

**Credit Suisse AG**

**Hong Kong Branch**

**Key Financial Information Disclosure Statement**

**As at 31 December 2020**

**Credit Suisse AG  
Hong Kong Branch  
Key Financial Information Disclosure Statement  
As at 31 December 2020**

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**Credit Suisse AG**  
**Hong Kong Branch**  
**Profit & Loss Account**  
**For The Year Ended 31 December 2020**

|                                  |       | 31 Dec 2020    | 31 Dec 2019    |
|----------------------------------|-------|----------------|----------------|
|                                  | Notes | HKD'000        | HKD'000        |
| Interest income                  |       | 2,187,991      | 4,845,705      |
| Interest expense                 |       | (1,313,724)    | (3,372,132)    |
| Net interest income              |       | 874,267        | 1,473,573      |
| Other operating income           | 1     | 2,876,122      | 2,477,375      |
| Total operating income           |       | 3,750,389      | 3,950,948      |
| Total operating expenses         | 2     | (2,699,152)    | (2,735,247)    |
| Impairment losses and provisions |       | (356,035)      | (11,142)       |
| Profit before taxation           |       | 695,202        | 1,204,559      |
| Tax charge                       |       | (135,971)      | (225,399)      |
| Profit after taxation            |       | <u>559,231</u> | <u>979,160</u> |

**Credit Suisse AG**  
**Hong Kong Branch**  
**Balance Sheet**  
**As at 31 December 2020**

|  |       | 31 Dec 2020        | 30 June 2020       |
|--|-------|--------------------|--------------------|
|  | Notes | HKD'000            | HKD'000            |
| <b>Assets</b>  |       |                    |                    |
| Cash and balances with banks                                   |       | 1,295,554          | 1,319,078          |
| Due from Exchange Fund   |       | 91,875             | 38,853             |
| Amount due from overseas offices                               |       | 72,026,032         | 67,435,977         |
| Loans and receivables  | 4     | 73,446,759         | 73,045,410         |
| Amount receivable under reverse repos                          |       | 24,214,049         | 22,684,853         |
| Investment securities  |       | 3,656,665          | 3,424,093          |
| Securities held for trading purposes                           |       | 75,202             | 1,202,440          |
| Property, plant and equipment                                  |       | 25,631             | 20,147             |
| Total assets   |       | <u>174,831,767</u> | <u>169,170,851</u> |
| <b>Liabilities</b>   |       |                    |                    |
| Deposits from customers  | 5     | 99,616,644         | 96,466,868         |
| Deposit and balances of banks and other financial institutions |       | 31,678             | 1,316,943          |
| Amount due to overseas offices                                 |       | 67,205,868         | 61,885,228         |
| Other liabilities  |       | 7,977,577          | 9,501,812          |
| Total liabilities  |       | <u>174,831,767</u> | <u>169,170,851</u> |

**Credit Suisse AG**  
**Hong Kong Branch**  
**Notes to the Financial Statements**

|   |       | Year ended<br>31 Dec 2020 | Year ended<br>31 Dec 2019 |
|---|-------|---------------------------|---------------------------|
|   | Notes | HKD'000                   | HKD'000                   |
| <b>1 Other operating income</b>                                     |       |                           |                           |
| Gains less losses arising from trading in foreign currencies        |       | (5,111)                   | (9,630)                   |
| Gains less losses arising from trading in other derivatives         |       | (69,722)                  | (486,970)                 |
| Gains less losses on securities held for trading purposes           |       | 2,084                     | 12,489                    |
| Net fees and commission income                                      | 3     | 2,915,634                 | 2,932,092                 |
| Others  |       | 33,237                    | 29,394                    |
|   |       | <u>2,876,122</u>          | <u>2,477,375</u>          |
| <b>2 Total operating expenses</b>                                   |       |                           |                           |
| Staff and rental expenses   |       | (1,313,364)               | (1,326,809)               |
| Other expenses  |       | (1,383,628)               | (1,403,843)               |
| Charge for other provisions   |       | (2,160)                   | (4,595)                   |
|   |       | <u>(2,699,152)</u>        | <u>(2,735,247)</u>        |
| <b>3 Net fees and commission income</b>                             |       |                           |                           |
| Fees and commission income  |       | 2,964,723                 | 2,971,954                 |
| Less: Fees and commission expenses                                  |       | (49,089)                  | (39,862)                  |
|   |       | <u>2,915,634</u>          | <u>2,932,092</u>          |
|   |       | 31 Dec 2020               | 30 June 2020              |
|   |       | HKD'000                   | HKD'000                   |
| <b>4 Loans and receivables</b>                                      |       |                           |                           |
| Loans and advances to customers                                     |       |                           |                           |
| - Overdrafts and repayment on demand                                |       | 272,428                   | 1,606,889                 |
| - Other loans due within 1 month                                    |       | 60,657,130                | 53,601,022                |
| - Between 1 and 3 months  |       | 2,914,128                 | 7,086,659                 |
| - Between 3 months and 1 year                                       |       | 3,089,215                 | 2,719,207                 |
| - Later than 1 year   |       | 1,799,314                 | 1,577,802                 |
| Total Loans and advances to customers                               | 6     | 68,732,215                | 66,591,579                |
| Other accounts  |       | 4,659,137                 | 6,971,130                 |
| Accrued interest  |       | 101,110                   | 121,561                   |
| Provisions for impaired loans and receivables (general provisions)  |       | (32,029)                  | (16,465)                  |
| Provisions for impaired loans and receivables (specific provisions) |       | (13,674)                  | (622,395)                 |
|   |       | <u>73,446,759</u>         | <u>73,045,410</u>         |
| <b>5 Deposits from customers</b>                                    |       |                           |                           |
| Demand deposits and current accounts                                |       | 60,764,930                | 48,073,102                |
| Savings deposits  |       | -                         | -                         |
| Time, call and notice deposits                                      |       | 38,851,714                | 48,393,766                |
|   |       | <u>99,616,644</u>         | <u>96,466,868</u>         |

**Credit Suisse AG**  
**Hong Kong Branch**  
**Notes to the Financial Statements**

**6 Analysis of gross amount of loans and advances to customers**

**a. Breakdown by industry sectors**

The analysis of gross loans and advances to customers and secured loans and advances by industry sectors are based on the categories and definitions used by the Hong Kong Monetary Authority (HKMA).

|  | 31 Dec 2020<br>HKD'000 |                  |                   | 30 Jun 2020<br>HKD'000 |                  |                   |
|--|------------------------|------------------|-------------------|------------------------|------------------|-------------------|
|  | Secured                | Unsecured        | Total             | Secured                | Unsecured        | Total             |
| Loans and advances for use in Hong Kong      |                        |                  |                   |                        |                  |                   |
| Industrial, commercial and financial         |                        |                  |                   |                        |                  |                   |
| Financial concerns                           | 1,946,200              | 3,488,424        | 5,434,624         | 1,909,855              | 3,487,663        | 5,397,518         |
| Others                                       | 26,123                 | -                | 26,123            | 26,344                 | -                | 26,344            |
| Individuals                                  |                        |                  |                   |                        |                  |                   |
| Others                                       | 22,812,120             | 7,054            | 22,819,174        | 19,582,263             | 5                | 19,582,268        |
| Loans and advances for use outside Hong Kong | 40,450,125             | 169              | 40,450,294        | 41,585,436             | 13               | 41,585,449        |
|  | <u>65,236,568</u>      | <u>3,495,647</u> | <u>68,732,215</u> | <u>63,103,898</u>      | <u>3,487,681</u> | <u>66,591,579</u> |

When collateral value are greater than gross loans and advances, only the amount of collateral up to gross amount is included.

**b. Breakdown by geographical areas**

Loans and Advances to customers by geographical areas to which not less than 10% of the institution's total amount of loans and advances to customers are classified according to the location of the counterparties after taking into account the transfer of risk. The basis of the country classification is in accordance with the guidance notes from the HKMA.

|   | 31 Dec 2020<br>HKD'000 |                                      |                       | 30 Jun 2020<br>HKD'000 |                                      |                       |
|---|------------------------|--------------------------------------|-----------------------|------------------------|--------------------------------------|-----------------------|
|   | Total                  | Overdue/Impaired<br>Loans & Advances | Specific<br>Provision | Total                  | Overdue/Impaired<br>Loans & Advances | Specific<br>Provision |
| British Virgin Islands  | 27,772,241             | -                                    | -                     | 27,455,170             | 463,154                              | 463,154               |
| Hong Kong   | 28,281,921             | 23,728                               | 13,674                | 25,880,911             | 23,104                               | 13,089                |
| Others  | 12,678,053             | -                                    | -                     | 13,275,498             | 854,781                              | 146,152               |
|   | <u>68,732,215</u>      | <u>23,728</u>                        | <u>13,674</u>         | <u>66,591,579</u>      | <u>1,341,039</u>                     | <u>622,395</u>        |
| % of the total loans and advances to customers                              |                        | <u>0.03%</u>                         |                       |                        | <u>2.01%</u>                         |                       |
| Fair value of security held against impaired advances to loans and advances |                        | <u>15,288</u>                        |                       |                        | <u>860,467</u>                       |                       |

**7 Overdue and rescheduled loans and advances**

**a. Overdue advances**

|  | 31 Dec 2020   |  | 30 Jun 2020      |  |
|--|---------------|--|------------------|--|
|  | HKD'000       | % of total<br>Loans & Advances<br>to customers | HKD'000          | % of total<br>Loans & Advances<br>to customers |
| Gross amount of advances which have been overdue for:  |               |  |                  |  |
| - Six months or less but over three months   | -             | -  | 1,324,816        | 1.99%  |
| - One year or less but over six months   | 7,050         | 0.01%  | -                | -  |
| - Over one year  | 16,678        | 0.02%  | 16,223           | 0.02%  |
|  | <u>23,728</u> | <u>0.03%</u>                                   | <u>1,341,039</u> | <u>2.01%</u>                                   |
| Fair value of the collaterals held in respect of the overdue loans and advances to customers | <u>15,288</u> |  | <u>860,467</u>   |  |
| Specific provision made  | <u>13,674</u> |  | <u>622,395</u>   |  |

All non-performing loans to customers were overdue for more than three months as at 31 Dec 2020 & 30 Jun 2020.

The collaterals held include property and listed shares.

**b. Rescheduled advances**

Credit Suisse AG Hong Kong Branch (The Branch) does not have any rescheduled loans & advances to customers as at 31 Dec 2020 & 30 Jun 2020.

The Branch does not have any overdue & rescheduled loans & advances to banks as at 31 Dec 2020 & 30 Jun 2020.

The Branch does not have impaired loans and advances to banks as at 31 Dec 2020 & 30 Jun 2020.

**8 Other Assets Overdue and Repossessed Assets**

The Branch does not have any overdue other assets and repossessed assets as at 31 Dec 2020 & 30 Jun 2020.

9 International claims

International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk and by types of counterparties. The basis of geographical segments and individual countries is in accordance with the definitions set out in the banking return of "Return of International Banking Statistics" issued by the HKMA. Geographical segments and individual countries constituting 10% or more of the aggregate international claims are summarized as follows:

| (HKD million)                   | 31 Dec 2020   |                 |                                 |                              |        |               |
|---------------------------------|---------------|-----------------|---------------------------------|------------------------------|--------|---------------|
|                                 | Banks         | Official Sector | Non-bank private sector         |                              | Others | Total         |
|                                 |               |                 | Non-bank financial institutions | Non-financial private sector |        |               |
| <b>Developed Countries</b>      | <b>74,030</b> | <b>308</b>      | <b>468</b>                      | <b>3,854</b>                 | -      | <b>78,660</b> |
| of which Switzerland            | 73,058        | -               | 436                             | 3,539                        | -      | 77,033        |
| <b>Offshore Centres</b>         | <b>24,068</b> | -               | <b>65</b>                       | <b>55,228</b>                | -      | <b>79,361</b> |
| of which British Virgin Islands | -             | -               | -                               | 29,398                       | -      | 29,398        |
| of which Hong Kong              | 14            | -               | 6                               | 19,238                       | -      | 19,258        |
| of which Singapore              | 24,054        | -               | 6                               | 796                          | -      | 24,856        |

| (HKD million)                   | 30 Jun 2020   |                 |                                 |                              |        |               |
|---------------------------------|---------------|-----------------|---------------------------------|------------------------------|--------|---------------|
|                                 | Banks         | Official Sector | Non-bank private sector         |                              | Others | Total         |
|                                 |               |                 | Non-bank financial institutions | Non-financial private sector |        |               |
| <b>Developed Countries</b>      | <b>71,130</b> | <b>304</b>      | <b>447</b>                      | <b>3,943</b>                 | -      | <b>75,824</b> |
| of which Switzerland            | 70,117        | -               | 382                             | 3,566                        | -      | 74,065        |
| <b>Offshore Centres</b>         | <b>22,554</b> | -               | <b>134</b>                      | <b>53,695</b>                | -      | <b>76,383</b> |
| of which British Virgin Islands | -             | -               | -                               | 29,090                       | -      | 29,090        |
| of which Hong Kong              | 29            | -               | 11                              | 17,533                       | -      | 17,573        |
| of which Singapore              | 22,525        | -               | 19                              | 1,135                        | -      | 23,679        |

The above country/geographical segment classification is based on the head office location of the counterparties and is derived according to the location of the counterparties after taking into account of any risk transfer.

10 Mainland Activities Disclosures

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of "Return of Mainland Activities" issued by the HKMA. Exposures in Mainland China arising from non-bank counterparties are summarized as follows:

| (HKD million)   | 31 Dec 2020               |                            |               |                    | 30 Jun 2020               |                            |               |                    |
|---|---------------------------|----------------------------|---------------|--------------------|---------------------------|----------------------------|---------------|--------------------|
|   | On-balance sheet exposure | Off-balance sheet exposure | Total         | Specific provision | On-balance sheet exposure | Off-balance sheet exposure | Total         | Specific provision |
| Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)   | 304                       | -                          | 304           | -                  | 203                       | -                          | 203           | -                  |
| Local governments, local government-owned entities and their subsidiaries and JVs   | -                         | -                          | -             | -                  | -                         | -                          | -             | -                  |
| PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs                            | 9,340                     | 100                        | 9,440         | -                  | 10,652                    | 124                        | 10,776        | 609                |
| PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China | 1,225                     | 12                         | 1,237         | -                  | 1,072                     | 10                         | 1,082         | -                  |
| Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures                        | 1,132                     | 2                          | 1,134         | -                  | 1,703                     | 4                          | 1,707         | -                  |
| <b>Total</b>  | <b>12,001</b>             | <b>114</b>                 | <b>12,115</b> | <b>-</b>           | <b>13,630</b>             | <b>138</b>                 | <b>13,768</b> | <b>609</b>         |
| Total assets after provision  | 174,832                   |                            |               |                    | 169,171                   |                            |               |                    |
| On-balance sheet exposures as percentage of total assets  | 6.86%                     |                            |               |                    | 8.06%                     |                            |               |                    |

11 Foreign currency exposures

Foreign currency constituting 10% or more of the total net position in all foreign currencies are summarized as follows:

| (HKD million)                    | 31 Dec 2020 |             |           |           |
|----------------------------------|-------------|-------------|-----------|-----------|
|                                  | USD         | CHF         | IDR       | Total     |
| Spot assets                      | 108,234     | 2,446       | 39        | 110,719   |
| Spot liabilities                 | (108,265)   | (2,389)     | (27)      | (110,681) |
| Forward purchases                | 6,039       | 790         | -         | 6,829     |
| Forward sales                    | (5,975)     | (857)       | -         | (6,832)   |
| Net options positions            | -           | -           | -         | -         |
| <b>Net long (short) position</b> | <b>33</b>   | <b>(10)</b> | <b>12</b> | <b>35</b> |
| <b>Net structural position</b>   | <b>18</b>   | <b>-</b>    | <b>-</b>  | <b>18</b> |

| (HKD million)                    | 30 Jun 2020  |             |           |              |
|----------------------------------|--------------|-------------|-----------|--------------|
|                                  | USD          | CHF         | IDR       | Total        |
| Spot assets                      | 105,071      | 3,038       | 18        | 108,127      |
| Spot liabilities                 | (105,677)    | (2,999)     | (7)       | (108,683)    |
| Forward purchases                | 7,416        | 661         | -         | 8,077        |
| Forward sales                    | (7,353)      | (715)       | -         | (8,068)      |
| Net options positions            | -            | -           | -         | -            |
| <b>Net long (short) position</b> | <b>(543)</b> | <b>(15)</b> | <b>11</b> | <b>(547)</b> |
| <b>Net structural position</b>   | <b>13</b>    | <b>-</b>    | <b>-</b>  | <b>13</b>    |

Internal reporting method is adopted as basis of calculating the net options positions.



**Credit Suisse AG  
Hong Kong Branch  
Off Balance Sheet Exposures**

31 Dec 2020      30 Jun 2020  
HKD'000            HKD'000

**12 Contingent liabilities and commitments  
(contractual amounts)**

|                           |             |             |
|---------------------------|-------------|-------------|
| Direct credit substitutes | 10,757      | 17,463      |
| Other commitments         | 247,499,996 | 251,086,412 |

**13 Derivatives instruments  
(HKD '000)**

|   | 31 Dec 2020            |           |                             | 30 Jun 2020            |           |                             |
|---|------------------------|-----------|-----------------------------|------------------------|-----------|-----------------------------|
|   | Fair Value<br>Positive | Negative  | Total<br>Notional<br>Amount | Fair Value<br>Positive | Negative  | Total<br>Notional<br>Amount |
| Exchange rate contracts<br>(exclude forward foreign exchange contracts<br>arising from swap deposit arrangements) | 340,347                | 338,856   | 42,512,186                  | 286,481                | 282,777   | 50,542,675                  |
| Equity contracts  | 1,334,779              | 1,335,281 | 58,557,416                  | 1,276,581              | 1,276,581 | 61,460,746                  |
| Precious metals other than gold contracts   | 32,560                 | 32,559    | 676,571                     | 10,654                 | 10,618    | 952,907                     |

**Credit Suisse AG  
Hong Kong Branch  
Liquidity Information**

**Liquidity management**

Credit Suisse Group AG (The Group)'s liquidity and funding strategy is approved at the Group level by the Group's Capital Allocation & Risk Management Committee (CARMC) and overseen by the Board of Directors (The Board). The implementation and execution of the liquidity and funding strategy is managed within the CFO division by Treasury and the global liquidity group. The global liquidity group was established in the second quarter of 2018 to centralize control of liability and collateral management with the aim of optimizing liquidity sourcing, funding costs and high-quality liquid assets (HQLA) portfolio on behalf of Treasury. Treasury ensures adherence to the funding policy and the global liquidity group is focused on the efficient coordination of the short-term unsecured and secured funding desks. This approach enhances the ability to manage potential liquidity and funding risks and to promptly adjust the liquidity and funding levels to meet stress situations. The liquidity and funding profile is regularly reported to CARMC and the Board, who define the risk tolerance, including liquidity risk, and set parameters for the balance sheet and funding usage of the businesses. The Board is responsible for defining the overall risk tolerance in the form of a risk appetite statement.

CS AG Hong Kong Branch (The Branch)'s liquidity and funding profile reflects the strategy and risk appetite of the Branch and is driven by business activity levels and the overall operating environment.

**Liquidity risk management**

**Our approach to liquidity risk management**

The Branch's liquidity and funding policy is designed to ensure that funding is available to meet all obligations in times of stress, whether caused by market events or issues specific to the Group. This is achieved through a conservative asset/liability management strategy aimed at maintaining long-term funding, including stable deposits, in excess of illiquid assets. To address short-term liquidity stress, the Branch maintains a liquidity pool, described below, that covers unexpected outflows in the event of severe market and idiosyncratic stress. The liquidity risk parameters of the Group reflect various liquidity stress assumptions that are believed to be conservative. The Branch's liquidity profile is managed at a sufficient level such that, in the event that the Branch is unable to access unsecured funding, it would be expected to have sufficient liquidity to sustain operations for a period of time in excess of the limit. The risk constraints framework aims to ensure the appropriate amount of liquidity is set aside locally whilst ensuring a sufficient amount of liquidity is held at the Group level to support and meet its obligations in times of stress, whether caused by market or issues specific to the Branch and/or the Group.

The Liquidity Coverage Ratio (LCR) aims to ensure that banks have unencumbered HQLA available to meet short-term liquidity needs under a severe stress scenario. The LCR is comprised of two components, the value of HQLA in stressed conditions and the total net cash outflows calculated according to specified scenario parameters. The Net Stable Funding Ratio (NSFR) establishes criteria for a minimum amount of stable funding based on the liquidity of a bank's on- and off-balance sheet activities over a one-year horizon. The NSFR is a complementary measure to the LCR and is structured to ensure that illiquid assets are funded with an appropriate amount of stable long-term funds.

The Branch adopted LCR and NSFR as primary tools, in parallel with the internal liquidity barometer. At legal entity level of Credit Suisse AG, internal liquidity barometer framework is used to manage liquidity under Credit Suisse-specific or market-wide stress that permits Credit Suisse to continue business activities for a period of time (also known as a liquidity horizon) without changing the business plan. Under this framework, Credit Suisse AG also has short-term targets based on additional stress scenarios to ensure uninterrupted liquidity for short time frames. The internal barometer framework also supports the management of the funding structure and allows Credit Suisse AG at legal entity level to manage the time horizon over which the stressed market value of unencumbered assets (including cash) exceeds the aggregate value of contractual outflows of unsecured liabilities plus a conservative forecast of anticipated contingent commitments. Barometer using consistent group specific and market-wide stress scenarios to perform internal stress testing is also adopted at Branch level to complement the management of liquidity in Hong Kong.

The Branch's overall liquidity management framework allows the Branch to run stress analyses on its balance sheet and off-balance sheet positions, which include significant withdrawals from private banking client deposits, reduction in funding value of unencumbered assets and other scenarios as deemed necessary from time to time.

**Governance**

Funding and liquidity in the Branch are managed centrally by Treasury. Oversight of these activities is provided by the Hong Kong Branch Governance Committee (HK BGC), the main governance body of the Branch, a committee that includes the Hong Kong Branch Chief Executive (CE), Hong Kong Branch Alternate Chief Executive (ACE), Hong Kong Monetary Authority (HKMA) Managers (in accordance with section 72B of the Banking Ordinance), which includes Hong Kong Branch Chief Risk Officer (CRO), and Treasurer. The Branch's liquidity and funding profile is regularly reported to the HK BGC. HK BGC delegates the management of liquidity risk issues to the Hong Kong Branch CARMC.

It is the HKB CARMC's responsibility to define the overall risk tolerance in the form of a risk appetite which is regularly reviewed against the Liquidity Risk Management framework. It also approves the Liquidity Risk Management Strategy to allow for effective execution, planning, monitoring and management of liquidity at the Branch, as well as, the Contingency Funding Plan and Recovery Plan in times of liquidity stress. Locally, the Branch's risk appetite is aligned to the Group risk appetite and shares the core strategic risk objectives. All liquidity stress tests and scenario design are reviewed and approved by CARMC to ensure a consistent and coordinated approach across all risk disciplines.

**Contingency funding planning**

In the event of a liquidity crisis, the Branch has implemented a standalone Contingency Funding Plan (CFP) which provides for specific actions to be taken depending on the nature of the crisis. The plan is designed to address ever-increasing liquidity and funding stresses and has pre-defined escalation levels aimed at maximizing the likelihood that the Branch can take certain measures to address liquidity or funding shortfalls. In order to identify a deteriorating liquidity situation, the Branch monitors a set of regulatory and economic liquidity metrics while also seeking the views of subject matter experts as well as senior management, who retain at all times the authority to take remedial actions promptly. In all cases, the plan's primary objectives are to strengthen liquidity (immediate), reduce funding needs (medium term) and assess recovery options (longer term).

**Credit Suisse AG**  
**Hong Kong Branch**  
**Liquidity Information**

**Liquidity metrics**

**Liquidity pool**

The Branch holds a pool of HQLA as defined under Schedule 2 of the Banking (Liquidity) Rules (BLR) with a majority of HQLA consisting of Level 1 assets, predominantly in government debt securities.

The following liquidity disclosure complies with the Banking (Disclosure) Rules (BDR) made under section 60A of the Banking Ordinance.

Pursuant to the BLR, the Branch is required to maintain LCR of not less than 100% effective from 1 January 2019.

The average LCR for the period is as follows:

| Quarter ended (%) |             |
|-------------------|-------------|
| 31 Dec 2020       | 31 Dec 2019 |
| 164.44%           | 193.48%     |

**Average LCR**

Average LCR is the simple average value of all working days in the quarter.

The average LCR decreased from 193.48% for the quarter ended 31 Dec 2019 to 164.44% for the quarter ended 31 Dec 2020 primarily due to an increase in net cash outflows driven by an increase in unsecured wholesale deposits.

The following table sets out the required disclosure items under Standard Disclosure Templates as specified by the HKMA. The number of data points used in calculating the average value of the LCR and related components for quarters ended 31 Dec 2020 and 31 Dec 2019 are 61 and 62 respectively. The number of data points equates to the number of working days in the quarter.

**LIQ1 - Liquidity Coverage Ratio for category 1 institution**

| Amount in HKD\$ '000   | Quarter ended<br>31 Dec 2020<br>(61 data points) |                                | Quarter ended<br>31 Dec 2019<br>(62 data points) |                                |
|--|--|--------------------------------|--|--------------------------------|
|  | Unweighted<br>value<br>(average)                 | Weighted<br>value<br>(average) | Unweighted<br>value<br>(average)                 | Weighted<br>value<br>(average) |
| <b>Basis of disclosure: Hong Kong office basis</b>   |  |                                |  |                                |
| <b>A. HIGH QUALITY LIQUID ASSETS</b>   |  |                                |  |                                |
| 1 Total high quality liquid assets (HQLA)  |  | 27,492,535                     |  | 27,145,245                     |
| <b>B. CASH OUTFLOWS</b>  |  |                                |  |                                |
| 2 Retail deposits and small business funding, of which:  | 39,332,608                                       | 3,933,261                      | 48,500,390                                       | 4,850,039                      |
| 3 Stable retail deposits and stable small business funding   | -  | -                              | -  | -                              |
| 4 Less stable retail deposits and less stable small business funding   | 39,332,608                                       | 3,933,261                      | 48,500,390                                       | 4,850,039                      |
| 4a Retail term deposits and small business term funding  | -  | -                              | -  | -                              |
| 5 Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the FI, of which:               | 83,731,304                                       | 53,722,548                     | 69,985,787                                       | 43,397,253                     |
| 6 Operational deposits   | -  | -                              | -  | -                              |
| 7 Unsecured wholesale funding (other than small business funding) not covered in Row 6   | 83,731,304                                       | 53,722,548                     | 69,985,787                                       | 43,397,253                     |
| 8 Debt securities and prescribed instruments issued by the FI and redeemable within the LCR period   | -  | -                              | -  | -                              |
| 9 Secured funding transactions (including securities swap transactions)  | -  | -                              | -  | -                              |
| 10 Additional requirements, of which:  | 5,642,220  | 5,599,933                      | 5,001,031  | 4,526,953                      |
| 11 Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements     | 2,514,965  | 2,514,965                      | 2,128,401  | 2,128,401                      |
| 12 Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions                 | -  | -                              | -  | -                              |
| 13 Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)                           | 3,127,255  | 3,084,968                      | 2,872,630  | 2,398,552                      |
| 14 Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows  | 3,688,915  | 3,688,915                      | 3,572,560  | 3,572,560                      |
| 15 Other contingent funding obligations (whether contractual or non-contractual)   | 243,666,866                                      | 1,054                          | 246,948,174                                      | 3,242                          |
| 16 <b>TOTAL CASH OUTFLOWS</b>  |  | 66,945,711                     |  | 56,350,047                     |
| <b>C. CASH INFLOWS</b>   |  |                                |  |                                |
| 17 Secured lending transactions (including securities swap transactions)   | 23,879,025                                       | 14,907                         | 9,859,318  | -                              |
| 18 Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions | 103,516,155                                      | 73,438,342                     | 90,094,068                                       | 56,587,855                     |
| 19 Other cash inflows  | 6,163,928  | 4,909,879                      | 6,086,810  | 4,709,687                      |
| 20 <b>TOTAL CASH INFLOWS</b>   | 133,559,108                                      | 78,363,128                     | 106,040,196                                      | 61,297,542                     |
| <b>D. LIQUIDITY COVERAGE RATIO</b>   |  | <b>Adjusted value</b>          |  | <b>Adjusted value</b>          |
| 21 TOTAL HQLA  |  | 27,492,535                     |  | 27,145,245                     |
| 22 TOTAL NET CASH OUTFLOWS   |  | 16,736,427                     |  | 14,087,512                     |
| 23 LCR (%)   |  | 164.44%                        |  | 193.48%                        |

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Liquidity metrics (Continued)

Net Stable Funding Ratio

The Branch is required to maintain a NSFR of not less than 100%. The NSFR, Available Stable Funding (ASF) and Required Stable Funding (RSF) for the periods are as follows:

|      | Quarter ended (%)           |             |
|------|-----------------------------|-------------|
|      | 31 Dec 2020                 | 31 Dec 2019 |
| NSFR | 139.63%                     | 141.20%     |
|      | Quarter ended (HKD million) |             |
|      | 31 Dec 2020                 | 31 Dec 2019 |
| ASF  | 75,315                      | 76,666      |
| RSF  | 53,940                      | 54,296      |

NSFR decreased from 141.20% on 31 Dec 2019 to 139.63% on 31 Dec 2020 driven by a decrease in available stable funding primarily arising from decrease in retail deposits.

The following table sets out the required disclosure items under NSFR Standard Disclosure Template as specified by the HKMA.

LIQ2 - Net stable funding ratio for category 1 institution

| Amount in HKD\$ '000   | Quarter ended 31 Dec 2020             |                                   |                         |                   | Weighted amount |
|--|---------------------------------------|-----------------------------------|-------------------------|-------------------|-----------------|
|  | Unweighted value by residual maturity |                                   |                         |                   |                 |
| Basis of disclosure: Hong Kong office  | No specified term to maturity         | < 6 months or repayable on demand | 6 months to < 12 months | 12 months or more |                 |
| <b>A. Available stable funding ("ASF") item</b>  |                                       |                                   |                         |                   |                 |
| 1 Capital:   | -                                     | -                                 | -                       | -                 | -               |
| 2 Regulatory capital   | -                                     | -                                 | -                       | -                 | -               |
| 2a Minority interests not covered by row 2   | -                                     | -                                 | -                       | -                 | -               |
| 3 Other capital instruments  | -                                     | -                                 | -                       | -                 | -               |
| 4 Retail deposits and small business funding:  | -                                     | 39,594,027                        | -                       | -                 | 35,634,625      |
| 5 Stable deposits  | -                                     | -                                 | -                       | -                 | -               |
| 6 Less stable deposits   | -                                     | 39,594,027                        | -                       | -                 | 35,634,625      |
| 7 Wholesale funding:   | -                                     | 117,733,924                       | 6,428,646               | 6,980,074         | 39,647,995      |
| 8 Operational deposits   | -                                     | -                                 | -                       | -                 | -               |
| 9 Other wholesale funding  | -                                     | 117,733,924                       | 6,428,646               | 6,980,074         | 39,647,995      |
| 10 Liabilities with matching interdependent assets   | -                                     | -                                 | -                       | -                 | -               |
| 11 Other liabilities:  | 3,111,821                             | 2,824,111                         | 1,608                   | 246,270           | 32,029          |
| 12 Net derivative liabilities  | 31,913                                | -                                 | -                       | -                 | -               |
| 13 All other funding and liabilities not included in the above categories  | 3,079,908                             | 2,824,111                         | 1,608                   | 246,270           | 32,029          |
| 14 Total ASF   |                                       |                                   |                         |                   | 75,314,649      |
| <b>B. Required stable funding ("RSF") item</b>   |                                       |                                   |                         |                   |                 |
| 15 Total HQLA for NSFR purposes  |                                       |                                   |                         | 3,827,511         | 194,262         |
| 16 Deposits held at other financial institutions for operational purposes  | -                                     | -                                 | -                       | -                 | -               |
| 17 Performing loans and securities:  | 248,700                               | 157,633,371                       | 11,098,943              | 1,802,036         | 53,250,868      |
| 18 Performing loans to financial institutions secured by Level 1 HQLA  | -                                     | 24,036,133                        | -                       | -                 | 2,403,613       |
| 19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions   | 168                                   | 66,411,389                        | 9,292,390               | -                 | 14,608,071      |
| 20 Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which: | 248,532                               | 67,081,310                        | 1,806,553               | 1,802,036         | 36,186,914      |
| 21 With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -               |
| 22 Performing residential mortgages, of which:   | -                                     | 104,539                           | -                       | -                 | 52,270          |
| 23 With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -               |
| 24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities   | -                                     | -                                 | -                       | -                 | -               |
| 25 Assets with matching interdependent liabilities   | -                                     | -                                 | -                       | -                 | -               |
| 26 Other assets:   | 1,789,008                             | 2,937,727                         | -                       | -                 | 334,540         |
| 27 Physical traded commodities, including gold   | -                                     | -                                 | -                       | -                 | -               |
| 28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs   | -                                     | -                                 | -                       | -                 | -               |
| 29 Net derivative assets   | -                                     | -                                 | -                       | -                 | -               |
| 30 Total derivative liabilities before deduction of variation margin posted  | 1,739,598                             | -                                 | -                       | -                 | 86,980          |
| 31 All other assets not included in the above categories   | 49,410                                | 2,937,727                         | -                       | -                 | 247,560         |
| 32 Off-balance sheet items   |                                       |                                   |                         | 250,645,480       | 160,612         |
| 33 Total RSF   |                                       |                                   |                         |                   | 53,940,282      |
| 34 Net Stable Funding Ratio (%)  |                                       |                                   |                         |                   | 139.63%         |

**Credit Suisse AG**  
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**Liquidity metrics (Continued)**

**LIQ2 - Net stable funding ratio for category 1 institution - continued**

| HK\$'000  | Quarter ended 30 Sept 2020            |                                   |                         |                   |                   |
|---|---------------------------------------|-----------------------------------|-------------------------|-------------------|-------------------|
|   | Unweighted value by residual maturity |                                   |                         |                   | Weighted amount   |
| Basis of disclosure: Hong Kong office   | No specified term to maturity         | < 6 months or repayable on demand | 6 months to < 12 months | 12 months or more |                   |
| <b>A. Available stable funding ("ASF") item</b>   |                                       |                                   |                         |                   |                   |
| 1 Capital:  | -                                     | -                                 | -                       | -                 | -                 |
| 2 <i>Regulatory capital</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 2a <i>Minority interests not covered by row 2</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 3 <i>Other capital instruments</i>  | -                                     | -                                 | -                       | -                 | -                 |
| 4 Retail deposits and small business funding:   | -                                     | 40,221,079                        | -                       | -                 | 36,198,971        |
| 5 <i>Stable deposits</i>  | -                                     | -                                 | -                       | -                 | -                 |
| 6 <i>Less stable deposits</i>   | -                                     | 40,221,079                        | -                       | -                 | 36,198,971        |
| 7 Wholesale funding:  | -                                     | 119,088,839                       | 5,940,505               | 6,995,053         | 41,985,715        |
| 8 <i>Operational deposits</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 9 <i>Other wholesale funding</i>  | -                                     | 119,088,839                       | 5,940,505               | 6,995,053         | 41,985,715        |
| 10 Liabilities with matching interdependent assets  | -                                     | -                                 | -                       | -                 | -                 |
| 11 Other liabilities:   | 3,211,957                             | 2,553,717                         | 98,425                  | 198,997           | 21,721            |
| 12 <i>Net derivative liabilities</i>  | 28,973                                | -                                 | -                       | -                 | -                 |
| 13 <i>All other funding and liabilities not included in the above categories</i>  | 3,182,984                             | 2,553,717                         | 98,425                  | 198,997           | 21,721            |
| 14 <b>Total ASF</b>   |                                       |                                   |                         |                   | <b>78,206,407</b> |
| <b>B. Required stable funding ("RSF") item</b>  |                                       |                                   |                         |                   |                   |
| 15 Total HQLA for NSFR purposes   |                                       |                                   |                         | 3,782,639         | 193,274           |
| 16 Deposits held at other financial institutions for operational purposes   | -                                     | -                                 | -                       | -                 | -                 |
| 17 Performing loans and securities:   | 223,210                               | 164,725,546                       | 11,338,256              | 1,804,581         | 55,662,541        |
| 18 <i>Performing loans to financial institutions secured by Level 1 HQLA</i>  | -                                     | 24,706,054                        | -                       | -                 | 2,470,605         |
| 19 <i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>   | 414                                   | 69,174,602                        | 8,721,042               | 3,257             | 14,740,382        |
| 20 <i>Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:</i> | 222,796                               | 70,712,627                        | 2,608,854               | 1,801,324         | 38,381,242        |
| 21 <i>With a risk-weight of less than or equal to 35% under the STC approach</i>  | -                                     | -                                 | -                       | -                 | -                 |
| 22 <i>Performing residential mortgages, of which:</i>   | -                                     | 132,263                           | 8,360                   | -                 | 70,312            |
| 23 <i>With a risk-weight of less than or equal to 35% under the STC approach</i>  | -                                     | -                                 | -                       | -                 | -                 |
| 24 <i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 25 Assets with matching interdependent liabilities  | -                                     | -                                 | -                       | -                 | -                 |
| 26 Other assets:  | 1,755,752                             | 2,663,586                         | -                       | -                 | 394,055           |
| 27 <i>Physical traded commodities, including gold</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 28 <i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 29 <i>Net derivative assets</i>   | -                                     | -                                 | -                       | -                 | -                 |
| 30 <i>Total derivative liabilities before deduction of variation margin posted</i>  | 1,692,021                             | -                                 | -                       | -                 | 84,601            |
| 31 <i>All other assets not included in the above categories</i>   | 63,731                                | 2,663,586                         | -                       | -                 | 309,454           |
| 32 Off-balance sheet items  | -                                     | -                                 | -                       | 248,933,520       | 147,940           |
| 33 <b>Total RSF</b>   |                                       |                                   |                         |                   | <b>56,397,810</b> |
| 34 <b>Net Stable Funding Ratio (%)</b>  |                                       |                                   |                         |                   | <b>138.67%</b>    |

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Liquidity metrics (Continued)

LIQ2 - Net stable funding ratio for category 1 institution - continued

| HK\$'000  |   | Quarter ended 31 Dec 2019             |                                   |                         |                   |                   |
|---|---|---------------------------------------|-----------------------------------|-------------------------|-------------------|-------------------|
|   |   | Unweighted value by residual maturity |                                   |                         |                   | Weighted amount   |
| Basis of disclosure: Hong Kong office           |   | No specified term to maturity         | < 6 months or repayable on demand | 6 months to < 12 months | 12 months or more |                   |
| <b>A. Available stable funding ("ASF") item</b> |   |                                       |                                   |                         |                   |                   |
| 1   | Capital:  | -                                     | -                                 | -                       | -                 | -                 |
| 2   | Regulatory capital  | -                                     | -                                 | -                       | -                 | -                 |
| 2a  | Minority interests not covered by row 2   | -                                     | -                                 | -                       | -                 | -                 |
| 3   | Other capital instruments   | -                                     | -                                 | -                       | -                 | -                 |
| 4   | Retail deposits and small business funding:   | -                                     | 48,425,479                        | -                       | -                 | 43,582,932        |
| 5   | Stable deposits   | -                                     | -                                 | -                       | -                 | -                 |
| 6   | Less stable deposits  | -                                     | 48,425,479                        | -                       | -                 | 43,582,932        |
| 7   | Wholesale funding:  | -                                     | 117,582,064                       | 1,978,198               | 4,821,837         | 33,074,553        |
| 8   | Operational deposits  | -                                     | -                                 | -                       | -                 | -                 |
| 9   | Other wholesale funding   | -                                     | 117,582,064                       | 1,978,198               | 4,821,837         | 33,074,553        |
| 10  | Liabilities with matching interdependent assets   | -                                     | -                                 | -                       | -                 | -                 |
| 11  | Other liabilities:  | 2,538,221                             | 2,592,610                         | 3,846                   | 123,298           | 8,576             |
| 12  | Net derivative liabilities  | 41,694                                | -                                 | -                       | -                 | -                 |
| 13  | All other funding and liabilities not included in the above categories  | 2,496,527                             | 2,592,610                         | 3,846                   | 123,298           | 8,576             |
| 14  | <b>Total ASF</b>  |                                       |                                   |                         |                   | <b>76,666,061</b> |
| <b>B. Required stable funding ("RSF") item</b>  |   |                                       |                                   |                         |                   |                   |
| 15  | Total HQLA for NSFR purposes  | -                                     | -                                 | -                       | 8,988,815         | 453,699           |
| 16  | Deposits held at other financial institutions for operational purposes  | -                                     | -                                 | -                       | -                 | -                 |
| 17  | Performing loans and securities:  | 1,265,262                             | 156,951,400                       | 2,841,824               | 3,122,395         | 53,392,029        |
| 18  | Performing loans to financial institutions secured by Level 1 HQLA  | -                                     | 17,280,084                        | -                       | -                 | 1,728,008         |
| 19  | Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions   | 9,484                                 | 66,661,088                        | 1,338,775               | 52,672            | 10,730,707        |
| 20  | Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which: | 1,255,759                             | 72,831,529                        | 1,493,337               | 3,069,723         | 40,839,092        |
| 21  | With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -                 |
| 22  | Performing residential mortgages, of which:   | 19                                    | 178,699                           | 9,712                   | -                 | 94,222            |
| 23  | With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -                 |
| 24  | Securities that are not in default and do not qualify as HQLA, including exchange-traded equities   | -                                     | -                                 | -                       | -                 | -                 |
| 25  | Assets with matching interdependent liabilities   | -                                     | -                                 | -                       | -                 | -                 |
| 26  | Other assets:   | 1,037,527                             | 2,291,645                         | -                       | -                 | 320,499           |
| 27  | Physical traded commodities, including gold   | -                                     | -                                 | -                       | -                 | -                 |
| 28  | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs   | -                                     | -                                 | -                       | -                 | -                 |
| 29  | Net derivative assets   | -                                     | -                                 | -                       | -                 | -                 |
| 30  | Total derivative liabilities before deduction of variation margin posted  | 944,290                               | -                                 | -                       | -                 | NA                |
| 31  | All other assets not included in the above categories   | 93,237                                | 2,291,645                         | -                       | -                 | 320,499           |
| 32  | Off-balance sheet items   | -                                     | -                                 | -                       | 254,426,486       | 129,638           |
| 33  | <b>Total RSF</b>  |                                       |                                   |                         |                   | <b>54,295,865</b> |
| 34  | <b>Net Stable Funding Ratio (%)</b>   |                                       |                                   |                         |                   | <b>141.20%</b>    |

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**Liquidity metrics (Continued)**

LIQ2 - Net stable funding ratio for category 1 institution - continued

| HK\$'000  |   | Quarter ended 30 Sept 2019            |                                   |                         |                   | Weighted amount   |
|---|---|---------------------------------------|-----------------------------------|-------------------------|-------------------|-------------------|
|   |   | Unweighted value by residual maturity |                                   |                         |                   |                   |
| Basis of disclosure: Hong Kong office           |   | No specified term to maturity         | < 6 months or repayable on demand | 6 months to < 12 months | 12 months or more |                   |
| <b>A. Available stable funding ("ASF") item</b> |   |                                       |                                   |                         |                   |                   |
| 1   | Capital:  | -                                     | -                                 | -                       | -                 | -                 |
| 2   | Regulatory capital  | -                                     | -                                 | -                       | -                 | -                 |
| 2a  | Minority interests not covered by row 2   | -                                     | -                                 | -                       | -                 | -                 |
| 3   | Other capital instruments   | -                                     | -                                 | -                       | -                 | -                 |
| 4   | Retail deposits and small business funding:   | -                                     | 55,198,438                        | -                       | -                 | 49,678,594        |
| 5   | Stable deposits   | -                                     | -                                 | -                       | -                 | -                 |
| 6   | Less stable deposits  | -                                     | 55,198,438                        | -                       | -                 | 49,678,594        |
| 7   | Wholesale funding:  | -                                     | 123,935,155                       | 4,098,753               | 940,434           | 33,830,402        |
| 8   | Operational deposits  | -                                     | -                                 | -                       | -                 | -                 |
| 9   | Other wholesale funding   | -                                     | 123,935,155                       | 4,098,753               | 940,434           | 33,830,402        |
| 10  | Liabilities with matching interdependent assets   | -                                     | -                                 | -                       | -                 | -                 |
| 11  | Other liabilities:  | 3,302,013                             | 1,747,725                         | -                       | 7,991             | 7,991             |
| 12  | Net derivative liabilities  | 47,349                                | -                                 | -                       | -                 | -                 |
| 13  | All other funding and liabilities not included in the above categories  | 3,254,664                             | 1,747,725                         | -                       | 7,991             | 7,991             |
| 14  | <b>Total ASF</b>  |                                       |                                   |                         |                   | <b>83,516,987</b> |
| <b>B. Required stable funding ("RSF") item</b>  |   |                                       |                                   |                         |                   |                   |
| 15  | Total HQLA for NSFR purposes  |                                       |                                   |                         | 15,909,953        | 799,866           |
| 16  | Deposits held at other financial institutions for operational purposes  | -                                     | -                                 | -                       | -                 | -                 |
| 17  | Performing loans and securities:  | 1,257,690                             | 161,884,363                       | 6,260,962               | 3,134,028         | 57,624,239        |
| 18  | Performing loans to financial institutions secured by Level 1 HQLA  | -                                     | 14,859,452                        | -                       | -                 | 1,485,945         |
| 19  | Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions   | 7                                     | 69,266,486                        | 4,770,636               | 37,772            | 12,813,070        |
| 20  | Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which: | 1,257,683                             | 77,560,334                        | 1,490,326               | 3,096,256         | 43,226,178        |
| 21  | With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -                 |
| 22  | Performing residential mortgages, of which:   | -                                     | 198,091                           | -                       | -                 | 99,046            |
| 23  | With a risk-weight of less than or equal to 35% under the STC approach  | -                                     | -                                 | -                       | -                 | -                 |
| 24  | Securities that are not in default and do not qualify as HQLA, including exchange-traded equities   | -                                     | -                                 | -                       | -                 | -                 |
| 25  | Assets with matching interdependent liabilities   | -                                     | -                                 | -                       | -                 | -                 |
| 26  | Other assets:   | 1,112,972                             | 2,401,856                         | -                       | -                 | 298,456           |
| 27  | Physical traded commodities, including gold   | -                                     | -                                 | -                       | -                 | -                 |
| 28  | Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs   | -                                     | -                                 | -                       | -                 | -                 |
| 29  | Net derivative assets   | -                                     | -                                 | -                       | -                 | -                 |
| 30  | Total derivative liabilities before deduction of variation margin posted  | 1,066,167                             | -                                 | -                       | -                 | NA                |
| 31  | All other assets not included in the above categories   | 46,805                                | 2,401,856                         | -                       | -                 | 298,456           |
| 32  | Off-balance sheet items   | -                                     | -                                 | -                       | 247,047,740       | 154,070           |
| 33  | <b>Total RSF</b>  |                                       |                                   |                         |                   | <b>58,876,631</b> |
| 34  | <b>Net Stable Funding Ratio (%)</b>   |                                       |                                   |                         |                   | <b>141.85%</b>    |

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**Funding management**

Treasury is responsible for the development, execution and regular updating of the funding plan. The plan reflects projected business growth, development of the balance sheet, future funding needs and maturity profiles as well as the effects of changing market and regulatory conditions.

The Branch funds its balance sheet primarily through core customer deposits and affiliate borrowings. The Branch monitors the funding sources, including their concentrations against certain limits, according to their counterparty, currency and tenor.

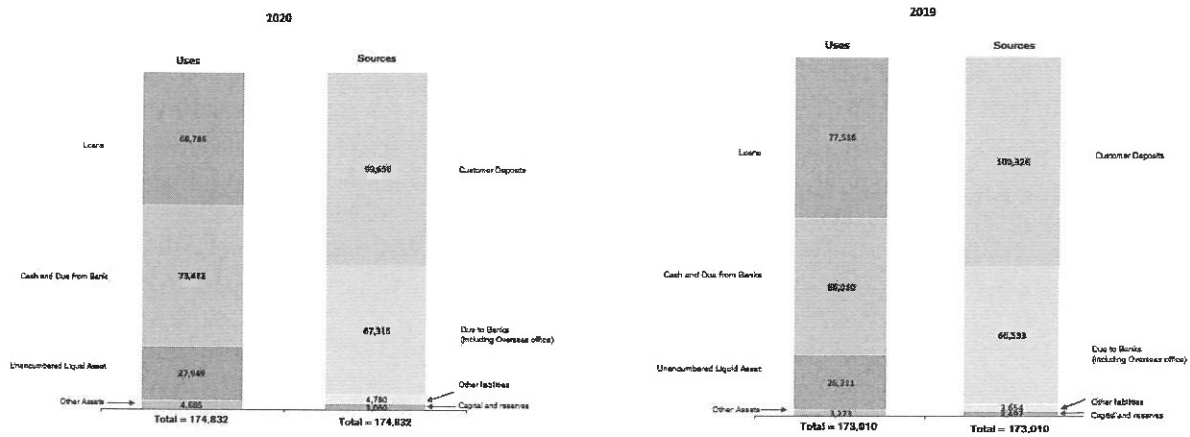
**Funding sources**

Private banking customers' deposit remains as one of the major funding sources for the Branch. In addition, the Branch is able to source additional funding, in the appropriate currency, from affiliates of the Group to meet its requirement.

The Branch holds a pool of HQLA as defined under Schedule 2 of the BLR with a majority of HQLA consisting of Level 1 assets, predominantly in government debt securities. The risk control framework aims to ensure the appropriate amount of liquidity is set aside locally whilst ensuring a sufficient amount of liquidity is held at Group level to support and meet its obligations.

In 2020, customers' deposits remains the major funding source for the Branch, supplemented with funding from affiliates (Due from banks). The positive funding gap is deployed towards reverse repurchase agreements to source HQLA and also outright purchases of HQLA, with excess funding placed back with Group affiliates. The following graphs provides the Branch's funding sources and uses.

**Branch's funding sources and uses (HKD'million)**



Unencumbered Liquid Asset includes readily monetizable debt securities held and amounts receivable from reverse repo.

**Funds transfer pricing**

The Group maintains an internal funds transfer pricing system based on market rates. The funds transfer pricing system is designed to allocate to businesses all funding costs in a way that incentivizes their efficient use of funding. The funds transfer pricing system is an essential tool that allocates to the businesses the short-term and long-term costs of funding their balance sheet usages and off-balance sheet contingencies. The funds transfer pricing framework ensures full funding costs allocation under normal business conditions, but it is of even greater importance in a stressed capital markets environment where raising funds is more challenging and expensive. Under this framework, businesses are also credited to the extent they provide long-term stable funding.



**Credit Suisse AG**  
**Hong Kong Branch**  
**Liquidity Information**

**Funding management (Continued)**

**Contractual maturity banding of assets and liabilities**

The following tables provide contractual maturities of the assets and liabilities as at the end of each period.

| <b>At 31 Dec 2020 (HKD million)</b>  | <b>On demand</b> | <b>Less than 1 month</b> | <b>Between 1 to 3 months</b> | <b>Between 3 to 12 months</b> | <b>Between 1 to 5 years</b> | <b>Balancing amount</b> | <b>Total</b>   |
|--|------------------|--------------------------|------------------------------|-------------------------------|-----------------------------|-------------------------|----------------|
| <b>Assets</b>  |                  |                          |                              |                               |                             |                         |                |
| Amount receivable arising from securities financing transactions (other than securities swap transactions) | 24,214           | -                        | -                            | -                             | -                           | -                       | 24,214         |
| Amount receivable arising from derivative contracts  | 172              | 84                       | 94                           | 638                           | 720                         | -                       | 1,708          |
| Due from MA for a/c of Exchange Fund   | 92               | -                        | -                            | -                             | -                           | -                       | 92             |
| Due from overseas central banks  | 1                | -                        | -                            | -                             | -                           | -                       | 1              |
| Due from banks   | 20,200           | 25,309                   | 13,334                       | 14,476                        | -                           | -                       | 73,319         |
| Readily monetizable debt securities held (net of short positions)  | 3,735            | -                        | -                            | -                             | -                           | -                       | 3,735          |
| Loans and advances to non-bank customers   | 14,302           | 46,650                   | 2,931                        | 3,091                         | 1,802                       | 10                      | 68,786         |
| Other assets   | 397              | 2,189                    | 352                          | -                             | -                           | 39                      | 2,977          |
| <b>Total assets</b>  | <b>63,113</b>    | <b>74,232</b>            | <b>16,711</b>                | <b>18,205</b>                 | <b>2,522</b>                | <b>49</b>               | <b>174,832</b> |
| <b>Off Balance Sheet Claims</b>  | <b>2,660</b>     | <b>3,293</b>             | <b>2,328</b>                 | <b>102</b>                    | <b>-</b>                    | <b>14,941</b>           | <b>23,324</b>  |
| <b>Liabilities</b>   |                  |                          |                              |                               |                             |                         |                |
| Deposits from non-bank customers   | 65,266           | 13,692                   | 12,183                       | 8,515                         | -                           | -                       | 99,656         |
| Amount payable arising from derivative contracts   | 170              | 85                       | 107                          | 646                           | 731                         | 1                       | 1,740          |
| Due to banks   | 931              | 35,152                   | 19,173                       | 5,079                         | 6,841                       | 140                     | 67,316         |
| Other liabilities  | 885              | 1,529                    | 275                          | 137                           | 214                         | -                       | 3,040          |
| Capital and reserves   | -                | -                        | -                            | -                             | -                           | 3,080                   | 3,080          |
| <b>Total liabilities including capital and reserves</b>  | <b>67,252</b>    | <b>50,458</b>            | <b>31,738</b>                | <b>14,377</b>                 | <b>7,786</b>                | <b>3,221</b>            | <b>174,832</b> |
| <b>Off Balance Sheet Obligations</b>   | <b>2,473</b>     | <b>8,724</b>             | <b>313</b>                   | <b>96</b>                     | <b>-</b>                    | <b>14,941</b>           | <b>26,547</b>  |
| <b>Net liquidity gaps</b>  | <b>(3,952)</b>   | <b>18,343</b>            | <b>(13,012)</b>              | <b>3,834</b>                  | <b>(5,264)</b>              | <b>(3,172)</b>          | <b>(3,223)</b> |
| <b>At 31 Dec 2019 (HKD million)</b>  |                  |                          |                              |                               |                             |                         |                |
| <b>Assets</b>  |                  |                          |                              |                               |                             |                         |                |
| Amount receivable arising from securities financing transactions (other than securities swap transactions) | -                | 2,776                    | 14,504                       | -                             | -                           | -                       | 17,280         |
| Amount receivable arising from derivative contracts  | 144              | 26                       | 31                           | 383                           | 319                         | -                       | 903            |
| Due from MA for a/c of Exchange Fund   | 57               | -                        | -                            | -                             | -                           | -                       | 57             |
| Due from overseas central banks  | 1                | -                        | -                            | -                             | -                           | -                       | 1              |
| Due from banks   | 13,922           | 18,001                   | 25,968                       | 8,023                         | 38                          | -                       | 65,952         |
| Readily monetizable debt securities held (net of short positions)  | 8,931            | -                        | -                            | -                             | -                           | -                       | 8,931          |
| Loans and advances to non-bank customers   | 8,848            | 53,041                   | 10,489                       | 2,062                         | 3,070                       | 6                       | 77,516         |
| Other assets   | 219              | 1,651                    | 425                          | 56                            | -                           | 19                      | 2,370          |
| <b>Total assets</b>  | <b>32,122</b>    | <b>75,495</b>            | <b>51,417</b>                | <b>10,524</b>                 | <b>3,427</b>                | <b>25</b>               | <b>173,010</b> |
| <b>Off Balance Sheet Claims</b>  | <b>2,520</b>     | <b>6,302</b>             | <b>548</b>                   | <b>17</b>                     | <b>-</b>                    | <b>13,605</b>           | <b>22,992</b>  |
| <b>Liabilities</b>   |                  |                          |                              |                               |                             |                         |                |
| Deposits from non-bank customers   | 42,258           | 28,583                   | 22,288                       | 7,197                         | -                           | -                       | 100,326        |
| Amount payable arising from derivative contracts   | 140              | 26                       | 35                           | 420                           | 321                         | -                       | 942            |
| Due to banks   | 2,556            | 30,410                   | 26,124                       | 2,620                         | 4,682                       | 141                     | 66,533         |
| Other liabilities  | 717              | 1,433                    | 326                          | 121                           | 115                         | -                       | 2,712          |
| Capital and reserves   | -                | -                        | -                            | -                             | -                           | 2,497                   | 2,497          |
| <b>Total liabilities including capital and reserves</b>  | <b>45,671</b>    | <b>60,452</b>            | <b>48,773</b>                | <b>10,358</b>                 | <b>5,118</b>                | <b>2,638</b>            | <b>173,010</b> |
| <b>Off Balance Sheet Obligations</b>   | <b>2,755</b>     | <b>8,441</b>             | <b>334</b>                   | <b>380</b>                    | <b>93</b>                   | <b>13,605</b>           | <b>25,608</b>  |
| <b>Net liquidity gaps</b>  | <b>(13,784)</b>  | <b>12,904</b>            | <b>2,858</b>                 | <b>(197)</b>                  | <b>(1,784)</b>              | <b>(2,613)</b>          | <b>(2,616)</b> |

**Credit Suisse Group AG**  
**Consolidated Financial Information**

|  | 31 Dec 2020               | 30 Jun 2020               |
|--|---------------------------|---------------------------|
| <b>Capital adequacy ratio (Note 1)</b>                             |                           |                           |
| Common Equity Tier 1 ratio   | 12.9%                     | 12.5%                     |
| Tier 1 ratio   | 18.6%                     | 17.3%                     |
| Total capital ratio  | 19.0%                     | 18.2%                     |
|  | CHF million               | CHF million               |
| <b>Total shareholders' equity</b>                                  | <b>42,677</b>             | <b>46,535</b>             |
| <b>Other financial information</b>                                 |                           |                           |
| Balance sheet :  |                           |                           |
| Total assets   | 805,822                   | 828,480                   |
| Total liabilities  | 762,881                   | 781,629                   |
| Loans net of allowance for loan losses                             | 291,908                   | 294,312                   |
| Total customer deposits  | 390,921                   | 388,995                   |
|  | Year ended<br>31 Dec 2020 | Year ended<br>31 Dec 2019 |
|  | CHF million               | CHF million               |
| Profit and Loss :  |                           |                           |
| Pre-tax profit from continuing operations for the financial period | 3,467                     | 4,720                     |

Note :

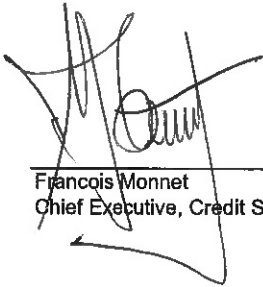
- (1) The capital adequacy ratio is computed in accordance with the Basel Capital Accord.
- (2) For further details on Credit Suisse Group AG financial information, please refer to the Credit Suisse Group AG 2020 Annual Report at [www.credit-suisse.com](http://www.credit-suisse.com).

**Credit Suisse AG**  
**Hong Kong Branch**

**Chief Executive's Declaration of Compliance**

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It is certified by the Chief Executive of Credit Suisse AG Hong Kong Branch that the information disclosed above is in compliance with the Banking (Disclosure) rules and the disclosure standards of the Supervisory Policy Manual – "Guideline on the Application of the Banking (Disclosure) Rules" issued by the Hong Kong Monetary Authority.



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Francois Monnet  
Chief Executive, Credit Suisse AG Hong Kong Branch