

Further disclosures

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Table KM1: General regulatory key figures

in TCHF		31.12.2018	31.12.2017
	Available capital (amounts)		
1	Common Equity Tier 1 (CET1)	4'048	5'058
2	Tier 1	4'048	5'058
3	Total capital	4'048	5'058
	Risk-weighted assets (amounts)		
4	Total risk-weighted assets (RWA)	37'581	35'153
4a	Minimum capital requirements	1'500	1'500
	Risk-based capital ratios (as a percentage % of RWA)		
5	CET1 ratio (%)	10.77%	14.39%
6	T1 ratio (%)	10.77%	14.39%
7	Total capital ratio (%)	10.77%	14.39%
	Additional CET1 requirements (buffers) as a percentage of RWA		
8	Capital conservation buffer requirement according to Basel minimum requirements (%)	1.88%	1.25%
9	Countercyclical buffer requirement according to Basel minimum requirements (%)	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements according to Basel minimum requirements (%)	1.88%	1.25%
12	CET1 available after meeting the bank's minimum capital requirements (%)	7.27%	10.89%

	Target capital ratios according to Annex 8 of the Capital Adequacy Ordinance (CAO) (% of RWA)		
12a	Capital conservation buffer according to CAO, Annex 8 (%)	2.50%	2.50%
12b	Countercyclical capital buffer according to CAO, Art. 44 and Art. 44a (%)	0.00%	0.00%
12c	CET1 capital target (%) according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	7.00%	7.00%
12d	T1 capital target according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	8.50%	8.50%
12e	Total capital target according to CAO, Annex 8 + contercyclical buffer according to CAO, Art. 44 and 44a	10.50%	10.50%
	Basel III Leverage Ratio		
13	Total Basel III leverage ratio exposure measure	27'117	22'238
14	Basel III Leverage Ratio	14.93%	22.75%

The CET1 ratio decreased from 14.39% to 10.92% due to the loss of the Group in 2018.

Table OV1: Overview of risk weighted assets

in TCHF		RWA	RWA	Minimum capital requirements
		31.12.2018	31.12.2017	31.12.2018
1	Credit risk	7'889	7'303	631
	Non-counterparty related risks	526	575	42
20	Market risk	4'739	5'225	379
24	Operational risk	21'376	22'050	1'710
25	Items not deducted in application of threshold 3, but risk-weighted with 250%	0	0	0
	Additional minimum capital requirements for securities dealers (annual full costs)	3'051	0	244
27	Total	37'581	35'153	3'007
	XCredit risk			Standard approach
	Market risk			Standard approach
	Operational risk			Standard approach

Table CR1: Credit risk: credit equivalent of assets

in TCHF		Gross book value		Value adjustments / depreciations	Net amounts
		defaulted positions	not defaulted positions		
1	Receivables	50	14'446	50	14'446
2	Debt securities	0	0	0	0
3	Off balance sheet positions	0	911	0	911
4	Total	50	15'357	50	15'357

Amounts due that are at risk, i.e. those where it is unlikely that debtors will be able to meet their future obligations, are valued on an individual basis. The reduction in value is also covered by individual value adjustments. Off-balance-sheet transactions such as fixed commitments, guarantees or derivative financial instruments are also included in this valuation. Loans are classified "at risk" at the latest when the contractually agreed payments for capital and/or interest have been outstanding for over 90 days. Interest that has been outstanding for over 90 days is also considered overdue. Overdue interest and interest at risk are not recognised anymore but allocated directly to the value adjustments and provisions. Loans are deemed non-interest bearing in the event that it is unlikely that this interest will be recovered and an accrual is no longer considered reasonable.

The value adjustment is measured in accordance with the difference between the carrying value of the amount due and the amount that is expected to be recovered, taking counterparty risk and the net proceeds of realising any collateral into account. If the realisation process is expected to exceed a year, the estimated realisation proceeds are discounted on the balance sheet reporting date

Table CR3: Credit risk: Risk mitigating measures

in TCHF	Positions without collateral	Positions with collateral	Positions collateralised by financial guarantess or credit derivates
Receivables	14'496	0	0
Off balance sheet positions	911	0	0
Total	15'407	0	0
whereof defaulted	50	0	0

Table ORA: Operational risks: general information

Operational risks are defined as “dangers from direct or indirect losses that arise as a result of the inappropriateness or failure of internal procedures, people or systems or from external events”.

They are monitored and limited by means of internal regulations and instructions regarding organisation, controls and documentation of core processes (organisation, operating procedures).

Internal and external auditors regularly review the appropriateness of the internal control system and business processes and compile a report for the Group Supervisory Board and the Group Executive Board.

ISP applies the standard approach for the calculation of the operational risks.