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FINANCIAL SERVICES

Circular 2008/22 Capital adequacy disclosure – Banks

Disclosure obligations regarding capital adequacy and liquidity in the banking sector

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Circular 2008/22 Capital adequacy disclosure – Banks

Disclosure obligations regarding capital adequacy and liquidity in the banking sector

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Appendix 1:	Guidelines
Appendix 2:	**Tables and Model Tables**
Appendix 3:	Template of annual presentation of alleviations at level of stand-alone institute

Addressees

BA			ISA			SESTA		CISA									AMLA			OTHER	
Banks	Financial groups and congl.	Other intermediaries	Insurance companies	Ins. groups and congl.	Distributors	Stock Exchanges and participants	Securities dealers	Fund management companies	SICAV	Limited partnerships for CIS	SICAF	Custodian banks	Asset managers for CIS	Distributors	Representatives of foreign CIS	Other intermediaries	SROs	DSFIs	SRO-supervised entities	Audit firms	Rating Agencies
X	X						X														

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I. Topic

The present circular defines in more detail art. 16 of the Capital Adequacy Ordinance (CAO; SR 952.03) and art. 17e of the Liquidity Ordinance (LiqO; SR 952.06) and sets out which banks and securities dealers (hereinafter referred to as "banks") are subject to disclosure requirements and to what extent. This circular takes into account information already published by banks in their annual and semi-annual reports. 1*

It is based on Basel Committee recommendations in regard to capital (Pillar 3 – Market discipline), on the document "Composition of capital disclosure requirements" published in June 2012, on the document "Basel leverage ratio framework requirement" from January 2014 as well as the "Liquidity coverage ratio disclosure standards" of January 2014. 1.1*

II. Scope of application

This circular applies to all banks and securities dealers which are incorporated in Switzerland, with the exception of private banks that do not publicly solicit client deposits (art. 6a para. 3 BA and art. 16 para. 2 CAO). However, securities dealers are exempt from having to make disclosures related to liquidity (see margin nos. 7.3, 36.3-36.11 and 46.2-46.5). 2*

When calculating capital adequacy and liquidity requirements on the level of a finance group or conglomerate, the disclosure duties are only to be applied on a consolidated basis ("consolidation discount"). The consolidation discount applies both to the parent company and to its subsidiaries, under reservation of the special provisions of margin nos. 56–59. 3*

Securities dealers are not subject to the disclosure requirements for liquidity; the requirements are only applicable to the LCR as per art. 14 para. 2 lit. a LiqO (all of the positions in all currencies, if necessary, converted to Swiss francs). 3.1*

The disclosure duties do not apply to the individual members of a central organization which, pursuant to art. 10 para. 1 CAO, the FINMA has exempted from meeting capital adequacy requirements on a stand-alone basis. The disclosure duties are to be met by the central organization at a consolidated level. 4

Foreign-controlled banks are exempt from disclosure if comparable information is published abroad at group level. 5

The scope of consolidation corresponds to the one applied in the consolidated calculation of required and eligible capital resources (art. 7 CAO). 6

III. Exemptions from disclosure duties

Banks which meet all requirements made in margin nos. 8-13 only need to disclose the following information: 7

In regard to capital requirements: 7.1*

The amount of eligible capital (margin no. 38), broken down into Common Equity Tier 1, Additional Tier 1 Capital, Tier 2 Capital as well as the amount for minimum capital (margin no. 39) broken down into requirements for credit risk, non-counterparty-related risks, market risk and operational risk (partial disclosure). Moreover, banks must disclose the capital ratio according to lines 61-68f of Table 1b, "Presentation of eligible regulatory capital" in Appendix 2:

In regard to the leverage ratio: 7.2*
The numerator (Tier 1 capital), the denominator (exposure measure) and the relevant leverage ratio.

In regard to LCR: 7.3*
The LCR amount (Appendix 2, Table 12, position 23) broken down into numerator (high-quality liquid assets [HQLA], Appendix 2, Table 12, position 21) and numerator (net cash outflow, Appendix 2, Table 12, position 22).

Conditions for exceptions: 7.4*
- The minimum capital required for credit risk is less than CHF 200 million (calculated according to margin no. 13) 8
- The SA-BIS approach is used to calculate the capital adequacy requirements for credit risk (as per art. 50 para. 1 CAO).[1] 9
- The basic indicator approach or the standardized approach is used to calculate capital adequacy requirements for operational risk (as per art. 92 or 93 CAO) 10
- Securitization transactions as per FINMA circ. 08/19 "Credit Risk – Banks" are not used. 11

The approach selected to calculate capital adequacy requirements for market risks is not a determining factor. 12

The threshold value of CHF 200 million applies to individual institutions if publication is on a stand-alone basis, or to group level if publication is on a consolidated basis. The minimum capital required for credit risk is calculated as the average of the corresponding data disclosed in the capital adequacy statements for the previous four six-month periods preceding the balance sheet date. In the event of changes in stand-alone statements (takeovers or spin-offs) or as a result of changes in the scope of consolidation (purchases or disposals), the corresponding figures for the four previous six-month periods are to be adjusted accordingly when calculating the average value. 13

Other banks which do not meet the conditions of margin nos. 8-11 for partial disclosure are subject to full disclosure ("full disclosure"), taking into account the activities they engage in and their significance. 14

IV. Approval

The governing body for overall management, supervision and control is to approve the disclosures required by this circular. 15

V. Disclosure of qualitative Information

In accordance with margin nos. 17-36, qualitative information must be prepared or adjusted, taking into account the activities performed and their significance at the time of the annual financial statements. 16

[1] Or the SA-CH approach during the transition period up to and including 31 December 2018, pursuant to art. 137 CAO.

A. EQUITY INTERESTS AND SCOPE OF CONSOLIDATION

Banks must:

- describe the consolidated group relevant for the calculation of capital requirements, also indicating significant discrepancies between it and the consolidated group according to the accounting standards; 17*
- indicate the relevant group companies part of the consolidated group according to accounting standards but not as per regulatory requirements, and vice-versa. In addition, they must provide the total assets and capital, and describe its main business activities. 17.1*
- indicate the material group companies which are fully consolidated or consolidated proportionally. Any discrepancies between the accounting consolidation and the regulatory consolidation must be described and substantiated; 18*
- indicate material equity interests which have not been consolidated either in full or in proportion by name, indicating the capital treatment applied (i.e. deduction or weighting); 19*
- significant changes in the scope of consolidation compared to the previous year; 20
- any restrictions preventing the transfer of funds or capital within the group. 21*

B. ELIGIBLE AND REQUIRED CAPITAL

The following must be described:

- where relevant, consideration given to group companies in the insurance sector (excluding information on captives, see art. 12 CAO); 22
- the most important characteristics of regulatory-capital instruments issued which may be included. For this, banks must use Table 9 (Appendix 2). This table must be made available on the bank's webpage and must be adjusted whenever a change has occurred (i.e. redemption, buybacks, conversion, new issue, etc.). The amount eligible to be included in the regulatory capital (Table 9, section 8) is adjusted at the level of stand-alone institutes as at the end of the last quarter, and at the level of the entire group as at the end of the last semester. Integrating this information in the periodical disclosures is optional. 23*
- Moreover, the bank must provide a detailed description of the conditions and provisions of each instrument on its website (Basel III §91 and 92). Again, integrating this information in the periodical disclosure is optional. 23.1*

C. CREDIT RISK

The following must be described:

- the strategy, processes and organization employed to manage credit risks and counterparty risks and the reporting system in place; 24
- risk practices and practices in relation to collateral (if applicable: including the main types of credit derivatives and guarantees used as collateral). 25

The following must be specified:

- the rating and export insurance agencies consulted, along with reasons for changes; 26
- abolished 27*
- the general approach and subsidiary approaches used to calculate capital requirements. 28

D. MARKET RISKS

The following must be described:

- the strategy, processes and organization employed for managing risks in the trading book; 29
- the strategy, processes and organization employed for managing risks in the banking book; 30
- the general measurement and reporting processes; 31
- the most important assumptions used to determine interest rate risk (clearly showing the treatment of sight and callable deposits); 32
- the practice applied to hedging or mitigating interest rate risks. 33

The approach used to calculate capital requirements should be specified. 34*

E. OPERATIONAL RISKS

The strategy, processes and organization employed for managing operational risks should be described. 35

The approach used to calculate capital requirements should be specified. 36*

F. LEVERAGE RATIO

The bank must explain the difference between the balance sheet total in its published financial statements (after deducting derivatives and assets used for securities financing transactions) and the detailed presentation of sum of balance sheet items disclosed in line 1 in Table 11b of Appendix 2. 36.1*

Moreover, it must explain any significant changes in its leverage ratio. 36.2*

G. LIQUIDITY COVERAGE RATIO (LCR)

A systemically relevant bank must explain the quantitative aspects of its LCR. A non-systemically relevant bank must explain its quantitative indicators (see Table 12 of Appendix 2) to facilitate their understanding. 36.3*
The following indications should be included:

- On significant influences on LCR results and on the development of values of HQLA and/or cash inflows/outflows over time flowing into the LCR calculation; 36.4*
- On the significant changes within the reporting period and the changes in relation to the last quarters; 36.5*
- Composition of high quality liquid assets (HQLA); 36.6*
- The concentration of financing sources; 36.7*
- On derivative positions and possible requirements for collateral; 36.8*
- On the currency mismatches in the LCR; 36.9*
- On the degree of centralization of the bank's liquidity management (centralized vs. decentralized treasury functions) and on the coordination of liquidity management between the group's business areas; and 36.10*
- On other cash inflows/outflows which have an influence on the LCR's level which is not discernible from looking at Table 12 if the bank finds this information relevant for its estimation of its liquidity risk profile. 36.11*

VI. Disclosure of quantitative information

In terms of content, quantitative information should be disclosed in accordance with margin nos. 38-46, taking into account the nature and significance of the bank's business activities. The tables can be used as examples in terms of layout and design. However, banks may choose other forms of presentation, e.g. by adding or adjusting the tables in their annual financial statements. 37

A. ELIGIBLE AND REQUIRED CAPITAL

The following must be specified:

- the composition of the eligible regulatory capital according to Tables 1a and 1b (Appendix 2); 38*
- required capital pursuant to Table 2 (Appendix 2); 39*

B. CREDIT RISK

The following must be specified:

- credit risk / breakdown by counterparty or sector pursuant to Table 3 (Appendix 2); 40
- credit risks and credit risk mitigation pursuant to Table 4 (Appendix 2); 41
- segmentation of credit risks pursuant to Table 5 (Appendix 2); 42
- the geographical credit risk pursuant to Table 6 (Appendix 2) if the risk-weighted client loans abroad (based on the domicile principle) account for more than 15 % of all risk-weighted client loans; 43
- doubtful client loans pursuant to geographical areas in accordance with Table 7 (Appendix 2) if risk-weighted, doubtful client loans abroad (based on the domicile principle) account for more than 15 % of all risk-weighted, doubtful client loans; 44
- the credit derivatives transactions in the banking book pursuant to Table 8 (Appendix 2); 45
- the volume of risk-weighted positions when using external ratings as listed in Table 10 (Appendix 2). 45.1*

C. INTEREST RATE RISK IN THE BANKING BOOK

The bank must provide figures on the effect on assets and income in case of an interest-rate shock. 46

D. LEVERAGE RATIO

The bank must provide information on its leverage ratio pursuant to Tables 11a and 11b (Appendix 2). 46.1*

E. LIQUIDITY COVERAGE RATIO (LCR)

The bank must provide information on its leverage coverage ratio pursuant to Table 12 (Appendix 2). 46.2*

Banks which are not systemically relevant must provide all of the information in this table as a simple monthly average of the quarterly reporting. The average is calculated using the amounts disclosed in the monthly liquidity statement. 46.3*

Up to 31 December 2016, systemically relevant banks may also use simple monthly averages pursuant to margin no. 46.3. As of 1 January 2017, all of the values in this table must be disclosed as a simple average of daily values of all working days of the reporting quarter. The bank can choose a risk-based approach when defining which components are to be updated on a daily basis and which on a weekly basis, where it considers not only the volatility but also the materiality of the items in question. The audit firm must test the adequacy of this risk-based approach. 46.4*

The bank must indicate the number of data points used to calculate the averages in the table. 46.5*

The following applies to the disclosure of the LCR: Banks reporting semi-annually must disclose the averages of the last two quarters, banks reporting annually must disclose the average for each of the last four quarters. 46.6*

VII. Use of institution-specific calculation approaches

Banks which use bank-specific calculation approaches, i.e. the internal ratings-based approach to calculate capital adequacy requirements for credit risks (IRB; art. 77 CAO), the model-based approach to calculate capital adequacy requirements for market risks (art. 88 CAO), the institution-specific approach to calculate capital adequacy requirements for operational risks (AMA; art. 94 CAO) or securitization transactions as per FINMA circ. 08/19 "Credit Risk – Banks", must fully comply with the additional disclosure duties required by the Basel Minimum Standards applicable to each of these approaches. These are based on the current Capital Accord published by the Basel Committee on Banking Supervision including Enhancements (the Basel Minimum Standards): 47*

- "International Convergence of Capital Measurement and Capital Standards – A Revised Framework / Comprehensive Version" dated June 2006 (Basel basic text) 47.1*
- "Enhancements to the Basel II Framework" dated July 2009 (Basel Enhancements) 47.2*
- "Revisions to the Basel II Framework" dated July 2009 (Basel Market Risk Framework) 47.3*
- "Basel III: a global regulatory framework for more resilient banks and banking systems" dated December 2010 and revised in June 2011 (Basel III text). 47.3.1*

The relevant templates are to be found in Appendix 1. 47.4*

VIII. Form of Disclosure

The information to be published pursuant to this circular must be readily accessible. In particular, banks may make use of the following possibilities: 48

- publishing it online;
- publishing it in the interim and annual reports.

On request, the information to be disclosed must also be provided in printed form. 49

If the information to be published is available from a different, and likewise publicly available, source, reference may be made to that source, provided that it is readily accessible. 50

If the bank does not publish the information in its annual report as required by this circular, it must specify in this report where such information is available. 51*

Banks which benefit from the consolidation discount pursuant to margin nos. 3 and 5 must specify in a general note in their annual reports where the consolidated publication can be obtained. 52

IX. Timing and deadlines of disclosure

The qualitative and quantitative information must be disclosed at least after each year-end financial statement. 53

Banks subject to full disclosure (see margin no. 14) must make available their disclosures for the year under review as well as at least the four previous years on their website. 53.1*

They must also make available the indications listed in margin nos. 23 and 23.1.

Banks requiring an average in minimum capital of more than CHF 1 billion for credit risk (calculated according to margin no. 13) must also disclose the quantitative information after each semi-annual interim statement. 54*

The data updated after each annual statement must be published within four months of the closing of the annual accounts. The data updated after each interim financial statements must be published within two months of the closing of these interim accounts. 55

The time when the published information was prepared or amended must be clearly specified.

X. Additional requirements for large banks

Banks requiring an average in minimum capital of more than CHF 4 billion for credit risk (calculated according to margin no. 13) and significant international activities must also publish the following information on a quarterly basis: 56*

- the ratio of CET1, Tier 1 capital and the normal regulatory capital (tiers 1 and 2) of the group and the most important subsidiaries and subgroups in the country and abroad which must fulfill capital adequacy requirements. For group companies abroad, it is possible to use the numbers calculated according to the local provisions. 57*
- The associated basic information, i.e. CET1, the Tier 1 capital and the ordinary regulatory capital, as well as the minimum required capital. 58*
- The following information on the leverage ratio: The numerator (Tier 1 capital), the denominator (exposure measure) and the relevant leverage ratio. 58.1*
- the quantitative and qualitative indications in regard to LCR (see margin nos. 36.3 et seqq. and margin nos. 46.2 et seqq.). 58.2*

The information must be updated and published within two months. 59

Banks with a exposure measure exceeding the equivalent of EUR 200bn must also disclose at financial group level the main indicators stated in the document, "Globally systemically important banks: updated assessment methodology and the additional loss absorbency requirement" dated 3 July 2013. This disclosure must take place annually four months after the year-end closing. 59.0*

XI. Special duties of disclosure for systemically relevant financial groups and banks

Systemically relevant banks must also disclose the following within two months on the basis of the parallel calculations as set out in art. 124-135 CAO, both at the level of financial groups and stand-alone banks: 59.1*

- Ratios regarding common equity tier 1 capital, the conversion capital with a high trigger rate and the conversion capital with a low trigger rate in regard to the coverage of risk-weighted items. For each conversion capital composite, the bank must indicate which part is AT1 and which T2. This information is to be published on a quarterly basis. Any disclosures which happen to fall on the same date as the bank's year-end closing must be integrated into the bank's annual report. 59.2*

Moreover, the CET1 capital used to cover the progressive component must be integrated into the conversion capital ratio with a lower trigger rate and not into that of the CET1 capital.

- A reconciliation into numbers and percentages which allows an analysis whether the basic requirements of the capital buffer have been maintained. The amount of the CET1 capital used to cover the progressive component must be disclosed separately. This information is disclosed on a quarterly basis. 59.3*
- Absolute numbers in regard to unweighted capital requirements (leverage ratio). It is separated into basic requirements, capital buffers and progressive components. This information is disclosed on a quarterly basis. 59.4*
- Once a year, a complete list and qualification of alleviations granted for risk-weighted assets, the eligible capital or the exposure measure at the level of stand-alone institute (stating the materiality of these impacts and their significance, including explanations of the substantiations for each alleviation, as per art. 125 para. 5 lit. b CAO. This disclosure takes into consideration Appendix 3. It is not necessary to indicate any pro forma capital ratios, i.e. capital ratios as they would be presented without the granted alleviations. 59.5*

XII. Audit

The auditors will annually verify compliance with disclosure duties pursuant to FINMA circ. 13/3 "Audit Matters" and will provide their opinion on the regulatory audit in their audit report. 60*

Disclosure in the interim and/or annual reports is not subject to the audit prescribed by the Swiss Code of Obligations. However, if certain components of the information required by this circular are published in the annual financial statements, these will become subject to the audit prescribed by the Swiss Code of Obligations. 61

XIII. Transitional provisions

Repealed 62*

Repealed 63*

Repealed 64*

Repealed 65*

Repealed 66*

Repealed 67*

Repealed 68*

Repealed 69*

No disclosures as per margin nos. 23 and 23.1 are necessary before 1 January 2013. Disclosures according to margin no. 53.1 which relate to years prior to 1 January 2013 may be made available in their existing format. 70*

Repealed 71*

Table 1b "Presentation of eligible regulatory capital" in Appendix 2 amended on 18 September 2013 is to be used for the disclosure of data as of 31 December 2013. 72*

Margin number 45.1, inserted on 18 September 2013, will enter into force on 1 January 2014. It is to be implemented at the latest at the time the data prepared as of 31 December 2014 is disclosed. 73*

The amendments of 18 September 2013 (amended margin nos. 1.1, 2, 23, 23.1, 47.3.1, 70; newly inserted margin nos. 59.0, 72, 73, 74, repealed margin no. 27) enter into force on 1 January 2014. 74*

The amendments of Table 1a and model tables 3 and 6 in Appendix 2 made on 27 March 2014 will enter into force on 1 January 2015. 75*

The amendments of 29 October 2014 will enter into force on 1 January 2015. The following should be noted in regard to the new disclosure duties for the leverage ratio and the LCR: 76*

- For banks subject to annual disclosure duties (margin no. 53), the first time a disclosure will be required is after the annual financial statements 2015 (usually at the latest by the end of April 2016 based on the figures submitted at the end of 2015). 77*
- For banks subject to semi-annual disclosure duties (margin no. 54) the first time a disclosure will be required is after the interim financial statements 2015 (usually at the latest by the end of August 2015 based on the figures submitted at the end of June 2015). 78*
- For banks subject to quarterly disclosure duties, the fist disclosure will be based on the figures published as at end of March 2015 (as per margin nos. 58.1 and 58.2). 79*
- Financial groups and banks which are systemically relevant and which make use of the transitional provisions as per art. 148a CAO for the calculation of the exposure measure, must fulfill the following requirements: The disclosure as per margin no. 46.1 must follow the provisions on the calculation of the exposure measure stipulated in FINMA circ. 15/3 "Leverage ratio". The quantitative disclosure of the exposure measure as per margin no. 59.4 must take place based on the currently and during the transition phase applicable calculation of the exposure measure as well as on the new provisions of FINMA circ. 15/3 "Leverage ratio". 80*

Appendix 1

Guidelines

Information to be disclosed	Partial disclosure	Full disclosure	Special points for banks that use one or more institution-specific calculation approach
Qualitative information:			
equity shares and scope of consolidation			
Eligible and required capital			
Credit risks			a) Banks which use the IRB must describe the nature and extent of the relevant risk exposure for each approach. Planned changes between the standardized approach, the Foundation Internal Ratings-Based Approach (F-IRB) or the Advanced Internal Ratings-Based Approach (A-IRB) must be disclosed, specifying dates. b) Additional qualitative requirements relating to credit risk: cf. "Table 6 - Credit risk:
Market risks			Additional qualitative information: cf. Table 11 "Market risk: disclosures for banks using the internal models approach (IMA) for trading portfolios".
Operational risks			Additional qualitative information: cf. Table 12 "Operational risk".
Information on leverage ratios			
Information on liquidity requirements[1]			

[1] Securities dealers are exempted from the disclosure duties.

Appendix 1

Guidelines

Qualitative information: [2]

Eligible equity	[3]		
Required capital	[4]		Additional information to be published by banks using the IRB approach: cf.
Break-down according to counterparty or industry			
Credit risk mitigation			Model table 4 does not apply to banks using the A-IRB approach.
Segmentation of credit risks			a) Banks using the IRB must disclose information required in paragraph 826 using Table 6 "Credit risk: disclosures for portfolios subject to IRB approaches", rather than by using model table 5. b) Banks using the IRB and which use regulatory risk-weights for specialized lending, HVCRE or equities in the banking book, must also complete model table 5. This must, however, be adjusted to the requirements of Paragraph 825, Table 5 "Credit risk: disclosures for portfolios subject to the standardized approach and supervisory risk weights in the IRB approaches".
Geographic credit risk		[5]	
Doubtful client loans by countries		[6]	

2 Banks with capital adequacy requirements for credit risk of more than CHF 1bn (cf. margin no. 54) must update the quantitative information after each semester.
3 Cf. margin no. 7.1
4 Cf. margin no. 7.1.
5 Publication only if the risk-weighted loans abroad (as per the domicile principle in the SNB statistics) amount to more than 15% of all risk-weighted loans. Contrary to the allocation principle used by the SNB, the domicile of collateralized loans can be considered the place of jurisdiction indicated in the collateral agreement.
6 Publication only if the risk-weighted, doubtful loans abroad (as per the domicile principle in the SNB statistics) amount to more than 15% of all risk-weighted, doubtful loans. Contrary to the allocation principle used by the SNB, the domicile of collateralized loans can be considered the place of jurisdiction indicated in the collateral agreement.

Appendix 1

Guidelines

Information on leverage ratios	7		
Information on liquidity requirements[8]	9		
Market risks		10	Publication of quantitative information: cf. Table 11 "Market risk: disclosures for banks using the internal models approach (IMA) for trading portfolios".

	Special points for banks which use securitization transactions
Qualitative and quantitative information on securitization transactions	cf. Table 9 "Securitization: Exposures" * Moreover, the relevant minimum capital requirements must be disclosed in model table 3.

The fields shaded gray indicate the areas for which banks with partial or full disclosure are required to publish information.

[7] Cf. margin no. 7.2
[8] Securities dealers are exempted from the disclosure duties.
[9] Cf. Margin no. 7.3
[10] Publication only by banks that apply the Market Risk Modeling Approach

Appendix 2

Tables and Model Tables

I. Tables 1a and 1b: Disclosure of the regulatory eligible capital's composition[12]*

a) Transition[13]

Balance sheet[14]	According to accounting practices	According to regulatory scope of consolidation	References[15]
Assets			
Liquid assets			
Amounts due from banks			
Amounts due from securities financing transactions			
Amounts due from customers			
Amounts due secured by mortgages			
Trading business			
Positive replacement values for derivative financial instruments			
Other financial instruments valued at fair value			
Financial investments			
Prepaid expenses / accrued income			
Equity shares			
Tangible assets[16]			

[12] Categories not used may be ignored

[13] If the scope of consolidation according to the accounting principles is identical to the regulatory one, a single numerical column is sufficient in both the stand-alone financial statements as well as in the consolidated financial statements. If necessary, the disclosure at group level explicitly confirms that these scopes of consolidation are identical.

[14] Banks using an internationally recognized accounting standard must adapt the presentation and the line items of their balance sheet.

[15] The lines in italics must be referenced systematically. These references must be copied to the presentation of eligible capital (see Table 1b).

[16] In the stand-alone financial statements, the line items goodwill and other intangible assets must be disclosed directly after the heading "tangible assets".

Appendix 2

Tables and Model Tables

Intangible assets			
of which goodwill			
of which other intangible assets			
of which ...			
Other assets			
of which deferred tax assets which depend on current profitability			
of which deferred tax assets from temporary differences			
Outstanding share capital			
Total assets			
Liabilities			
Amounts due to banks			
Liabilities from securities financing transactions			
Liabilities from client deposits			
Liabilities from trading transactions			
Negative replacement values for derivative financial instruments			
Amounts due to other financial instruments with fair-value valuation			
Medium-term notes			
Bonds and loans issued by central mortgage bond institutions			
Accrued expenses and deferred income			
Other liabilities			
Provisions			
of which deferred taxes for goodwill			
of which deferred taxes for other intangible assets			
of which deferred taxes for			

Appendix 2

Tables and Model Tables

Total liabilities			
of which subordinated liabilities, eligible as Tier 2 capital (T2)[17]			
of which subordinated liabilities, eligible as Additional Tier 1 capital (AT1)[18]			
Equity			
Reserves for general banking risks			
Share capital			
of which eligible as CET1			
of which eligible as AT1			
Legal reserves/voluntary reserves / profits/(losses) carried forward / profits/(losses) for the period			
(Treasury shares)[19]			
Minority holdings[20]			
of which eligible as CET1			
of which eligible as AT1			
Total shareholders' equity			

b) Presentation of the eligible regulatory capital[21]

	Net amounts (after taking into account the transitional provisions)	Impact of transitional provisions (phase-in / phase-out for minority interests)	References[22]
Common Equity Tier 1 capital (CET1)			
1 Issued share capital paid-in, eligible in full			

[17] Systemically relevant banks must disclose conversion capital with a high or a low trigger rate separately
[18] Systemically relevant banks must disclose conversion capital with a high or a low trigger rate separately
[19] Only in accounts prepared under the true-and-fair regime.
[20] Only in consolidated accounts
[21] Categories not used may be ignored
[22] Also see explanations regarding Table 1a

Appendix 2

Tables and Model Tables

2	Retained earnings, incl. reserves for general banking risks[23] / profits/losses brought forward and profits/(losses) for the period			
3	Capital reserves and reserves for foreign currencies (+/-)[24]			
4	Issued share capital paid-in, recognized as accruals (phase-out)[25]			
5	Minority interests			
6	= Common Equity Tier 1, prior to adjustments			
	Adjustments of CET1			
7	Value adjustments due to prudent valuation			
8	Goodwill (after deduction of recorded deferred taxes)			
9	Other intangibles (after deduction of recorded deferred taxes, without mortgage servicing rights [MSR])			
10	Deferred tax assets which depend on future profitability			
11	Reserves from valuations of cash flow hedges[26](-/+)			
12	"IRB shortfalls" (difference between the expected losses and value adjustments)			
13	Income from the sale of receivables used for securitization purposes			
14	Profits/losses due to own credit risk[27]			

[23] After deduction of deferred taxes, if no corresponding provisions have been created
[24] Only in consolidated accounts
[25] Only applicable to banks not organized as public limited companies
[26] Only applicable to banks using an internationally recognized accounting standard
[27] Only applicable to banks using an internationally recognized accounting standard. Banks for which the application of the Fair Value Option is not recognized for regulatory purposes must indicate all adjustments according to margin nos. 145 et seqq. of the FINMA circular 13/1

Appendix 2

Tables and Model Tables

15 Obligations to defined-benefit pension funds (after deduction of recorded deferred taxes)			
16 Net long positions in own CET1 instruments			
17 Cross-holdings (CET1 instruments)			
17a Qualifying interests where a controlling influence is exerted together with other owners (CET1 instruments)			
17b Equity interests to be consolidated (CET1 instruments)[28]			
18 Non-qualifying interests (max. 10%) in companies active in the financial sector (amount exceeding threshold 1) (CET1 instruments)			
19 Other qualifying equity interests in companies active in the financial sector (amount exceeding threshold 2) (CET1 instruments)			
20 Mortgage servicing rights (MSR) (amount exceeding threshold 2)			
21 Other deferred tax assets from temporary differences (amount exceeding threshold 2)			
22 Amount exceeding threshold 3 (15%)			
23 Of which for other qualifying interests			
24 Of which for mortgage servicing rights			
25 Of which for other deferred tax assets			
26 Expected losses for equity shares if using the PD/LGD approach			

[28] Only applies to potential disclosures in the stand-alone financial statements, besides the consolidated disclosure

Appendix 2

Tables and Model Tables

26a	Other adjustments for financial statements prepared under internationally recognized accounting principles			
26b	Other deductions			
27	Amount by which the AT1 deductions exceed the AT1 capital			
28	= sum of CET1 adjustments			
29	= net CET1			
Additional Tier 1 capital (AT1)				
30	Issued and paid-in instruments, eligible in full			
31	Of which regulatory-capital instruments according to financial statements			
32	Of which debt instruments according to financial statements			
33	Issued and paid-in instruments, recognized as accruals (phase-out)			
34	Minority interests, eligible as AT1			
35	Of which recognized as transitory (phase-out)			
36	= sum of Additional Tier 1 Capital prior to adjustments			
	Adjustments to the Additional Tier 1 capital			
37	Net long positions in own AT1 instruments			
38	Cross holdings (AT1 instruments)			
38a	Qualifying equity interests where a controlling influence is exerted together with other owners (AT1 instruments)			

Appendix 2

Tables and Model Tables

38b	Equity interests to be consolidated[29] (AT1 instruments)			
39	Non-qualifying equity interests (max. 10%) in companies active in the financial sector (amount exceeding threshold 1) (AT1 instruments)			
40	Other qualifying interests in companies active in the financial sector (AT1 instruments)			
41	Other deductions			
42	Amount by which the T2 deductions exceed the T2 capital			
	TIER 1 ADJUSTMENTS IN VIEW OF THE TRANSITIONAL PROVISIONS			
	OF WHICH FOR VALUE ADJUSTMENTS DUE TO PRUDENT			
	VALUATIONS			
	OF WHICH FOR CET1 INSTRUMENTS			
	OF WHICH FOR GOODWILL (AFTER DEDUCTION OF RECORDED DEFERRED TAXES)			
	OF WHICH FOR OTHER INTANGIBLE ASSETS (AFTER			
	DEDUCTING THE RECORDED DEFERRED TAXES)			
	OF WHICH FOR RESERVES FROM VALUATIONS OF CASH-FLOW HEDGES			
	OF WHICH FOR IRB SHORTFALLS			
	OF WHICH FOR INCOME RESULTING FROM SALES IN SECURITIZATIONS			

[29] Only applies to potential disclosures in the stand-alone financial statements, besides the consolidated disclosure

Appendix 2

Tables and Model Tables

	OF WHICH FOR PROFITS/(LOSSES) DUE TO OWN CREDIT RISK			
	OF WHICH FOR EQUITY INTERESTS			
	OF WHICH FOR EXPECTED LOSSES FOR EQUITY SHARES IF USING THE PD/LGD APPROACH			
	OF WHICH FOR MORTGAGE SERVICING RIGHTS (MSR)			
42a	Excess of deductions which will be allocated to CET1 capital			
43	= sum of AT1 adjustments			
44	= Additional Tier 1 Capital (net AT1)[30]			
45	= net Tier 1 capital			
Tier 2 capital (T2)				
46	Issued and paid-in instruments, eligible in full[31]			
47	Issued and paid-in instruments, recognized as accruals (phase-out)			
48	Minority interests, eligible as T2			
49	Of which recognized as accruals (phase-out)			
50	Value adjustments, provisions and amortizations due to prudence[32]; statutory reserves for financial investments			
51	= Tier 2 capital before adjustments			
	Adjustments to Tier 2 capital			
52	Net long positions in own T2 instruments			
53	Cross-holdings (T2 instruments)			

[30] Systemically relevant banks must disclose conversion capital with a high or a low trigger rate separately
[31] After deduction of imputed depreciations (cf. art. 30 no. 2 CAO)
[32] Only relates to disclosures in the stand-alone financial statements. After deduction of deferred taxes if no corresponding provisions have been created

Appendix 2

Tables and Model Tables

53a	Qualifying equity interests where a controlling influence is exerted together with other owners (T2 instruments)			
53b	Equity interests to be consolidated[33] (T2 instruments)			
54	Non-qualifying interests (max. 10%) in companies active in the financial sector (amount exceeding threshold 1) (T2 instruments)			
55	Other qualifying interests in companies active in the financial sector (T2 instruments)			
56	Other deductions			
	ADDITIONAL DEDUCTIONS IN VIEW OF TRANSITIONAL PROVISIONS (FURTHER "DEDUCTIONS OF 50% EACH")			
	OF WHICH.......[34]			
56a	Excess of deductions which will be allocated to AT1 capital			
57	= sum of T2 adjustments			
58	= net T2 capital[35]			
59	= regulatory capital (net T1 & T2)[36]			
	AMOUNTS WITH RISK-WEIGHTING DUE TO TRANSITIONAL PROVISIONS (PHASE-IN)			
	OF WHICH.......[37]			
60	Sum of risk-weighted positions			
Regulatory-capital ratios				
61	CET1 ratio (no. 29 in % of risk-weighted positions)			

[33] Only applies to potential disclosures in the stand-alone financial statements, besides the consolidated disclosure
[34] The bank must enter additional lines in order to provide a detailed overview of the impact of the transitional provisions (phase-in)
[35] Systemically relevant banks must disclose conversion capital with a high or a low trigger rate separately
[36] Systemically relevant banks must disclose conversion capital with a high or a low trigger rate separately
[37] The bank must enter additional lines in order to provide a detailed overview of the impact of the transitional provisions (phase-in)

Appendix 2

Tables and Model Tables

62	T1 ratio (no. 45 in % of risk-weighted positions)			
63	Ratio regarding the regulatory capital (no. 59 in % of risk-weighted positions)			
64	CET1 requirements according to CAO			
	Transitional provisions (minimum requirements + capital buffer + countercyclical buffer) plus the capital buffer for systemically relevant banks as per the Basel guidelines (in % of the risk-weighted positions)			
65	Of which capital buffers according to CAO (in % of the risk-weighted positions)			
66	Of which countercyclical buffers[38] (in % of the risk-weighted positions)			
67	Of which capital buffers for systemically relevant banks according to the Basel guidelines (in % of risk-weighted positions)			
68	Available CET1 to cover the minimum and buffer requirements, after deducting AT1 and T2 requirements which are fulfilled with CET1 (in % of risk-weighted positions).			
68a	Capital target ratios for CET1 as per the FINMA circ. 11/2 plus the countercyclical buffer (in % of risk-weighted positions)			
68b	Available CET1 (in % of risk-weighted positions)			

[38] The countercyclical buffer is expressed in % of the total of the risk-weighted positions (no. 60).

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Tables and Model Tables

68c Capital target ratios for T1 as per the FINMA circ. 11/2 plus the countercyclical buffer (in % of risk-weighted positions)			
68d Available T1 (in % of risk-weighted positions)			
68e Regulatory capital target ratios according to the FINMA circ. 11/2 plus the countercyclical buffer (in % of risk-weighted positions)			
68f Available regulatory capital (in % of risk-weighted positions)			
Amounts below thresholds for deductions (before risk weighting)			
72 Non-qualifying interests in companies active in the financial sector			
73 Other qualifying interests in companies active in the financial sector (CET1)			
74 Mortgage servicing rights			
75 Other deferred tax assets			
Applicable ceilings for the inclusion in T2			
76 Eligible value adjustments in T2 when using the SA-BIS approach			
77 Ceiling for eligible value adjustments in the SA-BIS approach			
78 Eligible value adjustments in T2 when using the IRB approach			
79 Ceiling for eligible value adjustments in the IRB approach			

Appendix 2

Tables and Model Tables

II. Model table 2: Presentation of required capital*

	Approach used	Minimum capital requirements[1, 2]	
Credit risk[3]			
Of which foreign exchange risk for equity interest in the banking book[4]		of which	
Non counterparty risk			
Market risk[5, 6]			
• of which interest-rate instruments (general and specific market risk)[7]		of which	
• of which equity shares[5]		of which	
• of which foreign currencies and precious metals[5]		of which	
• of which commodities[5]		of which	
Operational risk			
Total	_ _ _ _ _ _ _ _ _ _ _ _ _ _ _		

[1] Banks that have entered into securitization transactions must disclose their residual capital requirements separately
[2] Banks using the IRB method must publish additional data (see para. 822, table 3, Capital Adequacy).
[3] Incl. bonds in trading portfolios with capital requirements calculated according to the de-minimis approach.
[4] Incl. shares in trading portfolios with capital requirements calculated according to the de-minimis approach plus non-deducted equity shares.
[5] Banks using the model approach for market risk need only disclose the full amount in regard to required capital for this. Those which do not model the specific risk must disclose the relevant capital requirements in the categories in question.
[6] Without trading portfolios according to the de-minimis approach.
[7] Minimum capital requirements regarding options must be listed in the relevant category.

Appendix 2

Tables and Model Tables

III. Model table 3: Credit risk / distribution according to counterparty or industry

Credit exposures (at the time of the closing)	……………………[1]	……………………	……………………	……………………	……………………	……………………	**Total**
Balance sheet / receivables[2]							
Receivables from securities lending transactions							
Amounts due from customers							
Amounts due secured by mortgages							
Positive replacement values for derivatives							
Other financial instruments with fair-value valuation							
Financial investments / debt securities							
Total for period under review							
Total previous period							
Off-balance sheet[2]							

[1] Banks may choose to break down these amounts by either counterparty or industry and must define this accordingly. Breaking them down according to counterparty could be done as follows: central governments and central banks / other public-law entities / banks and securities dealers / corporations / individual clients (incl. collateralized lending business and amounts secured by mortgages) and retail clients (SMEs, etc.).

[2] It is up to the bank how it wishes to present these figures. It can structure the presentation according to balance sheet and off-balance sheet transactions (according to the relevant recognized accounting principles applied) or according to internal main categories of credit exposures.

Appendix 2

Tables and Model Tables

Contingent liabilities							
Irrevocable commitments							
Calls and margin commitments							
Committed credits							
Total for period under review							
Total previous period							

Appendix 2

Tables and Model Tables

IV. Model table 4: Credit risk / credit risk mitigation[1]

Credit exposures/default risks (at the time of the closing)[2]	secured with recognized collateral[3]	secured with other IRB-recognized collateral	secured with guarantees and credit derivatives	other credit exposures	Total
....					
....					
....					
....					
Derivatives					
Total for period under review					
Total previous period					

[1] This table does not apply to banks using the A-IRB approach.

[2] The presentation should be structured according to either a) internally defined individual portfolios, b) counterparties or c) the accounting standard. Banks must indicate whether they are presenting credit exposures after netting according to accounting principles or according to capital requirements. With the exception of derivatives, off-balance sheet credit exposures can be presented separately or together with balance-sheet exposures if presenting according to portfolios or counterparties. If integrating into the balance-sheet exposures, the bank must use credit equivalents. For derivatives, the counterparty risk must be presented separately at all times. The bank must also indicate which approach it has used to estimate the counterparty risk (current exposure method, standardized approach, modeling approach). If using different methods, the derivative position must be broken down accordingly.

[3] If using the comprehensive approach, the bank must consider the net value of the collateral, i.e. post-haircut. The bank must disclose which credit risk mitigation approach it used.

Appendix 2

Tables and Model Tables

V. Model table 5: Segmentation of credit risks[1,2]*

	Regulatory risk weightings[3]															
Credit exposures[4]/default risks[4]/default risks after credit mitigation	0%	2%	10%	20%	35%	50%	75%	100%	150%	250%	350%	625%	937,5%	1250%	Deduction	**Total**
....																
....																
....																
Derivatives																
Total for period under review																
Total previous period																

[1] This table does not need to be used by banks that use the IRB approach and do not use regulatory risk weightings.

[2] Data disclosed in Table 10 does not need to be integrated into Table 5. The bank clarifies whether it wishes to do so.

[3] This model table only addresses the most significant weightings. The bank is to fill in any other relevant additional information.

[4] The bank can choose how it wishes to present this information, but the following must be fulfilled: the capital required to cover derivatives must be presented separately. Banks may present all other credit exposures as aggregates or separately (e.g. according to balance sheet items or counterparties). Off-balance sheet exposures not using derivatives may be presented separately or as an aggregate together with the balance sheet exposures after they have been converted into credit equivalents.

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Tables and Model Tables

VI. Model table 6: Geographic credit risk[1]

Credit exposures	Switzerland[2]	Europe	North America	South America	Asia	Others	TOTAL
Balance sheet / receivables[3]							
Due from banks							
Due from customers							
Mortgage loans							
Financial investments / debt securities							
Positive replacement values for derivative financial instruments							
Total for period under review							
Total previous period							
Off-balance sheet							

[1] According to domicile principle as defined in the SNB statistics. Contrary to the allocation principle used by the SNB, the domicile of lombard loans can be considered the place of jurisdiction indicated in the collateral agreement. The bank must disclose which approach it used.
[2] In view of its exposures abroad, the bank defines the granularity of its break-down according to countries or geographic regions.
[3] It is up to the bank how it wishes to present these figures. It can structure the presentation according to balance sheet and off-balance sheet transactions (according to the relevant recognized accounting principles applied) or according to internal main categories of credit exposures.

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Tables and Model Tables

Contingent liabilities							
Irrevocable commitments							
Commitments and margin calls							
Committed credits							
Total for period under review							
Total previous period							

Appendix 2

Tables and Model Tables

VII. Model table 7: Presentation of doubtful client loans according to geographic regions[1]

	Doubtful client loans[2] (gross amount)	Individual value adjustments
Switzerland[3]		
Europe		
North America		
South America		
Asia		
Others		
Total for period under review		
Total previous period		

[1] According to domicile principle as defined in the SNB statistics. Contrary to the allocation principle used by the SNB, the domicile of collateralized loans can be considered the place of jurisdiction indicated in the collateral agreement. The bank must disclose which approach it used.

[2] Client loans include amounts due from customers (margin no. 79 of FINMA circ. 15/1 "Accounting – Banks") and amounts due secured by mortgage (margin no. 80 of FINMA circ. 15/1 "Accounting – Banks").

[3] In view of its exposures abroad, the bank defines the granularity of its break-down according to countries or geographic regions.

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Tables and Model Tables

VIII. Model table 8: Presentation of the contract volume in credit derivatives in the banking book

	Protection seller	Protection buyer
Credit Default Swaps		
Credit Linked Notes		
Total Return Swaps		
First-to-Default Swaps		
Other credit derivatives		

Appendix 2

Tables and Model Tables

IX. Table 9: Presentation of most important characteristics of regulatory capital instruments*

1	Issuer	[1]
2	Identification (e.g. ISIN)	
3	Law applicable to instrument	
	Regulatory treatment	
4	Consideration in the Basel III transitional rules (CET1 / AT1 / T2)	
5	Consideration after the expiry of the Basel III transitional period (CET1 / AT1 / T2)	
6	Eligibility at stand-alone / group / stand-alone and group levels	
7	Equity shares / debt securities / hybrid instruments / other instruments	
8	Amounts eligible for regulatory capital (according to last submitted capital adequacy reporting form)	
9	Instrument's nominal value	
10	Accounting items	
11	Original date of issue	
12	Unlimited or with expiry date	
13	Original date of maturity	
14	May be canceled by issuer (with prior approval of regulatory authorities)	
15	May be terminated anytime / may be terminated under certain circumstances / amount to be redeemed	
16	Termination may be delayed (if applicable)	
	Coupons / dividends	
17	Fixed / variable / initially fixed then converted to variable / initially variable then converted to fixed	
18	Nominal coupon and reference indices (if any)	
19	Existence of a payment stop for dividends (if dividends on the instrument are waived, dividends on the normal share will be omitted as well)	
20	Payment of interests / dividends: entirely/partially discretionary / mandatory	

[1] One column for each issued instrument.

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Tables and Model Tables

21	Existence of a clause for increasing the interest rate or another incentive to pay back full amount due	
22	Non-cumulative or cumulative	
23	Convertible or non-convertible	
24	If convertible: trigger for conversion (incl. PONV)	
25	If convertible: in full in all cases / in full or partially / partially in all cases	
26	If convertible: conversion rate	
27	If convertible: conversion mandatory / optional	
28	If convertible: type of instrument to be converted	
29	If convertible: issuer of instrument to be converted	
30	Depreciation characteristics	
31	Trigger for depreciation	
32	In full / partially	
33	Permanent / temporary	
34	In case of temporary depreciation: allocation mechanism	
35	Position in credit hierarchy in case of liquidation (always name the instrument which is ranked higher)	
36	Existence of characteristics which could jeopardize the full recognition under the Basel III regime	
37	If yes, which ones?	

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Tables and Model Tables

X. Table 10: Risk-weighted positions determined using external ratings

		Risk-weighted positions				
Counterparty	**Rating agency**	**0%**	**20%**	**50%**	**100%**	**150%**
central governments and central banks	Agency 1, Agency 2					
	w/o rating					
Public entities	Agency 1, Agency 2					
	w/o rating					
Banks and securities dealers	Agency 1, Agency 2					
	w/o rating					
Corporations	Agency 1, Agency 2					
	w/o rating					

- Definition of counterparty is equivalent to the one in the capital adequacy reporting form
- Banks risk-weighting securitizations using ratings should add this in the table accordingly.
- This disclosure requirement can also be fulfilled by adjusting Table 5 accordingly.

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Tables and Model Tables

XI. Tables 11a and 11b: Information on leverage ratios

a) Comparison between assets recognized in the balance sheet and the exposure measure for leverage ratio

	Topic	CHF
1	Sum of assets according to published accounting standards[1]	
2	Restatement of investments in banks, financial companies, insurers and commercial companies which are consolidated as per accounting standards but not for regulatory purposes (margin nos. 6-7 FINMA circ. 15/3) and adjustments as regards assets which are to be deducted from Tier 1 capital (margin nos. 16-17 FINMA circ. 15/3)	
3	Restatement of fiduciary assets which are recognized in the balance sheet as per accounting standards but which do not need to be taken into consideration for leverage ratio (margin no. FINMA circ. 15/3)	
4	Restatement of derivatives (margin nos. 21-51, FINMA circ. 15/3)	
5	Restatement of securities financing transactions (SFT) (margin nos. 52-73, FINMA circ. 15/3)	
6	Restatement of off-balance sheet transactions (conversion of off-balance sheet transactions into credit equivalents) (margin nos. 74-76, FINMA circ. 15/3)	
7	Other restatements	
8	**Total exposure for leverage ratio (sum of lines 1-7)**	

b) Detailed presentation of leverage ratio

	Topic	
	Balance sheet items	
1	Balance sheet items[2] (without derivatives and SFT but including collateral) (margin nos. 14 - 15, FINMA circ. 15/3)	CHF

[1] Line 1 must also be reported based on the published accounts if the bank uses another accounting standard to calculate the leverage ratio as per margin no. 11 FINMA 15/3. In this case, the table must show the difference between the amounts disclosed in the published accounts and those calculated according to the accounting standards used for the leverage ratio in the other lines of the table.

[2] Without considering collateral received or netting possibilities with liabilities but after offsetting the relevant value adjustments (margin nos. 8-12 FINMA circ. 15/3).

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Tables and Model Tables

2	(Assets which must be deducted from eligible Tier 1 capital)[1] (margin nos. 7 and 16-17 FINMA circ. 15/3)	CHF
3	= sum of balance sheet items for leverage ratio without derivatives and SFT (sum of lines 1 and 2)	CHF
	Derivatives	
4	Positive replacement values for derivative transactions, including those for CCPs taking into consideration received margins and netting agreements (margin nos. 22-23 and 34-35 FINMA circ. 15/3)	CHF
5	Add-ons for all derivatives (margin nos. 22 and 25 FINMA circ. 15/3)	CHF
6	Reintegration of collateral posted for derivatives if their accounting treatment caused a reduction of assets (margin no. 27 FINMA 15/3)	CHF
7	(Deduction of receivables caused by cash variation margins posted as per margin no. 36 FINMA circ. 15/3)	CHF
8	(Deduction for trade exposures to qualified central counterparties (QCCP) if the institution is not obligated to reimburse the client for any losses suffered due to changes in the value of its transactions) (margin no. 39 FINMA circ. 15/3)	CHF
9	The effective notional value of written credit derivatives after deducting any negative replacement values (margin no. 43 FINMA circ. 15/3)	CHF
10	(Offsetting of effective notional values of offsetting credit derivatives (margin nos. 44-50 FINMA circ. 15/3) and deduction of add-ons for written credit derivatives as per margin no. 51 FINMA circ. 15/3)	CHF
11	= Total exposures from derivatives (sum of lines 4–10)	CHF
	Securities financing transactions (SFT)	
12	Gross assets for SFT without offsetting (except in the case of novation with a QCCP as per margin no. 57 FINMA circ. 15/3), including those which were recorded as sale (margin no. 69 FINMA circ. 15/3), less the items stated in margin no. 58, FINMA circ. 15/3	CHF
13	(offsetting of cash payables and cash receivables related to SFT counterparties (margin nos. 59-62 FINMA circ. 15/3)	CHF
14	Exposures to SFT counterparties (margin nos. 63-68 FINMA circ. 15/3)	CHF
15	Exposures for SFT with the bank acting as agent (margin nos. 70-73 FINMA 15/3)	CHF
16	= Total exposures from SFT (sum of lines 12-15)	CHF

[1] These are capital investments in other units which are treated with this offsetting procedure as well as shortfalls in value adjustments, which should be deducted from Tier 1 capital (IRB banks).

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Tables and Model Tables

	Other off-balance sheet items	
17	Off-balance sheet transactions as gross notional values prior to applying credit conversion factors	CHF
18	(Restatement of conversion to credit equivalents) (margin nos. 75-76, FINMA circ. 15/3)	CHF
19	= Total exposures from off-balance sheet items (sum of lines 17 and 18)	CHF
	Eligible capital and exposure measure	
20	Tier 1 capital (margin no. 5, FINMA circ. 15/3)	CHF
21	Exposure measure (sum of lines 3, 11, 16 and 19)	CHF
	Leverage ratio	
22	Leverage Ratio (margin nos. 3–4, FINMA circ. 15/3)	%

Appendix 2

Tables and Model Tables

XII. Table 12: Information on liquidity coverage ratio (LCR)[1]

	Amounts in CHF	Values not weighted (Daily or monthly averages as per provisions of margin nos. 46.3-46.4)	Weighted values (Daily or monthly averages as per provisions of margin nos. 46.3-46.4)	Reference in LiqO / liquidity statement[2]
A.	**High quality liquid assets (HQLA)**			
1.	Total of high quality liquid assets (HQLA)	////////////////////		Arts. 15a and 15b LiqO
B.	**Cash outflows**			
2	Deposits from retail clients			Positions 1 and 2.1, Appendix 2 LiqO
3	*Of which stable deposits*			Positions 1.1.1 and 2.1.1, Appendix 2 LiqO
4	*Of which less stable deposits*			Positions 1.1.2, 1.2 and 2.1.2, Appendix 2 LiqO
5	Unsecured funding provided by corporate or wholesale clients			Position 2 without position 2.1, Appendix 2 LiqO
6	*Of which operational deposits (all counterparties) and deposits of member institutions with their central institution*			Positions 2.2 and 2.3, Appendix 2 LiqO
7	*Of which non-operational deposits (all counterparties)*			Positions 2.4 and 2.5, Appendix 2 LiqO
8	*Of which unsecured debt instruments*			Position 2.6, Appendix 2 LiqO

[1] Banks reporting semi-annually must disclose the averages of the last two quarters, banks reporting annually must disclose the average for each of the last four quarters.

[2] These references help maintain the table's consistency. They do not need to be disclosed.

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Tables and Model Tables

9	Secured funding provided by corporate or wholesale clients and collateral swaps	//////////////////////		Positions 3 and 4, Appendix 2 LiqO
10	Other cash outflows			Positions 5, 6, 7 and 8.1, Appendix 2 LiqO
11	*Of which cash outflows related to derivative and other transactions*			Position 5, Appendix 2 LiqO
12	*Of which cash outflows due to losses in funding possibilities for asset-backed securities (ABS), covered bonds and other structured financing instruments, asset backed commercial papers (ABCP), special purpose entities (conduits), securities investment vehicles and other such financing facilities*			Positions 6 and 7, Appendix 2 LiqO
13	*Of which cash outflows from committed credit and liquidity facilities*			Positions 8.1, Appendix 2 LiqO
14	Other contractual funding agreements			Positions 13 and 14, Appendix 2 LiqO
15	Other contingent funding obligations			Positions 9, 10 and 11, Appendix 2 LiqO
16	Total cash outflows	////////////////////////		Sum of lines 2-15
C.	**Cash inflows**			
17	Collateralized financing transactions (e.g. reverse repo transactions)			Positions 1 and 2, Appendix 3 LiqO
18	Cash inflows from non-impaired receivables			Positions 4 and 5, Appendix 3 LiqO
19	Other cash inflows			Positions 6, Appendix 3 LiqO

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Tables and Model Tables

20	Total cash inflows			Sum of lines 17-19
			Net values	Reference in LiqO / liquidity statement
21	Total high quality liquid assets (HQLA)	//////////////////////		As disclosed in line 268 of the liquidity statement
22	Total net cash outflow	//////////////////		As disclosed in line 182 minus line 212 of the liquidity statement
23	Liquidity coverage ratio (LCR) (in %)	////////////////		As disclosed in line 270 of the liquidity statement

Information on weighting of positions to be disclosed (columns 2 and 3):

1. The weighted value of HQLA in line 1 is to be calculated after the relevant deductions (art. 15b paras. 4 and 6 LiqO) but before the application of any ceilings for category 2a and 2b assets (art. 15c paras. 2 and 5 LiqO).
2. Those HQLA which, according to margin nos. 122-146 FINMA circ. 15/2 "Liquidity – Banks", do not fulfill the qualitative characteristics and operational requirements are to be excluded from both line 1 and line 21.
3. The additional HQLA in foreign currencies (margin nos. 255-265 FINMA circ. 15/2) and, if necessary, the additional category 2 HQLA (margin nos. 267-271 FINMA circ. 15/2) are to be included in both line 1 and line 21.
4. The cash outflows and inflows are to be disclosed as weighted values and, according to the provisions in Table 12, as unweighted values.
5. The weighted value of cash inflows and outflows (column 3) is the sum of the respective inflow and outflow categories after applying the inflow and outflow rates.
6. The unweighted value of cash inflows and outflows (column 2) is the sum of the respective inflow and outflow categories before applying the inflow and outflow rates.
7. The adjusted value of HQLA in line 21 is to be calculated after the relevant deductions (art. 15b paras. 4 and 6 LiqO) and after applying any ceilings for category 2 assets (art. 15c paras. 2 and 5 LiqO).
8. The net value of the net cash outflow is to be calculated after applying outflow and inflow rates and after applying the ceiling for cash inflows (art. 16 para. 2).
9. The LCR is to be disclosed according to the calculation template provided by the FINMA in FINMA circ. 15/2.[1]

[1] Available on the FINMA website, www.finma.ch

Appendix

Template of annual presentation of alleviations at level of stand-alone institute

Annual presentation in annual report with following content:

The FINMA has granted Bank XYZ AG the following alleviations at the level of the stand-alone institute dated XX.XX.XXXX on the basis of art. 125 of the Capital Adequacy Ordinance:

1. Presentation of alleviations:

Continue with procedure to deduct 50% in view of equity interests as per art. 31 para. 1 lit. d of the Capital Adequacy Ordinance dated 29 September 2006 (version of 1.1.2013: art. 125 para. 4 lit. b CAO).
Substantiation:

- Impacts of the eligible CET1 at the level of stand-alone institute on the aggregated required group CET1 capital in the consolidation ("19/26% issue").
- Evidence that the bank has taken all reasonable steps to remedy this issue.
- Evidence that any additional measures by the bank to remedy this issue would be unreasonable (art. 125 para. 2 CAO).

Indications on the significance of these impacts on Common Equity Tier 1 capital.

2. Presentation of alleviations:

Reduction of the capital adequacy requirements within a group (art. 125 para. 4 lit. c CAO) compared to group companies regulated and supervised in the G-10 countries and Australia.
Substantiation:

- Increase of the capital adequacy requirements at the level of stand-alone institute results in a higher required capital for the consolidated group than would be required if the group were looked at from a stand-alone perspective ("19/26% issue").
- Evidence that the bank has taken all reasonable steps to remedy this issue.
- Evidence that any additional measures by the bank to remedy this issue would be unreasonable (art. 125 para. 2 CAO).

Significance of these impacts on the risk-weighted assets and the exposure measure.

3. [Other alleviations]

4. Indications on the materiality of the overall impact on the CET1 capital ratio and the overall capital in comparison to the risk-weighted assets and the exposure measure

List of Amendments

The circular is amended as follows:

These amendments were passed on 17 November 2010 and enter into force on 1 January 2011.

Newly inserted margin nos.	47.1.-47.4, 66-69
Amended margin no.	47

These amendments were passed on 1 June 2012 and enter into force on 1 January 2013.

Newly inserted margin nos.	47.3.1, 70, 71
Amended margin nos.	9, 23, 54, 56 – 58
Repealed margin nos.	65-69

In addition, the references to the Capital Adequacy Ordinance (CAO; SR 952.03) have been adapted to the version entering into force on 1.1.2013.

These amendments were passed on 30 October 2012 and enter into force on 1 January 2013.

Newly inserted margin nos.	23.1. 53.1, 59.1-59.5
Amended margin nos.	1, 17-21, 23, 38, 57, 70
Repealed margin nos.	64, 71

In addition, the references to the Capital Adequacy Ordinance (CAO; SR 952.03) have been adapted to the version entering into force on 1.1.2013.

These amendments were passed on 6 December 2012 and enter into force on 1 January 2013.

Amended margin no.	60

This amendment will enter into force on 1 January 2013.

Amended margin no.	60

These amendments were passed on 18 September 2013 and enter into force on 1 January 2014.

Newly inserted margin nos.	45.1, 59.0, 72, 73, 74
Amended margin nos.	1.1, 2, 23, 23.1, 34, 36, 47.3.1, 70
Repealed margin no.	27

These amendments were passed on 27 March 2014 and enter into force on 1 January 2015.

Newly inserted margin no.	75

These amendments were passed on 29 October 2014 and enter into force on 1 January 2015.

Newly inserted margin nos.	3.1, 7.1 -7.4, 36.1, 36.2, 36.3-36.11, 46.1-46.6, 58.1, 58.2, 76-80
Amended margin nos.	1, 1.1, 2, 3, 7, 51, 59.0

List of Amendments

The appendices to the circular were amended as follows:

These amendments were passed on 17 November 2010 and enter into force on 1 January 2011.

Amended	Appendix 1: the last line of the table

These amendments were passed on 1 June 2012 and enter into force on 1 January 2013.

Amended	Appendix 2: Model Table 1, 2 and 5

In addition, the references to the Capital Adequacy Ordinance (CAO; SR 952.03) have been adapted to the version entering into force on 1 January 2013.

These amendments were passed on 30 October 2012 and enter into force on 1 January 2013.

New	Appendix 3
Amended	Appendix 2: Tables 1 and 9, Model Table 2

In addition, the references to the Capital Adequacy Ordinance (CAO; SR 952.03) have been adapted to the version entering into force on 1 January 2013.

These amendments were passed on 18 September 2013 and enter into force on 1 January 2014.

New	Appendix 2: Table 1b, no. 67
	Appendix 2: Table 10
Amended	Appendix 1:
	Appendix 2: Table 1b, nos. 26, 42, 64, 65, 66, 68, 68a–f

These amendments were passed on 27 March 2014 and enter into force on 1 January 2015.

Amended	Appendix 2: Tables 1a and 3, model table 6

These amendments were passed on 29 October 2014 and enter into force on 1 January 2015.

New	Appendix 2: Table 11a and Table 11b
	Appendix 2: Table 12
Amended	Appendix 1:

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Contacts

Philipp Rickert
Partner, Head of Financial Services, Member of the Executive Committee
Zurich
Tel. +41 58 249 42 13
prickert@kpmg.com

Cataldo Castagna
Partner, Financial Services
Zurich
Tel. +41 58 249 52 85
ccastagna@kpmg.com

Michael Schneebeli
Partner, Financial Services
Zurich
Tel. +41 58 249 41 06
mschneebeli@kpmg.com

Patrizio Aggio
Director, Financial Services
Lugano
Tel. +41 58 249 32 34
paggio@kpmg.com

Olivier Gauderon
Partner, Financial Services
Geneva
Tel. +41 58 249 37 56
ogauderon@kpmg.com

Markus Schunk
Partner, Head Investment Management
Zurich
Tel. +41 58 249 36 82
markusschunk@kpmg.com

Jürg Birri
Partner, Leiter Regulatory Competence Center
Zurich
Tel. +41 58 249 35 48
jbirri@kpmg.com

Mirko Liberto
Partner, Financial Services
Zurich
Tel. + 41 58 249 40 73
mirkoliberto@kpmg.com

Manfred Suppan
Director, Financial Services
Zurich
Tel. +41 58 249 57 98
msuppan@kpmg.com

www.kpmg.ch