rate risk

The tables on interest rate risk will be published with data as of 30 June 2019 as stipulated in Annex 1 of Circular 2016/1.

1) Unsecured positions also include in particular liquidity, loans to banks and securities in the Bank's portfolio.