

**Credit Suisse AG**

**Hong Kong Branch**

**Key Financial Information Disclosure Statement**

**As at 31 December 2021**

**Credit Suisse AG  
Hong Kong Branch  
Key Financial Information Disclosure Statement  
As at 31 December 2021**

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**Credit Suisse AG  
Hong Kong Branch  
Profit & Loss Account  
For The Year Ended 31 December 2021**

		31 Dec 2021	31 Dec 2020
	Notes	HKD'000	HKD'000
Interest income		1,353,272	2,187,991
Interest expense		(569,579)	(1,313,724)
Net interest income		783,693	874,267
Other operating income	1	2,962,285	2,876,122
Total operating income		3,745,978	3,750,389
Total operating expenses	2	(2,877,791)	(2,699,152)
Impairment gains/ losses and provisions		36,629	(356,035)
Profit before taxation		904,816	695,202
Tax charge		(117,248)	(135,971)
Profit after taxation		<u>787,568</u>	<u>559,231</u>

**Credit Suisse AG  
Hong Kong Branch  
Balance Sheet  
As at 31 December 2021**

		31 Dec 2021	30 Jun 2021
	Notes	HKD'000	HKD'000
<b>Assets</b>			
Cash and balances with banks		2,365,402	2,359,455
Due from Exchange Fund		79,063	83,251
Amount due from overseas offices		43,438,660	78,270,215
Loans and receivables	4	63,755,843	74,828,566
Amount receivable under reverse repos		18,715,218	23,011,880
Investment securities		-	3,510,765
Securities held for trading purposes		1,934,801	70,055
Property, plant and equipment		39,837	31,660
<b>Total assets</b>		<b>130,328,824</b>	<b>182,165,847</b>
<b>Liabilities</b>			
Deposits from customers	5	98,717,318	98,799,242
Deposit and balances of banks and other financial institutions		38,582	31,143
Amount due to overseas offices		22,484,122	74,347,221
Other liabilities		9,088,802	8,988,241
<b>Total liabilities</b>		<b>130,328,824</b>	<b>182,165,847</b>

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

		Year ended 31 Dec 2021	Year ended 31 Dec 2020
	Notes	HKD'000	HKD'000
<b>1 Other operating income</b>			
Gains less losses arising from trading in foreign currencies		(953)	(5,111)
Gains less losses arising from trading in other derivatives		(269,835)	(69,722)
Gains less losses on securities held for trading purposes		(544)	2,084
Net fees and commission income	3	3,202,077	2,915,634
Others		31,540	33,237
		<u>2,962,285</u>	<u>2,876,122</u>
<b>2 Total operating expenses</b>			
Staff and rental expenses		(1,325,592)	(1,313,364)
Other expenses		(1,538,861)	(1,383,628)
Charge for other provisions		(13,338)	(2,160)
		<u>(2,877,791)</u>	<u>(2,699,152)</u>
<b>3 Net fees and commission income</b>			
Fees and commission income		3,245,802	2,964,723
Less: Fees and commission expenses		(43,725)	(49,089)
		<u>3,202,077</u>	<u>2,915,634</u>
		31 Dec 2021	30 Jun 2021
		HKD'000	HKD'000
<b>4 Loans and receivables</b>			
Loans and advances to customers			
- Overdrafts and repayment on demand		875,712	160,529
- Other loans due within 1 month		46,886,571	60,237,125
- Between 1 and 3 months		5,922,736	3,733,245
- Between 3 months and 1 year		1,862,996	1,071,522
- Later than 1 year		3,081,300	4,233,460
Total Loans and advances to customers	6	58,629,315	69,435,881
Other accounts		5,065,589	5,313,583
Accrued interest		71,508	91,337
Provisions for impaired loans and receivables (general provisions)		(3,298)	(5,105)
Provisions for impaired loans and receivables (specific provisions)		(7,271)	(7,130)
		<u>63,755,843</u>	<u>74,828,566</u>
<b>5 Deposits from customers</b>			
Demand deposits and current accounts		68,182,771	63,225,822
Time, call and notice deposits		30,534,547	35,573,420
		<u>98,717,318</u>	<u>98,799,242</u>

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 2021 HKD'000			30 Jun 2021 HKD'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Loans and advances for use in Hong Kong						
Industrial, commercial and financial						
Financial concerns	1,797,956	3,508,534	5,306,490	2,260,385	3,494,182	5,754,567
Others	5,190	-	5,190	11,123	-	11,123
Individuals						
Others	21,141,371	7,271	21,148,642	22,936,994	9,867	22,946,861
Loans and advances for use outside Hong Kong	32,168,630	363	32,168,993	40,723,263	67	40,723,330
	<u>55,113,147</u>	<u>3,516,168</u>	<u>58,629,315</u>	<u>65,931,765</u>	<u>3,504,116</u>	<u>69,435,881</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 2021 HKD'000			30 Jun 2021 HKD'000		
	Total	Overdue/Impaired Loans & Advances	Specific Provision	Total	Overdue/Impaired Loans & Advances	Specific Provision
British Virgin Islands	19,115,268	-	-	27,754,269	-	-
Hong Kong	26,460,322	7,271	7,271	28,712,551	7,130	7,130
Others	13,053,725	-	-	12,969,061	-	-
	<u>58,629,315</u>	<u>7,271</u>	<u>7,271</u>	<u>69,435,881</u>	<u>7,130</u>	<u>7,130</u>
% of the total loans and advances to customers		<u>0.01%</u>			<u>0.01%</u>	
Fair value of security held against impaired advances to loans and advances		<u>-</u>			<u>-</u>	

7 Overdue and rescheduled loans and advances

a. Overdue loans and advances

	31 Dec 2021		30 Jun 2021	
	HKD'000	% of total Loans & Advances to customers	HKD'000	% of total Loans & Advances to customers
Gross amount of loans and advances which have been overdue for:				
- Six months or less but over three months	-	-	-	-
- One year or less but over six months	-	-	-	-
- Over one year	7,271	0.01%	7,130	0.01%
	<u>7,271</u>	<u>0.01%</u>	<u>7,130</u>	<u>0.01%</u>
Fair value of the collaterals held in respect of the overdue loans and advances to customers	<u>-</u>		<u>-</u>	
Specific provision made	<u>7,271</u>		<u>7,130</u>	

All non-performing loans to customers were overdue for more than 1 year as at 31 Dec 2021 & 30 Jun 2021.

No collaterals are held in respect of the overdue loans and advances.

b. Rescheduled advances

Credit Suisse AG Hong Kong Branch (The Branch) does not have any rescheduled loans & advances to customers as at 31 Dec 2021 & 30 Jun 2021.

The Branch does not have any overdue & rescheduled loans & advances to banks as at 31 Dec 2021 & 30 Jun 2021.

The Branch does not have impaired loans and advances to banks as at 31 Dec 2021 & 30 Jun 2021.

8 Other Assets Overdue and Repossessed Assets

The Branch does not have any overdue other assets and repossessed assets as at 31 Dec 2021 & 30 Jun 2021.

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

**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 2021					
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
<b>Developed Countries</b>	<b>46,172</b>	<b>68</b>	<b>245</b>	<b>3,755</b>	-	<b>50,240</b>
of which Switzerland	44,103	-	240	3,518	-	47,861
<b>Offshore Centres</b>	<b>18,822</b>	<b>371</b>	<b>94</b>	<b>45,292</b>	-	<b>64,579</b>
of which British Virgin Islands	-	-	1	20,439	-	20,440
of which Hong Kong	100	371	7	18,593	-	19,071
of which Singapore	18,722	-	7	664	-	19,393

(HKD million)

	30 Jun 2021					
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
<b>Developed Countries</b>	<b>81,158</b>	<b>70</b>	<b>332</b>	<b>3,761</b>	-	<b>85,321</b>
of which Switzerland	79,399	-	304	3,514	-	83,217
<b>Offshore Centres</b>	<b>22,910</b>	<b>395</b>	<b>46</b>	<b>56,526</b>	-	<b>79,877</b>
of which British Virgin Islands	-	-	-	29,908	-	29,908
of which Hong Kong	46	395	9	19,676	-	20,126
of which Singapore	22,863	-	10	679	-	23,552

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 2021				30 Jun 2021			
	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)	371	-	371	-	391	-	391	-
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	10,070	242	10,312	-	10,925	153	11,078	-
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,250	15	1,265	-	1,270	16	1,286	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	434	2	436	-	875	6	881	-
<b>Total</b>	<b>12,125</b>	<b>259</b>	<b>12,384</b>	<b>-</b>	<b>13,461</b>	<b>175</b>	<b>13,636</b>	<b>-</b>
<b>Total assets after provision</b>	<b>130,329</b>				<b>182,166</b>			
<b>On-balance sheet exposures as percentage of total assets</b>	<b>9.30%</b>				<b>7.39%</b>			

#### 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 2021				
	USD	EUR	*CHF	*IDR	Total
Spot assets	65,581	5,400	1,952	141	73,074
Spot liabilities	(65,468)	(5,367)	(1,915)	(128)	(72,878)
Forward purchases	4,066	1,511	312	-	5,889
Forward sales	(4,004)	(1,511)	(373)	-	(5,888)
Net options positions	-	-	-	-	-
<b>Net long (short) position</b>	<b>175</b>	<b>33</b>	<b>(24)</b>	<b>13</b>	<b>197</b>
<b>Net structural position</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>

(HKD million)	30 June 2021				
	USD	*EUR	CHF	IDR	Total
Spot assets	113,365	6,659	2,403	140	122,567
Spot liabilities	(113,394)	(6,657)	(2,378)	(128)	(122,557)
Forward purchases	4,688	1,808	368	-	6,864
Forward sales	(4,684)	(1,808)	(382)	-	(6,874)
Net options positions	-	-	-	-	-
<b>Net long (short) position</b>	<b>(25)</b>	<b>2</b>	<b>11</b>	<b>12</b>	<b>-</b>
<b>Net structural position</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</b>

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

\* The foreign currency which constitutes less than 10% of the total net position in all foreign currencies is presented for comparative purpose only.



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

	31 Dec 2021	30 Jun 2021
	HKD'000	HKD'000
<b>12 Contingent liabilities and commitments</b> (contractual amounts)		
Direct credit substitutes	10,743	10,859
Other commitments	251,849,776	243,657,570

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

	31 Dec 2021			30 Jun 2021		
	Fair Value Positive	Negative	Total Notional Amount	Fair Value Positive	Negative	Total Notional Amount
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	87,254	84,884	22,069,219	147,469	143,699	39,992,332
Equity contracts	3,677,310	3,676,577	41,082,536	1,865,820	1,866,719	75,991,386
Precious metals including gold contracts	27,512	27,512	5,962,732	89,901	89,902	8,615,031

## Liquidity management

Our liquidity and funding strategy is approved by the Group's Capital Allocation and Liability Management Committee (Group CALMC) and overseen by the Board of Directors (Board). The implementation and execution of the liquidity and funding strategy is managed by Treasury. The global liquidity group centralizes control of liability and collateral management with the aim of optimizing our liquidity sourcing, funding costs and high-quality liquid assets (HQLA) portfolio within Treasury. Treasury ensures adherence to our 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 our ability to manage potential liquidity and funding risks and to promptly adjust our liquidity and funding levels to meet stress situations. As of January 2022, the global liquidity group was integrated into Treasury. Our liquidity and funding profile is regularly reported to Group CALMC and the Board, who define our risk tolerance, including liquidity risk, and set parameters for the balance sheet and funding usage of our businesses. The Board is responsible for defining our overall risk tolerance in the form of a risk appetite statement.

The Branch's liquidity and funding profiles reflect the strategy and risk appetites of the Branch and are 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 Credit Suisse. We achieve this 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, we maintain a liquidity pool, as described below, that covers unexpected outflows in the event of severe market and/or idiosyncratic stress. Our liquidity risk parameters reflect various liquidity stress assumptions that we believe are conservative. We manage our liquidity profile at a sufficient level such that, in the event we are unable to access unsecured funding, we expect to have sufficient liquidity to sustain operations for a period of time in excess of our minimum limit. This includes potential currency mismatches, which are not deemed to be a major risk but are monitored, particularly in the significant currencies.

The Liquidity Coverage Ratio (LCR) aims to ensure that banks have unencumbered high quality liquid assets (HQLA) available to meet short-term liquidity needs under a severe stress scenario. The LCR is consist 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 the 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 adopts LCR and NSFR as primary tools, in parallel with the internal liquidity barometer, to monitor our short term and longer term structural liquidity positions and funding plan. The Branch uses the internal liquidity barometer to manage liquidity to internal targets and to a desired profile under the name specific and market-wide stress scenarios. This allows the Branch to continue business activities for a period of time (also known as a liquidity horizon) without changing business plans. Under this framework, the Branch also has short-term targets based on additional stress scenarios to ensure uninterrupted liquidity for the shorter-term timeframes. The internal barometer framework also supports the management of the funding structure. It allows the Branch 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.

The Branch's overall liquidity management framework allows the Branch to run stress analysis 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 HK Branch Chief Executive (CE), HK Branch Alternate Chief Executive (ACE), HKMA Managers (in accordance with section 72B of the Banking Ordinance), which includes HK Branch Chief Risk Officer (CRO), and Treasurer. The Branch's liquidity and funding profiles are regularly reported to the HK BGC. HK Branch Capital Allocation and Risk Management Committee (HKB CARMC), a sub-committees of HK BGC, has the delegated powers to manage all risk related issues.

HKB CARMC has the responsibility to review the liquidity risk management strategy to allow for effective execution, planning, monitoring and management of liquidity. HKB CARMC is also responsible for defining the overall risk tolerance in the form of a risk appetite, regularly reviewing the risk appetite within the liquidity risk management framework. Locally, the Branch's risk appetite is aligned to the Group risk appetite and shares the core strategic risk objectives. All liquidity stress tests are coordinated and overseen by the HKB 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 2021	31 Dec 2020
229.93%	164.44%

**Average LCR**

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

The average LCR increased from 164.44% for the quarter ended 31 Dec 2020 to 229.93% for the quarter ended 31 Dec 2021 primarily due to a decrease in net cash outflows from lower 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 2021 and 31 Dec 2020 are 62 and 61 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 31 Dec 2021 (62 data points)		Quarter ended 31 Dec 2020 (61 data points)	
	Unweighted value (average)	Weighted value (average)	Unweighted value (average)	Weighted value (average)
<b>Basis of disclosure:</b> Hong Kong office basis				
<b>A. HIGH QUALITY LIQUID ASSETS</b>				
1 Total high quality liquid assets (HQLA)		23,533,046		27,492,535
<b>B. CASH OUTFLOWS</b>				
2 Retail deposits and small business funding, of which:	36,114,062	3,611,406	39,332,608	3,933,261
3 Stable retail deposits and stable small business funding	-	-	-	-
4 Less stable retail deposits and less stable small business funding	36,114,062	3,611,406	39,332,608	3,933,261
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:	62,227,285	28,102,836	83,731,304	53,722,548
6 Operational deposits	-	-	-	-
7 Unsecured wholesale funding (other than small business funding) not covered in Row 6	62,227,285	28,102,836	83,731,304	53,722,548
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:	7,622,957	7,237,609	5,642,220	5,599,933
11 Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	4,783,735	4,783,735	2,514,965	2,514,965
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)	2,839,222	2,453,874	3,127,255	3,084,968
14 Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	2,050,810	2,050,810	3,688,915	3,688,915
15 Other contingent funding obligations (whether contractual or non-contractual)	251,266,184	1,072	243,666,866	1,054
16 <b>TOTAL CASH OUTFLOWS</b>		41,003,733		66,945,711
<b>C. CASH INFLOWS</b>				
17 Secured lending transactions (including securities swap transactions)	20,670,532	34,691	23,879,025	14,907
18 Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	85,964,817	60,432,273	103,516,155	73,438,342
19 Other cash inflows	7,167,176	6,408,683	6,163,928	4,909,879
20 <b>TOTAL CASH INFLOWS</b>	113,802,525	66,875,647	133,559,108	78,363,128
<b>D. LIQUIDITY COVERAGE RATIO</b>		<b>Adjusted value</b>		<b>Adjusted value</b>
21 TOTAL HQLA		23,533,046		27,492,535
22 TOTAL NET CASH OUTFLOWS		10,250,933		16,736,427
23 LCR (%)		229.93%		164.44%

Credit Suisse AG  
Hong Kong Branch  
Liquidity Information

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 2021	31 Dec 2020
NSFR	163.26%	139.63%
	Quarter ended (HKD million)	
	31 Dec 2021	31 Dec 2020
ASF	65,818	75,315
RSF	40,313	53,940

NSFR increased from 139.63% on 31 Dec 2020 to 163.26% on 31 Dec 2021 driven by a decrease in required stable funding primarily arising from decrease in loans.

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 2021				
	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:	-	35,599,794	-	-	32,039,815
5 Stable deposits	-	-	-	-	-
6 Less stable deposits	-	35,599,794	-	-	32,039,815
7 Wholesale funding:	-	80,863,966	4,147,488	894,185	33,774,487
8 Operational deposits	-	-	-	-	-
9 Other wholesale funding	-	80,863,966	4,147,488	894,185	33,774,487
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	3,860,472	1,274,424	5,332	103,924	3,298
12 Net derivative liabilities	12,405	-	-	-	-
13 All other funding and liabilities not included in the above categories	3,848,067	1,274,424	5,332	103,924	3,298
14 Total ASF					65,817,600
<b>B. Required stable funding ("RSF") item</b>					
15 Total HQLA for NSFR purposes				2,018,302	103,692
16 Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17 Performing loans and securities:	868,402	117,864,664	1,605,703	3,084,560	39,558,929
18 Performing loans to financial institutions secured by Level 1 HQLA	-	18,487,072	-	-	1,848,707
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	46,118,409	208,336	-	7,021,929
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:	868,402	53,202,583	1,397,367	3,084,560	30,659,993
21 With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-
22 Performing residential mortgages, of which:	-	56,600	-	-	28,300
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:	3,848,090	1,187,777	-	81,269	508,191
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	3,804,481	-	-	-	190,224
31 All other assets not included in the above categories	43,609	1,187,777	-	81,269	317,967
32 Off-balance sheet items				254,324,404	142,686
33 Total RSF					40,313,498
34 Net Stable Funding Ratio (%)					163.28%

Credit Suisse AG  
Hong Kong Branch  
Liquidity Information

Liquidity metrics (Continued)

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

HK\$'000	Quarter ended 30 Sept 2021					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:	-	36,921,012	-	-	-	33,228,911
5 Stable deposits	-	-	-	-	-	-
6 Less stable deposits	-	36,921,012	-	-	-	33,228,911
7 Wholesale funding:	-	90,024,245	4,564,528	11,808,971	-	47,460,721
8 Operational deposits	-	-	-	-	-	-
9 Other wholesale funding	-	90,024,245	4,564,528	11,808,971	-	47,460,721
10 Liabilities with matching interdependent assets	-	-	-	-	-	-
11 Other liabilities:	3,845,885	2,330,775	111,862	98,672	-	9,457
12 Net derivative liabilities	20,210	-	-	-	-	-
13 All other funding and liabilities not included in the above categories	3,825,675	2,330,775	111,862	98,672	-	9,457
14 Total ASF						80,699,089
<b>B. Required stable funding ("RSF") item</b>						
15 Total HQLA for NSFR purposes				2,711,732		136,280
16 Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-
17 Performing loans and securities:	185,214	128,014,791	13,095,955	3,104,458	-	48,336,654
18 Performing loans to financial institutions secured by Level 1 HQLA	-	22,041,104	-	-	-	2,204,110
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	491	46,281,633	11,495,694	-	-	12,690,583
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:	184,723	59,604,768	1,600,261	3,104,458	-	33,398,318
21 With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-	-	-
22 Performing residential mortgages, of which:	-	87,286	-	-	-	43,643
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:	5,341,494	2,567,268	-	-	-	638,942
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	5,297,269	-	-	-	-	264,863
31 All other assets not included in the above categories	44,225	2,567,268	-	-	-	374,079
32 Off-balance sheet items	-	-	-	252,750,271	-	146,093
33 Total RSF						49,257,969
34 Net Stable Funding Ratio (%)						163.83%

Credit Suisse AG  
Hong Kong Branch  
Liquidity Information

Liquidity metrics (Continued)

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

HK\$'000	Quarter ended 31 Dec 2020					Weighted amount
	Unweighted value by residual maturity				No specified term to 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	<b>Total ASF</b>					<b>75,314,649</b>
<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	<b>Total RSF</b>					<b>53,940,282</b>
34	<b>Net Stable Funding Ratio (%)</b>					<b>139.63%</b>

Credit Suisse AG  
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Liquidity Information

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	Regulatory capital	-	-	-	-
2a	Minority interests not covered by row 2	-	-	-	-
3	Other capital instruments	-	-	-	-
4	Retail deposits and small business funding:	-	40,221,079	-	36,198,971
5	Stable deposits	-	-	-	-
6	Less stable deposits	-	40,221,079	-	36,198,971
7	Wholesale funding:	-	119,088,839	5,940,505	41,985,715
8	Operational deposits	-	-	-	-
9	Other wholesale funding	-	119,088,839	5,940,505	41,985,715
10	Liabilities with matching interdependent assets	-	-	-	-
11	Other liabilities:	3,211,957	2,553,717	98,425	21,721
12	Net derivative liabilities	28,973	-	-	-
13	All other funding and liabilities not included in the above categories	3,182,984	2,553,717	98,425	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	55,662,541
18	Performing loans to financial institutions secured by Level 1 HQLA	-	24,706,054	-	2,470,605
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	414	69,174,602	8,721,042	14,740,382
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:	222,796	70,712,627	2,608,854	38,381,242
21	With a risk-weight of less than or equal to 35% under the STC approach	-	-	-	-
22	Performing residential mortgages, of which:	-	132,263	8,360	70,312
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:	1,755,752	2,663,586	-	394,055
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	1,692,021	-	-	84,601
31	All other assets not included in the above categories	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>

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

**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.

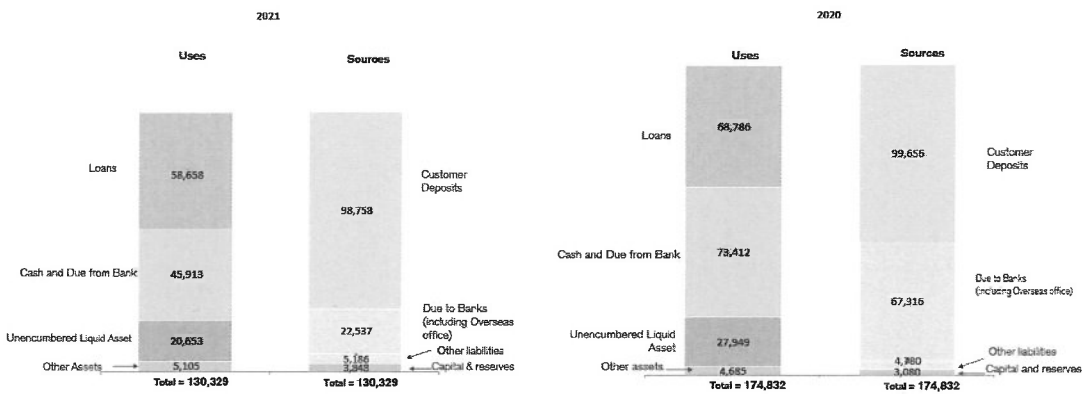
**Funding sources**

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 2021, 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.

At 31 Dec 2021 (HKD million)	On demand	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	Between 1 to 5 years	Balancing amount	Total
<b>Assets</b>							
Amount receivable arising from securities financing transactions (other than securities swap transactions)	18,487	228	-	-	-	-	18,715
Amount receivable arising from derivative contracts	55	200	404	898	2,234	1	3,792
Due from MA for a/c of Exchange Fund	79	-	-	-	-	-	79
Due from overseas central banks	1	-	-	-	-	-	1
Due from banks	11,339	22,551	10,699	1,244	-	-	45,833
Readily monetizable debt securities held (net of short positions)	1,938	-	-	-	-	-	1,938
Loans and advances to non-bank customers	5,732	42,038	5,936	1,867	3,085	-	58,658
Other assets	89	822	277	-	81	44	1,313
<b>Total assets</b>	<b>37,720</b>	<b>65,839</b>	<b>17,316</b>	<b>4,009</b>	<b>5,400</b>	<b>45</b>	<b>130,329</b>
<b>Off Balance Sheet Claims</b>	<b>8</b>	<b>3,663</b>	<b>263</b>	<b>-</b>	<b>-</b>	<b>18,573</b>	<b>22,507</b>
<b>Liabilities</b>							
Deposits from non-bank customers	72,153	12,624	11,394	2,587	-	-	98,758
Amount payable arising from derivative contracts	53	198	407	913	2,233	-	3,804
Due to banks	600	2,401	14,560	4,082	754	140	22,537
Other liabilities	344	583	226	128	101	-	1,382
Capital and reserves	-	-	-	-	-	3,848	3,848
<b>Total liabilities including capital and reserves</b>	<b>73,150</b>	<b>15,806</b>	<b>26,587</b>	<b>7,710</b>	<b>3,088</b>	<b>3,988</b>	<b>130,329</b>
<b>Off Balance Sheet Obligations</b>	<b>637</b>	<b>5,692</b>	<b>458</b>	<b>12</b>	<b>-</b>	<b>18,573</b>	<b>25,372</b>
<b>Net liquidity gaps</b>	<b>(36,059)</b>	<b>48,004</b>	<b>(9,466)</b>	<b>(3,713)</b>	<b>2,312</b>	<b>(3,943)</b>	<b>(2,865)</b>
<b>At 31 Dec 2020 (HKD million)</b>							
	On demand	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	Between 1 to 5 years	Balancing amount	Total
<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>

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

	31 Dec 2021	30 Jun 2021
<b>Capital adequacy ratio (Note 1)</b>		
Common Equity Tier 1 ratio	14.4%	13.7%
Tier 1 ratio	20.3%	19.4%
Total capital ratio	20.5%	19.8%
	CHF million	CHF million
<b>Total shareholders' equity</b>	43,954	43,580
<b>Other financial information</b>		
Balance sheet :		
Total assets	755,833	796,799
Total liabilities	711,603	752,924
Loans net of allowance for loan losses	291,686	299,844
Total customer deposits	392,819	397,298
	Year ended 31 Dec 2021	Year ended 31 Dec 2020
	CHF million	CHF million
Profit and Loss :		
Pre-tax (loss)/profit from continuing operations for the financial period	(600)	3,467

Note :

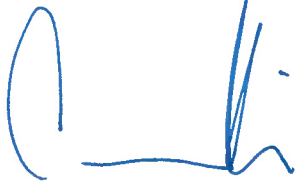
- (1) The capital adequacy ratio is computed in accordance with the Basel Capital Accord.
- (2) For further details on Credit Suisse Group AG financial information, please refer to the Credit Suisse Group AG 2021 Annual Report at [www.credit-suisse.com](http://www.credit-suisse.com).

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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Benjamin Cavalli  
Chief Executive, Credit Suisse AG Hong Kong Branch