Zürcher Kantonalbank

Quantitative and qualitative disclosure of capital adequacy, liquidity and climate related financial risks

Disclosure as at 30 June 2024

Publication date: 30 August 2024

Contents

1 Key abbreviations in disclosure

AT1	Additional Tier 1 capital
CAO	Capital Adequacy Ordinance
CaR	Capital at risk
CCB	Countercyclical buffer
CCF	Credit conversion factors
CCP	Central counterparty
CCR	Counterparty credit risk
CET1	Common Equity Tier 1 capital
CRM	Credit risk mitigation
CVA	Credit valuation adjustment
D-SIB	Domestic systemically important bank
EAD	Exposure at default
eCCB	Extended countercyclical capital buffer
EL	Expected loss
ΔEVE	Change in the economic value of equity
G-SIB	Global systemically important bank
HQLA	High-quality liquid assets
IRB	Internal ratings-based approach
IRRBB	Interest rate risk in the banking book
LCR	Liquidity coverage ratio
LGD	Loss given default
LRD	Leverage ratio denominator
ΔNII	Change in net interest income
PD	Probability of default
PONV	Point of non-viability
QCCP	Qualifying central counterparty
RWA	Risk-weighted assets
RWA density	RWA divided by total assets and off-balance-sheet exposures (post-CCF and post-CRM)
SA-BIS	International standardised approach for credit risk
SA-CCR	Standardised approach for measuring counterparty credit risk exposures
SFT	Securities financing transactions
Stressed VaR	Value at risk under a stress scenario
T2	Tier 2 capital
TCFD	Task Force on Climate Related Financial Disclosure
TLAC	Total loss absorbing capacity
UNEP-FI	United Nations Environment Programme Finance Initiative
UN PRI	United Nations Principles for Responsible Investment
VaR	Value at risk
VA and P for EL	Value adjustments (VA) and provisions (P) for expected losses (EL)

About the figures

The amounts stated in this report have been rounded off. The total may therefore vary from the sum of the individual values.

The following rules apply to the tables:

0	(0 or 0.0) Figure that is smaller than half the unit of account used
–	No data available, not meaningful or not applicable

2 Introduction and material changes

Zürcher Kantonalbank is providing this information as at 30 June 2024 in accordance with its disclosure obligations. The relevant provisions form part of the Capital Adequacy Ordinance (CAO) and the disclosure requirements set out in FINMA Circular 2016/1 "Disclosure - banks" of 28 October 2015, last revised on 8 December 2021.

About the company

Zürcher Kantonalbank is an independent public-law institution of the Canton of Zurich. The endowment capital provided by the Canton of Zurich forms part of Zürcher Kantonalbank's own funds. The canton also provides a state guarantee for all the bank's non-subordinate liabilities should the bank's resources prove inadequate.

The group includes as parent company the largest cantonal bank and the second largest universal bank in Switzerland. The broadly diversified consolidated group also includes Swisscanto Holding Ltd. with its subsidiaries and sub-subsidiaries (Swisscanto Fondsleitung AG, Swisscanto Vorsorge AG, Swisscanto Private Equity CH I AG, Swisscanto Private Equity CH II AG and Swisscanto Asset Management International SA), which are mainly engaged in asset management business, Zürcher Kantonalbank Finance (Guernsey) Ltd., which focuses on issuing structured investment products, ZKB Securities (UK) Ltd., which engages in equity brokerage and research, and Zürcher Kantonalbank Österreich AG, which operates in international private banking. The group also includes the representative office Zürcher Kantonalbank Representações Ltda. as well as a majority stake in Philanthropy Services Ltd.

At the end of the first semester, Zürcher Kantonalbank announced the sale of its subsidiary, Zürcher Kantonalbank Österreich AG, to Liechtensteinische Landesbank (LLB). The transaction, which is subject to the approval of the supervisory and competition authorities, is planned to close in the first quarter of 2025.

Calculation approaches for risk-based capital requirements

A selection of different approaches is available to banks for the calculation of risk-based capital requirements for credit, market and operational risks.

The capital requirement for credit risks is mainly calculated using the internal ratings-based approach (foundation IRB or F-IRB). For exposures where the IRB approach cannot be used, the capital requirement for credit risks is calculated using the international standardised approach (SA-BIS). The standardised approach for measuring counterparty credit risk exposures (SA-CCR) is used to determine the credit equivalent of derivatives. The capital requirement for the risk of credit value adjustments (CVA risk) due to the counterparty credit risk of derivatives is calculated in accordance with the standardised approach.

The capital requirement for market risk is calculated based on the internal market risk model approach (the value-at-risk model) approved by FINMA. Capital requirements are based on the market risks in the trading book and the exchange rate, precious metals and commodity risks in the banking book. Besides the daily value-at-risk (VaR) figures, daily stressed VaR figures are also included in the calculation of capital requirements. The total risk is also calculated using the model approach, although the value changes in risk factors are based on data that were observed in a period with significant market stress for Zürcher Kantonalbank. The capital requirement for the specific risks of interest rate instruments is calculated using the standardised approach.

Zürcher Kantonalbank uses the basic indicator approach to determine the capital requirement for operational risks.

Risk-based capital requirements for systemically important banks

The risk-based capital adequacy requirements for systemically important banks basically consist of capital adequacy requirements for the bank to continue its activities (going concern) and requirements for additional loss-absorbing capital (gone concern). In addition to these, since July 2012, there has been a countercyclical buffer requirement in Switzerland, which is activated, adjusted or suspended by the Federal Council at the request of the Swiss National Bank (SNB).

The risk-based total going concern requirement consists of a base requirement and additional requirements, calculated on the basis of market share and total exposure. Under Art. 129, para. 2 CAO, the base requirement for Zürcher Kantonalbank is 12.86 percent of risk-weighted assets (RWA). There are currently no additional requirements for Zürcher Kantonalbank as a result of market share or total exposure. On top of this comes the countercyclical buffer (CCB) under Art. 44 CAO. This requires banks to hold an additional 2.5 percent of capital for residential mortgages, corresponding to a requirement of 0.91 percent (parent company: 0.91 percent as well) of RWA as at the reporting date. The requirement for the extended countercyclical buffer (eCCB) under Art. 44a CAO, which is currently 0.04 percent of RWA, also applies. This results in a risk-based total requirement (going concern) of 13.81 percent for the Group as at 30 June 2024 (parent company: 13.80 percent (rounded number)).

Under Art. 132, para. 2 CAO, the risk-based gone concern requirement is measured based on the total going concern requirement (without CCB, without eCCB) and varies for systemically important banks with and without international operations. For systemically important banks without international operations, such as Zürcher Kantonalbank, the requirements came into effect on 1 January 2019. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 3.84 percent of RWA. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank (without CCB, without eCCB).

In a letter dated 3 September 2019, FINMA set the risk-based gone concern requirement for contingency planning at Zürcher Kantonalbank at 7.86 percent from 2026, including the total stipulated in the CAO based on size and market share (mirroring the going concern requirement). Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional risk-based requirement of 2.03 percent as at 30 June 2024. This results in a total risk-based gone concern requirement of 5.87 percent as at 30 June 2024. The total risk-based gone concern requirement is being increased gradually to 7.86 percent by 2026, as already mentioned.

Calculation approaches for unweighted capital adequacy requirements (leverage ratio)
When calculating the derivative exposure for the purposes of unweighted capital adequacy requirements (leverage ratio), margin no. 51.1 of FINMA Circular 2015/3 "Leverage Ratio - Banks" allows banks the option of using the standardised approach (SA-CCR). Zürcher Kantonalbank has used this since 31 December 2018 both as required for risk-based capital adequacy requirements and voluntarily for the leverage ratio.

Unweighted capital adequacy requirements (leverage ratio) for systemically important banks
The unweighted capital adequacy requirements for systemically important banks also consist of capital adequacy requirements for the bank to continue its activities (going concern) and additional loss-absorbing capital (gone concern). Any countercyclical buffer (CCB) and extended countercyclical capital buffer (eCCB) requirement is not applicable to the leverage ratio.

The unweighted total going concern requirement consists of a base requirement and additional requirements, calculated on the basis of market share and total exposure. Under Art. 129, para. 2 CAO, the base requirement for Zürcher Kantonalbank is 4.5 percent of total exposure. There are currently no additional requirements for Zürcher Kantonalbank as a result of market share or total exposure. The result as at 30 June 2024 for both the group and parent company is a total going concern requirement of 4.5 percent.

Under Art. 132, para. 2 CAO, the unweighted gone concern requirement is measured based on the total going concern requirement and varies for systemically important banks with and without international operations. For systemically important banks without international operations, such as Zürcher Kantonalbank, the requirements came into effect on 1 January 2019. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 1.26 percent of total exposure. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank.

In a letter dated 3 September 2019, FINMA increased the unweighted gone concern requirement for contingency planning at Zürcher Kantonalbank from 2026 in the same ratio as for the risk-based gone concern requirements. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional unweighted requirement of 0.67 percent as at 30 June 2024. This results in a total unweighted gone concern requirement of 1.93 percent as at 30 June 2024. The total unweighted gone concern requirement is being increased gradually to 2.75 percent by 2026.

Material changes in the selection of approaches to calculating the capital ratios

There were no material changes in the selection of approaches to calculating the capital ratios in the quarter under review.

Changes in group regulatory capital and liquidity in comparison with the previous quarter

As at 30 June 2024, the capital base of Zürcher Kantonalbank comfortably exceeded the regulatory requirements on both a risk-based and unweighted basis. The liquidity situation of Zürcher Kantonalbank also remains comfortable.

For explanations of the main reasons that led to the changes compared with the previous quarter, we refer to our comments on table KM1 starting on page 28.

Group risk-weighted assets (RWA) as at 30 June 2024 amounted to CHF 82,023 million (31 March 2024: CHF 83,300 million). They were therefore CHF 1'277 million lower than in the previous quarter.

Risk-based capital adequacy requirements on a going concern basis as a systemically important bank stood at CHF 11,326 million on 30 June 2024 (31 March 2024: CHF 11,479 million), compared to eligible capital on a going concern basis in the group of CHF 14,803 million (31 March 2024: CHF 14,795 million). This is equivalent to a surplus cover of CHF 3,477 million (31 March 2024: CHF 3,316 million). The surplus cover therefore increased by CHF 161 million in the second quarter of 2024.

The core capital ratio (going concern) on a group basis as at 30 June 2024 was 18.0 percent (31 March 2024: 17.8 percent). It was thus 4.2 percentage points (31 March 2024: 4.0 percentage points) above the 13.8 percent going concern requirement (31 March 2024: 13.8 percent).

At CHF 6,512 million (7.9 percent of RWA), the eligible additional loss-absorbing capital exceeded the gone concern requirement by CHF 1,699 million as at 30 June 2024 (as at 31 March 2024 the surplus cover was CHF 1,701 million). This means that as at 30 June 2024, Zürcher Kantonalbank already fully met the total risk-based gone concern requirement of 7.86 percent, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

The total leverage ratio exposure decreased by CHF 3,849 million from 31 March 2024 to CHF 225,875 million.

The unweighted total going concern requirement remains unchanged at 4.5 percent. Eligible capital on a going concern basis for the leverage ratio is the same as for the risk-based requirements. This results in surplus cover in the leverage ratio on a going concern basis of 2.1 percentage points as at 30 June 2024 (31 March 2024: 1.9 percentage points), equivalent to CHF 4,639 million (31 March 2024: CHF 4,457 million).

Eligible capital on a gone concern basis for the leverage ratio is also the same as for the risk-based requirements. At CHF 6,512 million (2.9 percent of total exposure), the eligible additional loss-absorbing capital exceeds the gone concern requirement of CHF 4,349 million as at 30 June 2024. This means that as at 30 June 2024, Zürcher Kantonalbank already fully met the total unweighted gone concern requirement for contingency planning of 2.75 percent, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

With the current composition of eligible capital and eligible additional loss-absorbing capital, Zürcher Kantonalbank meets the final rules from 2026 as follows: There is surplus cover of CHF 3,477 million above the risk-based going concern requirement and CHF 65 million above the risk-based gone concern requirement. On an unweighted basis, the surplus cover amounts to CHF 4,639 million above the going concern requirement and CHF 300 million above the gone concern requirement.

As a systemically important bank, Zürcher Kantonalbank is subject to stricter liquidity requirements than non-systemically important banks. Zürcher Kantonalbank's ongoing comfortable liquidity situation is reflected in the liquidity coverage ratio (LCR). On a group basis, the LCR decreased lightly from the previous quarter and stood at an average of 146 percent in the second quarter of 2024 (first quarter of 2024: 148 percent).

The Liquidity Ordinance on the net stable funding ratio (NSFR) state that the NSFR of Zürcher Kantonalbank must be at least 100 percent. On a group basis, the NSFR amounts to 117 percent as at 30 June 2024 (31 March 2024: 118 percent), which means this liquidity requirement is met comfortably.

3 Publication frequency of the details on capital and liquidity

The following table gives an overview of the publication frequency of capital and liquidity details which have to be disclosed under current regulations (FINMA Circular 2016/1 "Disclosure - banks"). Tables marked n/a are not applicable for Zürcher Kantonalbank and so are not produced. All other tables are published at the prescribed frequency for domestic systemically important banks reporting financial information semi-annually.

Reference	Table name	QUAL or QC [1]	Disclosure frequency Quarterly	Semiannual	Annual
n/a	Disclosure requirements for systemically important banks: risk-based capital requirements based on capital ratios	QC	■		
n/a	Disclosure requirements for systemically important banks: unweighted capital requirements based on the leverage ratio	QC	■		
n/a	Main features of regulatory capital instruments and of other TLAC-eligible instruments in accordance with the provisions for systemically important banks	QUAL / QC	■		
KM1	Key metrics	QC	■		
KM2	Key metrics - TLAC requirements (at resolution group level)	QC	n/a	n/a	n/a
OVA	Bank risk management approach	QUAL			■
OV1	Overview of RWA	QC		■	
LI1	Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories	QC			■
LI2	Main sources of differences between regulatory exposure amounts and carrying values in consolidated financial statements	QC			■
LIA	Explanations of differences between accounting and regulatory exposure amounts	QUAL			■
PV1	Prudent valuation adjustments (PVA)	QC			■
CC1	Composition of regulatory capital	QC		■	
CC2	Reconciliation of regulatory capital to balance sheet	QC		■	
CCA	Main features of regulatory capital instruments and of other TLAC-eligible instruments in accordance with the provisions of the CAO for non-systemically important banks	QUAL / QC		■	
TLAC1	TLAC composition for G-SIBs (at resolution group level)	QC	n/a	n/a	n/a
TLAC2	Material subgroup entity - creditor ranking at legal entity level	QC	n/a	n/a	n/a
TLAC3	Resolution entity - creditor ranking at legal entity level	QC	n/a	n/a	n/a
GSIB1	Disclosure of G-SIB indicators	QC	n/a	n/a	n/a
CCyB1	Geographical distribution of credit exposures used in the countercyclical buffer	QC		■	
LR1	Leverage ratio: summary comparison of accounting assets vs leverage ratio exposure measure	QC		■	
LR2	Leverage ratio: leverage ratio common disclosure template	QC		■	
LIQA	Liquidity: liquidity risk management	QUAL / QC			■
LIQ1	Liquidity: Liquidity coverage ratio (LCR)	QC		■	
LIQ2	Liquidity: Net stable funding ratio (NSFR)	QC		■	

[1] Qualitative (QUAL) or quantitative with comments (QC)

Reference	Table name	QUAL or QC [1]	Disclosure frequency Quarterly	Semiannual	Annual
CRA	Credit risk: general qualitative information about credit risk	QUAL			■
CR1	Credit risk: credit quality of assets	QC		■	
CR2	Credit risk: changes in stock of defaulted loans and debt securities	QC		■	
CRB	Credit risk: additional disclosure related to the credit quality of assets	QUAL / QC			■
CRC	Credit risk: qualitative disclosure requirements related to credit risk mitigation techniques	QUAL			■
CR3	Credit risk: credit risk mitigation techniques - overview	QC		■	
CRD	Credit risk: qualitative disclosures on banks' use of external credit ratings under the standardised approach for credit risk	QUAL			■
CR4	Credit risk: standardised approach - credit risk exposure and credit risk mitigation (CRM) effects	QC		■	
CR5	Credit risk: standardised approach - exposures by asset classes and risk weights	QC		■	
CRE	IRB: qualitative disclosures related to IRB models	QUAL			■
CR6	IRB: credit risk exposures by portfolio and probability of default (PD) range	QC		■	
CR7	IRB: effect on RWA of credit derivatives used as CRM techniques	QC		■	
CR8	IRB: RWA flow statements of credit risk exposures under IRB	QC		■	
CR9	IRB: back-testing of PD per portfolio	QC			■
CR10	IRB: specialised lending and equities under the simple risk weight method	QC		■	
CCRA	Counterparty credit risk: qualitative disclosure related to counterparty credit risk	QUAL			■
CCR1	Counterparty credit risk: analysis of counterparty credit risk (CCR) exposure by approach	QC		■	
CCR2	Counterparty credit risk: credit valuation adjustment (CVA) capital charge	QC		■	
CCR3	Counterparty credit risk: standardised approach of CCR exposures by regulatory portfolio and risk weights	QC		■	
CCR4	IRB: CCR exposures by portfolio and PD scale	QC		■	
CCR5	Counterparty credit risk: composition of collateral for CCR exposure	QC		■	
CCR6	Counterparty credit risk: credit derivatives exposures	QC		■	
CCR7	Counterparty credit risk: RWA flow statements of CCR exposures under the Internal Model Method (IMM)	QC		■	
CCR8	Counterparty credit risk: exposures to central counterparties	QC		■	
SECA	Securitisations: qualitative disclosure requirements related to securitisation exposures	QUAL			■
SEC1	Securitisations: exposures in the banking book	QC		■	
SEC2	Securitisations: exposures in the trading book	QC		■	
SEC3	Securitisations: exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor	QC		■	
SEC4	Securitisations: exposures in the banking book and associated capital requirements – bank acting as investor	QC		■	
MRA	Market risk: general qualitative disclosure requirements related to market risk	QUAL			■
MR1	Market risk: market risk under SA	QC		■	
MRB	Market risk: qualitative disclosures for banks using the Internal Model Approach (IMA)	QUAL			■
MR2	Market risk: RWA flow statements of market risk exposures under IMA	QC		■	
MR3	Market risk: IMA values for trading portfolios	QC		■	
MR4	Market risk: comparison of VaR estimates with gains/losses	QC		■	
IRRBBA	Interest rate risk: interest rate risk in the banking book (IRRBB) risk management objective and policies	QUAL / QC			■
IRRBBA1	Interest rate risk: quantitative information on exposure structure and repricing	QC			■
IRRBB1	Interest rate risk: quantitative information on IRRBB	QC			■
REMA	Remuneration: policy	QUAL	n/a	n/a	n/a
REMA1	Remuneration: remuneration awarded during the financial year	QC	n/a	n/a	n/a
REMA2	Remuneration: special payments	QC	n/a	n/a	n/a
REMA3	Remuneration: deferred remuneration	QC	n/a	n/a	n/a
ORA	Qualitative disclosure requirements related to operational risks	QUAL			■
Annex 4	Corporate Governance	QUAL	■		
Annex 5	Climate-related financial risks	QUAL / QC			■

[1] Qualitative (QUAL) or quantitative with comments (QC)

4 Disclosure requirements for systemically important banks

Special disclosure obligations for systemically important financial groups and banks

Zürcher Kantonalbank has been deemed a domestic systemically important bank since November 2013.

4.1 Risk-based capital requirements based on capital ratios (group and parent company)

30.06.2024				Group
in CHF million and in % RWA	Current rules		Definitive rules from 2026	
Basis of assessment	**CHF million**		**CHF million**	
Risk-weighted assets (RWA)	**82,023**		**82,023**	
Risk-based capital requirements (going concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total [1]	**11,326**	**13.8%**	**11,326**	**13.8%**
of which CET1: minimum capital	3,691	4.5%	3,691	4.5%
of which CET1: buffer capital	3,330	4.1%	3,330	4.1%
of which CET1: countercyclical buffer	778	0.9%	778	0.9%
of which Additional Tier 1: minimum capital	2,871	3.5%	2,871	3.5%
of which Additional Tier 1: buffer capital	656	0.8%	656	0.8%
Eligible capital (going concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Core capital	**14,803**	**18.0%**	**14,803**	**18.0%**
of which CET1	11,276	13.7%	11,276	13.7%
of which CET1 to cover additional Tier 1 requirements	2,463	3.0%	2,463	3.0%
of which additional Tier 1 high-trigger CoCos	1,064	1.3%	1,064	1.3%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Risk-based requirements for additional loss-absorbing capital (gone concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,813	5.9%	6,447	7.9%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,813**	**5.9%**	**6,447**	**7.9%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total	**6,512**	**7.9%**	**6,512**	**7.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	482	0.6%	482	0.6%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,807	2.2%	1,807	2.2%
of which other eligible additional loss-absorbing capital [5]	1,000	1.2%	1,000	1.2%
of which state guarantee or similar mechanism [6]	3,223	3.9%	3,223	3.9%

[1] The risk-based capital requirements on a going concern basis are calculated as a percentage of risk-weighted assets (RWA). Under Article 129 CAO, the total risk-based requirement for Zürcher Kantonalbank is 12.86%. On top of this come the requirements for the countercyclical buffer (CCB) under Art. 44 CAO, currently 0.91%, and the extended countercyclical buffer (eCCB) under Art. 44a CAO, currently 0.04% of RWA. As at 30.06.2024 this results in a risk-based total requirement (going concern) of 13.81%.

[2] Under Article 132, para. 2 CAO, the risk-based requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Article 129 CAO. Based on the transitional provisions in Article 148j CAO, the gone concern requirement in 2024 is 3.84% of RWA. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank (excluding the CCB).

[3] In a letter dated 03.09.2019, FINMA set the risk-based requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank at 7.86% from 2026, including the total according to size and market share. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional risk-based requirement of 2.03% in 2024. This results in a total risk-based gone concern requirement of 5.87% as at 30.06.2024 (under current rules). As at 30.06.2024, Zürcher Kantonalbank already fully met the total risk-based gone concern requirement of 7.86%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 30.06.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

31.03.2024				Group
in CHF million and in % RWA	**Current rules**		**Definitive rules from 2026**	
Basis of assessment	**CHF million**		**CHF million**	
Risk-weighted assets (RWA)	**83,300**		**83,300**	
Risk-based capital requirements (going concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total [1]	**11,479**	**13.8%**	**11,479**	**13.8%**
of which CET1: minimum capital	3,749	4.5%	3,749	4.5%
of which CET1: buffer capital	3,382	4.1%	3,382	4.1%
of which CET1: countercyclical buffer	767	0.9%	767	0.9%
of which Additional Tier 1: minimum capital	2,916	3.5%	2,916	3.5%
of which Additional Tier 1: buffer capital	666	0.8%	666	0.8%
Eligible capital (going concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Core capital	**14,795**	**17.8%**	**14,795**	**17.8%**
of which CET1	11,214	13.5%	11,214	13.5%
of which CET1 to cover additional Tier 1 requirements	2,525	3.0%	2,525	3.0%
of which additional Tier 1 high-trigger CoCos	1,057	1.3%	1,057	1.3%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Risk-based requirements for additional loss-absorbing capital (gone concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,888	5.9%	6,547	7.9%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,888**	**5.9%**	**6,547**	**7.9%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total	**6,589**	**7.9%**	**6,589**	**7.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	485	0.6%	485	0.6%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,830	2.2%	1,830	2.2%
of which other eligible additional loss-absorbing capital [5]	1,000	1.2%	1,000	1.2%
of which state guarantee or similar mechanism [6]	3,274	3.9%	3,274	3.9%

[1] The risk-based capital requirements on a going concern basis are calculated as a percentage of risk-weighted assets (RWA). Under Article 129 CAO, the total risk-based requirement for Zürcher Kantonalbank is 12.86%. On top of this come the requirements for the countercyclical buffer (CCB) under Art. 44 CAO, currently 0.89%, and the extended countercyclical buffer (eCCB) under Art. 44a CAO, currently 0.03% of RWA. As at 31.03.2024 this results in a risk-based total requirement (going concern) of 13.78%.

[2] Under Article 132, para. 2 CAO, the risk-based requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Article 129 CAO. Based on the transitional provisions in Article 148j CAO, the gone concern requirement in 2024 is 3.84% of RWA. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank (excluding the CCB).

[3] In a letter dated 03.09.2019, FINMA set the risk-based requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank at 7.86% from 2026, including the total according to size and market share. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional risk-based requirement of 2.03% in 2024. This results in a total risk-based gone concern requirement of 5.87% as at 31.03.2024 (under current rules). As at 31.03.2024, Zürcher Kantonalbank already fully met the total risk-based gone concern requirement of 7.86%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 31.03.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

30.06.2024				Parent company
in CHF million and in % RWA	Current rules		Definitive rules from 2026	
Basis of assessment	**CHF million**		**CHF million**	
Risk-weighted assets (RWA)	**82,586**		**82,586**	
Risk-based capital requirements (going concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total [1]	**11,400**	**13.8%**	**11,400**	**13.8%**
of which CET1: minimum capital	3,716	4.5%	3,716	4.5%
of which CET1: buffer capital	3,353	4.1%	3,353	4.1%
of which CET1: countercyclical buffer	779	0.9%	779	0.9%
of which Additional Tier 1: minimum capital	2,890	3.5%	2,890	3.5%
of which Additional Tier 1: buffer capital	661	0.8%	661	0.8%
Eligible capital (going concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Core capital	**14,944**	**18.1%**	**14,944**	**18.1%**
of which CET1	11,393	13.8%	11,393	13.8%
of which CET1 to cover additional Tier 1 requirements	2,488	3.0%	2,488	3.0%
of which additional Tier 1 high-trigger CoCos	1,064	1.3%	1,064	1.3%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Risk-based requirements for additional loss-absorbing capital (gone concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,846	5.9%	6,491	7.9%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,846**	**5.9%**	**6,491**	**7.9%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total	**6,534**	**7.9%**	**6,534**	**7.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	482	0.6%	482	0.6%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,807	2.2%	1,807	2.2%
of which other eligible additional loss-absorbing capital [5]	1,000	1.2%	1,000	1.2%
of which state guarantee or similar mechanism [6]	3,246	3.9%	3,246	3.9%

[1] The risk-based capital requirements on a going concern basis are calculated as a percentage of risk-weighted assets (RWA). Under Article 129 CAO, the total risk-based requirement for Zürcher Kantonalbank is 12.86%. On top of this come the requirements for the countercyclical buffer (CCB) under Art. 44 CAO, currently 0.91%, and the extended countercyclical buffer (eCCB) under Art. 44a CAO, currently 0.04% of RWA. As at 30.06.2024 this results in a risk-based total requirement (going concern) of 13.80% (rounded number).

[2] Under Article 132, para. 2 CAO, the risk-based requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Article 129 CAO. Based on the transitional provisions in Article 148j CAO, the gone concern requirement in 2024 is 3.84% of RWA. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank (excluding the CCB).

[3] In a letter dated 03.09.2019, FINMA set the risk-based requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank at 7.86% from 2026, including the total according to size and market share. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional risk-based requirement of 2.03% in 2024. This results in a total risk-based gone concern requirement of 5.87% as at 30.06.2024 (under current rules). As at 30.06.2024, Zürcher Kantonalbank already fully met the total risk-based gone concern requirement of 7.86%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank’s contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 30.06.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

31.03.2024				Parent company
in CHF million and in % RWA	Current rules		Definitive rules from 2026	
Basis of assessment	**CHF million**		**CHF million**	
Risk-weighted assets (RWA)	**83,821**		**83,821**	
Risk-based capital requirements (going concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total [1]	**11,547**	**13.8%**	**11,547**	**13.8%**
of which CET1: minimum capital	3,772	4.5%	3,772	4.5%
of which CET1: buffer capital	3,403	4.1%	3,403	4.1%
of which CET1: countercyclical buffer	767	0.9%	767	0.9%
of which Additional Tier 1: minimum capital	2,934	3.5%	2,934	3.5%
of which Additional Tier 1: buffer capital	671	0.8%	671	0.8%
Eligible capital (going concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Core capital	**14,936**	**17.8%**	**14,936**	**17.8%**
of which CET1	11,332	13.5%	11,332	13.5%
of which CET1 to cover additional Tier 1 requirements	2,547	3.0%	2,547	3.0%
of which additional Tier 1 high-trigger CoCos	1,057	1.3%	1,057	1.3%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Risk-based requirements for additional loss-absorbing capital (gone concern) based on capital ratios	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,918	5.9%	6,588	7.9%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,918**	**5.9%**	**6,588**	**7.9%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % RWA**	**CHF million**	**in % RWA**
Total	**6,609**	**7.9%**	**6,609**	**7.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	485	0.6%	485	0.6%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,830	2.2%	1,830	2.2%
of which other eligible additional loss-absorbing capital [5]	1,000	1.2%	1,000	1.2%
of which state guarantee or similar mechanism [6]	3,294	3.9%	3,294	3.9%

[1] The risk-based capital requirements on a going concern basis are calculated as a percentage of risk-weighted assets (RWA). Under Article 129 CAO, the total risk-based requirement for Zürcher Kantonalbank is 12.86%. On top of this come the requirements for the countercyclical buffer (CCB) under Art. 44 CAO, currently 0.88%, and the extended countercyclical buffer (eCCB) under Art. 44a CAO, currently 0.03% of RWA. As at 31.03.2024 this results in a risk-based total requirement (going concern) of 13.78% (rounded number).

[2] Under Article 132, para. 2 CAO, the risk-based requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Article 129 CAO. Based on the transitional provisions in Article 148j CAO, the gone concern requirement in 2024 is 3.84% of RWA. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank (excluding the CCB).

[3] In a letter dated 03.09.2019, FINMA set the risk-based requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank at 7.86% from 2026, including the total according to size and market share. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional risk-based requirement of 2.03% in 2024. This results in a total risk-based gone concern requirement of 5.87% as at 31.03.2024 (under current rules). As at 31.03.2024, Zürcher Kantonalbank already fully met the total risk-based gone concern requirement of 7.86%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 31.03.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

4.2 Unweighted capital requirements based on the leverage ratio (group and parent company)

30.06.2024				Group
in CHF million and in % LRD	**Current rules**		**Definitive rules from 2026**	
Basis of assessment	**CHF million**		**CHF million**	
Leverage ratio exposure measure (leverage ratio denominator, LRD)	**225,875**		**225,875**	
Unweighted capital requirements (going concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total [1]	**10,164**	**4.5%**	**10,164**	**4.5%**
of which CET1: minimum capital	3,388	1.5%	3,388	1.5%
of which CET1: buffer capital	3,388	1.5%	3,388	1.5%
of which Additional Tier 1: minimum capital	3,388	1.5%	3,388	1.5%
Eligible capital (going concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Core capital	**14,803**	**6.6%**	**14,803**	**6.6%**
of which CET1	11,276	5.0%	11,276	5.0%
of which CET1 to cover additional Tier 1 requirements	2,463	1.1%	2,463	1.1%
of which additional Tier 1 high-trigger CoCos	1,064	0.5%	1,064	0.5%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Unweighted requirements for additional loss-absorbing capital (gone concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,349	1.9%	6,212	2.8%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,349**	**1.9%**	**6,212**	**2.8%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total	**6,512**	**2.9%**	**6,512**	**2.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	482	0.2%	482	0.2%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,807	0.8%	1,807	0.8%
of which other eligible additional loss-absorbing capital [6]	1,000	0.4%	1,000	0.4%
of which state guarantee or similar mechanism [6]	3,223	1.4%	3,223	1.4%

[1] The unweighted capital requirements (going concern) are calculated as a percentage of the leverage ratio exposure measure. Under Art. 129 CAO, the unweighted total requirement for Zürcher Kantonalbank is 4.5%.

[2] Under Art. 132, para. 2 CAO, the unweighted requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Art. 129 CAO. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 1.26% of the leverage ratio exposure measure. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank.

[3] In a letter dated 03.09.2019, FINMA increased the unweighted requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank from 2026 in the same ratio as for the risk-based gone concern requirements. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional unweighted requirement of 0.67% in 2024. This results in a total unweighted gone concern requirement of 1.93% as at 30.06.2024 (under current rules). As at 30.06.2024, Zürcher Kantonalbank already fully met the total unweighted gone concern requirement of 2.75%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 30.06.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

31.03.2024				Group
in CHF million and in % LRD	**Current rules**		**Definitive rules from 2026**	
Basis of assessment	**CHF million**		**CHF million**	
Leverage ratio exposure measure (leverage ratio denominator, LRD)	**229,724**		**229,724**	
Unweighted capital requirements (going concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total [1]	**10,338**	**4.5%**	**10,338**	**4.5%**
of which CET1: minimum capital	3,446	1.5%	3,446	1.5%
of which CET1: buffer capital	3,446	1.5%	3,446	1.5%
of which Additional Tier 1: minimum capital	3,446	1.5%	3,446	1.5%
Eligible capital (going concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Core capital	**14,795**	**6.4%**	**14,795**	**6.4%**
of which CET1	11,214	4.9%	11,214	4.9%
of which CET1 to cover additional Tier 1 requirements	2,525	1.1%	2,525	1.1%
of which additional Tier 1 high-trigger CoCos	1,057	0.5%	1,057	0.5%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Unweighted requirements for additional loss-absorbing capital (gone concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,423	1.9%	6,318	2.8%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,423**	**1.9%**	**6,318**	**2.8%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total	**6,589**	**2.9%**	**6,589**	**2.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	485	0.2%	485	0.2%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,830	0.8%	1,830	0.8%
of which other eligible additional loss-absorbing capital [6]	1,000	0.4%	1,000	0.4%
of which state guarantee or similar mechanism [6]	3,274	1.4%	3,274	1.4%

[1] The unweighted capital requirements (going concern) are calculated as a percentage of the leverage ratio exposure measure. Under Art. 129 CAO, the unweighted total requirement for Zürcher Kantonalbank is 4.5%.

[2] Under Art. 132, para. 2 CAO, the unweighted requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Art. 129 CAO. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 1.26% of the leverage ratio exposure measure. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank.

[3] In a letter dated 03.09.2019, FINMA increased the unweighted requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank from 2026 in the same ratio as for the risk-based gone concern requirements. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional unweighted requirement of 0.67% in 2024. This results in a total unweighted gone concern requirement of 1.93% as at 31.03.2024 (under current rules). As at 31.03.2024, Zürcher Kantonalbank already fully met the total unweighted gone concern requirement of 2.75%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 31.03.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

30.06.2024				Parent company
in CHF million and in % LRD	Current rules		Definitive rules from 2026	
Basis of assessment	**CHF million**		**CHF million**	
Leverage ratio exposure measure (leverage ratio denominator, LRD)	**225,756**		**225,756**	
Unweighted capital requirements (going concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total [1]	**10,159**	**4.5%**	**10,159**	**4.5%**
of which CET1: minimum capital	3,386	1.5%	3,386	1.5%
of which CET1: buffer capital	3,386	1.5%	3,386	1.5%
of which Additional Tier 1: minimum capital	3,386	1.5%	3,386	1.5%
Eligible capital (going concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Core capital	**14,944**	**6.6%**	**14,944**	**6.6%**
of which CET1	11,393	5.0%	11,393	5.0%
of which CET1 to cover additional Tier 1 requirements	2,488	1.1%	2,488	1.1%
of which additional Tier 1 high-trigger CoCos	1,064	0.5%	1,064	0.5%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Unweighted requirements for additional loss-absorbing capital (gone concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,346	1.9%	6,209	2.8%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,346**	**1.9%**	**6,209**	**2.8%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total	**6,534**	**2.9%**	**6,534**	**2.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	482	0.2%	482	0.2%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,807	0.8%	1,807	0.8%
of which other eligible additional loss-absorbing capital [5]	1,000	0.4%	1,000	0.4%
of which state guarantee or similar mechanism [6]	3,246	1.4%	3,246	1.4%

[1] The unweighted capital requirements (going concern) are calculated as a percentage of the leverage ratio exposure measure. Under Art. 129 CAO, the unweighted total requirement for Zürcher Kantonalbank is 4.5%.

[2] Under Art. 132, para. 2 CAO, the unweighted requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Art. 129 CAO. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 1.26% of the leverage ratio exposure measure. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank.

[3] In a letter dated 03.09.2019, FINMA increased the unweighted requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank from 2026 in the same ratio as for the risk-based gone concern requirements. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional unweighted requirement of 0.67% in 2024. This results in a total unweighted gone concern requirement of 1.93% as at 30.06.2024 (under current rules). As at 30.06.2024, Zürcher Kantonalbank already fully met the total unweighted gone concern requirement of 2.75%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 30.06.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

31.03.2024				Parent company
in CHF million and in % LRD	Current rules		Definitive rules from 2026	
Basis of assessment	**CHF million**		**CHF million**	
Leverage ratio exposure measure (leverage ratio denominator, LRD)	**229,653**		**229,653**	
Unweighted capital requirements (going concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total [1]	**10,334**	**4.5%**	**10,334**	**4.5%**
of which CET1: minimum capital	3,445	1.5%	3,445	1.5%
of which CET1: buffer capital	3,445	1.5%	3,445	1.5%
of which Additional Tier 1: minimum capital	3,445	1.5%	3,445	1.5%
Eligible capital (going concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Core capital	**14,936**	**6.5%**	**14,936**	**6.5%**
of which CET1	11,332	4.9%	11,332	4.9%
of which CET1 to cover additional Tier 1 requirements	2,547	1.1%	2,547	1.1%
of which additional Tier 1 high-trigger CoCos	1,057	0.5%	1,057	0.5%
of which additional Tier 1 low-trigger CoCos	–	–	–	–
Unweighted requirements for additional loss-absorbing capital (gone concern) based on the leverage ratio	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total according to size and market share incl. additional requirement FINMA [2, 3]	4,421	1.9%	6,316	2.8%
Reduction based on holdings in additional capital in the form of CET1 or contingent capital as per Art. 132 para. 4 CAO	–	–	–	–
Total (net)	**4,421**	**1.9%**	**6,316**	**2.8%**
Eligible additional loss-absorbing capital (gone concern)	**CHF million**	**in % LRD**	**CHF million**	**in % LRD**
Total	**6,609**	**2.9%**	**6,609**	**2.9%**
of which CET1 used to meet gone concern requirements	–	–	–	–
of which additional Tier 1 used to meet gone concern requirements	–	–	–	–
of which Tier 2 high-trigger CoCos	–	–	–	–
of which Tier 2 low-trigger CoCos	–	–	–	–
of which Tier 2 with PONV [4]	485	0.2%	485	0.2%
of which non-Basel III compliant Tier 1	–	–	–	–
of which non-Basel III compliant Tier 2	–	–	–	–
of which bail-in bonds	1,830	0.8%	1,830	0.8%
of which other eligible additional loss-absorbing capital [5]	1,000	0.4%	1,000	0.4%
of which state guarantee or similar mechanism [6]	3,294	1.4%	3,294	1.4%

[1] The unweighted capital requirements (going concern) are calculated as a percentage of the leverage ratio exposure measure. Under Art. 129 CAO, the unweighted total requirement for Zürcher Kantonalbank is 4.5%.

[2] Under Art. 132, para. 2 CAO, the unweighted requirements for additional loss-absorbing capital (gone concern) are calculated using the total going concern requirement under Art. 129 CAO. Based on the transitional provisions in Art. 148j CAO, the gone concern requirement in 2024 is 1.26% of the leverage ratio exposure measure. This will increase in stages until 2026, when the gone concern requirement will be equal to 40 percent of the total going concern requirement for Zürcher Kantonalbank.

[3] In a letter dated 03.09.2019, FINMA increased the unweighted requirements for additional loss-absorbing capital (gone concern) for contingency planning at Zürcher Kantonalbank from 2026 in the same ratio as for the risk-based gone concern requirements. Under the transitional provisions in Art. 148j CAO, this is equivalent to an additional unweighted requirement of 0.67% in 2024. This results in a total unweighted gone concern requirement of 1.93% as at 31.03.2024 (under current rules). As at 31.03.2024, Zürcher Kantonalbank already fully met the total unweighted gone concern requirement of 2.75%, as defined by FINMA for contingency planning at Zürcher Kantonalbank.

[4] Any write-downs are triggered by FINMA when they declare a threat of insolvency (PONV = point of non-viability).

[5] By resolution of the cantonal parliament, the endowment capital reserve (CHF 1,000 million) was reserved in full for the Bank's contingency planning and accordingly qualifies as eligible additional loss-absorbing capital on a gone concern basis. As a result, the endowment capital reserve can now only be called on by order of FINMA or a FINMA-appointed restructuring official.

[6] Zürcher Kantonalbank, as a systemically important bank without international operations, has an explicit cantonal state guarantee. As at 31.03.2024, the amount of the state guarantee that can be recognised under Art. 132b, letter a CAO is half of the risk-based gone concern total requirement of 7.86% of RWA.

4.3 Main features of regulatory capital instruments and of other TLAC-eligible instruments in accordance with the provisions for systemically important banks

30.06.2024		Endowment capital	CHF Tier 1 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	n/a	CH0361532945
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Common equity Tier 1 (CET1) Eligible capital (going concern)	Additional Tier 1 (AT1) Eligible capital (going concern)
5	Under Basel III rules not taking into account transitional treatment	Common equity Tier 1 (CET1) Eligible capital (going concern)	Additional Tier 1 (AT1) Eligible capital (going concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 2,425 million	CHF 750 million
9	Par value of instrument	CHF 2,425 million	CHF 750 million
10	Accounting classification	Bank's capital	Liability - notional
11	Original date of issuance	15.02.1870	30.06.2017
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	n/a	n/a
14	Issuer call option (subject to prior supervisory authority approval)	No	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	n/a	Next possible call date 30.10.2024. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	Annually on interest date of 30 Oct
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Floating	Fixed to floating
18	Coupon rate and related index, if applicable	n/a	Fixed at 3.6% until 30.10.2028; thereafter reset every 5 years based on 5-year mid-swap (minimum 0%) plus 2.125% risk premium
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	n/a	Yes
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	No	Yes
31	If write-down feature: write-down trigger(s)	n/a	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	n/a	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	n/a	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 1 bonds	Tier 2 bond
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

30.06.2024		CHF Tier 1 bond	EUR Tier 2 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH0536893321	CH1170565753
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Additional Tier 1 (AT1) Eligible capital (going concern)	Tier 2 with PONV Eligible additional loss-absorbing capital (gone concern)
5	Under Basel III rules not taking into account transitional treatment	Additional Tier 1 (AT1) Eligible capital (going concern)	Tier 2 with PONV Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 314 million	CHF 482 million
9	Par value of instrument	CHF 315 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	16.10.2020	13.04.2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	n/a	13.04.2028
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	First possible call date 16.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 13.04.2027. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	Thereafter every five years on 16 April	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 1.75% until 16.04.2027; thereafter reset every five years based on 5-year SARON-mid-swap (minimum 0%) plus 1.75% risk premium	Fixed at 2.02% until 13.04.2027; thereafter reset based on 3-month Euribor plus 0.90% risk premium (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	Yes	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	n/a
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.	FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.	Always fully if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2 bond	Bail-in bonds
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

30.06.2024		CHF Bail-in bond	EUR Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1239464709	CH1266847149
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 424 million	CHF 482 million
9	Par value of instrument	CHF 425 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	19.04.2023	08.06.2023
12	Perpetual or dated	Dated	Dated
13	Original maturity date	19.04.2028	08.06.2029
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 19.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 08.06.2028. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed	Fixed to floating
18	Coupon rate and related index, if applicable	2.75%	Fixed at 4.156% until 08.06.2028; thereafter reset based on relevant market rate according to the prospectus plus margin 1.15% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

	30.06.2024	EUR Bail-in bond	CHF Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1290222392	CH1290222491
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 473 million	CHF 144 million
9	Par value of instrument	EUR 500 million	CHF 150 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	15.09.2023	01.11.2023
12	Perpetual or dated	Dated	Dated
13	Original maturity date	15.09.2027	01.11.2030
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 15.09.2026. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 01.11.2029. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 4.467% until 15.09.2026; thereafter reset based on relevant market rate according to the prospectus plus margin 1.00% (minimum 0%)	Fixed at 2.625% until 01.11.2029; thereafter reset based on relevant market rate according to the prospectus plus margin 0.98% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

30.06.2024		EUR Bail-in bond	CHF Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1319968553	CH1319968561
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 95 million	CHF 190 million
9	Par value of instrument	CHF 100 million	CHF 200 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	22.03.2024	22.03.2024
12	Perpetual or dated	Dated	Dated
13	Original maturity date	22.03.2030	22.03.2033
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 22.03.2029. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 22.03.2032. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 2% until 22.03.2029; thereafter reset based on relevant market rate according to the prospectus plus margin 0.83% (minimum 0%)	Fixed at 2.125% until 22.03.2032; thereafter reset based on relevant market rate according to the prospectus plus margin 0.98% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

31.03.2024		Endowment capital	CHF Tier 1 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	n/a	CH0361532945
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Common equity Tier 1 (CET1) Eligible capital (going concern)	Additional Tier 1 (AT1) Eligible capital (going concern)
5	Under Basel III rules not taking into account transitional treatment	Common equity Tier 1 (CET1) Eligible capital (going concern)	Additional Tier 1 (AT1) Eligible capital (going concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 2,425 million	CHF 744 million
9	Par value of instrument	CHF 2,425 million	CHF 750 million
10	Accounting classification	Bank's capital	Liability - notional
11	Original date of issuance	15.02.1870	30.06.2017
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	n/a	n/a
14	Issuer call option (subject to prior supervisory authority approval)	No	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	n/a	Next possible call date 30.10.2024. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	Annually on interest date of 30 Oct
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Floating	Fixed to floating
18	Coupon rate and related index, if applicable	n/a	Fixed at 3.6% until 30.10.2028; thereafter reset every 5 years based on 5-year mid-swap (minimum 0%) plus 2.125% risk premium
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	n/a	Yes
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	No	Yes
31	If write-down feature: write-down trigger(s)	n/a	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	n/a	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	n/a	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 1 bonds	Tier 2 bond
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

31.03.2024		CHF Tier 1 bond	EUR Tier 2 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH0536893321	CH1170565753
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Additional Tier 1 (AT1) Eligible capital (going concern)	Tier 2 with PONV Eligible additional loss-absorbing capital (gone concern)
5	Under Basel III rules not taking into account transitional treatment	Additional Tier 1 (AT1) Eligible capital (going concern)	Tier 2 with PONV Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 313 million	CHF 485 million
9	Par value of instrument	CHF 315 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	16.10.2020	13.04.2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	n/a	13.04.2028
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	First possible call date 16.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 13.04.2027. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	Thereafter every five years on 16 April	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 1.75% until 16.04.2027; thereafter reset every five years based on 5-year SARON-mid-swap (minimum 0%) plus 1.75% risk premium	Fixed at 2.02% until 13.04.2027; thereafter reset based on 3-month Euribor plus 0.90% risk premium (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	Yes	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	n/a
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.	FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.	Always fully if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2 bond	Bail-in bonds
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

31.03.2024		CHF Bail-in bond	EUR Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1239464709	CH1266847149
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 424 million	CHF 485 million
9	Par value of instrument	CHF 425 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	19.04.2023	08.06.2023
12	Perpetual or dated	Dated	Dated
13	Original maturity date	19.04.2028	08.06.2029
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 19.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 08.06.2028. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed	Fixed to floating
18	Coupon rate and related index, if applicable	2.75%	Fixed at 4.156% until 08.06.2028; thereafter reset based on relevant market rate according to the prospectus plus margin 1.15% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

31.03.2024		EUR Bail-in bond	CHF Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1290222392	CH1290222491
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 486 million	CHF 148 million
9	Par value of instrument	EUR 500 million	CHF 150 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	15.09.2023	01.11.2023
12	Perpetual or dated	Dated	Dated
13	Original maturity date	15.09.2027	01.11.2030
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 15.09.2026. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 01.11.2029. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 4.467% until 15.09.2026; thereafter reset based on relevant market rate according to the prospectus plus margin 1.00% (minimum 0%)	Fixed at 2.625% until 01.11.2029; thereafter reset based on relevant market rate according to the prospectus plus margin 0.98% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

31.03.2024		EUR Bail-in bond	CHF Bail-in bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH1319968553	CH1319968561
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	-	-
5	Under Basel III rules not taking into account transitional treatment	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)	Bail-in bonds Eligible additional loss-absorbing capital (gone concern)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 97 million	CHF 190 million
9	Par value of instrument	CHF 100 million	CHF 200 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	22.03.2024	22.03.2024
12	Perpetual or dated	Dated	Dated
13	Original maturity date	22.03.2030	22.03.2033
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	One-time possible call date 22.03.2029. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 22.03.2032. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 2% until 22.03.2029; thereafter reset based on relevant market rate according to the prospectus plus margin 0.83% (minimum 0%)	Fixed at 2.125% until 22.03.2032; thereafter reset based on relevant market rate according to the prospectus plus margin 0.98% (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	No	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible [1]	Non-convertible [1]
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Write-down triggered by FINMA on a contractual basis [1]	Write-down triggered by FINMA on a contractual basis [1]
32	If write-down feature: fully or partially	may be written down partially	may be written down partially
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Non-subordinated liabilities	Non-subordinated liabilities
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

[1] In the event that FINMA, in a restructuring proceeding concerning the Issuer pursuant to the Banking Act and, if applicable, other National Regulations, orders the partial or complete reduction of the bondholders' claims or the Issuer's obligations under the Bonds in the restructuring plan, the bondholders shall be entitled to the granting of a Recovery Certificate without par value for each Bond affected after the restructuring plan has been approved by FINMA.

5 Overview total risk

5.1 KM1: Key metrics (group)

The following table is intended for non-systemically important banks. It does not fully reflect the special requirements for national systemically important institutions (D-SIBs) such as Zürcher Kantonalbank. Please see Chapter 4 “Disclosure requirements for systemically important banks” in this respect.

	Group	a	b	c	d	e
	in CHF million (unless stated otherwise)	**30.06.2024**	**31.03.2024**	**31.12.2023**	**30.09.2023**	**30.06.2023**
	Eligible capital					
1	Common equity Tier 1 (CET1)	**13,739**	13,738	13,734	12,949	12,949
2	Tier 1 capital (T1)	**14,803**	14,795	14,797	14,014	14,014
3	Total capital [1]	**15,350**	15,445	15,427	14,660	14,669 [2]
	Total loss absorbing capacity (TLAC) [3]	**21,315**	21,384	21,128	19,105	18,578
	Risk-weighted assets (RWA)					
4	RWA	**82,023**	83,300	78,952	80,050	77,801
	Minimum required capital					
4a	Minimum required capital	**6,562**	6,664	6,316	6,404	6,224
	Risk-based capital ratios (in % of RWA)					
5	CET1 ratio [1]	**16.8%**	16.5%	17.4%	16.2%	16.6%
6	Tier 1 capital ratio [1]	**18.0%**	17.8%	18.7%	17.5%	18.0%
7	Total capital ratio [1]	**18.7%**	18.5%	19.5%	18.3%	18.9% [2]
	TLAC ratio [3]	**26.0%**	25.7%	26.8%	23.9%	23.9%
	CET1 buffer requirements (in % of RWA)					
8	Capital conservation buffer as per the Basel minimum standards (2.5% from 2019)	**2.5%**	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer (Art. 44a CAO) in accordance with the Basel minimum standards	**0.0%**	0.0%	0.0%	0.0%	0.0%
10	Additional capital buffer due to international or national system relevance	–	–	–	–	–
11	Total of bank CET1 specific buffer requirements	**2.5%**	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements	**10.7%**	10.5%	11.5%	10.3%	10.9% [2]
	Capital target ratios as per Annex 8 to the CAO (in % of RWA) [4]					
12a	Capital conservation buffer in accordance with Annex 8 to the CAO	–	–	–	–	–
12b	Countercyclical buffers (Art. 44 and Art. 44a CAO)	–	–	–	–	–
	Countercyclical buffer (Art. 44 CAO)	**0.9%**	0.9%	0.9%	0.9%	0.9%
12c	CET1 target ratio in accordance with Annex 8 to the CAO plus the countercyclical buffers in accordance with Art. 44 and 44a CAO	–	–	–	–	–
12d	T1 target ratio in accordance with Annex 8 to the CAO plus countercyclical buffers in accordance with Art. 44 and 44a CAO	–	–	–	–	–
12e	Total capital target ratio in accordance with Annex 8 to the CAO plus countercyclical buffers in accordance with Art. 44 and 44a CAO	–	–	–	–	–
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	**225,875**	229,724	223,870	223,324	226,321
14	Basel III leverage ratio (Tier 1 capital in % of leverage ratio exposure measure)	**6.6%**	6.4%	6.6%	6.3%	6.2%
	TLAC leverage ratio (TLAC in % of leverage ratio exposure measure) [3]	**9.4%**	9.3%	9.4%	8.6%	8.2%
	Liquidity coverage ratio (LCR) [5]					
15	LCR numerator: total high-quality liquid assets (HQLA)	**53,171**	50,994	46,388	47,978	53,824
16	LCR denominator: total net outflows of funds	**36,434**	34,548	31,511	32,409	36,721
17	Liquidity coverage ratio (LCR)	**146%**	148%	147%	148%	147%
	Net stable funding ratio (NSFR)					
18	Available stable refinancing	**118,512**	120,855	116,118	115,730	117,469
19	Required stable refinancing	**100,873**	102,128	98,921	98,917	97,184
20	Net stable funding ratio, (NSFR)	**117%**	118%	117%	117%	121%

[1] In accordance with the provisions of the CAO for non-systemically important banks.

[2] The following three key figures as at 30.06.2023 include adjustments:
- Total capital: before adjustment CHF 15,494 million / change -CHF 825 million / after adjustment CHF 14,669 million
- Total capital ratio: before adjustment 19.9% / change -1.0% / after adjustment 18.9%
- CET1 available after meeting the bank's minimum capital requirements: before adjustment 11.9% / change -1.0% / after adjustment 10.9%

In the disclosures as at 30.06.2023, the bail-in bonds placed in the second quarter of 2023 were recognised as Tier 2 capital in total capital. In accordance with the provisions of the CAO for non-systemically important banks, bail-in bonds are no longer counted as Tier 2 capital, as they do not fulfil all the requirements for eligibility in accordance with Art. 30 CAO.

[3] In accordance with the provisions for systemically important banks. TLAC includes core capital (going concern) and eligible additional loss-absorbing capital (gone concern). For details on the composition of the eligible additional loss-absorbing capital (gone concern), please refer to the section "Disclosure of systemically important banks".

[4] Systemically important banks can forego the information in rows 12a to 12e, as Annex 8 to the CAO does not apply to them. In this instance, they must nevertheless provide information on the countercyclical buffer in accordance with Art. 44 CAO.

[5] Simple average of the closing values on the business days during the quarter under review.

Common equity Tier 1 (CET1) and tier 1 capital (T1) in accordance with the provisions of the CAO have not changed significantly as at 30 June 2024. For more information on the changes in tier 2 capital (T2), which led to the slight decrease of CHF 95 million in total capital in accordance with the provisions of the CAO, please refer to table CC1 starting from page 32.

The total loss-absorbing capacity (TLAC) includes not only the core capital (going concern) in accordance with the provisions for systemically important banks, but also the eligible additional loss-absorbing capital (gone concern). It did not change significantly compared to 31 March 2024 (- CHF 69 million).

Total RWA fell to CHF 82,023 million, down CHF 1,277 million compared with 31 March 2024. The main drivers for this were, in particular, lower RWA from derivative transactions and, to a lesser extent, lower RWA from securities financing transactions. The decline in RWA was partially offset by higher RWA from loans (mortgage receivables and amounts due from clients) as at 30 June 2024.

The combination of essentially unchanged capital in accordance with the provisions of the CAO for non-systemically important banks and lower RWA as at 30 June 2024 resulted in a rise in all three risk-based capital ratios compared with 31 March 2024 (CET1 ratio 0.3 percentage points, tier 1 capital ratio and total capital ratio 0.2 percentage points). The TLAC ratio in accordance with the provisions for systemically important banks also increased by 0.3 percentage points to 26.0 percent.

The requirement from the extended countercyclical buffer (eCCB) under Art. 44a CAO as at 30 June 2024 is 0.04 percent of RWA (31 March 2024: 0.03 percent). Hence the eCCB has no material impact on the CET1 buffer requirements under the Basel minimum standards. The available CET1 ratio after meeting the Basel minimum standard rose by 0.2 percentage points.

The requirement from the countercyclical buffer (CCB) under Art. 44 CAO has not changed significantly since its reactivation as of 30 September 2022.

Total exposure for the leverage ratio sank CHF 3,849 million to CHF 225,875 million (rounded number) during the last quarter. On-balance-sheet exposures (- CHF 873 million), derivative exposures (- CHF 2,205 million) and securities financing transaction exposures (- CHF 3,021 million) decreased. Only off-balance-sheet exposures increased by CHF 2,249 million. In combination with the essentially unchanged Tier 1 capital, this resulted in a leverage ratio 0.2 percentage points higher at 6.6 percent as at 30 June 2024 (31 March 2024: 6.4 percent). The TLAC leverage ratio in accordance with the provisions for systemically important banks increased by 0.1 percentage point to 9.4 percent.

The LCR on a group basis decreased lightly compared with the previous quarter and averaged 146 percent in the second quarter of 2024 (first quarter of 2024: 148 percent). As a systemically important bank, Zürcher Kantonalbank is subject to stricter liquidity requirements; it satisfies these comfortably.

The NSFR on a group basis is slightly lower compared with the end of the previous quarter, amounting to 117 percent as at 30 June 2024 (31 March 2024: 118 percent).

5.2 KM1: Key metrics (parent company)

The group's regulatory ratios are largely driven by the figures at the parent company. Hence the comments and explanations for the parent company are essentially identical to those for the group (section 5.1) and will not be repeated for the following table.

	Parent company in CHF million (unless stated otherwise)	a 30.06.2024	b 31.03.2024	c 31.12.2023	d 30.09.2023	d 30.06.2023
	Eligible capital					
1	Common equity Tier 1 (CET1)	**13,880**	13,879	13,879	13,092	13,091
2	Tier 1 capital (T1)	**14,944**	14,936	14,942	14,157	14,156
3	Total capital [1]	**15,491**	15,585	15,572	14,802	14,812 [2]
	Total loss absorbing capacity (TLAC) [3]	**21,478**	21,546	21,294	19,261	18,733
	Risk-weighted assets (RWA)					
4	RWA	**82,586**	83,821	79,509	80,600	78,336
	Minimum required capital					
4a	Minimum required capital	**6,607**	6,706	6,361	6,448	6,267
	Risk-based capital ratios (in % of RWA)					
5	CET1 ratio [1]	**16.8%**	16.6%	17.5%	16.2%	16.7%
6	Tier 1 capital ratio [1]	**18.1%**	17.8%	18.8%	17.6%	18.1%
7	Total capital ratio [1]	**18.8%**	18.6%	19.6%	18.4%	18.9% [2]
	TLAC ratio [3]	**26.0%**	25.7%	26.8%	23.9%	23.9%
	CET1 buffer requirements (in % of RWA)					
8	Capital conservation buffer as per the Basel minimum standards (2.5% from 2019)	**2.5%**	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer (Art. 44a CAO) in accordance with the Basel minimum standards	**0.0%**	0.0%	0.0%	0.0%	0.0%
10	Additional capital buffer due to international or national system relevance	**–**	–	–	–	–
11	Total of bank CET1 specific buffer requirements	**2.5%**	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements	**10.8%**	10.6%	11.6%	10.4%	10.9% [2]
	Capital target ratios as per Annex 8 to the CAO (in % of RWA) [4]					
12a	Capital conservation buffer in accordance with Annex 8 to the CAO	**–**	–	–	–	–
12b	Countercyclical buffers (Art. 44 and Art. 44a CAO)	**–**	–	–	–	–
	Countercyclical buffer (Art. 44 CAO)	**0.9%**	0.9%	0.9%	0.9%	0.9%
12c	CET1 target ratio in accordance with Annex 8 to the CAO plus the countercyclical buffers in accordance with Art. 44 and 44a CAO	**–**	–	–	–	–
12d	T1 target ratio in accordance with Annex 8 to the CAO plus countercyclical buffers in accordance with Art. 44 and 44a CAO	**–**	–	–	–	–
12e	Total capital target ratio in accordance with Annex 8 to the CAO plus countercyclical buffers in accordance with Art. 44 and 44a CAO	**–**	–	–	–	–
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	**225,756**	229,653	223,907	223,351	226,350
14	Basel III leverage ratio (Tier 1 capital in % of leverage ratio exposure measure)	**6.6%**	6.5%	6.7%	6.3%	6.3%
	TLAC leverage ratio (TLAC in % of leverage ratio exposure measure) [3]	**9.5%**	9.4%	9.5%	8.6%	8.3%
	Liquidity coverage ratio (LCR) [5]					
15	LCR numerator: total high-quality liquid assets (HQLA)	**53,108**	50,942	46,343	47,925	53,788
16	LCR denominator: total net outflows of funds	**36,564**	34,698	31,607	32,478	36,786
17	Liquidity coverage ratio (LCR)	**145%**	147%	147%	148%	146%
	Net stable funding ratio (NSFR)					
18	Available stable refinancing	**117,615**	120,023	115,412	115,053	116,723
19	Required stable refinancing	**100,707**	102,052	98,865	98,888	96,967
20	Net stable funding ratio, (NSFR)	**117%**	118%	117%	116%	120%

[1] In accordance with the provisions of the CAO for non-systemically important banks.

[2] The following three key figures as at 30.06.2023 include adjustments:
- Total capital: before adjustment CHF 15,636 million / change -CHF 824 million / after adjustment CHF 14,812 million
- Total capital ratio: before adjustment 20.0% / change -1.1% / after adjustment 18.9%
- CET1 available after meeting the bank's minimum capital requirements: before adjustment 12.0% / change -1.1% / after adjustment 10.9%

In the disclosures as at 30.06.2023, the bail-in bonds placed in the second quarter of 2023 were recognised as Tier 2 capital in total capital. In accordance with the provisions of the CAO for non-systemically important banks, bail-in bonds are no longer counted as Tier 2 capital, as they do not fulfil all the requirements for eligibility in accordance with Art. 30 CAO.

[3] In accordance with the provisions for systemically important banks. TLAC includes core capital (going concern) and eligible additional loss-absorbing capital (gone concern). For details on the composition of the eligible additional loss-absorbing capital (gone concern), please refer to the section "Disclosure of systemically important banks".

[4] Systemically important banks can forego the information in rows 12a to 12e, as Annex 8 to the CAO does not apply to them. In this instance, they must nevertheless provide information on the countercyclical buffer in accordance with Art. 44 CAO.

[5] Simple average of the closing values on the business days during the quarter under review.

5.3 OV1: Overview of RWA

	in CHF million	a RWA 30.06.2024	b RWA 31.12.2023	c Minimum capital requirements 30.06.2024
1	Credit risk (excluding CCR – counterparty credit risk) [1]	58,953	56,582	4,716
2	of which standardised approach (SA) [1]	8,622	7,751	690
3	of which foundation internal ratings-based (F-IRB) approach	31,655	30,608	2,532
4	of which supervisory slotting approach	–	–	–
5	of which advanced internal ratings-based (A-IRB) approach [2]	18,676	18,224	1,494
6	Counterparty credit risk (CCR)	9,009	8,569	721
7	of which standardised approach for counterparty credit risk (SA-CCR)	3,617	3,057	289
7a	of which simplified standard approach (SSA-CCR)	–	–	–
7b	of which current exposure method	–	–	–
8	of which internal model method (IMM)	–	–	–
9	of which other CCR [3]	5,392	5,512	431
10	Credit valuation adjustment (CVA)	2,152	1,890	172
11	Equity positions under the simple risk weight approach	607	593	49
12	Investments in funds – look-through approach	–	–	–
13	Investments in funds – mandate-based approach	–	–	–
14	Investments in funds – fall-back approach	862	855	69
14a	Investments in funds – simplified approach	–	–	–
15	Settlement risk	0	2	0
16	Securitisation exposures in banking book	–	–	–
17	of which securitisation internal ratings-based approach (SEC-IRBA)	–	–	–
18	of which securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	–	–	–
19	of which securitisation standardised approach (SEC-SA)	–	–	–
20	Market risk	3,852	4,040	308
21	of which standardised approach (SA)	1,923	1,897	154
22	of which internal model approaches (IMA)	1,929	2,143	154
23	Capital charge for switch between trading book and banking book	–	–	–
24	Operational risk	5,533	5,370	443
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	1,055	1,051	84
26	Floor adjustment	–	–	–
27	**Total**	**82,023**	**78,952**	**6,562**

[1] According to FINMA Circ. 16/1, non-counterparty-related risks are also to be taken into account in this row.

[2] Zürcher Kantonalbank essentially uses the foundation IRB approach (F-IRB approach). For the IRB segment Retail, however, only the advanced IRB approach (A-IRB approach) exists, so the RWA and minimum capital requirements for the IRB segment Retail are disclosed in this row.

[3] Zürcher Kantonalbank uses the comprehensive approach for credit risk mitigation and the calculation of the credit equivalent for securities financing transactions (SFT).

RWA rose by CHF 3,071 million to CHF 82,023 million overall compared with 31 December 2023. In particular, RWA for credit risk (+ CHF 2,371 million), for counterparty credit risk (+ CHF 440 million) and for the credit valuation adjustment (CVA) (+ CHF 262 million) increased. RWA for the other risk categories remained essentially unchanged compared with 31 December 2023. For further information on the reasons for the changes please see the relevant detailed tables.

6 Composition of regulatory capital

6.1 CC1: Presentation of regulatory capital

in CHF million		30.06.2024 a Amounts	31.12.2023 a Amounts	b References
Common equity (CET1)				
1	Issued and paid-in capital, fully eligible	2,425	2,425	J
2	Retained earnings reserves, including reserves for general banking risks / profit (loss) carry forwards and profit (loss) for the period	11,932	11,859	
	of which voluntary retained earnings reserve	10,952	10,241	
	of which reserves for general banking risks	379	379	
	of which profit (loss) for the current period [1]	601	1,238	
	of which planned dividend	–	528	
	of which planned retained profit	–	711	
3	Capital reserves and foreign currency translation reserve (+/-) and other reserves	-14	-16	
4	Issued and paid in capital, subject to phase-out	–	–	
5	Minority interests, eligible as CET1 capital	–	–	L
6	Common Equity Tier 1 capital before regulatory adjustments	13,743	13,740	
	CET1: regulatory adjustments			
7	Prudential valuation adjustments	–	–	
8	Goodwill (net of related tax liability)	–	–	A, F
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	-1	-3	B, G
10	Deferred tax assets that rely on future profitability	-3	-4	D
11	Cash flow hedge reserve (-/+)	–	–	
12	IRB shortfall of provisions to expected losses	–	–	
13	Securitisation gain on sale	–	–	
14	Gains or losses due to changes in own credit risk	–	–	
15	Defined-benefit pension fund net assets (net of related tax liability)	–	–	
16	Net long position in own CET1 instruments	–	–	
17	Reciprocal cross-holdings in common equity (CET1 instruments)	–	–	
17a	Qualified participations where a controlling influence is exercised together with other owners (CET1 instruments)	–	–	
17b	Immaterial participations (CET1 instruments)	–	–	
18	Non-qualified participations (max. 10%) in the financial sector (amount above Threshold 1) (CET1 instruments)	–	–	
19	Other qualified participations in the financial sector (amount above Threshold 2) (CET1 instruments)	–	–	
20	Mortgage servicing rights (amount above Threshold 2)	–	–	C, H
21	Other deferred tax assets arising from temporary differences (amount above Threshold 2)	–	–	E
22	Amount exceeding Threshold 3 (15%)	–	–	
23	of which other qualified participations	–	–	
24	of which mortgage servicing rights	–	–	
25	of which other deferred tax assets arising from temporary differences	–	–	
26	Expected losses on equity investments treated under the PD / LGD approach	–	–	
26a	Other adjustments in the case of financial statements prepared in accordance with internationally recognised accounting standards	–	–	
26b	Other deductions	–	–	
27	Amount by which the AT1 deductions exceed the AT1 capital	–	–	
28	Total regulatory adjustments to CET1	-4	-6	
29	**Common Equity Tier 1 capital (net CET1)**	**13,739**	**13,734**	
Additional Tier 1 capital (AT1)				
30	Issued and paid in instruments, fully eligible	1,065	1,065	
31	of which classified as equity under applicable accounting standards	–	–	K
32	of which classified as liabilities under applicable accounting standards	1,065	1,065	
33	Issued and paid in instruments, subject to phase out	–	–	
34	Minority interests eligible as AT1	–	–	M
35	of which subject to phase out	–	–	
36	Additional Tier 1 capital before regulatory adjustments	1,065	1,065	

[1] As at 30.06., profit for the current period is not a component of eligible capital.

in CHF million		30.06.2024 a Amounts	31.12.2023 a Amounts	b References
	Additional Tier 1 capital: regulatory adjustments			
37	Net long position in own AT1 instruments	-1	-1	
38	Reciprocal qualified cross-holdings in AT1 instruments	–	–	
38a	Qualified participations where a controlling influence is exercised together with other owners (AT1 instruments)	–	–	
38b	Immaterial participations (AT1 instruments)	–	–	
39	Non-qualified participations (max. 10%) in the financial sector (amount above Threshold 1) (AT1 instruments)	–	–	
40	Other qualified participations in the financial sector (AT1 instruments)	–	–	
41	Other deductions	–	–	
42	Amount by which the T2 deductions exceed the T2 capital	–	–	
42a	AT1 deductions covered by CET1 capital	–	–	
43	Total regulatory adjustments to AT1	-1	-1	
44	Additional Tier 1 capital (net AT1)	1,064	1,064	
45	**Tier 1 capital (net Tier 1 = net CET1 + net AT1)**	**14,803**	**14,797**	
Tier 2 capital (T2)				
46	Issued and paid in instruments, fully eligible [2]	289	372	
47	Issued and paid in instruments, subject to phase-out	–	–	
48	Minority interests eligible as T2	–	–	
49	of which subject to phase out	–	–	
50	Valuation adjustments; provisions and depreciation for prudential reasons; compulsory reserves on financial investments	258	258	
51	Tier 2 capital before regulatory adjustments	547	630	
	Tier 2 capital: regulatory adjustments			
52	Net long position in own T2 instruments and other TLAC instruments	–	–	
53	Reciprocal cross-holdings in T2 instruments and other TLAC instruments	–	–	
53a	Qualified participations where a controlling influence is exercised together with other owners (T2 instruments and other TLAC instruments)	–	–	
53b	Immaterial participations (T2 instruments and other TLAC instruments)	–	–	
54	Non-qualified participations (max. 10%) in the financial sector (amount above Threshold 1) (T2 instruments and other TLAC instruments)	–	–	
55	Other qualified participations in the financial sector (T2 instruments and other TLAC instruments)	–	–	
56	Other deductions	–	–	
56a	T2 deductions covered by AT1 capital	–	–	
57	Total regulatory adjustments to T2	–	–	
58	**Tier 2 capital (net T2)**	**547**	**630**	
59	**Regulatory capital (net T1 + net T2)**	**15,350**	**15,427**	
60	**Total risk-weighted assets**	**82,023**	**78,952**	
Capital ratios [3]				
61	CET1 ratio (item 29, as a percentage of risk-weighted assets)	16.8%	17.4%	
62	T1 ratio (item 45, as a percentage of risk-weighted assets)	18.0%	18.7%	
63	Regulatory capital ratio (item 59, as a percentage of risk-weighted assets)	18.7%	19.5%	
64	Institute specific CET1 buffer requirements in accordance with the Basel minimum standards (capital buffer + countercyclical buffer according to Art. 44a CAO + capital buffer for systemically important banks) (as a percentage of risk-weighted assets)	2.5%	2.5%	
65	of which capital buffer in accordance with Basel minimum standards (as a percentage of risk-weighted assets)	2.5%	2.5%	
66	of which countercyclical buffer in accordance with the Basel minimum standards (Art. 44a CAO, as a percentage of risk-weighted assets)	0.0%	0.0%	
67	of which capital buffer for systemically important institutions in accordance with the Basel minimum standards (as a percent-age of risk-weighted assets)	–	–	
68	CET1 available after meeting the bank's minimum capital requirements (in %)	10.7%	11.5%	
68a	CET1 total requirement target in accordance with Annex 8 of the CAO plus the countercyclical buffers according to Art. 44 and Art. 44a CAO (as a percentage of risk-weighted assets)	–	–	
68b	of which countercyclical buffers according to Art. 44 and Art. 44a CAO (as a percentage of risk-weighted assets)	–	–	
68c	CET1 available (as a percentage of risk-weighted assets)	–	–	
68d	T1 total requirement in accordance with Annex 8 CAO plus the countercyclical buffers according to Art. 44 and Art. 44a CAO (as a percentage of risk-weighted assets)	–	–	
68e	T1 available (as a percentage of risk-weighted assets)	–	–	
68f	Total requirement for regulatory capital as per Annex 8 CAO plus the countercyclical buffers according to Art. 44 and Art. 44a CAO (as a percentage of risk-weighted assets)	–	–	
68g	Regulatory capital available (as a percentage of risk-weighted assets)	–	–	

[2] After deduction of value reduction (amortisation) (Art. 30 para. 2 CAO).

[3] Systemically important banks can disregard items 68a – 68g as Annex 8 of the CAO does not apply to them.

in CHF million	30.06.2024 a Amounts	31.12.2023 a Amounts	b References
Amounts below the thresholds for deduction (before risk-weighting)			
72 Non-qualified participations in the financial sector	859	829	
73 Other qualified participations in the financial sector (CET1)	424	423	
74 Mortgage servicing rights	–	–	
75 Other deferred tax assets	–	–	
Applicable caps on the inclusion of items in T2			
76 Valuation adjustments eligible in T2 in the context of the SA-BIS approach	–	–	
77 Cap on inclusion of valuation adjustments in T2 in the context of the SA-BIS approach	–	–	
78 Valuation adjustments eligible in T2 in the context of the IRB approach	–	–	
79 Cap on inclusion of valuation adjustments in T2 in the context of the IRB approach	–	–	
Capital instruments with phase out (1.1.2018 – 1.1.2022) according to Art. 141 CAO			
80 Cap on CET1 instruments with phase out	–	–	
81 Amount not included in CET1 (above cap)	–	–	
82 Cap on AT1 instruments with phase out	–	–	
83 Amount not included in AT1 (above cap)	–	–	
84 Cap on T2 instruments with phase out	–	–	
85 Amount not included in T2 (above cap)	–	–	

In terms of regulatory capital, there were no significant changes compared to 31 December 2023. The slight decrease in Tier 2 capital (T2) is explained as follows. Under the Capital Adequacy Ordinance, the recognition of Tier 2 (T2) instruments decreases by 20 percent annually in the last five years before final maturity ("value reduction (amortisation)") in accordance with Art. 30 para. 2 CAO). They are not recognised at all in the final year. Under the provisions of FINMA Circular 2016/1 "Disclosure - banks", item 46 in Table CC1 above has to be shown after deduction of this value reduction pursuant to Art. 30 para. 2 CAO. As the residual maturity of the EUR Tier 2 bond was below five years as at 30 June 2024, recognition of this instrument in item 46 was reduced by CHF 193 million (reduction as at 31 December 2023: CHF 93 million). For the main features of the individual regulatory capital instruments, please refer to Table CCA starting on page 37.

Combined with higher RWA (see Table OV1 on page 31 for details), this resulted in a fall in capital ratios of 0.6 percentage points (CET1 ratio), 0.7 percentage points (T1 ratio) and 0.8 percentage points (regulatory capital ratio).

6.2 CC2: Reconciliation of regulatory capital to balance sheet

Balance sheet as in financial statements / under regulatory scope of consolidation [1] in CHF million	30.06.2024 a and b Amounts	31.12.2023 a and b Amounts	c References
Assets			
Liquid assets	37,304	39,706	
Amounts due from banks	3,306	3,401	
Amounts due from securities financing transactions	23,039	25,740	
Amounts due from customers	12,547	11,252	
Mortgage loans	103,112	100,874	
Trading portfolio assets	13,500	11,880	
Positive replacement values of derivative financial instruments	744	968	
Other financial instruments at fair value	–	–	
Financial investments	5,182	5,577	
Accrued income and prepaid expenses	473	644	
Non-consolidated participations	154	154	
Tangible fixed assets	511	534	
Intangible assets	1	3	
of which goodwill	–	–	A
of which other intangibles, other than mortgage servicing rights	1	3	B
of which mortgage servicing rights	–	–	C
Ohter assets	2,695	527	
of which deferred tax assets that rely on future profitability	3	4	D
of which deferred tax assets arising from temporary differences	–	–	E
Capital not paid in	–	–	
Total assets	**202,568**	**201,259**	
Liabilities			
Amounts due to banks	40,171	35,404	
Liabilities from securities financing transactions	9,758	14,095	
Amounts due in respect of customer deposits	102,325	101,452	
Trading portfolio liabilities	3,036	3,224	
Negative replacement values of derivative financial instruments	902	2,458	
Liabilities from other financial instruments at fair value	4,406	4,000	
Cash bonds	267	288	
Certificate of Deposits	356	632	
Bond issues	10,591	10,547	
Central mortgage institution loans	11,446	11,558	
Accrued expenses and deferred income	1,056	1,371	
Other liabilities	3,746	1,789	
Provisions	163	174	
of which deferred tax liabilities related to goodwill	–	–	F
of which deferred tax liabilities related to other intangible assets, other than mortgage servicing rights	–	–	G
of which deferred tax liabilities related to mortgage servicing rights	–	–	H
of which liabilities in connection with occupational pension plans	–	–	I
Total liabilities	**188,225**	**186,992**	
of which subordinated liabilities eligible as Tier 2 capital (T2)	547	630	
of which subordinated liabilities eligible as Additional Tier 1 capital (AT1)	1,064	1,064	

[1] One completed column is sufficient at the level of the single-entity financial statement and consolidated financial statement provided that the scope of consolidation for accounting purposes is identical to that for regulatory purposes. This is applicable to Zürcher Kantonalbank.

Balance sheet as in financial statements / under regulatory scope of consolidation [1] in CHF million	30.06.2024 a and b Amounts	31.12.2023 a and b Amounts	c References
Equity			
Reserves for general banking risks	379	379	
Bank's capital	2,425	2,425	
of which eligible as CET1	2,425	2,425	J
of which eligible as AT1	–	–	K
Statutory reserves / voluntary reserves / profits (losses) carried forward / profit (loss) for the period	11,539	11,464	
of which voluntary retained earnings reserve	10,952	10,241	
of which foreign currency translation reserve	-14	-16	
of which profit (loss) for the current period [2]	601	1,238	
of which planned dividend	–	528	
of which planned retained profit	–	711	
(Own shares)	–	–	
Minority interests	–	–	
of which eligible as CET1	–	–	L
of which eligible as AT1	–	–	M
Total equity	**14,343**	**14,268**	

[1] One completed column is sufficient at the level of the single-entity financial statement and consolidated financial statement provided that the scope of consolidation for accounting purposes is identical to that for regulatory purposes. This is applicable to Zürcher Kantonalbank.

[2] As at 30.06., profit for the current period is not a component of eligible capital.

Scope of consolidation group

The scope of consolidation used to calculate capital requirements is equal to the one used to draw up the consolidated financial statements. In addition to the parent company Zürcher Kantonalbank, the group's scope of consolidation includes all material directly and indirectly held subsidiaries: Zürcher Kantonalbank Finance (Guernsey) Ltd., Zürcher Kantonalbank Österreich AG, ZKB Securities (UK) Ltd. and the Swisscanto group, consisting of Swisscanto Holding AG with its subsidiaries and their subsidiaries (Swisscanto Fund Management Company Ltd., Swisscanto Pensions Ltd., Swisscanto Private Equity CH I Ltd, Swisscanto Private Equity CH II Ltd and Swisscanto Asset Management International SA). The non-material (from an accounting perspective) majority participation in Zürcher Kantonalbank Representações as well as the insignificant majority stake in Philanthropy Services Ltd. are not fully consolidated.

Equity instruments of companies in the financial sector are treated as described in Art. 33 - 40 CAO. The portion above a threshold is deducted directly from equity; the portion below the threshold is risk-weighted. Book values in the accounting and regulatory scopes of consolidation are the same.

Material changes in the scope of consolidation of the group compared with the previous period

There were no changes to the scope of consolidation of the group compared with the previous period.

Scope of consolidation parent company

The parent company's capital has been calculated on a solo consolidated basis since 31 December 2012. Under Art. 10 para. 3 CAO, FINMA can allow a bank to consolidate group companies operating in the financial sector at individual institution level (solo consolidation) on account of their particularly close relationship to the bank. FINMA has ruled that Zürcher Kantonalbank may consolidate the subsidiary Zürcher Kantonalbank Finance (Guernsey) Ltd. on a solo basis under the individual institution provisions since 2012. There are no other differences between the regulatory and accounting scopes of consolidation.

Material changes in the scope of consolidation of the parent company compared with the previous period

There were no significant changes to the scope of consolidation of the parent company compared with the previous period.

6.3 CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments in accordance with the provisions of the CAO for non-systemically important banks

30.06.2024		Endowment capital	CHF Tier 1 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	n/a	CH0361532945
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Common equity Tier 1 (CET1)	Additional Tier 1 (AT1)
5	Under Basel III rules not taking into account transitional treatment	Common equity Tier 1 (CET1)	Additional Tier 1 (AT1)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 2,425 million	CHF 750 million
9	Par value of instrument	CHF 2,425 million	CHF 750 million
10	Accounting classification	Bank's capital	Liability - notional
11	Original date of issuance	15.02.1870	30.06.2017
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	n/a	n/a
14	Issuer call option (subject to prior supervisory authority approval)	No	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	n/a	Next possible call date 30.10.2024. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	Annually on interest date of 30 Oct
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Floating	Fixed to floating
18	Coupon rate and related index, if applicable	n/a	Fixed at 3.6% until 30.10.2028; thereafter reset every 5 years based on 5-year mid-swap (minimum 0%) plus 2.125% risk premium
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	n/a	Yes
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	No	Yes
31	If write-down feature: write-down trigger(s)	n/a	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	n/a	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	n/a	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 1 bonds	Tier 2 bond
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

30.06.2024		CHF Tier 1 bond	EUR Tier 2 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH0536893321	CH1170565753
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Additional Tier 1 (AT1)	Tier 2 (T2)
5	Under Basel III rules not taking into account transitional treatment	Additional Tier 1 (AT1)	Tier 2 (T2)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 314 million	CHF 289 million
9	Par value of instrument	CHF 315 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	16.10.2020	13.04.2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	n/a	13.04.2028
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	First possible call date 16.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 13.04.2027. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	Thereafter every five years on 16 April	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 1.75% until 16.04.2027; thereafter reset every five years based on 5-year SARON-mid-swap (minimum 0%) plus 1.75% risk premium	Fixed at 2.02% until 13.04.2027; thereafter reset based on 3-month Euribor plus 0.90% risk premium (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	Yes	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	n/a
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.	FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.	Always fully if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2 bond	Bail-in bonds
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

31.12.2023		Endowment capital	CHF Tier 1 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	n/a	CH0361532945
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Common equity Tier 1 (CET1)	Additional Tier 1 (AT1)
5	Under Basel III rules not taking into account transitional treatment	Common equity Tier 1 (CET1)	Additional Tier 1 (AT1)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 2,425 million	CHF 749 million
9	Par value of instrument	CHF 2,425 million	CHF 750 million
10	Accounting classification	Bank's capital	Liability - notional
11	Original date of issuance	15.02.1870	30.06.2017
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	n/a	n/a
14	Issuer call option (subject to prior supervisory authority approval)	No	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	n/a	Next possible call date 30.10.2024. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	n/a	Annually on interest date of 30 Oct
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Floating	Fixed to floating
18	Coupon rate and related index, if applicable	n/a	Fixed at 3.6% until 30.10.2028; thereafter reset every 5 years based on 5-year mid-swap (minimum 0%) plus 2.125% risk premium
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	n/a	Yes
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	No	Yes
31	If write-down feature: write-down trigger(s)	n/a	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	n/a	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	n/a	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 1 bonds	Tier 2 bond
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

31.12.2023		CHF Tier 1 bond	EUR Tier 2 bond
1	Issuer	Zürcher Kantonalbank	Zürcher Kantonalbank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placement)	CH0536893321	CH1170565753
3	Governing law of the instrument	Swiss law	Swiss law
3a	Manner in which the enforceability criterion under section 13 of the TLAC Term Sheet is met (for other eligible TLAC instruments under foreign law)	n/a	n/a
	Regulatory treatment		
4	During the Basel III transitional phase	Additional Tier 1 (AT1)	Tier 2 (T2)
5	Under Basel III rules not taking into account transitional treatment	Additional Tier 1 (AT1)	Tier 2 (T2)
6	Eligible at single-entity, group / single-entity and group levels	Solo and group level	Solo and group level
7	Instrument type	Other instruments	Other instruments
8	Amount recognised in regulatory capital (in CHF million)	CHF 315 million	CHF 372 million
9	Par value of instrument	CHF 315 million	EUR 500 million
10	Accounting classification	Liability - notional	Liability - notional
11	Original date of issuance	16.10.2020	13.04.2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	n/a	13.04.2028
14	Issuer call option (subject to prior supervisory authority approval)	Yes	Yes
15	Optional call date / contingent call dates (tax and / or regulatory event) / redemption amount	First possible call date 16.04.2027. Redemption amount: entire outstanding issue, no partial termination	One-time possible call date 13.04.2027. Redemption amount: entire outstanding issue, no partial termination
16	Subsequent call dates, if applicable	Thereafter every five years on 16 April	n/a
	Dividend / coupon		
17	Fixed or floating dividend / coupon	Fixed to floating	Fixed to floating
18	Coupon rate and related index, if applicable	Fixed at 1.75% until 16.04.2027; thereafter reset every five years based on 5-year SARON-mid-swap (minimum 0%) plus 1.75% risk premium	Fixed at 2.02% until 13.04.2027; thereafter reset based on 3-month Euribor plus 0.90% risk premium (minimum 0%)
19	Existence of a dividend stopper (non-payment of dividend on the instrument prohibits the payment of dividends on common shares)	Yes	No
20	Coupon / Dividend payment fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	n/a
23	Convertible / non-convertible	Non-convertible	Non-convertible
24	If convertible: conversion trigger	n/a	n/a
25	If convertible: fully or partially	n/a	n/a
26	If convertible: conversion rate	n/a	n/a
27	If convertible: mandatory or optional conversion	n/a	n/a
28	If convertible: specify instrument type convertible into	n/a	n/a
29	If convertible: specify issuer of instrument it converts into	n/a	n/a
30	Write-down feature	Yes	Yes
31	If write-down feature: write-down trigger(s)	Common equity Tier 1 (CET1) capital ratio falls below 7% and / or FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.	FINMA declares PONV (point-of-non-viability). Write-down triggered by FINMA on a contractual basis.
32	If write-down feature: fully or partially	Always partially where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date; always fully where a trigger event occurs (CET1 ratio below 7%) that persists until the subsequent trigger test date, if in the opinion of FINMA a partial write-down would be inadequate or if a point of non-viability (PONV) has been reached.	Always fully if a point of non-viability (PONV) has been reached.
33	If write-down feature: permanent or temporary	Permanent	Permanent
34	If temporary write-down: description of write-up mechanism	n/a	n/a
34a	Type of subordination	Contractual	Contractual
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Tier 2 bond	Bail-in bonds
36	Features that prevent full recognition under Basel III	No	No
37	If yes: description of non-compliant features	n/a	n/a

7 Macroprudential supervisory measures

7.1 CCyB1: Geographical distribution of credit exposures used in the countercyclical capital buffer

30.06.2024 in CHF million (unless stated otherwise) Country	a Countercyclical capital buffer rate (in %)	c Risk-weighted assets (RWA) in the computation of the extended counter-cyclical capital buffer	d Bank-specific countercyclical capital buffer rate (in %)	e Countercyclical buffer amount
Australia	1.00%	18		
Belgium	0.50%	80		
France	1.00%	147		
Germany	0.75%	522		
Hong Kong	1.00%	8		
Korea	1.00%	9		
Luxembourg	0.50%	1,602		
Netherlands	2.00%	152		
Sweden	2.00%	11		
United Kingdom	2.00%	294		
Subtotal	**–**	**2,843**		
Other countries		61,564		
Total RWA of credit exposures used in the countercyclical capital buffer [1]		**64,407**		
Total RWA [2]		**82,023**	**0.04%**	**30**

[1] The total equals the sum of RWA for Zürcher Kantonalbank’s relevant private sector credit exposures, including countries without a countercyclical buffer rate and countries with a countercyclical buffer rate of 0.00%.

[2] For the calculation of the countercyclical buffer amount, the total RWA of Zürcher Kantonalbank are relevant.

31.12.2023 in CHF million (unless stated otherwise) Country	a Countercyclical capital buffer rate (in %)	c Risk-weighted assets (RWA) in the computation of the extended counter-cyclical capital buffer	d Bank-specific countercyclical capital buffer rate (in %)	e Countercyclical buffer amount
Australia	1.00%	27		
France	0.50%	293		
Germany	0.75%	555		
Hong Kong	1.00%	9		
Luxembourg	0.50%	1,636		
Netherlands	1.00%	213		
Sweden	2.00%	15		
United Kingdom	2.00%	159		
Subtotal	**–**	**2,908**		
Other countries		58,207		
Total RWA of credit exposures used in the countercyclical capital buffer [1]		**61,114**		
Total RWA [2]		**78,952**	**0.03%**	**26**

[1] The total equals the sum of RWA for Zürcher Kantonalbank’s relevant private sector credit exposures, including countries without a countercyclical buffer rate and countries with a countercyclical buffer rate of 0.00%.

[2] For the calculation of the countercyclical buffer amount, the total RWA of Zürcher Kantonalbank are relevant.

Since 31 December 2023, four countries have raised the countercyclical buffer rate for the relevant exposures. Belgium from 0.00 to 0.50 percent, France from 0.50 to 1.00 percent, Korea from 0.00 to 1.00 percent and the Netherlands from 1.00 to 2.00 percent. Rounded, the bank-specific countercyclical capital buffer rate rose from 0.03 percent to 0.04 percent. Apart from this, the extended countercyclical buffer (eCCB) under Art. 44a CAO saw no material change.

8 Leverage Ratio

8.1 LR1: Leverage ratio: summary comparison of accounting assets vs. leverage ratio exposure measure

in CHF million		30.06.2024 a	31.12.2023 a
1	Total assets as per published financial statements	202,568	201,259
1a	Differences between published financial statements and accounting principles used for the determination of the leverage ratio exposure [1]	–	–
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation (margin nos. 6 – 7 FINMA Circ. 15/3), as well as adjustment for assets deducted from Tier 1 capital (margin nos. 16 – 17 FINMA Circ. 15/3)	-4	-6
3	Adjustment for fiduciary assets recognised on the balance sheet for accounting purposes, but excluded from the leverage ratio exposure measure (margin no. 15 FINMA Circ. 15/3)	–	–
4	Adjustment for derivative financial instruments (margin nos. 21 – 51 FINMA Circ. 15/3)	7,661	7,189
5	Adjustment for securities financing transactions (SFTs) (margin nos. 52 – 73 FINMA Circ. 15/3)	2,607	2,666
6	Adjustment for off-balance-sheet items (i.e. conversion to credit equivalent amounts) (margin nos. 74 – 76 FINMA Circ. 15/3)	13,042	12,762
7	Other adjustments	–	–
8	**Leverage ratio exposure (sum of Rows 1 – 7)**	**225,875**	**223,870**

[1] Not applicable to Zürcher Kantonalbank, as it does not use an international accounting standard.

8.2 LR2: Leverage ratio: leverage ratio common disclosure template

in CHF million		a 30.06.2024	b 31.12.2023
On-balance-sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral) (margin nos. 14 – 15 FINMA Circ. 15/3)	178,785	174,552
2	Assets that must be deducted in determining the eligible Tier 1 capital (margin nos. 7 and 16 – 17 FINMA Circ. 15/3)	-4	-6
3	**Total on-balance sheet exposures within the leverage ratio framework, excluding derivatives and SFTs (sum of rows 1 and 2)**	**178,782**	**174,546**
Derivatives			
4	Replacement values associated with all derivatives transactions, including those with CCPs, taking into account the margin payments received and netting agreements in accordance with margin nos. 22 – 23 and 34 – 35 FINMA Circ. 15/3	1,289	1,660
5	Add-on amounts for PFE associated with all derivatives transactions (margin nos. 22 and 25 FINMA Circ. 15/3)	7,048	6,448
6	Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework (margin no. 27 FINMA Circ. 15/3)	2,199	3,217
7	Deduction of receivables assets for cash variation margin provided in derivatives transactions, in accordance with margin no. 36 FINMA Circ. 15/3	-1,535	-2,424
8	Deduction relating to exposures to QCCPs if there is no obligation to reimburse the client in the event of the QCCP defaulting (margin no. 39 FINMA Circ. 15/3	-596	-744
9	Adjusted effective notional amount of written credit derivatives, after deduction of negative replacement values (margin no. 43 FINMA Circ. 15/3)	55	50
10	Adjusted effective notional offsets of bought / written credit derivatives (margin nos. 44 – 50 FINMA Circ. 15/3) and add-on deductions for written credit derivatives (margin no. 51 FINMA Circ. 15/3)	-55	-50
11	**Total derivative exposures (sum of rows 4 – 10)**	**8,405**	**8,156**
Securities financing transaction exposures			
12	Gross SFT assets with no recognition of netting (except in the case of novation with a QCCP as per margin no. 57 FINMA Circ. 15/3) including sale accounting transactions (margin no. 69 FINMA Circ. 15/3), less the items specified in margin no. 58 FINMA Circ. 15/3)	23,039	25,740
13	Netted amounts of cash payables and cash receivables relating to SFT counterparties (margin nos. 59 – 62 FINMA Circ. 15/3)	–	–
14	CCR exposure for SFT assets (margin nos. 63 – 68 FINMA Circ. 15/3)	2,607	2,666
15	Agent transaction exposures (margin nos. 70 – 73 FINMA Circ. 15/3)	–	–
16	**Total securities financing transaction exposures (sum of rows 12 – 15)**	**25,646**	**28,406**
Other off-balance-sheet exposures			
17	Off-balance-sheet exposure at gross notional amounts before application of credit conversion factors	49,371	48,039
18	Adjustments for conversion to credit equivalent amounts (margin nos. 75 – 76 FINMA Circ. 15/3)	-36,329	-35,277
19	**Total off-balance-sheet items (sum of rows 17 and 18)**	**13,042**	**12,762**
Eligible capital and total exposures			
20	Tier 1 capital (margin no. 5 FINMA Circ. 15/3)	14,803	14,797
21	Total exposures (sum of rows 3, 11, 16 and 19)	225,875	223,870
Leverage ratio			
22	**Leverage ratio (margin nos. 3 – 4 FINMA Circ. 15/3) in %**	**6.6%**	**6.6%**

The balance sheet items in row 1 of Table LR2 are equal to total assets as reported less amounts due from securities transactions and the positive replacement value of derivative financial instruments.

Compared to 31 December 2023, mainly total on-balance-sheet exposures (excluding derivatives and securities financing transactions) rose by CHF 4,236 million. To a lesser extent, exposures from derivatives (+ CHF 249 million) and total other off-balance-sheet exposures (+ CHF 280 million) also increased. Only exposures from securities financing transactions (- CHF 2,760 million) moved in the opposite direction. Despite higher total exposures (+ CHF 2,005 million) and essentially unchanged tier 1 capital, the leverage ratio calculation results in the same rounded leverage ratio (6.6 percent) as at 31 December 2023.

9 Liquidity

9.1 LIQ1: Liquidity: Liquidity coverage ratio (LCR)

in CHF million	Quarterly averages Q2 24 [1]		Quarterly averages Q1 24 [1]	
	Unweighted values	Weighted values	Unweighted values	Weighted values
A. High-quality liquid assets (HQLA)				
1 **Total high quality liquid assets (HQLA)**		**53,171**		**50,994**
B. Cash outflows				
2 Retail deposits	61,723	6,280	60,978	6,219
3 of which stable deposits	5,907	295	5,723	286
4 of which less stable deposits	55,802	5,984	55,243	5,933
5 Unsecured wholesale funding	42,658	22,457	40,068	21,620
6 of which operational deposits (all counterparties) and deposits in networks of cooperative banks	3,314	829	3,424	856
7 of which non-operational deposits (all counterparties)	39,104	21,398	36,455	20,584
8 of which unsecured debt	230	230	181	181
9 Secured wholesale funding and collateral swaps		10,810		10,861
10 Other outflows	28,786	11,823	26,048	9,921
11 of which outflows related to derivative exposures and other transactions	14,633	9,339	12,435	7,470
12 of which outflows related to loss of funding on asset-backed securities, covered bonds and other structured financing instruments, asset-backed commercial papers, conduits, securities investment vehicles and other such financing facilities	165	165	211	211
13 of which, outflows related to committed credit and liquidity facilities	13,988	2,319	13,402	2,240
14 Other contractual funding obligations	3,807	3,734	2,878	2,870
15 Other contingent funding obligations	30,016	385	29,721	377
16 **Total cash outflows**		**55,489**		**51,868**
C. Cash inflows				
17 Secured financing operations (e.g. reverse repo transactions)	12,471	8,513	13,771	9,007
18 Inflows from fully performing exposures	1,617	1,099	1,193	856
19 Other cash inflows	9,443	9,443	7,457	7,457
20 **Total cash inflows**	**23,531**	**19,055**	**22,421**	**17,320**
Adjusted values				
21 **Total high-quality liquid assets (HQLA)**		**53,171**		**50,994**
22 **Total net cash outflows**		**36,434**		**34,548**
23 **Liquidity coverage ratio in %**		**146%**		**148%**

[1] The average is calculated based on the end of day values from the business days of the reported quarter: Q2 24: 61 days included, Q1 24: 62 days included.

As a systemically important bank, Zürcher Kantonalbank is subject to stricter liquidity requirements than non-systemically important banks. Zürcher Kantonalbank's ongoing comfortable liquidity situation is reflected in the LCR. On a group basis, the LCR decreased lightly from the previous quarter and stood at an average of 146 percent in the second quarter of 2024 (first quarter of 2024: 148 percent).

9.2 LIQ2: Liquidity: Net stable funding ratio (NSFR)

30.06.2024		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
in CHF million		No maturity	< 6 months	≥ 6 months to < 1 year	≥ 1 year	
	Available Stable Funding (ASF) item					
1	Capital	–	–	–	15,288	15,288
2	Regulatory capital	–	–	–	15,288	15,288
3	Other capital instruments	–	–	–	–	–
4	Retail deposits and deposits from small business customers	59,339	11,529	681	182	64,975
5	Stable deposits	6,052	1,744	190	51	7,638
6	Less stable deposits	53,287	9,784	490	131	57,337
7	Wholesale funding	19,387	45,641	1,229	1,572	17,928
8	Operational deposits	3,224	–	–	–	1,612
9	Other wholesale funding	16,163	45,641	1,229	1,572	16,316
10	Liabilities with matching interdependent assets	1,200	27	–	–	–
11	Other liabilities	18,051	6,596	1,444	19,214	20,322
12	NSFR derivative liabilities		–	–	169	
13	All other liabilities and equity not included in the above categories	18,051	6,596	1,444	19,044	20,322
14	**Total Available Stable Funding (ASF)**					**118,512**
	Required Stable Funding (RSF) item					
15	Total NSFR high-quality liquid assets (HQLA)					1,551
16	Deposits held at other financial institutions for operational purposes	294	–	–	–	147
17	Performing loans and securities	40,133	27,337	8,279	71,287	93,163
18	Performing loans to financial institutions secured by level 1 and 2a	1,004	5,364	–	–	701
19	Performing loans to financial institutions secured by non-level 1 and 2a HQLA and unsecured performing loans to financial institutions	10,779	8,013	1,227	1,750	10,643
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities, of which	5,635	8,482	1,593	10,324	17,800
21	with a risk weight of less than or equal to 35% under SA-BIS	288	–	–	527	529
22	Performing residential mortgages, of which	19,854	5,165	5,200	56,077	58,634
23	with a risk weight of less than or equal to 35% under SA-BIS	19,532	5,118	5,169	55,578	57,896
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	2,861	314	258	3,136	5,386
25	Assets with matching interdependent liabilities	1,227	–	–	–	–
26	Other assets	6,542	136	6	1,446	5,123
27	Physical traded commodities, including gold	2,290				1,946
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		127	–	810	796
29	NSFR derivative assets		–	–	–	–
30	NSFR derivative liabilities before deduction of variation margin posted		–	–	617	617
31	All other assets not included in the above categories	4,253	9	6	19	1,764
32	Off-balance sheet items		38,384	3,372	7,903	887
33	**Total Required Stable Funding (RSF)**					**100,873**
34	**Net Stable Funding Ratio (NSFR) (%)**					**117%**

31.03.2024		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
in CHF million		No maturity	< 6 months	≥ 6 months to < 1 year	≥ 1 year	
	Available Stable Funding (ASF) item					
1	Capital	–	–	–	15,285	15,285
2	Regulatory capital	–	–	–	15,285	15,285
3	Other capital instruments	–	–	–	–	–
4	Retail deposits and deposits from small business customers	57,907	12,587	796	188	64,747
5	Stable deposits	5,802	1,897	261	54	7,615
6	Less stable deposits	52,105	10,690	535	135	57,132
7	Wholesale funding	18,775	48,999	637	1,394	20,051
8	Operational deposits	3,286	–	–	–	1,643
9	Other wholesale funding	15,489	48,999	637	1,394	18,408
10	Liabilities with matching interdependent assets	1,144	21	–	–	–
11	Other liabilities	19,639	8,090	1,044	19,698	20,771
12	NSFR derivative liabilities		–	–	–	
13	All other liabilities and equity not included in the above categories	19,639	8,090	1,044	19,698	20,771
14	**Total Available Stable Funding (ASF)**					**120,855**
	Required Stable Funding (RSF) item					
15	Total NSFR high-quality liquid assets (HQLA)					1,791
16	Deposits held at other financial institutions for operational purposes	299	–	–	–	150
17	Performing loans and securities	39,247	29,253	7,862	72,726	93,135
18	Performing loans to financial institutions secured by level 1 and 2a	1,086	6,458	–	–	800
19	Performing loans to financial institutions secured by non-level 1 and 2a HQLA and unsecured performing loans to financial institutions	11,134	7,980	1,047	1,766	10,709
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities, of which	5,516	9,187	1,553	10,581	17,548
21	with a risk weight of less than or equal to 35% under SA-BIS	212	–	–	511	471
22	Performing residential mortgages, of which	18,855	5,233	4,778	56,683	58,239
23	with a risk weight of less than or equal to 35% under SA-BIS	18,544	5,202	4,691	56,196	57,498
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	2,656	395	484	3,696	5,839
25	Assets with matching interdependent liabilities	1,165	–	–	–	–
26	Other assets	6,644	9	62	2,547	6,177
27	Physical traded commodities, including gold	2,112				1,795
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		–	46	909	811
29	NSFR derivative assets		–	–	831	831
30	NSFR derivative liabilities before deduction of variation margin posted		–	–	787	787
31	All other assets not included in the above categories	4,532	9	16	21	1,953
32	Off-balance sheet items		36,879	4,339	7,616	874
33	**Total Required Stable Funding (RSF)**					**102,128**
34	**Net Stable Funding Ratio (NSFR) (%)**					**118%**

Zürcher Kantonalbank has fulfilled the provisions on the net stable funding ratio (NSFR) of 100 percent with a significant buffer for some time. There were no significant changes during the reporting period. The quarter-end NSFR values in the first half of 2024 were between 117 and 118 percent.

10 Credit risk

10.1 CR1: Credit risk: credit quality of assets

30.06.2024 in CHF million	a Gross carrying values of defaulted exposures	b Gross carrying values of non-defaulted exposures	c Value adjustments / impairments [1]	d Net values (a + b - c)
1 Loans (excluding debt securities) [2]	630	118,019	677	117,972
2 Debt securities [2]	–	4,840	2	4,838
3 Off-balance-sheet exposures	20	18,907	–	18,927
4 **Total**	**650**	**141,766**	**679**	**141,737**

[1] Zürcher Kantonalbank adopted the rules on value adjustments and provisions for expected losses (VA and P for EL) on 01.01.2021. VA and P for EL are recognised in non-defaulted exposures. Consequently, VA for EL are included in column c of this table, so column d shows the net figures according to the accounting rules. This also means that value adjustments / impairments as at 30.06.2024 are higher than the gross carrying values of defaulted exposures.

[2] According to FINMA Circ. 16/1, on-balance-sheet items include loans and debt securities. Hence, liquid assets, trading portfolio assets, equities, accrued income and prepaid expenses and non-counterparty-related risks in the amount of CHF 41,296 million are not included in this table.

31.12.2023 in CHF million	a Gross carrying values of defaulted exposures	b Gross carrying values of non-defaulted exposures	c Value adjustments / impairments [1]	d Net values (a + b - c)
1 Loans (excluding debt securities) [2]	575	114,602	675	114,502
2 Debt securities [2]	–	5,272	2	5,271
3 Off-balance-sheet exposures	24	18,268	–	18,292
4 **Total**	**599**	**138,142**	**676**	**138,065**

[1] Zürcher Kantonalbank adopted the rules on value adjustments and provisions for expected losses (VA and P for EL) on 01.01.2021. VA and P for EL are recognised in non-defaulted exposures. Consequently, VA for EL are included in column c of this table, so column d shows the net figures according to the accounting rules. This also means that value adjustments / impairments as at 31.12.2023 are higher than the gross carrying values of defaulted exposures.

[2] According to FINMA Circ. 16/1, on-balance-sheet items include loans and debt securities. Hence, liquid assets, trading portfolio assets, equities, accrued income and prepaid expenses and non-counterparty-related risks in the amount of CHF 41,688 million are not included in this table.

Disclosure and explanation of internal definition of default

Defaulted loans/receivables

This is a regulatory definition. Under the standardised approach, defaulted loans include both impaired loans and non-performing loans, e. g. those more than 90 days in arrears. Under IRB, a model approach has been selected that uses the rating assigned to define “defaulted”. If a counterparty is assigned the default rating (C19) under such definition, all receivables from that counterparty are deemed to be in default, regardless of whether they are covered by collateral or not.

Impaired loans/receivables

Accounting definition: For accounting purposes, loans are impaired when the borrower is unlikely to be able to meet future obligations and they are not covered by collateral. The assessment as to whether a loan is impaired is made on an individual basis.

Non-performing loans/receivables

For both accounting and supervisory purposes, loans are classified as non-performing when interest, commission or amortisation payments or the repayment of the principal have not been received in full 90 days after becoming due. This also includes claims against borrowers in liquidation, and loans with special conditions arising from the borrower’s financial standing. Non-performing loans are also often a component of impaired loans.

10.2 CR2: Credit risk: changes in stock of defaulted loans and debt securities

30.06.2024 in CHF million		a
1	**Defaulted loans and debt securities [1] at end of the previous reporting period (31.12.2023)**	**575**
2	Loans and debt securities that have defaulted since the last reporting period	141
3	Returned to non-defaulted status	55
4	Amounts written off	10
5	Other changes (+/-) [2]	-21
6	**Defaulted loans and debt securities at end of the reporting period (1 + 2 - 3 - 4 + 5)**	**630**

[1] All exposures are presented gross of value adjustments for default risks.

[2] Mainly volume changes of loans and debt securities, which had the status "defaulted" at the end of both reporting periods.

During the reporting period, there were no material changes to the portfolios of defaulted loans and debt securities. The total for defaulted loans and debt securities as at 30 June 2024 increased by CHF 55 million compared to the figure recorded on 31 December 2023.

10.3 CR3: Credit risk: credit risk mitigation techniques - overview

In order to ensure a consistent point of view without anticipating the IRB segmentation, the standardised approach was used to present the overview of credit risk mitigation techniques. We refer to the IRB tables in this report on page 50 onwards for IRB disclosures.

30.06.2024 in CHF million		a Unsecured exposures / carrying amount	b1 Secured exposures / carrying amount [1]	b of which secured by collateral [2]	d of which secured by financial guarantees [2]	f of which secured by credit derivatives [2]
1	Loans (excluding debt securities)	12,019	105,953	103,988	1,501	–
2	Debt securities	4,733	106	–	106	–
3	**Total**	**16,751**	**106,059**	**103,988**	**1,607**	**–**
4	of which defaulted	173	222	187	31	–

[1] Fully or partially secured by collateral (incl. secured by financial guarantees and credit derivatives)

[2] Secured amount. Where the amount the collateral / financial guarantee / credit derivate can be settled for exceeds the value of the exposure, the exposure amount is reported.

31.12.2023 in CHF million		a Unsecured exposures / carrying amount	b1 Secured exposures / carrying amount [1]	b of which secured by collateral [2]	d of which secured by financial guarantees [2]	f of which secured by credit derivatives [2]
1	Loans (excluding debt securities)	11,061	103,441	101,780	1,313	–
2	Debt securities	5,096	175	–	175	–
3	**Total**	**16,157**	**103,616**	**101,780**	**1,488**	**–**
4	of which defaulted	160	182	143	36	–

[1] Fully or partially secured by collateral (incl. secured by financial guarantees and credit derivatives)

[2] Secured amount. Where the amount the collateral / financial guarantee / credit derivate can be settled for exceeds the value of the exposure, the exposure amount is reported.

Unsecured exposures (excluding debt securities) increased by CHF 958 million compared to 31 December 2023. The proportion of fully or partially secured exposures (excluding debt securities) as at 30 June 2024 remained at 90 per-cent. During the reporting period, there were no material changes in the extent to which credit risk mitigation tech-niques were used.

10.4 CR4: Credit risk: standardised approach - credit risk exposure and credit risk mitigation (CRM) effects

30.06.2024 in CHF million (unless stated otherwise)		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM			
	Exposure class	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWA	RWA density
1	Central governments and central banks	343	–	1,163	102	33	2.6%
2	Banks and securities firms	381	217	381	47	96	22.4%
3	Other public sector entities and multilateral development banks	1,437	4,081	1,430	895	847	36.4%
4	Corporates	3,726	8,491	3,891	1,814	3,537	62.0%
5	Retail	3,836	2,686	2,969	235	2,488	77.6%
6	Equity	–	–	–	–	–	–
7	Other exposures [1]	38,825	718	38,772	234	1,621	4.2%
8	**Total**	**48,548**	**16,192**	**48,606**	**3,327**	**8,622**	**16.6%**

[1] According to FINMA Circ. 16/1, non-counterparty-related exposures are included in other exposures.

31.12.2023 in CHF million (unless stated otherwise)		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM			
	Exposure class	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWA	RWA density
1	Central governments and central banks	736	–	1,599	123	3	0.2%
2	Banks and securities firms	227	168	226	37	59	22.5%
3	Other public sector entities and multilateral development banks	1,529	4,072	1,499	889	740	31.0%
4	Corporates	2,621	7,786	2,596	1,728	2,676	61.9%
5	Retail	3,780	2,577	2,978	264	2,576	79.4%
6	Equity	–	–	–	–	–	–
7	Other exposures [1]	41,296	720	41,249	233	1,697	4.1%
8	**Total**	**50,189**	**15,322**	**50,148**	**3,274**	**7,751**	**14.5%**

[1] According to FINMA Circ. 16/1, non-counterparty-related exposures are included in other exposures.

Compared with 31 December 2023, total on-balance-sheet exposures before CCF and CRM subject to credit risk using the standardised approach were down by CHF 1,641 million. In particular, the on-balance-sheet exposures of other exposures (- CHF 2,471 million) and items relating to central governments and central banks (- CHF 393 million) decreased. This was offset mainly by an increase in on-balance-sheet exposures in the corporate item category (+ CHF 1,105 million). Off-balance sheet exposures rose by CHF 870 million in the first half of 2024 (also mainly in corporates, at + CHF 705 million). As the average risk weights (RWA density in percent) increased in the half-year under review, the total RWA is CHF 871 million higher compared to 31 December 2023, despite lower on-balance-sheet and off-balance-sheet exposures overall.

10.5 CR5: Credit risk: standardised approach - exposures by asset classes and risk weights

		a	b	c	d	e	f	g	h	i	j
	30.06.2024 **in CHF million**										**Total credit exposures amount (post-CCF/post-CRM)**
	Exposure class / risk weight	**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Other**	
1	Central governments and central banks	1,233	–	–	–	–	–	33	–	–	1,266
2	Banks and securities firms	–	–	406	–	18	–	–	4	–	428
3	Other public sector entities and multilateral development banks	89	–	1,096	26	990	–	124	0	–	2,325
4	Corporates	–	–	1,863	129	1,184	6	2,522	0	–	5,705
5	Retail	–	–	–	1,008	–	273	1,909	15	–	3,204
6	Equity	–	–	–	–	–	–	–	–	–	–
7	Other exposures [1]	37,304	–	–	125	–	–	1,577	0	–	39,006
8	**Total**	**38,626**	**–**	**3,365**	**1,288**	**2,192**	**279**	**6,164**	**19**	**–**	**51,933**
9	of which, covered by mortgages	–	–	–	1,288	–	13	953	–	–	2,254
10	of which, past-due loans	–	–	–	–	–	–	16	17	–	33

[1] According to FINMA Circ. 16/1, non-counterparty-related exposures are included in other exposures.

		a	b	c	d	e	f	g	h	i	j
	31.12.2023 **in CHF million**										**Total credit exposures amount (post-CCF/post-CRM)**
	Exposure class / risk weight	**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Other**	
1	Central governments and central banks	1,720	–	–	–	–	–	3	–	–	1,722
2	Banks and securities firms	–	–	251	–	10	–	–	3	–	263
3	Other public sector entities and multilateral development banks	194	–	1,219	26	926	–	24	0	–	2,389
4	Corporates	–	–	1,271	125	1,098	6	1,822	2	–	4,323
5	Retail	–	–	–	941	–	259	2,022	20	–	3,242
6	Equity	–	–	–	–	–	–	–	–	–	–
7	Other exposures [1]	39,706	–	–	121	–	–	1,654	0	–	41,482
8	**Total**	**41,619**	**–**	**2,741**	**1,213**	**2,034**	**265**	**5,525**	**25**	**–**	**53,421**
9	of which, covered by mortgages	–	–	–	1,213	–	12	1,029	–	–	2,253
10	of which, past-due loans	–	–	–	–	–	–	15	24	–	38

[1] According to FINMA Circ. 16/1, non-counterparty-related exposures are included in other exposures.

The changes as at 30 June 2024 depicted in Table CR4 are also displayed in Table CR5 after CCF and CRM. Exposures with a risk weight of zero percent decreased by CHF 2,993 million, while those with a risk weight of 20 percent and 100 percent each increased by a good CHF 600 million. Otherwise, there were no significant changes in table CR5.

10.6 CR6: IRB: credit risk exposures by portfolio and probability of default (PD) range

	a	b	c	d	e	f	g	h	i	j	k	l
30.06.2024 **in million CHF** **(unless stated otherwise)**	**Original on-balance-sheet gross exposure**	**Off-balance-sheet exposures pre CCF**	**Average CCF in %**	**EAD post-CRM and post-CCF**	**Average PD in %**	**Number of obligors**	**Average LGD in %**	**Average maturity in years**	**RWA**	**RWA density in %**	**EL**	**Provisions**
1 Central governments and central banks (F-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–		–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
2 Central governments and central banks (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
3 Banks and securities firms (F-IRB) by PD range												
0.00 to <0.15	2,125	807	62.5%	2,907	0.1%	108	45.0%	1.3	571	19.6%	1	
0.15 to <0.25	919	295	29.5%	756	0.2%	67	45.0%	1.1	245	32.4%	1	
0.25 to <0.50	229	85	33.9%	142	0.3%	58	45.0%	1.1	69	48.7%	0	
0.50 to <0.75	271	132	20.6%	361	0.7%	41	45.0%	1.0	272	75.2%	1	
0.75 to <2.50	1,120	112	39.1%	602	1.5%	59	45.0%	1.0	626	103.8%	4	
2.50 to <10.00	93	15	23.8%	42	4.6%	16	45.0%	1.2	57	136.4%	1	
10.00 to <100.00	71	45	22.9%	64	12.3%	39	45.0%	0.9	132	207.8%	4	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	4,828	1,491	51.4%	4,874	0.5%	388	45.0%	1.2	1,971	40.4%	11	–

30.06.2024 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
4 Banks and securities firms (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
5 Other public sector entities, multilateral development banks (F-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
6 Other public sector entities, multilateral development banks (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
7 Corporates: specialised lending (F-IRB) by PD range												
0.00 to <0.15	1,543	1,653	75.0%	2,782	0.1%	25	39.4%	1.5	557	20.0%	1	
0.15 to <0.25	3,840	2,775	75.0%	5,921	0.2%	104	40.7%	2.0	1,940	32.8%	4	
0.25 to <0.50	13,714	5,030	74.8%	17,476	0.3%	771	38.5%	2.4	8,505	48.7%	21	
0.50 to <0.75	3,365	1,035	75.0%	4,142	0.7%	481	39.1%	2.3	2,896	69.9%	11	
0.75 to <2.50	2,537	615	75.0%	2,998	1.2%	605	39.7%	2.3	2,640	88.1%	14	
2.50 to <10.00	184	41	74.9%	215	3.3%	115	41.0%	2.2	264	123.1%	3	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	75	4	75.0%	71	–	10	–	–	75	106.0%	–	
Sub-total	25,258	11,154	74.9%	33,605	0.4%	2,111	39.1%	2.2	16,877	50.2%	54	6

30.06.2024 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
8 Corporates: specialised lending (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
9 Corporates: other lending (F-IRB) by PD range												
0.00 to <0.15	1,365	4,223	74.5%	4,509	0.1%	113	44.2%	1.6	972	21.5%	2	
0.15 to <0.25	898	1,617	73.6%	2,087	0.2%	99	41.2%	2.0	745	35.7%	2	
0.25 to <0.50	3,770	4,830	73.1%	6,906	0.4%	1,511	38.5%	1.8	3,173	45.9%	10	
0.50 to <0.75	2,277	1,396	71.8%	3,247	0.7%	1,082	40.5%	1.7	2,162	66.6%	10	
0.75 to <2.50	3,428	1,907	72.1%	4,775	1.4%	2,108	40.7%	1.8	4,114	86.2%	28	
2.50 to <10.00	1,004	441	72.5%	1,289	3.9%	1,420	39.0%	1.7	1,381	107.2%	20	
10.00 to <100.00	48	4	67.5%	46	15.3%	109	39.6%	2.1	79	171.0%	3	
100.00 (Default)	285	65	71.0%	173	–	230	–	–	183	106.0%	–	
Sub-total	13,074	14,484	73.3%	23,031	0.8%	6,672	40.4%	1.7	12,808	55.6%	74	139
10 Corporates: other lending (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
11 Retail: covered by mortgages by PD range												
0.00 to <0.15	20,432	1,937	75.0%	21,885	0.1%	36,175	19.0%	2.6	1,249	5.7%	3	
0.15 to <0.25	9,911	779	75.0%	10,496	0.2%	12,169	22.0%	2.7	1,282	12.2%	4	
0.25 to <0.50	21,720	1,578	75.0%	22,904	0.3%	22,715	24.7%	2.8	5,397	23.6%	19	
0.50 to <0.75	8,262	615	75.0%	8,723	0.7%	7,829	26.3%	2.7	3,459	39.7%	15	
0.75 to <2.50	8,073	678	75.0%	8,582	1.2%	7,053	27.5%	2.7	5,408	63.0%	29	
2.50 to <10.00	1,402	104	75.1%	1,481	3.2%	1,317	28.3%	2.5	1,684	113.7%	13	
10.00 to <100.00	18	2	75.0%	20	11.6%	15	26.9%	2.1	40	202.9%	1	
100.00 (Default)	152	5	75.0%	148	–	141	–	–	157	106.0%	–	
Sub-total	69,972	5,700	75.0%	74,238	0.4%	87,414	23.2%	2.7	18,676	25.2%	84	9

30.06.2024 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
12 Retail: qualifying revolving exposures (QRRE) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
13 Other retail exposures by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
14 Equity (PD / LGD approach) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
Total (all portfolios)	**113,132**	**32,828**	**73.1%**	**135,748**	**0.5%**	**96,585**	**24.8%**	**2.4**	**50,331**	**37.1%**	**223**	**154**

31.12.2023 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
1 Central governments and central banks (F-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–		–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
2 Central governments and central banks (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
3 Banks and securities firms (F-IRB) by PD range												
0.00 to <0.15	1,191	697	62.9%	1,857	0.1%	96	45.0%	1.5	474	25.5%	1	
0.15 to <0.25	750	485	34.9%	730	0.2%	70	45.0%	1.2	244	33.5%	1	
0.25 to <0.50	185	88	31.1%	162	0.3%	49	45.0%	1.1	74	45.9%	0	
0.50 to <0.75	107	111	21.1%	156	0.7%	29	45.0%	0.9	117	74.8%	0	
0.75 to <2.50	994	171	28.9%	605	1.5%	63	45.0%	1.0	622	102.9%	4	
2.50 to <10.00	125	56	21.2%	79	3.9%	30	45.0%	1.0	100	126.5%	1	
10.00 to <100.00	89	93	23.1%	81	18.0%	40	45.0%	0.9	188	234.0%	7	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	3,441	1,701	47.9%	3,670	0.8%	377	45.0%	1.3	1,820	49.6%	14	–

31.12.2023 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
4 Banks and securities firms (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
5 Other public sector entities, multilateral development banks (F-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
6 Other public sector entities, multilateral development banks (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
7 Corporates: specialised lending (F-IRB) by PD range												
0.00 to <0.15	1,461	1,706	75.0%	2,740	0.1%	23	39.9%	1.5	556	20.3%	1	
0.15 to <0.25	3,574	2,950	75.0%	5,787	0.2%	109	40.8%	2.1	1,940	33.5%	4	
0.25 to <0.50	13,111	4,922	74.8%	16,791	0.3%	754	38.3%	2.4	8,142	48.5%	20	
0.50 to <0.75	3,351	1,058	75.0%	4,145	0.7%	464	39.3%	2.4	2,926	70.6%	11	
0.75 to <2.50	2,300	579	75.0%	2,734	1.2%	589	39.5%	2.3	2,409	88.1%	13	
2.50 to <10.00	175	30	74.9%	198	3.4%	105	40.5%	2.1	241	122.0%	3	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	59	4	75.0%	56	–	9	–	–	59	106.0%	–	
Sub-total	24,032	11,249	74.9%	32,450	0.4%	2,053	39.1%	2.2	16,274	50.2%	51	6

31.12.2023 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
8 Corporates: specialised lending (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
9 Corporates: other lending (F-IRB) by PD range												
0.00 to <0.15	1,010	4,117	74.4%	4,075	0.1%	103	44.4%	1.7	893	21.9%	2	
0.15 to <0.25	708	1,139	73.7%	1,547	0.2%	74	40.8%	1.9	529	34.2%	1	
0.25 to <0.50	3,517	4,838	72.7%	6,678	0.4%	1,404	39.8%	1.8	3,131	46.9%	10	
0.50 to <0.75	2,248	1,874	72.4%	3,596	0.7%	1,118	40.6%	1.7	2,427	67.5%	11	
0.75 to <2.50	3,548	1,822	72.4%	4,835	1.4%	2,120	40.1%	1.9	4,115	85.1%	28	
2.50 to <10.00	903	375	72.2%	1,132	3.9%	1,456	39.6%	1.8	1,220	107.8%	17	
10.00 to <100.00	40	7	62.9%	37	15.0%	131	39.6%	1.7	64	170.5%	2	
100.00 (Default)	243	53	66.7%	128	–	210	–	–	136	106.0%	–	
Sub-total	12,216	14,225	73.2%	22,027	0.8%	6,616	40.7%	1.8	12,514	56.8%	71	128
10 Corporates: other lending (A-IRB) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
11 Retail: covered by mortgages by PD range												
0.00 to <0.15	20,420	1,765	75.0%	21,744	0.1%	36,121	18.9%	2.7	1,229	5.7%	3	
0.15 to <0.25	9,780	727	75.0%	10,325	0.2%	12,196	21.8%	2.8	1,254	12.1%	4	
0.25 to <0.50	21,370	1,405	75.0%	22,424	0.3%	22,619	24.5%	2.9	5,232	23.3%	19	
0.50 to <0.75	8,183	548	75.0%	8,594	0.7%	7,874	26.2%	2.8	3,404	39.6%	15	
0.75 to <2.50	7,898	622	75.0%	8,364	1.2%	7,127	27.3%	2.8	5,260	62.9%	28	
2.50 to <10.00	1,379	113	75.1%	1,464	3.2%	1,335	28.2%	2.6	1,670	114.0%	13	
10.00 to <100.00	16	2	75.0%	17	12.1%	13	25.5%	2.0	33	192.6%	0	
100.00 (Default)	138	7	75.0%	135	–	139	–	–	143	106.0%	–	
Sub-total	69,184	5,189	75.0%	73,067	0.4%	87,424	23.0%	2.8	18,224	24.9%	82	8

31.12.2023 in million CHF (unless stated otherwise)	a Original on-balance-sheet gross exposure	b Off-balance-sheet exposures pre CCF	c Average CCF in %	d EAD post-CRM and post-CCF	e Average PD in %	f Number of obligors	g Average LGD in %	h Average maturity in years	i RWA	j RWA density in %	k EL	l Provisions
12 Retail: qualifying revolving exposures (QRRE) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
13 Other retail exposures by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
14 Equity (PD / LGD approach) by PD range												
0.00 to <0.15	–	–	–	–	–	–	–	–	–	–	–	
0.15 to <0.25	–	–	–	–	–	–	–	–	–	–	–	
0.25 to <0.50	–	–	–	–	–	–	–	–	–	–	–	
0.50 to <0.75	–	–	–	–	–	–	–	–	–	–	–	
0.75 to <2.50	–	–	–	–	–	–	–	–	–	–	–	
2.50 to <10.00	–	–	–	–	–	–	–	–	–	–	–	
10.00 to <100.00	–	–	–	–	–	–	–	–	–	–	–	
100.00 (Default)	–	–	–	–	–	–	–	–	–	–	–	
Sub-total	–	–	–	–	–	–	–	–	–	–	–	–
Total (all portfolios)	**108,873**	**32,364**	**72.7%**	**131,213**	**0.5%**	**96,470**	**24.6%**	**2.4**	**48,832**	**37.2%**	**218**	**143**

Zürcher Kantonalbank was not using any credit derivatives for hedging purposes on the reporting date under the credit risk rules. Therefore, there was no impact on RWA.

10.7 CR7: IRB: effect on RWA of credit derivatives used as CRM techniques

Zürcher Kantonalbank was not using any credit derivatives for hedging purposes on the reporting date under the cred-it risk rules. Therefore, there was no impact on RWA.

10.8 CR8: IRB: RWA flow statements of credit risk exposures under IRB

30.06.2024 in CHF million		a RWA amounts
1	**RWA as at end of previous reporting period (31.12.2023)**	**48,832**
2	Asset size changes	1,851
3	Asset quality changes	-477
4	Model updates	–
5	Methodology and policy changes	–
6	Acquisions and disposals (of entities)	–
7	Foreign exchange movements	125
8	Other	–
9	**RWA as at end of current reporting period**	**50,331**

Compared with 31 December 2023 the RWA of credit risk exposures under the IRB approach grew, due to an in-creased volume of assets (CHF 1,851 million). The improvement in credit quality reduced this increase by CHF 477 million. The changes in exchange rates in the first half of 2024 were minor. Overall, this resulted in net RWA growth of CHF 1,499 million as at 30 June 2024.

10.9 CR10: IRB: specialised lending and equities under the simple risk weight method

Zürcher Kantonalbank does not use the supervisory slotting approach for special financing. Hence, only equity secu-rities under the simplified risk weight method have to be disclosed in table CR10.

Equities under the simple risk weight approach

30.06.2024 in CHF million (unless stated otherwise)	On-balance-sheet amount	Off-balance-sheet amount	Risk weight in %	Exposure amount	RWA
Exchange-traded equity exposures	7	–	300%	7	22
Private equity exposures	137	–	400%	137	579
Other equity exposures	1	0	400%	1	6
Total	**145**	**0**		**145**	**607**

Equities under the simple risk weight approach

31.12.2023 in CHF million (unless stated otherwise)	On-balance-sheet amount	Off-balance-sheet amount	Risk weight in %	Exposure amount	RWA
Exchange-traded equity exposures	7	–	300%	7	22
Private equity exposures	133	–	400%	133	565
Other equity exposures	1	0	400%	1	6
Total	**142**	**0**		**142**	**593**

There were no material changes in equities under the simple risk weight method compared to the previous re-port-ing date.

11 Counterparty credit risk

11.1 CCR1: Counterparty credit risk: analysis of counterparty credit risk (CCR) exposure by approach

30.06.2024 in CHF million (unless stated otherwise)		a Replacement cost	b Potential future exposure	c EEPE (effective expected positive exposure)	d Alpha used for computing regulatory EAD	e EAD post-CRM	f RWA
1	SA-CCR (for derivatives)	1,261	3,752		1.4	7,018	3,561
2	IMM (for derivatives and SFTs)			–	–	–	–
3	Simple approach for risk mitigation (for SFTs)					–	–
4	Comprehensive approach for risk mitigation (for SFTs)					8,721	5,349
5	VaR for SFTs					–	–
6	**Total**						**8,911**

31.12.2023 in CHF million (unless stated otherwise)		a Replacement cost	b Potential future exposure	c EEPE (effective expected positive exposure)	d Alpha used for computing regulatory EAD	e EAD post-CRM	f RWA
1	SA-CCR (for derivatives)	1,360	2,986		1.4	6,084	2,999
2	IMM (for derivatives and SFTs)			–	–	–	–
3	Simple approach for risk mitigation (for SFTs)					–	–
4	Comprehensive approach for risk mitigation (for SFTs)					8,847	5,469
5	VaR for SFTs					–	–
6	**Total**						**8,468**

Replacement cost for derivatives decreased compared to 31 December 2023, while potential future exposure increased in the same period. As a result, EAD post-CRM for derivatives was CHF 934 million higher. With a lightly higher average risk weight of 51 percent (31 December 2023: 49 percent) for counterparties for derivative transactions, this results in RWA of CHF 3,561 million (+ CHF 562 million compared with 31 December 2023). EAD post-CRM for SFTs slightly decreased (- CHF 126 million). Together with the lightly lower average risk weight for SFTs (decrease from 62 percent to 61 percent), RWA as at 30 June 2024 decreased by CHF 120 million compared to the end of December 2023.

11.2 CCR2: Counterparty credit risk: credit valuation adjustment (CVA) capital charge

in CHF million		30.06.2024 a EAD post-CRM	30.06.2024 b RWA	31.12.2023 a EAD post-CRM	31.12.2023 b RWA
	Total portfolios subject to the Advanced CVA capital charge	–	–	–	–
1	VaR component (including the 3 × multiplier)		–		–
2	Stressed VaR component (including the 3 × multiplier)		–		–
3	All portfolios subject to the standardised CVA capital charge	7,018	2,152	6,084	1,890
4	**Total subject to the standardised CVA capital charge**	**7,018**	**2,152**	**6,084**	**1,890**

The changes shown in Table CCR1 are also displayed in Table CCR2. For the CVA, the CHF 934 million increase in EAD post-CRM for derivatives resulted in an increase of CHF 262 million in RWA to CHF 2,152 million.

11.3 CCR3: Counterparty credit risk: standardised approach of CCR exposures by regulatory portfolio and risk weights

30.06.2024

in million CHF		a	b	c	d	e	f	g	h	i
	Exposure category / risk weight [1]	**0%**	**10%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Other**	**Total credit exposure**
1	Central governments and central banks	29	–	–	–	–	854	–	–	883
2	Banks and securities firms	–	–	1,784	241	–	–	–	–	2,026
3	Other public sector entities and multilateral development banks	33	–	50	22	–	149	–	–	254
4	Corporates	–	–	266	628	–	4,525	–	–	5,419
5	Retail	–	–	–	–	–	256	–	–	256
6	Equity	–	–	–	–	–	–	–	–	–
7	Other exposures	–	–	–	–	–	537	–	–	537
8 [2]		–	–	–	–	–	–	–	–	–
9	**Total**	**62**	**–**	**2,101**	**891**	**–**	**6,321**	**–**	**–**	**9,375**

[1] According to FINMA Circ. 16/1, the exposure category central counterparties (CCP) is not part of this table. We refer to table CCR8 for disclosures with respect to exposures to central counterparties.

[2] Currently, Zürcher Kantonalbank does not have credit exposures that would be disclosed in row 8 of this table.

31.12.2023

in million CHF		a	b	c	d	e	f	g	h	i
	Exposure category / risk weight [1]	**0%**	**10%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Other**	**Total credit exposure**
1	Central governments and central banks	102	–	–	–	–	815	–	–	917
2	Banks and securities firms	–	–	1,411	267	–	–	–	–	1,678
3	Other public sector entities and multilateral development banks	123	–	45	18	–	156	–	–	341
4	Corporates	–	–	157	481	–	4,599	–	–	5,238
5	Retail	–	–	–	–	–	222	–	–	222
6	Equity	–	–	–	–	–	–	–	–	–
7	Other exposures	–	–	–	–	–	292	–	–	292
8 [2]		–	–	–	–	–	–	–	–	–
9	**Total**	**225**	**–**	**1,613**	**766**	**–**	**6,084**	**–**	**–**	**8,688**

[1] According to FINMA Circ. 16/1, the exposure category central counterparties (CCP) is not part of this table. We refer to table CCR8 for disclosures with respect to exposures to central counterparties.

[2] Currently, Zürcher Kantonalbank does not have credit exposures that would be disclosed in row 8 of this table.

Counterparty credit risk positions under the standardised approach grew by CHF 687 million compared with 31 December 2023. Mainly the three segments - banks and securities firms, corporates and other exposures - are higher compared to the end of 2023.

11.4 CCR4: IRB: CCR exposures by portfolio and PD scale

30.06.2024	a	b	c	d	e	f	g
in CHF million (unless stated otherwise)	**EAD post-CRM**	**Average PD in %**	**Number of obligors**	**Average LGD in %**	**Average maturity in years**	**RWA**	**RWA density in %**
1 Central governments and central banks (F-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–

30.06.2024 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
2 Central governments and central banks (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
3 Banks and securities firms (F-IRB) by PD range							
0.00 to <0.15	4,553	0.1%	98	45.0%	0.9	871	19.1%
0.15 to <0.25	767	0.2%	59	45.0%	0.9	241	31.5%
0.25 to <0.50	108	0.3%	54	45.0%	1.3	50	46.2%
0.50 to <0.75	57	0.7%	38	45.0%	1.1	40	70.2%
0.75 to <2.50	51	1.5%	32	45.0%	1.0	48	93.5%
2.50 to <10.00	4	4.3%	9	45.0%	1.0	5	132.1%
10.00 to <100.00	14	11.2%	25	45.0%	1.0	28	199.6%
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	5,554	0.1%	315	45.0%	0.9	1,284	23.1%
4 Banks and securities firms (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
5 Other public sector entities, multilateral development banks (F-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
6 Other public sector entities, multilateral development banks (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
7 Corporates: specialised lending (F-IRB) by PD range							
0.00 to <0.15	1	0.0%	1	45.0%	5.0	0	31.8%
0.15 to <0.25	8	0.2%	2	45.0%	4.7	5	61.5%
0.25 to <0.50	184	0.3%	31	45.0%	4.3	140	75.7%
0.50 to <0.75	3	0.7%	5	45.0%	5.0	4	114.7%
0.75 to <2.50	5	1.0%	4	45.0%	4.6	6	128.1%
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	201	0.3%	43	45.0%	4.4	154	76.9%

30.06.2024 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
8 Corporates: specialised lending (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
9 Corporates: other lending (F-IRB) by PD range							
0.00 to <0.15	353	0.1%	43	45.0%	3.8	132	37.6%
0.15 to <0.25	51	0.2%	18	45.0%	2.5	22	43.8%
0.25 to <0.50	106	0.4%	89	45.0%	1.7	57	53.9%
0.50 to <0.75	22	0.7%	45	45.0%	1.7	16	75.4%
0.75 to <2.50	40	1.3%	77	45.0%	1.3	36	90.6%
2.50 to <10.00	11	4.5%	17	45.0%	2.6	16	144.3%
10.00 to <100.00	0	11.8%	2	45.0%	1.0	0	157.4%
100.00 (Default)	0	–	2	–	–	0	106.0%
Subtotal	582	0.3%	293	45.0%	3.1	281	48.2%
10 Corporates: other lending (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
11 Retail: covered by mortgages by PD range							
0.00 to <0.15	18	0.0%	59	55.2%	1.0	2	9.2%
0.15 to <0.25	5	0.2%	13	51.0%	2.4	2	29.3%
0.25 to <0.50	3	0.3%	26	56.3%	2.0	2	49.2%
0.50 to <0.75	0	0.7%	7	56.2%	1.0	0	85.7%
0.75 to <2.50	0	1.0%	1	56.3%	1.0	0	107.4%
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	27	0.1%	106	54.5%	1.4	5	19.1%
12 Retail: qualifying revolving exposures (QRRE) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
13 Other retail exposures by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–

30.06.2024 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
14 Equity (PD/LGD approach) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
Total all portfolios	**6,364**	**0.2%**	**757**	**46.3%**	**1.2**	**1,724**	**27.1%**

31.12.2023 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
1 Central governments and central banks (F-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
2 Central governments and central banks (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
3 Banks and securities firms (F-IRB) by PD range							
0.00 to <0.15	4,356	0.1%	90	45.0%	0.9	786	18.0%
0.15 to <0.25	835	0.2%	58	45.0%	0.9	265	31.8%
0.25 to <0.50	196	0.3%	56	45.0%	0.8	85	43.3%
0.50 to <0.75	48	0.7%	33	45.0%	1.1	33	69.9%
0.75 to <2.50	35	1.4%	34	45.0%	0.9	32	92.1%
2.50 to <10.00	2	4.3%	8	45.0%	1.0	3	131.9%
10.00 to <100.00	22	16.5%	22	45.0%	1.0	53	239.5%
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	5,495	0.2%	301	45.0%	0.9	1,258	22.9%
4 Banks and securities firms (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–

31.12.2023 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
5 Other public sector entities, multilateral development banks (F-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
6 Other public sector entities, multilateral development banks (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
7 Corporates: specialised lending (F-IRB) by PD range							
0.00 to <0.15	1	0.0%	1	45.0%	5.0	0	31.8%
0.15 to <0.25	15	0.2%	3	45.0%	1.0	4	27.4%
0.25 to <0.50	144	0.3%	26	45.0%	4.9	118	81.9%
0.50 to <0.75	4	0.7%	5	45.0%	4.9	5	113.4%
0.75 to <2.50	3	1.0%	2	45.0%	5.0	4	132.9%
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	167	0.3%	37	45.0%	4.5	131	78.4%
8 Corporates: specialised lending (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
9 Corporates: other lending (F-IRB) by PD range							
0.00 to <0.15	322	0.1%	35	45.0%	3.5	112	35.0%
0.15 to <0.25	36	0.2%	19	45.0%	3.7	20	55.1%
0.25 to <0.50	84	0.4%	94	45.0%	1.7	45	52.7%
0.50 to <0.75	68	0.7%	45	45.0%	1.1	47	69.0%
0.75 to <2.50	50	1.7%	66	45.0%	1.1	49	96.2%
2.50 to <10.00	9	4.0%	12	45.0%	2.9	13	146.9%
10.00 to <100.00	0	18.7%	1	45.0%	1.0	0	183.1%
100.00 (Default)	0	–	3	–	–	0	106.0%
Subtotal	569	0.4%	275	45.0%	2.8	285	50.1%
10 Corporates: other lending (A-IRB) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–

31.12.2023 in CHF million (unless stated otherwise)	a EAD post-CRM	b Average PD in %	c Number of obligors	d Average LGD in %	e Average maturity in years	f RWA	g RWA density in %
11 Retail: covered by mortgages by PD range							
0.00 to <0.15	5	0.1%	49	53.2%	1.3	1	12.6%
0.15 to <0.25	3	0.2%	15	48.7%	3.0	1	28.0%
0.25 to <0.50	2	0.4%	21	56.3%	1.0	1	53.8%
0.50 to <0.75	0	0.7%	5	56.3%	1.0	0	88.2%
0.75 to <2.50	1	1.0%	5	56.3%	4.7	1	121.8%
2.50 to <10.00	0	2.6%	1	56.3%	1.0	1	218.4%
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	12	0.3%	96	52.9%	1.9	5	38.3%
12 Retail: qualifying revolving exposures (QRRE) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
13 Other retail exposures by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
14 Equity (PD/LGD approach) by PD range							
0.00 to <0.15	–	–	–	–	–	–	–
0.15 to <0.25	–	–	–	–	–	–	–
0.25 to <0.50	–	–	–	–	–	–	–
0.50 to <0.75	–	–	–	–	–	–	–
0.75 to <2.50	–	–	–	–	–	–	–
2.50 to <10.00	–	–	–	–	–	–	–
10.00 to <100.00	–	–	–	–	–	–	–
100.00 (Default)	–	–	–	–	–	–	–
Subtotal	–	–	–	–	–	–	–
Total all portfolios	**6,243**	**0.2%**	**709**	**46.1%**	**1.2**	**1,678**	**26.9%**

CCR exposures under the IRB approach did not change materially over the period (+ CHF 121 million). As the average risk weight also did not change materially in the first half of 2024, RWA were slightly higher than as at 31 December 2023 (CHF + 46 million).

11.5 CCR5: Counterparty credit risk: composition of collateral for CCR exposure

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
30.06.2024	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
in CHF million	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – CHF	–	2,016	–	1,831	1	14,614
Cash – other currencies	–	1,183	–	1,345	9,929	8,655
Swiss Confederation sovereign debt	–	185	–	502	5,445	4,318
Other domestic public authority debt	–	166	–	–	529	131
Foreign sovereign and public authority debt	–	238	–	325	21,679	19,487
Corporate bonds	–	924	–	92	22,511	16,887
Equity securities	–	1,023	–	274	13,675	10,470
Other collateral	–	–	–	–	–	–
Total	**–**	**5,734**	**–**	**4,369**	**73,769**	**74,561**

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
31.12.2023	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
in CHF million	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – CHF	–	2,721	–	2,795	279	15,724
Cash – other currencies	–	2,163	–	1,419	13,823	10,058
Swiss Confederation sovereign debt	–	168	–	338	6,179	5,992
Other domestic public authority debt	–	163	–	15	514	235
Foreign sovereign and public authority debt	–	111	–	278	19,549	18,310
Corporate bonds	–	890	–	323	22,864	16,386
Equity securities	–	950	–	117	13,233	10,750
Other collateral	–	–	–	–	–	–
Total	**–**	**7,167**	**–**	**5,285**	**76,441**	**77,455**

During the reporting period, there were no significant changes to the composition of collateral for CCR exposure. The totals for collateral received and posted for derivative transactions as well as the totals for collateral received and posted for SFTs sank compared to the end of 2023.

11.6 CCR6: Counterparty credit risk: credit derivatives exposures

	30.06.2024	30.06.2024	31.12.2023	31.12.2023
	a	b	a	b
in CHF million	Protection bought	Protection sold	Protection bought	Protection sold
Notionals				
Single-name CDSs	–	–	–	–
Index-CDSs	104	55	120	50
Total return swaps	2	–	2	–
Credit options	–	–	–	–
Other credit derivatives	–	–	–	–
Total notionals	**105**	**55**	**122**	**50**
Fair values				
Positive replacement value (asset)	–	1	–	1
Negative replacement value (liability)	2	–	3	–

The nominal amounts of protection bought and sold as well as the positive and negative replacement values have not significantly changed compared to 31 December 2023.

11.7 CCR7: Counterparty credit risk: RWA flow statements of CCR exposures under the Internal Model Method (IMM)

Zürcher Kantonalbank does not use the IMM approach.

11.8 CCR8: Counterparty credit risk: exposures to central counterparties

in CHF million	30.06.2024 a EAD (post-CRM)	30.06.2024 b RWA	31.12.2023 a EAD (post-CRM)	31.12.2023 b RWA
1 Exposures to QCCPs (total)		**99**		**101**
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions)	1,570	34	1,912	38
3 of which OTC derivatives	880	18	911	18
4 of which exchange-traded derivatives	397	10	449	9
5 of which SFTs	293	6	553	11
6 of which netting sets where cross-product netting has been approved	–	–	–	–
7 Segregated initial margin	–		–	
8 Non-segregated initial margin	1,392	28	1,554	31
9 Pre-funded default fund contributions	105	37	94	32
10 Unfunded default fund contributions	–	–	–	–
11 Exposures to non-QCCPs (total)		**–**		**–**
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions)	–	–	–	–
13 of which OTC derivatives	–	–	–	–
14 of which exchange-traded derivatives	–	–	–	–
15 of which SFTs	–	–	–	–
16 of which netting sets where cross-product netting has been approved	–	–	–	–
17 Segregated initial margin	–		–	
18 Non-segregated initial margin	–	–	–	–
19 Pre-funded default fund contributions	–	–	–	–
20 Unfunded default fund contributions	–	–	–	–

With the exception of the pre-funded default fund contributions, the risk weight for EAD (post-CRM) with CCPs remains unchanged at 2 percent. Therefore, the change in RWA is linear to the change in the exposures to QCCPs. There continues to be no exposure to non-QCCPs. EAD (post-CRM) for the pre-funded default fund contributions as at 30 June 2024 increased by CHF 11 million. The average risk weights of the positions delivered to the default fund as at the reporting date are essentially unchanged compared to 31 December 2023, hence, RWA have increased by CHF 5 million.

12 Securitisations

12.1 SEC1: Securitisations: exposures in the banking book

Currently, Zürcher Kantonalbank does not have any securitisation positions in the banking book.

12.2 SEC2: Securitisations: exposures in the trading book

	a	b	c	e	f	g	i	j	k
30.06.2024	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
in CHF million	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1 Retail (total)	**–**	**–**	**–**	**–**	**–**	**–**	**3**	**–**	**3**
2 of which residential mortgage	–	–	–	–	–	–	0	–	0
3 of which credit card	–	–	–	–	–	–	2	–	2
4 of which other retail exposures	–	–	–	–	–	–	1	–	1
5 of which re-securitisation	–	–	–	–	–	–	–	–	–
6 Wholesale (total)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

	a	b	c	e	f	g	i	j	k
31.12.2023	Bank acts as originator			Bank acts as sponsor			Banks acts as investor		
in CHF million	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1 Retail (total)	**–**	**–**	**–**	**–**	**–**	**–**	**33**	**–**	**33**
2 of which residential mortgage	–	–	–	–	–	–	3	–	3
3 of which credit card	–	–	–	–	–	–	9	–	9
4 of which other retail exposures	–	–	–	–	–	–	21	–	21
5 of which re-securitisation	–	–	–	–	–	–	–	–	–
6 Wholesale (total)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

During the reporting period, there were no material changes to the securitisation exposures in the trading book.

12.3 SEC3: Securitisations: exposures in the banking book and associated regulatory capital requirements - bank acting as originator or as sponsor

Currently, Zürcher Kantonalbank does not have any securitisation positions in the banking book.

12.4 SEC4: Securitisations: exposures in the banking book and associated capital requirements - bank acting as investor

Currently, Zürcher Kantonalbank does not have any securitisation positions in the banking book.

13 Market risk

13.1 MR1: Market risk: market risk under SA

in CHF million		30.06.2024 a RWA	31.12.2023 a RWA
	Outright products		
1	Interest rate risk (general and specific)	1,922	1,889
2	Equity risk (general and specific)	–	–
3	Foreign exchange risk	–	–
4	Commodity risk	–	–
	Options		
5	Simplified approach	–	–
6	Delta-plus method	–	–
7	Scenario approach	–	–
8	Securitisation	1	8
9	**Total**	**1,923**	**1,897**

Compared to the end of 2023, interest rate risk slightly increased due to higher bond holdings. Hence, the total RWA for market risk under the standardised approach increased by CHF 26 million and reached CHF 1,923 million as at 30 June 2024.

13.2 MR2: Market risk: RWA flow statements of market risk exposures under IMA

30.06.2024 in CHF million		a VaR	b Stressed VaR	c IRC	d CRM	e Other	f Total RWA
1	**RWA as at end of previous reporting period (31.12.2023)**	**687**	**1,456**	**–**	**–**	**–**	**2,143**
2	Movement in risk levels [1]	-144	-86	–	–	–	-230
3	Model updates / changes	8	9	–	–	–	17
4	Methodology and policy changes	–	–	–	–	–	–
5	Acquisitions and disposals (of entities)	–	–	–	–	–	–
6	Foreign exchange movements [1]	–	–	–	–	–	–
7	Other	–	–	–	–	–	–
8	**RWA as at end of current reporting period**	**551**	**1,378**	**–**	**–**	**–**	**1,929**

[1] The effect of foreign exchange movements is captured in movement in risk levels, since foreign exchange rate movements are part of the effects of market movements on risk levels.

The total RWA of exposures under the internal model approach (IMA) sank by CHF 214 million to CHF 1,929 million during the reporting period. The decrease in RWA was mainly due to a decrease in RWA from VaR as a result of declining volatilities.

13.3 MR3: Market risk: IMA values for trading portfolios

in CHF million		30.06.2024 a	31.12.2023 a
VaR (10 day 99%)			
1	Maximum value	19	20
2	Average value	13	15
3	Minimum value	8	10
4	**Period end**	**14**	**17**
Stressed VaR (10 day 99%)			
5	Maximum value	48	47
6	Average value	30	29
7	Minimum value	18	15
8	**Period end**	**36**	**34**
Incremental risk charge (99.9%)			
9	Maximum value	–	–
10	Average value	–	–
11	Minimum value	–	–
12	**Period end**	**–**	**–**
Comprehensive risk capital charge (99.9%)			
13	Maximum value	–	–
14	Average value	–	–
15	Minimum value	–	–
16	**Period end**	**–**	**–**
17	Floor (standardised measurement method)	–	–

As described in table MR2, declining volatilities led to a slightly lower level of VaR, which is also shown in table MR3. The slightly higher level of stressed VaR reflects the temporary increase in bond and interest rate risks.

13.4 MR4: Market risk: comparison of VaR estimates with gains/losses

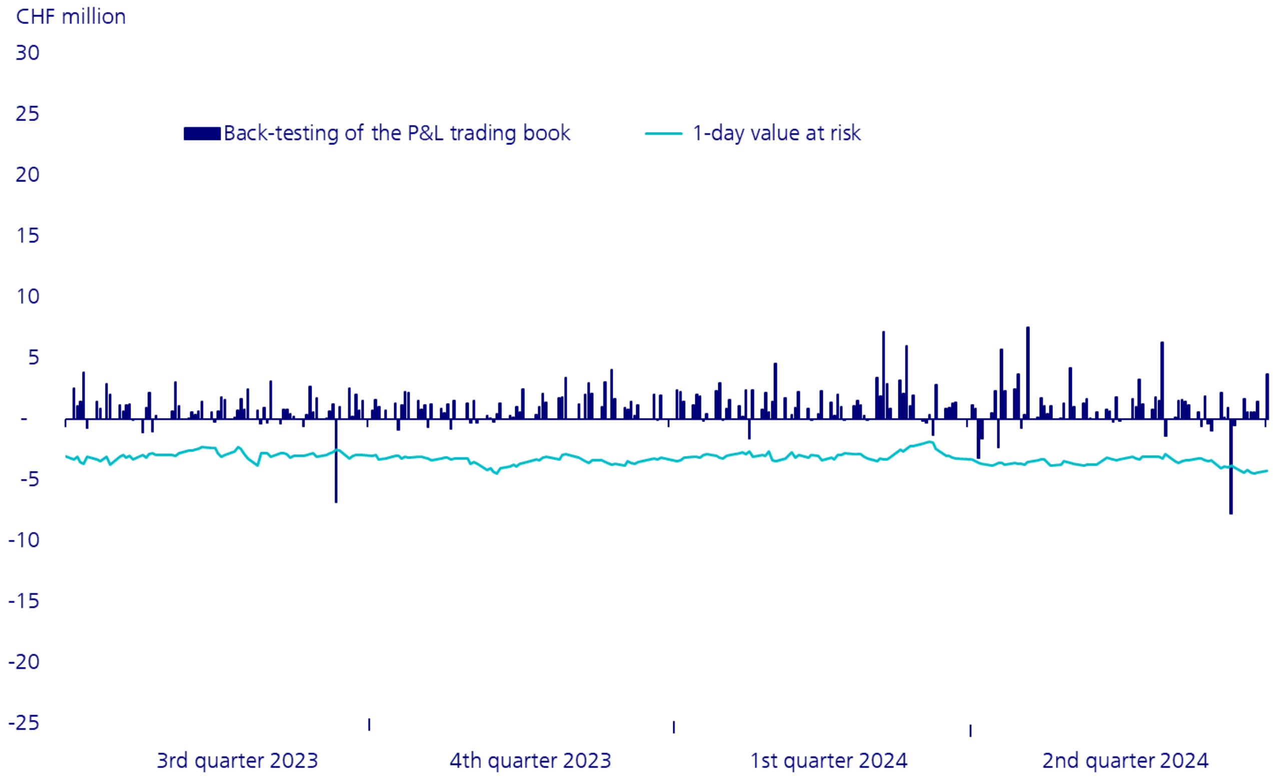
The quality of the value at risk approach used is assessed by comparing the value at risk for a holding period of one day with the daily back-testing result. The back-testing result is based on the result from trading activities, adjusted for commission income. Unlike a hypothetical P&L, the back-testing result includes intraday trading income. In the case of a one-day holding period and 99-percent quantile, the value at risk is expected to be exceeded two to three times each year.

Back-testing results for the first half of 2024 and the second half of 2023

A breach of back-testing limits in the Zürcher Kantonalbank market risk model approach occurred, when a daily loss in trading is higher than the model predicts. The value at risk was exceeded once in the first half of 2024. With a total of two breaches within the last 250 trading days, the back-testing result is within the statistical expectation.

The breach in the back-testing VaR on 20 September 2023 by CHF 4.3 million resulted from the sharp fall in short-term Swiss franc interest rates following the decision taken by the SNB. The breach in the back-testing VaR on 20 June 2024 by CHF 3.9 million also resulted from the sharp fall in short-term Swiss franc interest rates following the decision taken by the SNB.

The situation in the last four quarters was as follows:



14 Corporate Governance

In comparison with 31 December 2023, there were no material changes in the corporate governance. For disclosures on corporate governance, please see the corporate governance section of our Annual Report 2023 as well as the information on corporate governance on our website.