

## Table KM1: General regulatory key figures

Table KM1: General regulatory key figures, has been expanded to include additionally the key metrics for the 1st quarter 2023, in order to disclose the positive impact of the capital increase measures beginning of 2023. Additional capital increases took place during the financial year 2023 to further improve the capitalization of the ISP Group. The minimum capital requirements are fully complied with.

in TCHF	31.12.2023	31.03.2023	31.12.2022
<b>Available capital (amounts)</b>			
1 Common Equity Tier 1 (CET1)	6'707	6'164	-1'503
2 Tier 1	6'707	6'164	3'487
3 Total capital	6'707	6'164	3'487
<b>Risk-weighted assets (amounts)</b>			
4 Total risk-weighted assets (RWA)	52'123	53'241	44'275
4a Minimum capital requirements	4'170	4'259	3'542
<b>Risk-based capital ratios (as a percentage % of RWA)</b>			
5 CET1 ratio (%)	12.87%	11.58%	-3.39%
6 T1 ratio (%)	12.87%	11.58%	7.88%
7 Total capital ratio (%)	12.87%	11.58%	7.88%
<b>Additional CET1 requirements (buffers) as a percentage of RWA</b>			
8 Capital conservation buffer requirement according to Basel minimum requirements (%)	2.50%	2.50%	2.50%
9 Countercyclical buffer requirement according to Basel minimum requirements (%)	0.00%	0.00%	0.00%
10 Bank G-SIB and/or D-SIB additional requirements	0.00%	0.00%	0.00%
11 Total of bank CET1 specific buffer requirements according to Basel minimum requirements (%)	2.50%	2.50%	2.50%
12 CET1 available after meeting the bank's minimum capital requirements (%)	4.87%	3.58%	-1.11%
<b>Target capital ratios according to Annex 8 of the Capital Adequacy Ordinance (CAO) (% of RWA)</b>			
12a Capital conservation buffer according to CAO, Annex 8 (%)	2.50%	2.50%	2.50%
12b Countercyclical capital buffer according to CAO, Art. 44 and Art. 44a (%)	0.00%	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%	7.00%
12d T1 capital target according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	8.50%	8.50%	8.50%
12e Total capital target according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	10.50%	10.50%	10.50%
<b>Basel III Leverage Ratio</b>			
13 Total Basel III leverage ratio exposure measure	133'825	139'736	158'352
14 Basel III Leverage Ratio	5.01%	4.41%	2.20%

**Table KM1:**  
**General regulatory key figures**

<b>Liquidity Coverage Ratio (LCR)</b>		<b>1.Q.2023</b>	<b>2.Q.2023</b>	<b>3.Q.2023</b>	<b>4.Q.2023</b>
15	Total High Quality Liquid Assets	119'880	115'393	111'801	100'881
16	Total Net outflow	111'318	105'027	99'689	89'643
17	Liquidity Coverage Ratio, LCR (in %)	107.7%	109.9%	112.2%	112.5%
<b>Net stable funding Ratio (NSFR)</b>		<b>31.12.2023</b>			
18	Available stable funding	29'811			
19	Required stable funding	21'710			
20	Net stable funding Ratio, NSFR (in %)	137.20%			
<b>Liquidity Coverage Ratio (LCR)</b>		<b>1.Q.2022</b>	<b>2.Q.2022</b>	<b>3.Q.2022</b>	<b>4.Q.2022</b>
15	Total High Quality Liquid Assets	106'015	133'929	139'402	129'850
16	Total Net outflow	95'010	120'595	128'011	119'803
17	Liquidity Coverage Ratio, LCR (in %)	111.6%	111.1%	108.9%	108.4%
<b>Net stable funding Ratio (NSFR)</b>		<b>31.12.2022</b>			
18	Available stable funding	26'706			
19	Required stable funding	22'803			
20	Net stable funding Ratio, NSFR (in %)	117.12%			

## Capital situation

Due to the high prior year's loss 2022, additional capital was required. Contributions were made in Q1 and Q2 2023 through the conversion of a Contingent Convertible Bond and capital increases.

**Table OV1:  
Overview of risk weighted assets (RWA)**

in TCHF	RWA 31.12.2023	RWA 31.12.2022	Minimum capital requirements 31.12.2023
1 Credit risk	9'389.4	8'813	751.15
Non-counterparty related risks	1'265.1	1'912	101.21
20 Market risk	549.6	775	43.97
24 Operational risk	40'914.1	32'775	3'273.13
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)			
26 Crypto assets	4.3	0	0.34
27 Total	52'122.5	44'275	4'169.80

**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	126	37'909	126	37'909
2 Debt securities	0	0	0	0
3 Off balance sheet positions	0	361	0	361
4 Total	126	38'270	126	38'270

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 or guarantees are also included in this valuation. 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 CR5: Credit risk:  
Exposures by exposure category and risk weights under the standardized approach**

in TCHF	a	b	c	d	e	f	g	h	i	j
Exposure category / risk-weighting	0%	10%	20%	35%	50%	75%	100%	150%	Other	Total of credit risk exposures after CCF and CRM1
1 Central governments and central banks	20'005		12							20'017
2 Banks and securities dealers			7'266		146					7'412
3 Public-sector entities and multilateral			180							180
4 Corporations			3'417				3'775			7'192
5 Retail						332	1'257			1'589
6 Equity interests								100		100
7 Other exposures							1'663			1'663
8 TOTAL	20'005		10'875		146	332	6'695	100		38'153
9 Of which mortgage-backed exposures										
10 Of which overdue exposures							126			126

**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 include ICT risks, cyber risks, the risks relating to critical data and the risks resulting from the design and implementation of BCM.

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.

According the revised FINMA-circular for operational risk and resilience ISP has defined its critical functions and ensures its resilience within the transition period.

ISP applies the basic indicator approach for the calculation of the operational risks.

## ISP Securities Ltd. Table KM1: General regulatory key figures

in TCHF	31.12.2023	31.03.2023	31.12.2022
<b>Available capital (amounts)</b>			
1 Common Equity Tier 1 (CET1)	6'610	6'202	3'054
2 Tier 1	6'610	6'202	3'054
3 Total capital	6'610	6'202	3'054
<b>Risk-weighted assets (amounts)</b>			
4 Total risk-weighted assets (RWA)	52'731	53'174	45'944
4a Minimum capital requirements	4'218	4'254	3'675
<b>Risk-based capital ratios (as a percentage % of RWA)</b>			
5 CET1 ratio (%)	12.53%	11.66%	6.65%
6 T1 ratio (%)	12.53%	11.66%	6.65%
7 Total capital ratio (%)	12.53%	11.66%	6.65%
<b>Additional CET1 requirements (buffers) as a percentage of RWA</b>			
8 Capital conservation buffer requirement according to Basel minimum requirements (%)	2.50%	2.50%	2.50%
9 Countercyclical buffer requirement according to Basel minimum requirements (%)	0.00%	0.00%	0.00%
10 Bank G-SIB and/or D-SIB additional requirements	0.00%	0.00%	0.00%
11 Total of bank CET1 specific buffer requirements according to Basel minimum requirements (%)	2.50%	2.50%	2.50%
12 CET1 available after meeting the bank's minimum capital requirements (%)	4.53%	3.66%	-1.35%
<b>Target capital ratios according to Annex 8 of the Capital Adequacy Ordinance (CAO) (% of RWA)</b>			
12a Capital conservation buffer according to CAO, Annex 8 (%)	2.50%	2.50%	2.50%
12b Countercyclical capital buffer according to CAO, Art. 44 and Art. 44a (%)	0.00%	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%	7.00%
12d T1 capital target according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	8.50%	8.50%	8.50%
12e Total capital target according to CAO, Annex 8 + countercyclical buffer according to CAO, Art. 44 and 44a	10.50%	10.50%	10.50%
<b>Basel III Leverage Ratio</b>			
13 Total Basel III leverage ratio exposure measure	133'583	138'120	156'523
14 Basel III Leverage Ratio	4.95%	4.49%	1.95%

## ISP Securities Ltd.

### Table KM1: General regulatory key figures

<b>Liquidity Coverage Ratio (LCR)</b>		<b>1.Q.2023</b>	<b>2.Q.2023</b>	<b>3.Q.2023</b>	<b>4.Q.2023</b>
15	Total High Quality Liquid Assets	119'880	115'393	111'801	100'881
16	Total Net outflow	112'080	106'274	100'952	91'234
17	Liquidity Coverage Ratio, LCR (in %)	107.0%	108.6%	110.7%	110.6%
<b>Net stable funding Ratio (NSFR)</b>		<b>31.12.2023</b>			
18	Available stable funding	26'681			
19	Required stable funding	19'802			
20	Net stable funding Ratio, NSFR (in %)	134.74%			
<b>Liquidity Coverage Ratio (LCR)</b>		<b>1.Q.2022</b>	<b>2.Q.2022</b>	<b>3.Q.2022</b>	<b>4.Q.2022</b>
15	Total High Quality Liquid Assets (in TCHF)	106'015	133'929	139'402	129'850
16	Total Net outflow (in TCHF)	98'434	124'510	130'656	121'791
17	Liquidity Coverage Ratio, LCR (in %)	107.7%	107.6%	106.7%	106.6%
<b>Net stable funding Ratio (NSFR)</b>		<b>31.12.2022</b>			
18	Available stable funding (in TCHF)	23'251			
19	Required stable funding (in TCHF)	20'639			
20	Net stable funding Ratio, NSFR (in %)	112.7%			

## Capital situation

Capital injections during 2023 significantly improved the capital situation of ISP Securities Ltd., the minimum capital requirements are fully complied with.