

V – Compensation

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Compensation

Letter from the Chair of the Compensation Committee



Kai S. Nargolwala
Chair of the
Compensation Committee

Dear shareholders

As Chair of the Compensation Committee of the Board of Directors (Compensation Committee), I am pleased to present to you the 2019 Compensation Report.

During 2019, we faced many external challenges and changes in our operating environment. Nonetheless, the strategy we embarked on at the inception of our restructuring period has placed us in a more resilient position, despite global and, in particular, European headwinds. We were gratified to see the depth of talent that we were able to draw upon internally, for example by elevating several senior managers to the Executive Board, reflecting the strong foundation of succession planning and talent development at Credit Suisse.

In line with our commitment to rebalancing the share of profits between shareholders and employees, we kept the Group variable incentive compensation awarded relatively flat, despite significant increases in profitability.

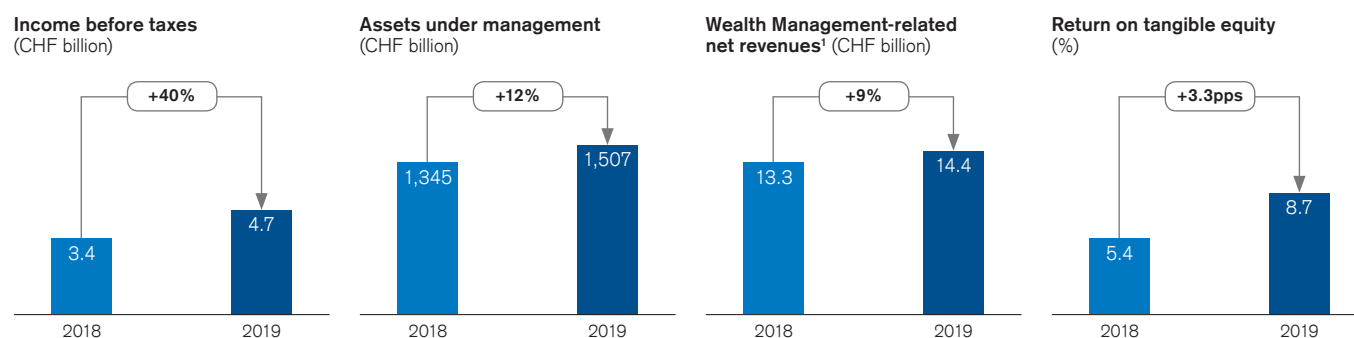
On a personal note, I appreciated the opportunity to meet with many of our shareholders and gain insights from them. I trust that this Compensation Report, and the decision-making and outcomes that it describes, is reflective of the feedback received.

Performance highlights in 2019

In the first year after the end of the restructuring period, we continued to improve our operating performance despite volatile markets, a continued low or negative interest rate environment and uncertain political and trade developments. In particular, the Compensation Committee noted the following Group performance highlights:

- Income before taxes of CHF 4.7 billion, an increase of 40% year-on-year;
- Net income attributable to shareholders of CHF 3.4 billion, an increase of 69% year-on-year;
- Group net new assets of CHF 79.3 billion and assets under management of CHF 1,507.2 billion in 2019, compared with CHF 53.7 billion and CHF 1,344.9 billion respectively in 2018;
- Wealth Management-related revenues grew by 9% year-on-year in a challenging environment;
- Global Markets delivered net revenue growth of 13% year-on-year to USD 5.8 billion, growing market share across our key franchises;
- Return on tangible equity (RoTE) of 8.7%, up from 5.4% for the prior year;
- Tangible book value per share (TBVPS) of CHF 15.88, up 4% year-on-year; and
- Continued focus on improving risk management and effective compliance and controls, with enhanced supervision facilitated by the Conduct and Financial Crime Control Committee of the Board of Directors.

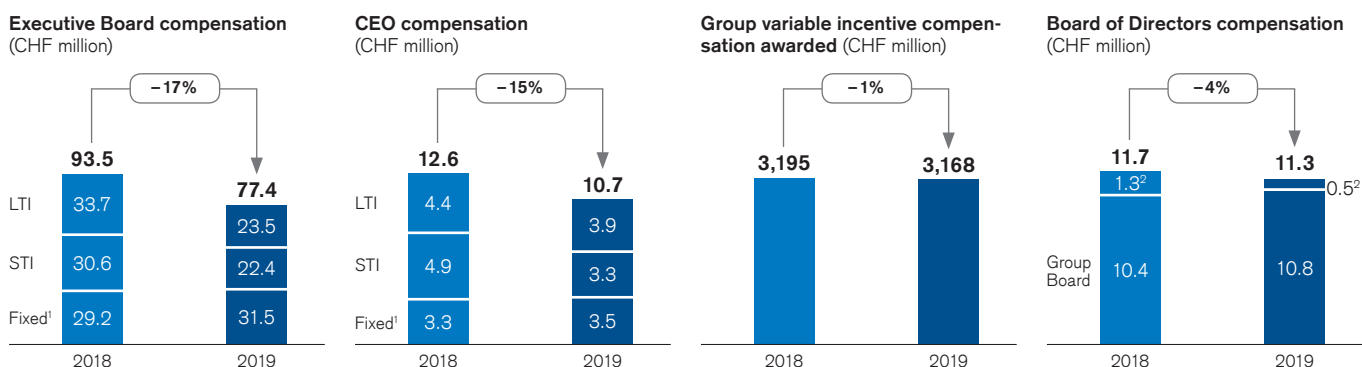
Group performance highlights



Return on tangible equity is based on tangible shareholders' equity, a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet. Tangible book value per share is a non-GAAP financial measure, which is calculated by dividing tangible shareholders' equity by total number of shares outstanding.

¹ References to our Wealth Management-related businesses mean our Swiss Universal Bank division, our International Wealth Management division and our Wealth Management & Connected business within our Asia Pacific division or their combined results.

Compensation outcomes for 2019



Figures above may contain rounding differences.

¹ Fixed compensation includes base salary, role-based allowances, dividend equivalents, pension and other benefits.

² Compensation related to subsidiary board membership.

Executive Board compensation

The total aggregate Executive Board compensation for 2019 of CHF 77.4 million is comprised of:

- CHF 31.5 million fixed compensation, a portion of which has been paid from the approved pool as fixed compensation for new and promoted Executive Board members;
- CHF 22.4 million short-term incentive (STI) award, subject to shareholder approval at the 2020 Annual General Meeting (AGM); and
- CHF 23.5 million long-term incentive (LTI) opportunity at fair value at the time of grant. This is down from CHF 30.2 million, the amount approved at the 2019 AGM, due to step-downs and departures from the Executive Board.

→ Refer to "Executive Board compensation" for further information.

Executive Board compensation for 2019 is 17% lower than the amount for 2018. The main drivers of this decrease are the changes in Executive Board member composition during the year (including related forfeitures of outstanding compensation), lower performance achieved on the 2019 STI awards and a lower fair value of the 2019 LTI opportunities as approved at the 2019 AGM. If all of the

Executive Board members in office at the end of 2019 had been in their respective roles for the entire year, total compensation would have been approximately CHF 81.4 million, or 13% lower than Executive Board compensation in 2018.

Chief Executive Officer (CEO) compensation

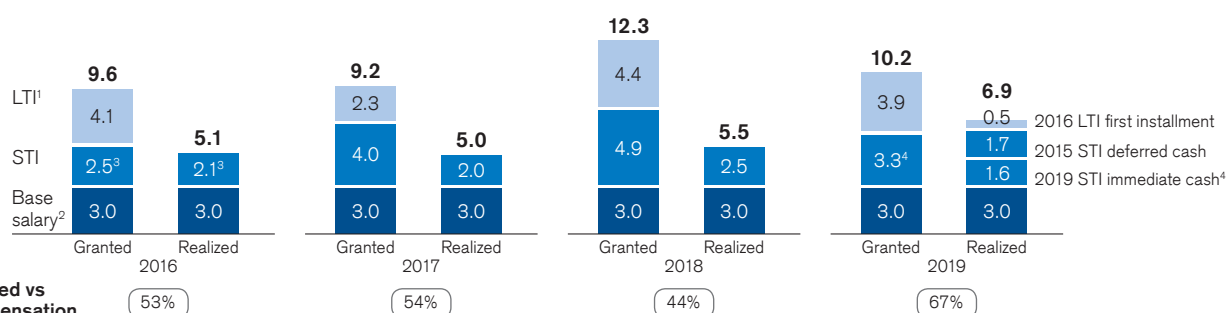
Mr. Thiam's total compensation granted for 2019 of CHF 10.7 million is 15% lower than for the prior year. This decrease is mainly driven by a lower achievement on the STI 2019 financial performance targets, his non-financial assessment score of 50% and the lower fair value of the 2019 LTI opportunity. The non-financial assessment score of 50% for his 2019 STI was reduced from 100% for 2018 STI.

Mr. Thiam's realized compensation for 2019 was CHF 6.9 million (excluding dividend equivalents, pension and other benefits), compared with CHF 5.5 million for the prior year. As illustrated in the chart below, this increase was mainly due to the delivery in 2019 of the first vesting tranche of the 2016 LTI award and the payout of the 50% deferred component of the 2015 STI award.

→ Refer to "Compensation of the CEO and the highest paid Executive Board member" in Executive Board compensation for further information.

CEO granted vs realized compensation (excluding dividend equivalents, pension and benefits)

(CHF million)



Figures above may contain rounding differences.

¹ LTI expressed as fair value at the date of grant, determined using a probabilistic valuation method applied by one of the major international accounting firms. The awards have a total maximum opportunity of CHF 7.5 million for 2016, CHF 4.5 million for 2017, CHF 7.5 million for 2018 and CHF 7.5 million for 2019.

² In addition to base salary, the CEO received dividend equivalents, pension and other benefits which are not included in the figures above but are published in the Executive Board compensation table in the Executive Board compensation section.

³ The full amount of the 40% voluntary reduction on the 2016 STI award was applied to the deferred component, resulting in CHF 2.1 million of non-deferred cash awards realized for 2016 and CHF 0.4 million of deferred cash awards to be realized in 2020.

⁴ 2019 STI subject to approval at the 2020 AGM.

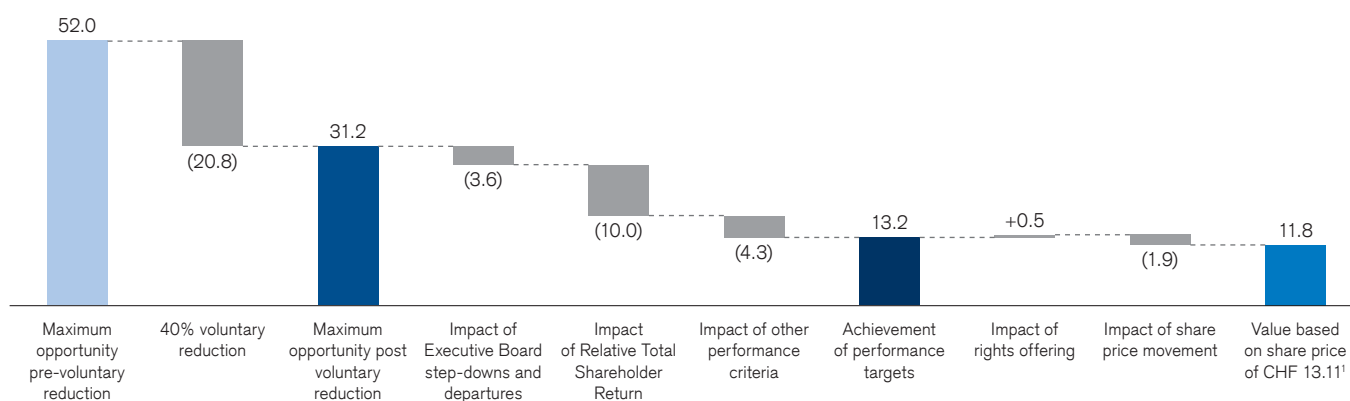
Vesting of the 2017 LTI (2017-2019 performance cycle)

To align the interests of the Executive Board to those of long-term shareholders, more than half of the Executive Board variable incentive compensation is in the form of LTI opportunities, subject to challenging performance conditions over a three-year performance period, and further subject to share price performance until settlement of the award. The end of 2019 marked

the completion of the 2017 LTI performance period, with the estimated value at the end of 2019 shown in the following diagram. The 2017 LTI awards vest in equal tranches on the third, fourth and fifth anniversaries of the grant date. The final value of the awards at delivery may differ from the value at the end of 2019 due to subsequent share price movement.

Estimated value of the 2017 LTI awards

2017-2019 performance cycle (in CHF million)



Figures above may contain rounding differences.

¹ Based on share price as of December 31, 2019. The number of shares earned based on achievement of the performance targets over the three-year performance period was 899,897 (including the impact of the rights offering) and these shares vest in three equal tranches on the third, fourth and fifth anniversaries of the grant date.

Group compensation

Within total compensation awarded, variable incentive compensation decreased by 1%. The Compensation Committee considered a range of factors in determining the Group's variable incentive compensation pool, including the Group's financial performance in 2019, progress made against strategic objectives, relative performance compared to peers, market position and trends, as well as control, risk, compliance and conduct and ethics considerations. While the Group significantly increased its profitability in 2019, with income before taxes up by 40% year-on-year, the Compensation Committee recommended not to increase the Group variable incentive compensation pool in order to re-balance the distribution of profits between shareholders and employees and to return more value to shareholders.

→ Refer to the "Group compensation and benefits expense" table in Group compensation and "Determination of variable incentive compensation pools" in Compensation design for further information.

The Group variable incentive compensation pool includes the amounts for the CEO and the other Executive Board members. Although the overall pool is lower by 1% compared with the previous year, differentiation has been made such that high-performing employees received year-on-year increases in variable incentive compensation to reflect their contribution to the Group's improved financial performance.

As in the case of Executive Board compensation, the variable incentive awards granted to Group employees are designed to be aligned with the interests of shareholders. For example, a high proportion of the variable incentive compensation of employees at higher seniority levels is deferred over several years and awarded in the form of shares or performance share awards. The performance share awards are subject to negative adjustment in the event of a divisional loss or a negative return on equity of the Group. Given the loss before taxes in the Investment Banking & Capital Markets division for 2019, a negative adjustment has been applied to performance share awards held by employees who received those awards while being a member of that division in the past.

Board of Directors (Board) compensation

Total Board fees, including subsidiary board fees, for the 2019 AGM to 2020 AGM period are within the amount that was approved prospectively by shareholders at the 2019 AGM. Board compensation was 4% lower than for the prior period, primarily reflecting changes in Board composition and lower subsidiary board fees resulting from the chairman of the board of Credit Suisse (Schweiz) AG no longer being a member of the Group Board.

→ Refer to "Board of Directors compensation" for further information.

Annual review of our compensation framework and shareholder engagement

The Compensation Committee reviewed market developments to assess whether current practices remain appropriately competitive, and considered feedback received from meetings with shareholders during the year as well as the consultative vote on the 2018 Compensation Report. Based on this review and feedback, the Compensation Committee decided to maintain the overall compensation framework, with one refinement for the Executive Board 2020 STI: the non-financial assessment will be consolidated from six categories to four, namely Strategy/Client Focus, Risk and Compliance, Conduct and Ethics, and People, to simplify and better reflect the key focus areas that are not already captured by the financial criteria.

“Say-on-Pay” compensation proposals at the 2020 AGM

At the 2020 AGM, we will be seeking shareholder support for the following say-on-pay proposals:

- Maximum aggregate amount of fixed compensation for the Executive Board for the 2020 AGM to 2021 AGM period (CHF 31.0 million);
- Aggregate 2019 STI award to be granted to the Executive Board (CHF 22.4 million);
- Aggregate 2020 LTI opportunity at fair value at the time of grant (CHF 28.6 million, based on a maximum opportunity of CHF 53.75 million); and
- Maximum aggregate amount of compensation for the Board for the 2020 AGM to 2021 AGM period (CHF 12.0 million).

Further information on each of these proposals are contained in the “Say-on-Pay” brochure that accompanies the AGM invitation and is also available at <https://www.credit-suisse.com/agm>.

Observation events

Finally, it would be remiss of me not to address the issues surrounding the observation events and their impact on the performance management and compensation decision-making. There has been much media coverage of the observation events and related circumstances. While we believe that these events have not had any long lasting impact on shareholder value or affected our client relationships, certainly the level of media scrutiny and the potential damage to our reputation was concerning.

Thorough independent investigations were carried out with respect to the observations and the related circumstances, which confirmed that the events only involved certain isolated individuals in the firm. During the course of these investigations, one former

Executive Board member who was ultimately responsible for initiating the observation events was less than forthcoming. This individual has been dismissed for cause, resulting in forfeiture of all his outstanding deferred compensation awards. Given that no other Executive Board member was found to have been involved, the observation events did not have an impact on the compensation of the other Executive Board members. Mr. Thiam has taken accountability for the events and accepted a reduction of his non-financial assessment score for his 2019 STI to 50%, compared with a score of 100% for the previous year.

In recognition of Mr. Thiam’s contributions to the successful restructuring of the Group and given no evidence of his direct participation in the observation matter, it was decided to treat him as a “good leaver” for the purposes of his outstanding compensation. Accordingly, he will continue to receive contractual payments during his notice period, which will end on August 31, 2020, but will not receive any LTI opportunity for 2020. No severance payments were made and previously awarded deferred compensation will continue to vest as per original schedule, subject to the achievement of any specified performance conditions, forfeiture, malus and non-solicitation rules. In addition, the value of his deferred share awards will continue to be subject to share price movements until settlement.

I would like to reiterate that our Executive Board members are subject to the same disciplinary proceedings and rules relating to the application of malus as any other employee at any level. Any conduct during the year that falls short of the highest standards of professionalism would be addressed in the non-financial assessments, which have a direct impact on the STI paid out. Additionally, in case of breach of our internal policies or improper conduct, malus may be applied to outstanding awards. We treat the Executive Board members as we would any other employees and we do not make any severance payments to exiting Executive Board members.

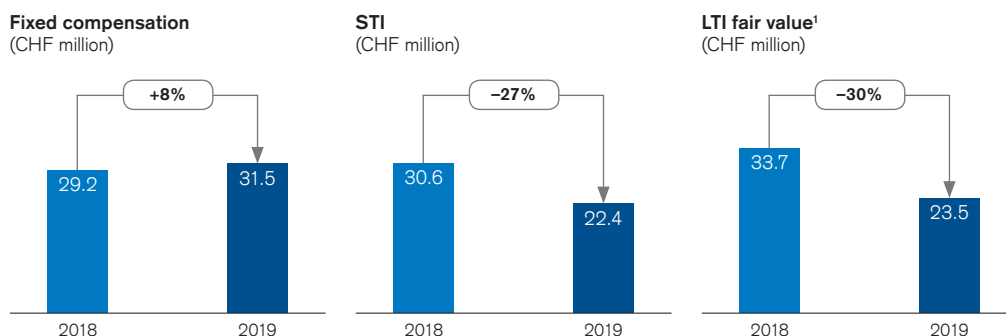
On behalf of the Compensation Committee, I would like to thank you for your support and feedback, which we will continue to seek as we review and refine our compensation practices to ensure that they remain aligned with the interests of our shareholders and fully compliant with all legal and regulatory requirements.



Kai S. Nargolwala
Chair of the Compensation Committee
Member of the Board of Directors
March 2020

Executive Board compensation

Compensation outcomes for 2019



¹ The fair value of the LTI awards as of the date of grant is determined using a probabilistic valuation method applied by one of the major international accounting firms.

Fixed compensation

The total fixed compensation for the Executive Board was CHF 31.5 million in 2019 compared with CHF 29.2 million for 2018.

Annual short-term incentive (STI) awards

The 2019 STI awards were determined based on performance in 2019 measured against pre-defined financial and non-financial criteria. The average maximum opportunity for Executive Board members (excluding the CEO) was 1.23 times base salary, compared with 1.36 times for the prior year. The aggregate STI award amount for the Executive Board of CHF 22.4 million was 27% lower than the previous year, mainly due to the changes in Executive Board composition (including related forfeitures of outstanding compensation), lower achievement of the financial performance targets set for 2019 and lower achievement of the non-financial criteria as assessed by the Compensation Committee. The outcomes of the financial component of the STI are shown in the diagram below and demonstrate that the performance targets were set at challenging levels, given that despite significant improvement in the year-on-year results, the maximum payout levels were not attained:

- Adjusted income before taxes of CHF 5.0 billion was 18% higher compared with the prior year, and between the threshold and target performance levels;
- RoTE of 8.7% increased 3.3 percentage points compared with the prior year, and between the target and maximum performance levels.

For the non-financial performance assessment, the Compensation Committee evaluated the Executive Board's performance against six broad categories and determined that on average, they had achieved 76% of the maximum opportunity for the non-financial component compared with 91% for 2018. Excluding the CEO, the overall non-financial score was 82% of the maximum opportunity, compared with 89% for 2018. A summary of the non-financial assessment appears further below.

The 2019 STI compensation will be submitted for shareholder approval at the 2020 AGM on a retrospective basis.

2019 STI awards: performance against targets

Performance criteria	Weighting	Performance levels			2019 result	Payout level (% of maximum opportunity)			
		Threshold	Target	Maximum		0%	Threshold 25%	Target 67%	Maximum 100%
Adjusted income before taxes (CHF billion)	33 $\frac{1}{3}$ %	4.2	5.2	6.1	5.0	57%			
RoTE (%)	33 $\frac{1}{3}$ %	6.0%	8.5%	10.5%	8.7%	71%			
Non-financial criteria (average)	33 $\frac{1}{3}$ %	See separate description				76%			
Total	100%					68%			

Adjusted results are non-GAAP financial measures which exclude certain items included in our reported results. Refer to "Reconciliation of adjusted results" in II – Operating and financial review – Credit Suisse for further information. RoTE is based on tangible shareholders' equity, a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet.

2019 STI awards: non-financial performance assessment

Category	Executive Board assessment	CEO assessment
Strategic repositioning	<ul style="list-style-type: none"> Achieved Group net new assets of CHF 79 billion, 48% higher than the prior year Continued to maintain prudent cost management after the achievement of the cost target at the end of 2018, while investing in growth areas Continued to change the allocation of capital, prioritizing higher-return, more capital efficient and less volatile businesses 	<ul style="list-style-type: none"> During 2019 Mr. Thiam continued to focus on the rebalancing of the Group's activities, including the shift of capital towards the higher growth and less volatile Wealth Management-related businesses He continued to oversee the maintenance of the Group's strong capital position and cost management after a three-year period of deep restructuring
Client focus, Quality of Business and Innovation	<ul style="list-style-type: none"> Received various industry awards that acknowledge excellence in client service, including Euromoney Awards for "Best Bank in Switzerland 2019", "Best Investment Bank in Switzerland 2019", and "Asia's Best Bank for Wealth Management"; The Banker "Best Private Bank for Entrepreneurs"; International Finance Review "Best Asia Bank" Top five ranking in Global Initial Public Offerings (Dealogic) Number two ranking in Leveraged Finance and number one ranking in Sponsors for 2019 (Dealogic) Continued to leverage technology advancements with a strengthened operating model, with ~250 applications decommissioned, ~50% of infrastructure incident tickets automated and ~40% of Credit Suisse servers on private cloud 	<ul style="list-style-type: none"> Mr. Thiam continued to drive a culture of client focus, reflected by high client satisfaction results and positive net new assets in each quarter of 2019 He has overseen the growth of the investment banking businesses in key segments, with a top five ranking in Initial Public Offerings and top two in Leveraged Finance (Dealogic)
Talent management	<ul style="list-style-type: none"> Implemented several programs for the development of talent and the next generation of leaders, with 48% of senior leadership roles (Managing Directors and Directors) filled internally Ensured key talent retention as reflected by lower top performers attrition rates, with voluntary turnover of 9.8% in 2019 compared with 11.4% in 2018 Continued to actively focus on Diversity and Inclusion measures and programs, and the proportion of women in senior management positions (Managing Directors and Directors) increased to 22% in 2019 from 21% in the prior year 	<ul style="list-style-type: none"> Mr. Thiam has been instrumental in driving several people development and diversity initiatives, focusing not only on gender but also on ethnicity He has promoted the development of internal talent, as reflected by all five of the new Executive Board members in 2019 being internal candidates
Risk and Regulatory	<ul style="list-style-type: none"> Supported and contributed to constructive dialogue with key regulators Continued investment in control functions to improve models and systems in our efforts to better assess and monitor risks Actively managed operational and business risks ~ 80% of audit reports received at least a satisfactory or higher rating Launched a Group-wide climate risk strategy program with the aim of supporting clients transition to low-carbon and climate resilient business models, further integrating climate change into the Group's risk management models, delivering sustainable financial solutions to clients and reducing the Group's own carbon footprint Integrated environmental, social and governance factors (ESG) into certain investment processes 	<ul style="list-style-type: none"> Mr. Thiam continued to strengthen the relationships with the Group's key regulators Mr. Thiam has encouraged the greater focus on environmental, social and corporate governance factors, such as the integration of ESG into the investment process of Credit Suisse Asset Management funds
Conduct and Ethics	<ul style="list-style-type: none"> Continued to strengthen the global conduct and ethics culture through the implementation of Group-wide training programs, system and process control improvements, and through leading by example Lowered the number of more severe disciplinary cases by ~20% compared with the prior year Established a dedicated conduct and ethics session as a standing item at regular Board meetings co-led by the Chief Compliance Officer and the Global Head of Human Resources; topics reviewed during 2019 included employee engagement and training initiatives, conduct risk trends and insights from ongoing efforts to address sexual harassment at work 	<ul style="list-style-type: none"> Mr. Thiam has continued to strengthen the global conduct and ethics culture through a formalized conduct and ethics framework and Group-wide training programs He continued to support investment in the control functions as an important element of business growth He has led by example in terms of personal commitment to the Group's conduct and ethics standards, but recognizing that the observation matter had a significant impact on the Group, his non-financial assessment score has been reduced
Teamwork and Leadership	<ul style="list-style-type: none"> Continued progress to deepen the collaboration amongst the businesses, including continued growth in International Trading Solutions (ITS) revenues in 2019 Established APAC Trading Solutions (ATS) to replicate the success of ITS and leverage global connectivity 	<ul style="list-style-type: none"> During his leadership, Mr. Thiam fostered a spirit of teamwork and collaboration amongst the Executive Board members, which has filtered throughout the organization He steered an integrated approach between the wealth management and investment banking businesses, as evidenced by the strong ITS business model

2019 long-term incentive (LTI) opportunities (2019-2021 performance period)

The fair value of the 2019 LTI at the time of grant was CHF 30.2 million, as determined by one of the major international accounting firms and as approved by shareholders at the 2019 AGM, and CHF 23.5 million after forfeitures due to step-downs and departures from the Executive Board. The amount achieved at the end of the performance cycle may differ from the fair value at grant, and therefore the actual performance will be measured and disclosed at the end of the three-year performance period. The average maximum opportunity for Executive Board members (excluding the CEO) was 2.20 times base salary, compared with 2.32 times base salary for the prior year.

→ Refer to "Compensation design" and the 2018 Annual Report for further information.

Compensation of the CEO and highest paid Executive Board member

For 2019, CEO Tidjane Thiam, the highest paid Executive Board member, was awarded total compensation of CHF 10.7 million (including dividend equivalents and pension and other benefits). This amount was 15% lower than the prior year, mainly due to lower achievement of the STI financial performance targets, the score for the non-financial assessment of 50% for 2019 and a lower fair value of the 2019 LTI opportunity compared with the prior year LTI. His annual 2019 STI award was based on the same financial criteria and performance as described earlier for the Executive Board. The non-financial component was assessed by the Compensation Committee to be 50% of his maximum opportunity, compared with 100% for the prior year, in light of the observation events.

In terms of compensation realized in 2019, Mr. Thiam received CHF 6.9 million in the form of:

- CHF 3.0 million base salary;
- CHF 1.6 million non-deferred cash component of the 2019 STI award (paid out in 2020, subject to shareholder approval at the 2020 AGM);
- Group shares with a value at delivery of CHF 0.5 million in relation to the first vested installment of the 2016 LTI; and
- CHF 1.7 million deferred cash portion of the 2015 STI award.

In addition, Mr. Thiam received CHF 0.3 million as compensation for dividend equivalents on vested awards and CHF 0.3 million in pension and other benefits.

2020 LTI opportunities (2020-2022 performance period)

The 2020 LTI opportunities will have the same structure, financial metrics and RTSR payout levels as the 2019 LTI opportunities, but with revised performance levels. After taking into consideration the Group's internal financial plan, prior-year performance, analyst expectations and the Group's publicly stated ambitions, the Compensation Committee decided to raise the threshold RoTE level to 7.0%, and increase the target RoTE level to 10.5% with the maximum performance level set to 13.0%. The corresponding TBVPS performance levels for the threshold, target and maximum have been increased to CHF 18.10, CHF 19.60 and CHF 20.90, respectively, as shown in the table below. The fair value at grant of the 2020 LTI is 53% of the maximum opportunity. At the 2020 AGM, shareholders will be asked to approve an aggregate 2020 LTI amount of CHF 28.6 million, based on the fair value at grant. This amount will form part of the 2020 Executive Board compensation disclosure.

Performance target levels for the 2020 LTI

Performance criteria	Performance targets		
	Threshold	Target	Maximum
Three-year average RoTE	7.0%	10.5%	13.0%
Three-year average TBVPS (CHF)	18.10	19.60	20.90

2017 LTI awards (2017-2019 performance period)

As disclosed in the 2016 Compensation Report, performance for the 2017 LTI awards was measured over a period of three years against a combination of Group and division-specific financial metrics, as well as an RTSR component (50% weighting). The 2017 LTI awards had an aggregate maximum opportunity of CHF 31.2 million. The initial number of shares granted was calculated by dividing the maximum opportunity by the Credit Suisse Group share price at the time of grant. Reflecting the share price under-performance over the 2017-2019 performance measurement period, the RTSR component resulted in a 25% payout. Also taking into consideration the performance against the financial criteria, the number of shares earned based on performance conditions represents 48% of the maximum opportunity for the Executive Board, in aggregate. For the CEO, the number of shares earned based on performance conditions over the three-year period (payout level) represents 51% of his maximum opportunity, and for the divisional and function heads, the payout levels range from 41% to 65% of the individual maximum opportunities. The impact of share price movements since the grant date is illustrated in the diagram below, with the value of the 2017 LTI award based on the share price at the end of 2019 being 41% of the maximum opportunity. The LTI award vests in three equal tranches on the third, fourth and fifth anniversaries of the grant date. The final value of the awards at delivery may differ from the value at the end of 2019 due to subsequent share price movements.

Vesting of 2017 LTI awards

The number of shares initially granted was determined by dividing the LTI maximum opportunity (after the 40% voluntary reduction) by the share price at the time of grant.	100% LTI maximum opportunity
The percentage of shares earned is based on the achievement of performance targets over the three-year performance period.	48% Achievement of performance targets
Shares vest in three equal tranches on the third, fourth and fifth anniversaries of the grant date. Based on the share price at the end of 2019, the value of these shares was 41% of the 2017 LTI maximum opportunity.	41% Value of earned shares based on share price as of December 31, 2019

2017 LTI awards: performance against targets

Performance criteria	Weighting ¹			Target performance level	2019 result	Payout level (% of maximum opportunity)			
	CEO	Divisional Head	Functional Head			0%	Threshold 25%	Target 80%	Maximum 100%
Relative Total Shareholder Return (RTSR) ²	50%	50%	50%		11	25%			
CET 1 ratio ³ (%)	5%	5%	5%	12.9%	12.8%	76%			
CET 1 leverage ratio (%)	5%	5%	5%	3.9%	4.0%	94%			
Cost target ⁴ (CHF million)	15%	20%	15%	17,239	16,697	100%			
Divisional metrics (average)	25%	20%	25%			43%			
Total	100%	100%	100%			48%			

¹ Due to the nature of the role, the weighting of the Group and divisional metrics is different for the Executive Board member who is categorized as UK PRA MRT.

² RTSR is measured over the three-year performance period 2017-2019, and the 2019 result is a ranking of 11 out of 19 publicly-listed companies.

³ The CET1 ratio excludes CHF 2.2 billion of additional risk-weighted assets arising from Basel III rule changes effective in 2018 relating to banking book securitizations that were not yet in place when the 2017 target was set.

⁴ The cost target is based on adjusted operating expenses and also excludes debit valuation adjustments (DVA) related volatility of CHF 53 million and certain accounting changes of CHF 193 million (which had not been in place when the cost target was set in 2017). Adjusted results are non-GAAP financial measures that exclude certain items included in our reported results. Refer to the "Reconciliation of adjusted results" table in II – Operating and financial review – Credit Suisse for further information

Supplementary information

Executive Board compensation (audited)

in	Base salaries and role-based allowances	Dividend equivalents ¹	Pension and other benefits ²	Total fixed compensation	STI awards (Non-deferred) ³	STI awards (Deferred) ⁴	Total STI awards	LTI awards fair value (Deferred) ⁵	Total variable compensation	Total compensation ^{6,7}
2019 (CHF million)										
17 members	27.03	2.06	2.46	31.55	11.04	11.35	22.39	23.49	45.88	77.43
% of total compensation ⁸				41%			29%	30%	59%	
of which joiners and leavers during 2019 (10 individuals)	10.57	0.67	1.08	12.32	3.36	3.36	6.72	3.56	10.28	22.60
% of total compensation				55%			30%	15%	45%	
of which CEO: Tidjane Thiam	3.00	0.26	0.25	3.51	1.63	1.63	3.26	3.95	7.21	10.72
% of total compensation				33%			30%	37%	67%	
2018 (CHF million)										
12 members	26.35	0.77	2.08	29.20	15.10	15.46	30.56	33.73	64.29	93.49
% of total compensation ⁸				32%			33%	35%	68%	
of which CEO: Tidjane Thiam	3.00	0.00	0.35	3.35	2.47	2.47	4.94	4.36	9.30	12.65
% of total compensation				26%			39%	35%	74%	

For the individuals who joined the Executive Board and the individuals who left the Executive Board during 2019, compensation relating to the period during which they were members of the Executive Board and, for leavers, during their respective notice period is included in the table above.

1 Dividend equivalents were paid in cash, consistent with dividends paid on actual shares.

2 Other benefits consist of housing allowances, expense allowances and relocation allowances.

3 STI non-deferred awards for 2019 comprised CHF 10.74 million (for 2018 CHF 14.74 million) cash, with a further CHF 0.30 million (for 2018 CHF 0.36 million) granted as blocked shares to Mr. Mathers, to comply with regulatory requirements given that he was categorized as UK PRA MRT during 2019 and 2018.

4 STI deferred awards for 2019 comprised CHF 10.89 million (for 2018 CHF 14.93 million) in deferred cash awards as well as CHF 0.46 million (for 2018 CHF 0.53 million) granted as share awards to Mr. Mathers, to comply with regulatory requirements given that he was categorized as UK PRA MRT during 2019 and 2018.

5 The fair value of the LTI awards as of the date of grant is determined using a probabilistic valuation method applied by one of the major international accounting firms.

6 For the total compensation awarded to the members of the Executive Board, the Group made payments of CHF 3.3 million in 2019 (for 2018 CHF 3.2 million) to cover the mandatory employer social security contributions as required under the social security laws applicable to the individual Executive Board members based on their domicile and employment status. These contributions do not form part of the Executive Board members' compensation.

7 No guaranteed bonuses, sign-on or replacement awards were paid to Executive Board members for 2019 and 2018.

8 Variable compensation ranged from 37% to 82% of total compensation in 2019 and from 52% to 81% in 2018.

Former Executive Board members (audited)

For 2019, no compensation payments were made to former Executive Board members who left Credit Suisse, which was also the case for 2018. Further, no payments were made to former Executive Board members pursuant to non-compete arrangements. Certain former Executive Board members assumed other roles within Credit Suisse after stepping down from the Executive Board. Some former members of the Group's most senior executive body who no longer provide services to the Group are still eligible to receive office infrastructure and secretarial support. These services are based on existing resources and are not used on a regular basis.

Utilization of Executive Board compensation approved at the 2019 AGM

At the 2019 AGM, shareholders approved a maximum aggregate amount of fixed compensation to be paid to members of the Executive Board for the period from the 2019 AGM to the 2020 AGM of CHF 31.0 million. Fixed compensation includes base salaries, role-based allowances, dividend equivalents, pension and other benefits. In line with the Swiss Ordinance Against Excessive Compensation with respect to Listed Stock Corporations (Compensation Ordinance) and as specified in the AoA, if new members join the Executive Board or members of the Executive

Board are promoted during the period for which compensation has already been approved by shareholders, a further 30% of the aggregate amounts already approved may be used for the compensation of such members. Of this additional amount, approximately CHF 0.6 million will be used to fund a portion of the base salary of new Executive Board member André Helfenstein and the increase in base salary of incoming CEO Thomas Gottstein. The detailed amounts will be disclosed in the 2020 Compensation Report. By the time of the 2020 AGM, a total of approximately CHF 31.6 million will have been paid to Executive Board members, of which CHF 27.15 million relates to the individuals who were members of the Executive Board at the time of the 2019 AGM, and CHF 4.4 million relates to individuals who became members of the Executive Board following the 2019 AGM in 2019 and the beginning of 2020.

At the 2019 AGM, shareholders also approved LTI compensation to be granted to members of the Executive Board for the 2019 financial year with a fair value at grant of CHF 30.2 million and a corresponding maximum opportunity of CHF 57.5 million, which was subsequently awarded to the Executive Board members. The amount of the 2019 LTI award earned by each of the Executive Board members can only be determined after the completion of the three-year performance period.

Cash settlement of share awards

The Executive Board members are permitted to elect, subject to minimum shareholding requirements, at a predefined date in advance of settlement, to receive their vested share-based awards in the form of shares, cash or 50% in the form of shares and 50% in cash, in each case based on the Group share price at the time of settlement. An election to receive cash is subject to reversal if at the time of settlement the Group share price is less than 75% of the share price at the time of election. The timing and pricing of settlement will be the same as under the previous award plan and as under the plans of the non-Executive Board population.

Contract lengths, termination and change in control provisions

All members of the Executive Board have employment contracts with the Group that are valid until terminated. The standard notice period for termination of employment by either the Group or the respective Executive Board member is six months. Executive Board members may be held to a non-compete period of up to one year and may be compensated for this period of time by mutual agreement. In the event of termination, there are no contractual provisions that allow for the payment of severance awards to Executive Board members beyond the regular compensation awarded during the notice period. Pre-defined conditions for all employees, including Executive Board members, apply for the payment of outstanding deferred compensation awards, depending on whether the termination of employment was voluntary, involuntary, by mutual agreement or as the result of a change in control. In case of a termination for cause, any deferred compensation and outstanding awards will be forfeited. There are no other contracts, agreements or arrangements with the members of the Executive Board that provide for other types of payments or benefits in connection with termination of employment that are not generally available to other employees of the Group.

In the case of a change in control, the treatment of outstanding awards for all employees, including Executive Board members,

will be determined by the Board upon recommendation of the Compensation Committee with the aim of maximizing shareholder value, subject to circumstances and prevailing market conditions. There are no provisions in the employment contracts of Executive Board members or any other pre-determined arrangements that require the payment of any type of extraordinary benefits, including special severance awards or transaction premia, in the case of a change in control.

Other outstanding awards

As of December 31, 2019, the outstanding cash-based deferred compensation awards granted to certain Executive Board members in prior years comprised of the Capital Opportunity Facility, contingent capital awards (CCA), Deferred Cash Allowance Plan (DCAP) and deferred STI cash awards. The cumulative value of such cash-based awards at their grant dates was CHF 38.8 million compared with CHF 39.8 million as of December 31, 2019. These amounts also include the cash value of dividend equivalents related to unvested share awards at their respective grant dates and at December 31, 2019.

Minimum shareholding requirements

As of December 31, 2019, the CEO and all Executive Board members, except for one member who joined the Executive Board in February 2019, fulfilled the minimum shareholding requirements of 500,000 shares and 300,000 shares, respectively, as measured against the number of shares owned plus the number of unvested awards calculated on the basis of actual achievement level (for awards that have reached the end of their three-year performance period) or maximum opportunity (for awards that have not reached the end of their three-year performance period). The CEO and Executive Board members are not permitted to sell shares until they have met the minimum shareholding requirements, except as necessary to fulfill taxation obligations on the respective shares awarded.

Executive Board holdings and values of deferred share-based awards by individual

end of	Number of owned shares ¹	Number of unvested awards ²	Number of owned shares and unvested awards	Value (CHF) of unvested awards at grant date ³	Value (CHF) of unvested awards at year end (at fair value) ⁴
2019					
Tidjane Thiam	66,422	1,303,823	1,370,245	19,084,599	10,833,091
Romeo Cerutti	323,165	458,513	781,678	6,750,770	3,820,259
Brian Chin	494,030	1,430,886	1,924,916	20,368,149	11,843,258
Thomas P. Gottstein	150,214	672,361	822,575	9,574,478	5,530,279
Lydie Hudson	26,175	295,386	321,561	3,739,373	2,832,024
David R. Mathers	84,360	1,029,891	1,114,251	13,509,668	9,392,954
David Miller	–	734,280	734,280	10,240,437	8,888,164
Antoinette Poschung	123,318	139,024	262,342	1,693,270	1,302,361
Helman Sitohang	264,737	1,007,352	1,272,089	14,683,925	8,198,365
James B. Walker	100,153	317,330	417,483	4,181,205	3,834,492
Lara J. Warner	–	786,568	786,568	11,361,535	6,138,554
Philipp Wehle	21,540	364,059	385,599	4,735,987	3,862,390
Total	1,654,114	8,539,473	10,193,587	119,923,396	76,476,192
2018					
Tidjane Thiam	64,302	990,706	1,055,008	16,430,736	6,923,084
James L. Amine	426,726	1,046,190	1,472,916	17,300,812	7,049,362
Pierre-Olivier Bouée	74,079	512,085	586,164	8,287,028	4,019,900
Romeo Cerutti	269,373	389,685	659,058	6,423,655	2,734,410
Brian Chin	431,274	1,137,731	1,569,005	18,494,683	8,600,260
Peter Goerke	21,953	342,324	364,277	5,655,877	2,438,237
Thomas P. Gottstein	118,976	402,042	521,018	6,752,150	2,831,436
Iqbal Khan	70,060	519,389	589,449	8,757,970	3,530,037
David R. Mathers	84,360	793,632	877,992	13,180,647	5,973,132
Joachim Oechslin	61,092	406,852	467,944	6,771,566	2,779,441
Helman Sitohang	264,737	822,060	1,086,797	13,497,946	5,857,016
Lara J. Warner	2,036	469,641	471,677	7,989,249	3,102,330
Total	1,888,968	7,832,337	9,721,305	129,542,319	55,838,645

¹ Includes shares that were initially granted as deferred compensation and have vested.

² Includes unvested shares originating from LTI opportunities calculated on the basis of maximum opportunity for awards that have not reached the end of their three-year performance period, given that the actual achievement level and associated number of unvested shares cannot be determined until the end of the performance period. For LTI awards that have reached the end of their three-year performance period, the number of unvested shares reflects the actual number of shares earned based on achievement of the performance target levels.

³ Determined based on the number of unvested awards multiplied by the share price at grant.

⁴ Includes the value of unvested LTI opportunities. For LTI awards that have reached the end of their three-year performance period, the value is based on the actual number of shares eligible to vest. For LTI opportunities that have not reached the end of their three-year performance period, this is determined based on the number of shares at fair value at the time of grant, multiplied by the share price at the end of the year.

Executive Board outstanding deferred compensation awards

in / end		Total outstanding end of 2018	Granted in 2019 ¹	Paid out in 2019	Ex post explicit adjustments	Ex post implicit adjustments	Total outstanding end of 2019	% of which exposed to ex post explicit adjustments
Executive Board (CHF million)								
CCAs	Cash-based	7	2	(2)	–	1	8	100%
Deferred cash awards ²	Cash-based	13	13	(3)	(2)	–	21	100%
Share awards ³	Share-based	78	56	(7)	(23)	13	117	100%
Performance share awards	Share-based	8	5	(5)	–	2	10	100%
CCA share awards	Share-based	9	–	(11)	–	2	–	100%
Total		115	76	(28)	(25)	18	156	

¹ Includes awards granted to Executive Board members prior to them joining the Executive Board.

² Includes the deferred cash portion of STI awards.

³ Includes the outstanding 2017, 2018 and 2019 LTI opportunities at maximum opportunity.

Executive Board loans (audited)

The majority of loans outstanding to Executive Board members are mortgages or loans against securities. Such loans are made on the same terms available to employees under the Group's employee benefit plans. Pursuant to the AoA, each Executive Board member may be granted individual credit facilities or loans up to a maximum of CHF 20 million. As of December 31, 2019, 2018 and 2017, outstanding loans to Executive Board members amounted to CHF 32 million, CHF 33 million and CHF 26 million, respectively. The number of individuals with outstanding loans at the beginning and the end of 2019 was 8 and 5, respectively, and the highest loan outstanding was CHF 17 million to Mr. Sitohang.

All mortgage loans to Executive Board members are granted either with variable or fixed interest rates over a certain period. Typically, mortgages are granted for periods of up to ten years. Interest rates

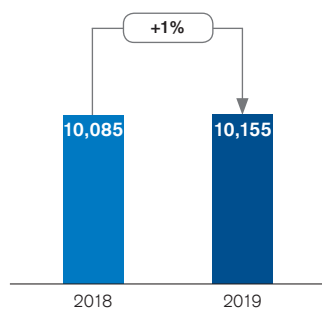
applied are based on refinancing costs plus a margin, and interest rates and other terms are consistent with those applicable to other employees. Loans against securities are granted at interest rates and on terms applicable to such loans granted to other employees. The same credit approval and risk assessment procedures apply to Executive Board members as for other employees. Unless otherwise noted, all loans to Executive Board members were made in the ordinary course of business and substantially on the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons and in consideration of the terms which apply to all Group employees. These loans did not involve more than the normal risk of collectability or present other unfavorable features.

→ Refer to "Banking relationships with Board and Executive Board members and related party transactions" in IV – Corporate Governance – Additional information for further information.

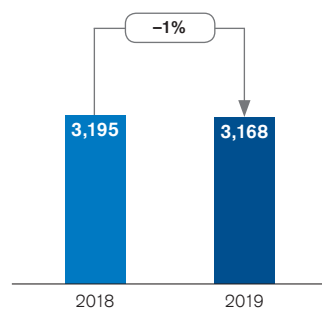
Group compensation

Compensation outcomes for 2019

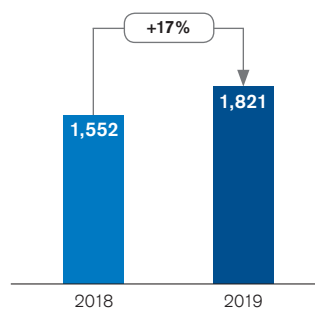
Total compensation awarded
(CHF million)



Variable incentive compensation awarded
(CHF million)



Total compensation awarded to MRTC
(CHF million)



Variable incentive compensation awarded

For 2019, the Compensation Committee proposed an overall Group variable incentive compensation pool of CHF 3,168 million, which was approved by the Board. This amount is lower by 1% compared with the prior year. Although the Group's financial performance has improved substantially since the completion of the restructuring period, the Compensation Committee also considered a range of other factors such as relative performance versus peers and market position and market trends, as well as risk, control, compliance and conduct and ethics considerations. The Compensation Committee also took into account the non-recurring nature of the revenues from the transfer of the InvestLab fund platform to Allfunds Group and the gain related to the revaluation of the Group's equity investment in SIX Group AG. Against the backdrop of a challenging market environment, increasing trade tensions and greater geopolitical uncertainty, the business performed well. Notwithstanding these achievements, the Compensation Committee decided to decrease the Group variable incentive compensation pool by 1% compared with the previous year, to protect returns and profitability, and to achieve a more balanced distribution of profits between shareholders and employees. Approximately 54% of variable incentive compensation awarded is deferred and expensed in future periods, and subject to future

service, performance and malus criteria and other restrictive covenants.

Negative adjustment to outstanding Performance Share Awards

Given the loss before taxes reported by the Investment Banking & Capital Markets division for 2019, the outstanding performance share awards currently held by employees who received those awards while being a member of the Investment Banking & Capital Markets division have been adjusted downward by a total of approximately CHF 7 million.

Compensation awarded to Material Risk Takers and Controllers (MRTCs)

Total compensation awarded to MRTCs for 2019 was CHF 1,821 million, compared with CHF 1,552 million for 2018, mainly as a result of the increase in the number of employees classified as MRTC to 1,444, from 1,030 in 2018. The increase in the number of MRTCs was mainly driven by the inclusion of senior relationship managers in the Wealth Management-related businesses, particularly those in the ultra-high net worth segment or those with cross-border clients.

Total compensation awarded

For	2019			2018		
	Unrestricted	Deferred	Total	Unrestricted	Deferred	Total
Fixed compensation (CHF million)						
Salaries	5,241	108	5,349	5,235	99	5,334
Social security	642	–	642	652	–	652
Other ¹	786	–	786	748	–	748
Total fixed compensation	6,669	108	6,777	6,635	99	6,734
Variable incentive compensation (CHF million)						
Cash	1,433	–	1,433	1,555	–	1,555
Share awards	37	626	663	35	638	673
Performance share awards	–	553	553	–	532	532
Contingent Capital Awards	–	268	268	–	299	299
Deferred cash awards	–	251	251	–	136	136
Total variable incentive compensation	1,470	1,698	3,168	1,590	1,605	3,195
Other variable compensation (CHF million)						
Severance awards	98	–	98	34	–	34
Retention awards	–	40	40	–	25	25
Other ²	19	53	72	23	74	97
Total other variable compensation	117	93	210	57	99	156
Total compensation awarded (CHF million)						
Total compensation awarded	8,256	1,899	10,155	8,282	1,803	10,085
of which guaranteed bonuses	26	34	60	26	33	59

Prior period has been reclassified to conform to the current presentation. Salaries include role-based allowances.

¹ Includes pension and other post-retirement expense of CHF 437 million and CHF 411 million in 2019 and 2018, respectively.

² Includes replacement awards to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers as well as sign-on payments.

Number of employees awarded variable incentive and other compensation

	2019			2018		
	MRTC ¹	Other employees	Total	MRTC ¹	Other employees	Total
Number of employees awarded variable incentive compensation						
Variable incentive compensation	1,398	41,827	43,225	1,003	41,210	42,213
of which Cash	1,211	41,232	42,443	977	40,996	41,973
of which Share awards	1,277	5,796	7,073	944	6,004	6,948
of which Performance share awards	1,297	823	2,120	952	873	1,825
of which Contingent Capital Awards	1,262	4,644	5,906	933	4,843	5,776
of which Deferred cash awards	245	796	1,041	69	431	500
Number of employees awarded other variable compensation						
Severance awards	27	764	791	1	217	218
Retention awards	17	35	52	5	50	55
Guaranteed bonuses	7	123	130	4	129	133
Other ²	34 ³	556	590	29 ³	542	571

Prior period has been reclassified to conform to the current presentation. Excluding Executive Board members who were in office on December 31, 2019 or 2018, respectively.

¹ Excludes individuals who may have been classified as MRTC according to regulatory requirements of jurisdictions outside of Switzerland, particularly US-based revenue producers in Global Markets and Investment Banking & Capital Markets, who were classified as Covered Employees by the US Federal Reserve.

² Includes replacement awards to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers as well as sign-on payments.

³ For 2019 and 2018, sign-on payments were paid to 8 and 5 MRTC, respectively.

Compensation awarded to Material Risk Takers and Controllers

For	2019			2018		
	Unrestricted	Deferred	Total	Unrestricted	Deferred	Total
Fixed compensation (CHF million)						
Total fixed compensation¹	640	57	697	514	58	572
Variable incentive compensation (CHF million)						
Cash	228	–	228	230	–	230
Share awards	37	205	242	35	192	227
Performance share awards	–	357	357	–	328	328
Contingent Capital Awards	–	136	136	–	128	128
Deferred cash awards	–	90	90	–	40	40
Total variable incentive compensation	265	788	1,053	265	688	953
Other variable compensation (CHF million)						
Severance awards	9	–	9	1	–	1
Retention awards	–	37	37	–	6	6
Other ²	2 ³	23	25	4 ³	16	20
Total other variable compensation	11	60	71	5	22	27
Total compensation (CHF million)						
Total compensation	916	905	1,821	784	768	1,552
of which guaranteed bonuses	1	5	6	1	3	4

Prior period has been reclassified to conform to the current presentation. Excluding Executive Board members who were in office on December 31, 2019 or 2018, respectively. Of the total compensation awarded to MRTC for 2019 and 2018, 50% and 49%, respectively, was deferred. Of the total variable incentive compensation awarded to MRTC for 2019 and 2018, 75% and 72%, respectively, was deferred.

¹ The number of MRTCs receiving fixed compensation for 2019 and 2018 was 1,444 and 1,030, respectively.

² Includes replacement awards to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers as well as sign-on payments.

³ For 2019 and 2018, sign-on payments paid to MRTC amounted to CHF 1 million and CHF 1 million, respectively.

Group compensation and benefits expense

Compensation and benefits expenses recognized in the current year income statement include salaries, role-based allowances, variable compensation, benefits and employer taxes on

compensation. Variable compensation expense reflects the variable cash compensation for the current year and amortization of deferred compensation awards granted in prior years.

Group compensation and benefits expense

in	2019			2018		
	Current compensation	Deferred compensation	Total	Current compensation	Deferred compensation	Total
Fixed compensation expense (CHF million)						
Salaries	5,241	102 ¹	5,343	5,235	85 ¹	5,320
Social security ²	642	–	642	652	–	652
Other ³	786	–	786	748	–	748
Total fixed compensation expense	6,669	102	6,771	6,635	85	6,720
Variable incentive compensation expense (CHF million)						
Cash	1,433	–	1,433	1,555	–	1,555
Share awards	37	590 ⁴	627	35	514 ⁴	549
Performance share awards	–	438	438	–	382	382
Contingent Capital Awards	–	308	308	–	154	154
Contingent Capital share awards	–	(1)	(1)	–	2	2
Capital Opportunity Facility awards	–	8	8	–	12	12
Deferred cash awards ⁵	–	310	310	–	136	136
Total variable incentive compensation expense	1,470	1,653	3,123	1,590	1,200	2,790
Other variable compensation expense (CHF million)						
Severance payments	98	–	98	34	–	34
Retention Awards	–	22	22	–	54	54
Other ⁶	22	–	22	22	–	22
Total other variable compensation expense	120	22	142	56	54	110
Total compensation expense (CHF million)						
Total compensation expense	8,259	1,777	10,036	8,281	1,339	9,620

Prior period has been reclassified to conform to the current presentation. Salaries include role-based allowances. Restructuring expenses in connection with the strategic review of the Group were disclosed separately and were not part of the total compensation expenses. In 2018, restructuring expenses included cash severance expenses of CHF 169 million relating to 1,647 employees.

¹ Includes deferred fixed cash compensation expense of CHF 102 million and CHF 85 million related to cash awards for 2019 and 2018, respectively.

² Represents the Group's portion of employees' mandatory social security.

³ Includes pension and other post-retirement expense of CHF 437 million and CHF 411 million in 2019 and 2018, respectively.

⁴ Includes CHF 10 million and CHF 22 million of compensation expense associated with replacement share awards granted in 2019 and 2018, respectively.

⁵ Includes CHF 4 million and CHF 9 million of compensation expense associated with replacement cash awards granted in 2019 and 2018, respectively.

⁶ Includes sign-on payments.

Group estimated unrecognized compensation expense

The following table shows the estimated compensation expense that has not yet been recognized through the income statement for deferred compensation awards granted for 2019 and prior years that were outstanding as of December 31, 2019, with

comparative information for 2018. These estimates are based on the fair value of each award on the grant date, taking into account the current estimated outcome of relevant performance criteria and estimated future forfeitures. No estimate has been included for future mark-to-market adjustments.

Group estimated unrecognized compensation expense

end of	Deferred compensation		2019	Deferred compensation		2018
	For 2019	For prior-year awards		For 2018	For prior-year awards	
Estimated unrecognized compensation expense (CHF million)						
Share awards	596	477 ¹	1,073	629	452 ¹	1,081
Performance share awards	519	193	712	521	167	688
Contingent Capital Awards	257	165	422	273	141	414
Deferred cash awards	251	181 ²	432	136	161 ²	297
Retention awards	–	48	48	–	32	32
Total estimated unrecognized compensation expense	1,623	1,064	2,687	1,559	953	2,512

Prior period has been reclassified to conform to the current presentation.

¹ Includes CHF 28 million and CHF 38 million of estimated unrecognized compensation expense associated with replacement share awards granted to new employees in 2019 and 2018, respectively, not related to prior years.

² Includes CHF 11 million and CHF 13 million of estimated unrecognized compensation expense associated with replacement cash awards granted to new employees in 2019 and 2018, respectively, not related to prior years.

Changes to the value of outstanding deferred awards

Employees experience changes to the value of their deferred compensation awards during the vesting period due to both implicit and explicit value changes. Implicit value changes primarily reflect market-driven effects, such as changes in the Group share price, changes in the value of the CCA and foreign exchange rate movements. Explicit value changes reflect risk adjustments triggered by conditions related to negative performance in the performance share awards, forfeiture, or the malus provisions in all deferred awards. The final value of an award will only be determined at settlement.

→ Refer to "Note 29 – Employee deferred compensation" in VI – Consolidated financial statements – Credit Suisse Group for further information.

The following table provides a comparison of the outstanding deferred compensation awards at the end of 2018 and 2019, indicating the value of changes due to ex post implicit and ex post explicit adjustments. For 2019, the change in value for the outstanding deferred compensation awards was mainly due to implicit adjustments driven primarily by changes in the Group share price, foreign exchange rate movements and changes in the value of CCA.

Outstanding deferred compensation awards

in / end		Total outstanding end of 2018	Granted in 2019	Paid out in 2019	Ex post explicit adjustments	Ex post implicit adjustments	Total outstanding end of 2019	% of which exposed to ex post explicit adjustments
Group (CHF million) ¹								
CCAs	Cash-based	547	286	(170)	(21)	105	747	100%
Deferred cash awards ²	Cash-based	276	103	(132)	(4)	(2)	241	100%
Share awards ²	Share-based	898	811	(491)	(71)	301	1,448	100%
Performance share awards	Share-based	557	534	(306)	(33)	196	948	100%
CCA share awards	Share-based	36	–	(44)	(1)	10	1	100%
Total		2,314	1,734	(1,143)	(130)	610	3,385	
Material Risk Takers and Controllers (CHF million) ³								
CCAs	Cash-based	246	152	(65)	–	21	354	100%
Deferred cash awards ²	Cash-based	87	63	(42)	–	–	108	100%
Share awards ²	Share-based	294	307	(160)	(11)	102	532	100%
Performance share awards	Share-based	315	341	(155)	(5)	118	614	100%
CCA share awards	Share-based	10	–	(12)	–	3	1	100%
Total		952	863	(434)	(16)	244	1,609	

¹ Includes MRTCs and Executive Board members who were in office on December 31, 2019.

² Includes retention awards.

³ Excludes Executive Board members who were in office on December 31, 2019.

Supplementary information

Equal pay opportunity

Credit Suisse does not tolerate any form of discrimination, in particular discrimination based on ethnicity, nationality, gender, sexual orientation, gender identity, religion, age, marital or family status, pregnancy, disability – or any other status that is protected by local law. We recognize and value diversity and inclusion as a driver of success. Our policies and practices support a culture of fairness, where employment-related decisions, including decisions on compensation, are based on an individual's qualifications, performance and behavior, or other legitimate business considerations, such as the profitability of the Group or the division and department of the individual, and the strategic needs of the Group. Consistent with our long-term commitment to fair pay, the Compensation Committee reviews our pay practices on a regular basis to identify potential areas requiring more attention.

Internally, we are committed to developing an inclusive culture, enhancing our existing flexible working opportunities and addressing potential unconscious bias in employee processes. Externally, we are active partners in a number of initiatives to promote gender diversity at more senior levels across industries as well as more career opportunities for women in financial services.

Impact of share-based compensation on shareholders' equity

In general, the income statement expense recognition of share-based awards on a pre-tax basis has a neutral impact on shareholders' equity because the reduction to shareholders' equity from the expense recognition is offset by the obligation to deliver shares, which is recognized as an increase to equity by a corresponding amount. Shareholders' equity includes, as additional paid-in capital, the tax benefits associated with the expensing and subsequent settlement of share-based awards.

Since 2017, the Group has been fulfilling its share delivery obligations by purchasing shares in the market. The Group maintained this practice during 2019 and intends to continue covering future share delivery obligations through market purchases.

Share-based awards outstanding

At the end of 2019, there were 183.0 million share-based awards outstanding, of which 110.5 million were share awards, 72.4 million performance share awards and 0.1 million CCA share awards.

→ Refer to "Note 29 – Employee deferred compensation" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Subsequent activity

In early 2020, the Group granted approximately 57.9 million new share awards and 50.7 million new performance share awards with respect to performance in 2019. Further, the Group awarded CHF 268 million of deferred variable incentive compensation in the form of CCA pursuant to the Group's compensation policy.

In the first half of 2020, the Group plans to settle 71.8 million deferred awards from prior years, of which 44.9 million were share awards, 26.8 million performance share awards and 0.1 million CCA share awards. The Group plans to meet this delivery obligation through market purchases.

→ Refer to "Capital management" in III – Treasury, Risk, Balance sheet and Off-balance sheet for more information.

Group compensation framework

The key elements of our current Group employees' compensation framework and how they applied to various employee categories are described below.

Base salaries

All employees are paid a base salary. Salary levels are based on the skills, qualifications and relevant experience of the individual, the responsibilities required by the role and external market factors.

Role-based allowances

Role-based allowances are a component of fixed compensation awarded to certain employees identified as Prudential Regulation Authority (PRA) Material Risk Taker (MRT) under UK regulatory requirements or material risk-takers under other EU regulatory requirements. These role-based allowances are determined based on the role and organizational responsibility of the individuals. Role-based allowances are deemed to be fixed compensation for the purposes of calculating the cap of variable incentive compensation as required by the Capital Requirements Directive IV (CRD IV) and Capital Requirements Regulation. DCAP is a form of role-based allowance that is used primarily in the Americas.

Variable incentive compensation

For 2019, variable incentive compensation was paid in cash unless the total compensation awarded to an employee for 2019 was greater than or equal to CHF 250,000 or the local currency equivalent or USD 250,000 for employees whose total compensation is denominated in US dollars. In these cases a portion was paid in cash and the balance was deferred, vesting at a later date.

Generally, employees receive the cash portion of their variable incentive compensation at a regular payroll settlement date close to the grant date. To comply with CRD IV requirements, employees who hold material risk-taker roles in respect of certain Group subsidiaries in the EU receive shares for 50% of the non-deferred portion of variable incentive compensation that would have been paid to them in cash. These shares are vested at the time of grant but remain blocked, that is, subject to transfer restrictions, for a period of 12 months.

For 2019 there was one global deferral table with deferral rates that range from 17.5% to 85%. The amount of variable incentive compensation paid in cash for 2019 was capped at CHF 2 million or the local currency equivalent (or USD 2 million for employees whose total compensation is denominated in US dollars) per employee.

Compensation components by employee category

Employee category	Total compensation				
	Fixed compensation	Variable compensation			
		Cash	Deferred compensation ¹		
Base salary			Share awards	Performance share awards	Contingent Capital Awards
Managing directors and directors who are MRTC			30%	50%	20%
Other directors			80%		20%
Other MRTC			50%	50%	
Other employees with total compensation of CHF/USD 250,000 or higher			100%		
Employees with total compensation below CHF/USD 250,000					

¹ Deferred compensation is applicable to employees with total compensation of CHF/USD 250,000 or higher.

Deferred compensation: key features

Award	Delivery ¹	Vesting period ¹	Performance conditions
Share awards	<ul style="list-style-type: none"> One registered share per award Dividend equivalents (payable upon delivery) 	<ul style="list-style-type: none"> 3 years (ratable vesting) 5 years (ratable vesting) for risk managers² 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers³ 	<ul style="list-style-type: none"> No additional performance conditions
Performance share awards	<ul style="list-style-type: none"> One registered share per award Dividend equivalents (payable upon delivery) 	<ul style="list-style-type: none"> 3 years (ratable vesting) 5 years (ratable vesting) for risk managers² 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers³ 	<ul style="list-style-type: none"> Performance conditions apply to full balance of outstanding awards Negative adjustment applies in event of divisional loss⁴ by the division in which the employee worked as of December 31, 2019, or a negative return on equity (RoE) of the Group, whichever results in a larger adjustment For employees in the corporate functions and the Corporate Center, the negative adjustment only applies in the event of a negative RoE of the Group
Contingent Capital Awards	<ul style="list-style-type: none"> At settlement, contingent capital instrument or cash payment based on the fair value of the CCA Prior to settlement, conditional right to receive semi-annual cash payments of interest equivalents Timing and form of distribution upon settlement is subject to approval by the Swiss Financial Market Supervisory Authority FINMA (FINMA) 	<ul style="list-style-type: none"> 3 years (cliff vesting) 5 years (cliff vesting) for risk managers² 7 years (cliff vesting) for senior managers³ 	<p>Prior to settlement, the principal amount would be written down to zero and forfeited if:</p> <ul style="list-style-type: none"> The Group's reported CET1 ratio falls below 7%; or FINMA determines that cancellation of the CCA and other similar contingent capital instruments is necessary, or that the Group requires public sector capital support, in either case to prevent it from becoming insolvent or otherwise failing

¹ Individuals in certain jurisdictions may be subject to conditions other than those outlined here in order to comply with local legal or regulatory requirements.

² Risk managers are a subset of the UK PRA MRT population, defined as individuals identified as having responsibility for managing or supervising risk-taking or significant risk functions for the Group's UK entities.

³ Senior managers are a subset of the UK PRA MRT population, defined as individuals who retain the greatest influence over the strategic direction of the Group's UK business, and who also perform one or more of the PRA and UK Financial Conduct Authority's designated senior management functions and "prescribed responsibilities" for the relevant UK entities.

⁴ Refer to "Potential downward adjustments of performance share awards".

Potential downward adjustments of performance share awards

As described in the following table, performance share awards may be subject to negative adjustments in the event of a divisional loss. The amount of potential negative adjustment is shown in the table below.

Downward adjustment if division incurs a loss

Division loss before taxes (in CHF billion)	Downward adjustment on award balance (in %)
1.00	15
2.00	30
3.00	45
4.00	60
5.00	75
6.00	90
6.67	100

Competitive benchmarking

The assessment of the economic and competitive environment is an important element of the compensation process as the Group strives for market-informed, competitive compensation levels. Internal expertise and the services of compensation consulting firms are used to benchmark compensation levels against relevant peers, taking into account geographical variations. The Compensation Committee is provided with regular reports from an independent compensation adviser on industry and market trends, including competitor performance and pay trends. The core group considered for the purposes of Group peer benchmarking are Bank of America, Barclays, Citigroup, Deutsche Bank, Goldman Sachs, JPMorgan Chase, Morgan Stanley and UBS. Specific benchmarking may include other peers, depending on the business area or geographic location, as appropriate.

For consideration of European and local practices, the Compensation Committee also references a cross-industry peer group of multinational companies headquartered in Europe selected on the basis of comparability to Credit Suisse in size, scale, global scope of operations and economic influence. In addition to the companies already listed previously and those included as part of the Executive Board LTI RTSR peer group, peers considered for Executive Board compensation include: AstraZeneca, Bayer, Commerzbank, Credit Agricole, Danske Bank, GlaxoSmithKline, HSBC, Lloyds Banking Group, Merck KGaA, Natixis, Novartis, Roche and UniCredit.

Focus on risk and control

Risk and control considerations are an integral part of the performance assessment and compensation processes. This ensures that the Group's approach to compensation includes a focus on risk and internal control matters and discourages excessive risk taking. Senior management from the Group's corporate functions, including Risk, Compliance, General Counsel, Human Resources, Internal Audit and Product Control, provide the Compensation Committee with comprehensive feedback on regulatory, audit, disciplinary and risk-related issues or trends across the Group, relevant to the assessment of the Group's risk and control culture. Divisions are assessed against risk and conduct measures for the year, and the consolidated findings are presented to the Compensation Committee and the CEO. Based on these assessments, the Compensation Committee may approve adjustments to the divisional pool levels as proposed by the CEO.

Aside from risk considerations, disciplinary events may also impact compensation decisions. Conduct and Ethics Boards (CEBs) review all disciplinary events and decide on disciplinary sanctions proposed by the recommendation teams, which include representatives from the control functions. CEBs have been established at the Group-wide level, as well as for each business division and the corporate functions overall. The Group CEB meets on a quarterly basis to ensure that sanctions applied are in line with the Group's risk appetite, market practice and regulatory requirements.

Malus and clawback provisions

All deferred compensation awards granted contain malus provisions that enable the Group to reduce or cancel the awards prior to settlement if the participant engages in certain detrimental conduct. Malus provisions were enforced during the course of

2019. All variable incentive compensation granted to UK PRA MRT and employees regulated by the Bank of Italy are subject to clawback. Other EU-regulated employees are also subject to clawback provisions as required by applicable legal or regulatory requirements.

	Application	Scope/Criteria
Malus	<ul style="list-style-type: none"> Reduction or cancellation of outstanding deferred awards prior to settlement Applies to all outstanding deferred awards granted 	<ul style="list-style-type: none"> Impermissible disclosure or misuse of Group information, or willful engagement in conduct that is materially detrimental to an interest of the Group; Conduct that evidences serious misbehavior or serious error; Conduct that causes, could cause or could have caused the Group or any division or region to suffer a significant downturn in financial performance or regulatory capital base; Significant failure of risk management; or Conduct that is reviewed by the Group's disciplinary conduct, ethics or similar committee
Clawback	<ul style="list-style-type: none"> Claim back of deferred and non-deferred variable compensation after vesting and settlement For UK PRA MRT, clawback may be applied up to seven years from grant date (or such longer period as may be required) The Group will apply clawback provisions to the extent permitted under local laws, as required 	<p>For UK PRA MRT, clawback may be applied in certain situations, including:</p> <ul style="list-style-type: none"> Conduct which resulted in significant losses to the Group; Failure to meet appropriate standards of fitness and propriety; Reasonable evidence of misconduct or misbehavior or a material or serious error; The Group or relevant business unit suffers a material failure of risk management; A regulator mandates a significant increase in regulatory capital for the Group or any division or region; or The individual has contributed to any regulatory sanctions imposed on the Group or division or region <p>Similar clawback provisions apply for employees regulated by the Bank of Italy and other EU-regulated employees who are subject to a clawback requirement.</p>

Covered Employees (including Material Risk Takers and Controllers)

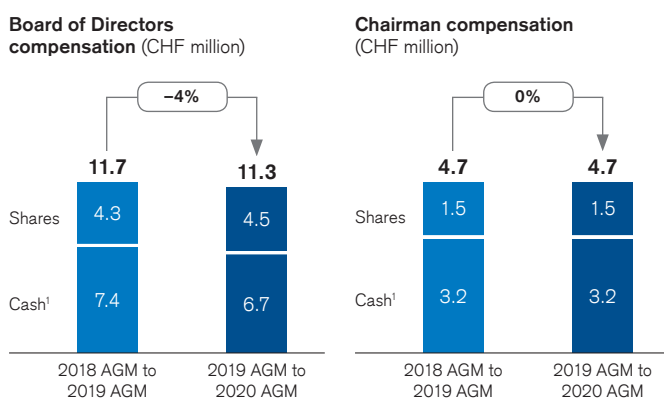
Covered employees are subject to a heightened level of scrutiny over the alignment of their compensation with performance and risk considerations.

Employee categories	Compensation process
Covered Employees <ul style="list-style-type: none"> MRTC US-based revenue producers in Global Markets and Investment Banking & Capital Markets divisions 	Focus on risk assessment <ul style="list-style-type: none"> Covered employees and their managers are required to define role-specific risk objectives and to incorporate risk considerations in their performance evaluations and when setting variable incentive compensation Types of risks considered vary by role (e.g., reputational, credit, market, operational, liquidity, legal and compliance) Both realized and potential risk outcomes are assessed
MRTC <ul style="list-style-type: none"> Members of the Executive Board Employees who report directly to a member of the Executive Board Employees, individually or as part of a group, with the ability to put material amounts of the Group's capital at risk Top 150 paid employees across the Group based on total compensation Any employee identified as taking or controlling material risks on behalf of the Group, as prescribed by EU/UK regulators Senior relationship managers in the Wealth Management-related businesses Other individuals whose roles have been identified as having a potential impact on the market, reputational and operational risk of the Group 	

Board of Directors compensation

Compensation outcomes for 2019

Board of Directors and Chairman compensation



Figures above may contain rounding differences.

¹ Includes pension and other benefits for the period from the 2018 AGM to the 2019 AGM and from the 2019 AGM to the 2020 AGM.

For the period from the 2019 AGM to the 2020 AGM, aggregate compensation to the Board of CHF 11.3 million consisted of CHF 10.8 million related to Group Board memberships and CHF 0.5 million of fees paid to certain Board members for subsidiary board memberships. This compares with the amount of CHF 12.0 million approved prospectively by shareholders at the 2019 AGM. Total Board compensation is 4% lower than the prior period, mainly driven by lower subsidiary board compensation resulting from the chairman of the board of Credit Suisse (Schweiz) AG no longer being a member of the Group Board.

The Board membership and committee fee amounts for the 2019 AGM to 2020 AGM period are consistent with the prior year, except for the new committee fee of CHF 75,000 for the Conduct and Financial Crime Control Committee, which was established in 2019.

→ Refer to the table "Board membership fees: 2019 AGM – 2020 AGM" in Compensation Design for further information.

For the 2020 AGM to 2021 AGM period, the Board intends to leave these fee amounts unchanged except for the following:

- the Audit Committee chair fee will be reduced to CHF 400,000, from CHF 480,000 currently; and
- a new chair fee for the Conduct and Financial Crime Control Committee of CHF 150,000 will be introduced for the incoming chair of this committee. This committee is currently chaired by the Chairman, who does not receive an additional fee for this role.

Compensation of the Chairman

The Chairman's compensation for the 2019 AGM to 2020 AGM period remained unchanged compared with the prior period. His role is a full-time appointment, and he may also receive benefits from, and make contributions to, the Group pension fund in line with local market practice for the Group. The total compensation paid to the Chairman reflects his full-time status and active role

in shaping the Group's strategy, governing the Group's affairs, engaging and maintaining a close working relationship with the CEO and senior management, and providing supervision, counsel and support, where appropriate. The Chairman coordinates the Board's activities, works with the committee chairs to coordinate the tasks of the committees and ensures that Board members are provided with sufficient information to perform their duties. The Chairman drives the Board agenda on key topics such as the strategic development of the Group, corporate culture, succession planning and the structure and organization of the Group. He chairs the Board, the Governance and Nominations Committee, the Conduct and Financial Crime Control Committee and the shareholder meetings. He takes an active role in representing the Group to regulators and supervisors, key shareholders, investors, and other external stakeholders. Moreover, he is a member of the boards of several Swiss and international industry associations on behalf of the Group, including the Swiss Bankers Association, the Swiss Finance Council, the Institute of International Finance and the European Banking Group.

Compensation of the committee chairs

Committee chair fees are paid for the Audit Committee, the Compensation Committee and the Risk Committee. These fees are fixed in advance and are not linked to the Group's financial performance. In addition to the greater time commitment required to prepare and lead the committee work, the chair fees reflect the engagement of these three committee chairs throughout the year with regulators, shareholders, the business divisions and corporate functions and other stakeholders. Regulatory developments in the banking industry in recent years have put increasing demands on the Risk and Audit Committee Chairs, in particular, increasing the frequency of interaction with the Group's main regulators on internal control, risk, capital and other matters under the supervision of these committees. Similarly, the greater focus of shareholders and regulators on compensation has resulted in an increased number of engagements between the Compensation Committee Chair and key shareholders and shareholder proxy advisers, as well as with regulators. The Compensation Committee held 11 meetings and calls, and the Compensation Committee Chair personally attended 44 separate meetings with key shareholders and proxy advisers during 2019. The Audit Committee Chair fee takes into consideration the greater number of meetings required of the Audit Committee for the review and approval of the quarterly financial results and related filings and the Audit Committee Chair's supervisory role over the Internal Audit function. The Audit Committee held 17 meetings and calls during 2019. The Risk Committee Chair fee reflects the regular interaction required between the Risk Committee Chair and the Group chief risk officer and other senior managers in the risk management function, as well as the oversight role over the Credit Risk Review function, which reports directly to the Risk Committee Chair. The Risk Committee held 7 meetings during

2019, and in addition, the Risk Committee Chair held numerous meetings with regulators and other stakeholders.

- Refer to the table "Members of the Board and Board committees" in IV – Corporate Governance – Board of Directors for further information.
- Refer to "Credit risk governance" in III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management – Risk coverage and management – Credit risk for further information on the Credit Risk Review function.

Compensation of Board members serving on subsidiary boards

A number of Board members also serve as members on the boards of Group subsidiary companies. This practice is consistent with the Group's legal entity governance principles, which aim to foster a close alignment of the Group's governance practices and those of its significant subsidiary companies.

- Refer to the "Governance of Group subsidiaries" and "Biographies of the Board members" in IV – Corporate Governance – Board of Directors for further information.

With the exception of the Chairman, Board members may receive separate fees paid in cash for serving on subsidiary boards, in addition to their Board fees. These fees are approved by the respective subsidiary boards and are subject to ratification by the Board. All subsidiary board fees are included in the total amount of compensation of the members of the Board proposed for approval by shareholders at the AGM. The Chairman does not receive separate fees for board memberships in other Group

companies, as these memberships are considered to be included as part of the Chairman's compensation.

The Board members newly appointed to serve on subsidiary boards receive a flat subsidiary board membership fee of CHF 100,000 (or higher amounts if a Board member serves as the chair of the subsidiary board or a committee). This amount is generally less than that received by other external subsidiary board members, given that Board members are already familiar with the Group's entities and activities. Serving on a subsidiary board is nevertheless a significant additional commitment for these Board members, reflected, for example, in the number of subsidiary board meetings held throughout the year as shown in the following table.

Number of subsidiary board meetings

	Board ¹	Committee ²	Total
Subsidiary			
Credit Suisse (Schweiz) AG	10	16	26
Credit Suisse International (CSI) / Credit Suisse Securities (Europe) Ltd. (CSSEL)	18	11	29
Credit Suisse Holdings (USA), Inc. ³	23	17	40

¹ Includes ad hoc meetings and calls.

² Includes meetings of the respective subsidiary board's audit and risk committees.

³ Board and committee meetings partly held jointly with Credit Suisse (USA) Inc. and Credit Suisse Securities (USA) LLC.

Supplementary information

Board compensation from the 2019 AGM to the 2020 AGM (audited)

	CF				Base board fee	Committee fee	Chair fee	Pension and other benefits	Total	Group	Subsidiaries		Total, including subsidiary boards ³
	GNC	AC	CC	CCC						RC	Of which awarded in Group shares ¹	Subsidiary board fee ²	
CHF													
Urs Rohner, Chairman ⁴	C			C	3,000,000		1,500,000	218,665	4,718,665	1,500,000			4,718,665
Iris Bohnet				M	250,000	100,000			350,000	175,000			350,000
Christian Gellerstad				M	250,000	175,000			425,000	212,500			425,000
Andreas Gottschling	M	M		C	250,000	200,000	400,000		850,000	425,000	100,000		950,000
Alexander Gut		M			250,000	150,000			400,000	200,000	150,000		550,000
Michael Klein				M	250,000	200,000			450,000	225,000			450,000
Shan Li				M	250,000	100,000			350,000	175,000			350,000
Seraina Macia				M	250,000	100,000			350,000	175,000			350,000
Kai S. Nargolwala	M		C	M	250,000	125,000	300,000		675,000	337,500			675,000
Ana Paula Pessoa		M		M	250,000	225,000			475,000	237,500			475,000
Joaquin J. Ribeiro		M			250,000	150,000			400,000	200,000			400,000
Severin Schwan	M			M	250,000	150,000			400,000	200,000			400,000
John Tiner	M	C		M	250,000	225,000	480,000		955,000	477,500	225,000		1,180,000
Total					6,000,000	1,900,000	2,680,000	218,665	10,798,665	4,540,000	475,000	0	11,273,665

GNC = Governance and Nominations Committee; AC = Audit Committee; CC = Compensation Committee; CFCCC = Conduct and Financial Crime Control Committee; RC = Risk Committee; C = Chair; M = Member

¹ As of December 31, 2019, one-half of the Board member fees to be awarded in Group shares have been delivered to Board members. The applicable Group share price was CHF 12.19. The remaining shares will be delivered to Board members at or around the date of the 2020 AGM and the share price for this second share delivery will be determined at that time. Group shares are subject to a four-year blocking period.

² Subsidiary board fees were awarded for the following subsidiary board roles: i) Mr. Gottschling serves as non-executive director, member of the risk committee and chair of the advisory remuneration committee of the UK subsidiaries Credit Suisse International and Credit Suisse Securities (Europe) Limited and receives annual fees of CHF 100,000 for these roles; ii) Mr. Gut serves as non-executive director and audit committee chair of the Swiss subsidiary Credit Suisse (Schweiz) AG and receives annual fees of CHF 100,000 and CHF 50,000 for these roles respectively; iii) Mr. Tiner serves as non-executive board member of the US subsidiaries Credit Suisse Holdings (USA), Inc., Credit Suisse (USA) Inc. and Credit Suisse Securities (USA) LLC; and in the case of Mr. Tiner, these fees were agreed prior to the cap of CHF 100,000 being adopted for Group Board members serving on subsidiary boards.

³ At the 2019 AGM, shareholders approved a maximum amount of total compensation to be awarded to Board members until the 2020 AGM of CHF 12 million. For the total compensation awarded to members of the Board, the Group will make payments of CHF 0.5 million for the 2019 / 2020 Board period to cover the mandatory employer social security contributions as required under the social security laws applicable to the individual Board members based on their domicile and employment status. These contributions do not form part of the Board members' compensation.

⁴ The Chair fee of the Chairman is set at CHF 1.5 million to be awarded as 100% Group shares. The total compensation of the Chairman includes benefits for the period from the 2019 AGM to the 2020 AGM of CHF 218,665, including pension and health insurance benefits.

Board compensation from the 2018 AGM to the 2019 AGM (audited)

	GNC	AC	CC	RC	Base board fee	Committee fee	Chair fee	Pension and other benefits	Total	Group	Subsidiaries		Total, including subsidiary boards ³
										Of which awarded in Group shares ¹	Subsidiary board fee ²	Pension and other benefits	
CHF													
Urs Rohner, Chairman ⁴	C				3,000,000		1,500,000	217,437	4,717,437	1,500,000			4,717,437
Iris Bohnet			M		250,000	100,000			350,000	175,000			350,000
Andreas Gottschling	M	M		C	250,000	200,000	400,000		850,000	425,000	100,000		950,000
Alexander Gut		M			250,000	150,000			400,000	200,000	150,000		550,000
Michael Klein				M	250,000	100,000			350,000	175,000			350,000
Andreas N. Koopmann			M		250,000	100,000			350,000	175,000			350,000
Seraina Macia				M	250,000	100,000			350,000	175,000			350,000
Kai S. Nargolwala	M		C		250,000	50,000	300,000		600,000	300,000			600,000
Ana Paula Pessoa		M			250,000	150,000			400,000	200,000			400,000
Joaquin J. Ribeiro		M			250,000	150,000			400,000	200,000			400,000
Severin Schwan	M			M	250,000	150,000			400,000	200,000			400,000
John Tiner	M	C		M	250,000	150,000	480,000		880,000	440,000	220,500		1,100,500
Alexandre Zeller ⁵	M		M		208,333	125,000			333,333	166,667	666,667	180,993	1,180,993
Total					5,958,333	1,525,000	2,680,000	217,437	10,380,770	4,331,667	1,137,167	180,993	11,698,930

GNC = Governance and Nominations Committee; AC = Audit Committee; CC = Compensation Committee; RC = Risk Committee; C = Chair; M = Member

¹ As of December 31, 2018, one-half of the Board member fees to be awarded in Group shares have been delivered to Board members. The applicable Group share price was CHF 13.03. The remaining shares were delivered to Board members at or around the date of the 2019 AGM and the share price for this second share delivery was determined at that time. Group shares are subject to a four-year blocking period.

² Subsidiary board fees were awarded for the following subsidiary board roles: i) Mr. Gottschling serves as non-executive director and member of the risk committee and advisory remuneration committee of the UK subsidiaries Credit Suisse International and Credit Suisse Securities (Europe) Limited; ii) Mr. Gut serves as non-executive director and audit committee chair of the Swiss subsidiary Credit Suisse (Schweiz) AG; iii) Mr. Tiner serves as non-executive board member of the US subsidiaries Credit Suisse Holdings (USA), Inc. and Credit Suisse Securities (USA) LLC; in the case of Mr. Tiner, these fees were agreed prior to the cap of CHF 100,000 being adopted for Group Board members serving on subsidiary boards; and iv) Mr. Zeller served as non-executive board member and chairman of Credit Suisse (Schweiz) AG.

³ At the 2018 AGM, shareholders approved a maximum amount of total compensation to be awarded to Board members until the 2019 AGM of CHF 12 million. For the total compensation awarded to members of the Board, the Group made payments of CHF 0.6 million for the 2018 / 2019 Board period to cover the mandatory employer social security contributions as required under the social security laws applicable to the individual Board members based on their domicile and employment status. These contributions do not form part of the Board members' compensation.

⁴ The Chair fee of the Chairman is set at CHF 1.5 million to be awarded as 100% Group shares. The total compensation of the Chairman includes benefits for the period from the 2018 AGM to the 2019 AGM of CHF 217,437, including pension and health insurance benefits.

⁵ Mr. Zeller stepped down as Group board member and board member and chairman of the board of directors of the subsidiary Credit Suisse (Schweiz) AG effective February 28, 2019. Accordingly, Mr. Zeller's Board compensation has been pro-rated for the period from the 2018 AGM to February 28, 2019. During this period, Mr. Zeller was eligible for pension and health insurance benefits in connection with his role as chairman and member of the board of Credit Suisse (Schweiz) AG, but not for his role as member of the Group Board.

Board shareholdings

The following table discloses the shareholdings of the Board members, their immediate family and companies in which they have a controlling interest. As of December 31, 2019 and 2018, there were no Board members with outstanding options.

Board shareholdings by individual

end of	2019	2018
December 31 (shares) ¹		
Urs Rohner	298,416	268,250
Iris Bohnet	74,916	61,311
Christian Gellerstad ²	51,716	–
Andreas Gottschling	51,391	19,210
Alexander Gut	51,455	37,707
Michael Klein	22,369	6,713
Shan Li ²	7,178	–
Seraina Macia	63,432	49,827
Kai S. Nargolwala	324,088	299,872
Ana Paula Pessoa	24,758	7,672
Joaquin J. Ribeiro	53,253	37,705
Severin Schwan	145,505	129,957
John Tiner	278,188	244,317
Total	1,446,665	1,162,541 ³

¹ Includes Group shares that are subject to a blocking period of up to four years; includes shareholdings of immediate family members.

² Christian Gellerstad and Shan Li were newly elected at the 2019 AGM.

³ Excludes 131,231 shares held by Andreas Koopmann, who did not stand for re-election to the Board as of April 26, 2019, and 79,763 shares held by Alexandre Zeller, who stepped down from the Board as of February 28, 2019.

Board loans

The majority of loans outstanding to members of the Board are mortgages or loans against securities. Such loans are made to Board members on the same terms available to third-party clients. Pursuant to the AoA, each member of the Board may be granted individual credit facilities or loans up to a maximum of CHF 20 million at market conditions. As of December 31, 2019, 2018 and 2017, outstanding loans to Board members amounted to CHF 9 million, CHF 6 million and CHF 11 million, respectively.

Board members with loans, including the Chairman, do not benefit from employee conditions, but are subject to conditions applied to clients with a comparable credit standing. Unless otherwise noted, all loans to Board members are made in the ordinary course of business and substantially on the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons. Such loans do not involve more than the normal risk of collectability or present other unfavorable features. In addition to the loans listed below, the Group or any of its banking subsidiaries may enter into financing and other banking agreements with companies in which current Board members have a significant influence as defined by the US Securities and Exchange Commission (SEC). Examples include holding executive and/or board level roles in these companies. Unless otherwise noted, loans extended by the Group to such companies are also made in the ordinary course of business and at prevailing market conditions. As of December 31, 2019, 2018 and 2017, there was no loan exposure to such related party companies that was not made in the ordinary course of business and at prevailing market conditions.

→ Refer to "Banking relationships with Board and Executive Board members and related party transactions" in IV – Corporate Governance – Additional information for further information.

Board loans by individual (audited)

end of	2019	2018
December 31 (CHF)		
Urs Rohner	4,575,000	4,660,000
Christian Gellerstad	3,533,550	–
Alexander Gut	30,000	30,000
Seraina Macia	952,000	960,000
Total	9,090,550	5,650,000 ¹

Includes loans to immediate family members and companies, in which the respective Board member has an ownership stake of 50% or higher.

¹ Excludes a loan of CHF 4,122,750 held by Andreas N. Koopmann, who did not stand for re-election to the Board as of April 26, 2019.

Former members of the Board

One former member of the Board is eligible to receive office infrastructure and secretarial support. These services are based on existing resources and are not used on a regular basis. No additional fees, severance payments or other forms of compensation were paid to former members of the Board or related parties during 2019 and 2018.

Compensation design

Compensation strategy and objectives

Consistent with prior years, our key compensation objectives are to maintain compensation practices that:

- foster a **performance culture** based on merit that differentiates and rewards excellent performance;
- **attract and retain employees**, and motivate them to achieve results with integrity and fairness;
- **balance the mix of fixed and variable** compensation to appropriately reflect the value and responsibility of the role performed, and to influence appropriate behaviors and actions;
- promote **effective risk management** practices that are aligned with the Group's compliance and control cultures;
- create a culture that adheres **to high conduct and ethics standards** through a system of applying both malus and rewards;
- encourage **teamwork and collaboration** across the Group;
- achieve a **balanced distribution of profitability between shareholders and employees** over the long term, subject to Group performance and market conditions; and
- take into account the long-term performance of the Group, in order to **create sustainable value for shareholders**.

What we do

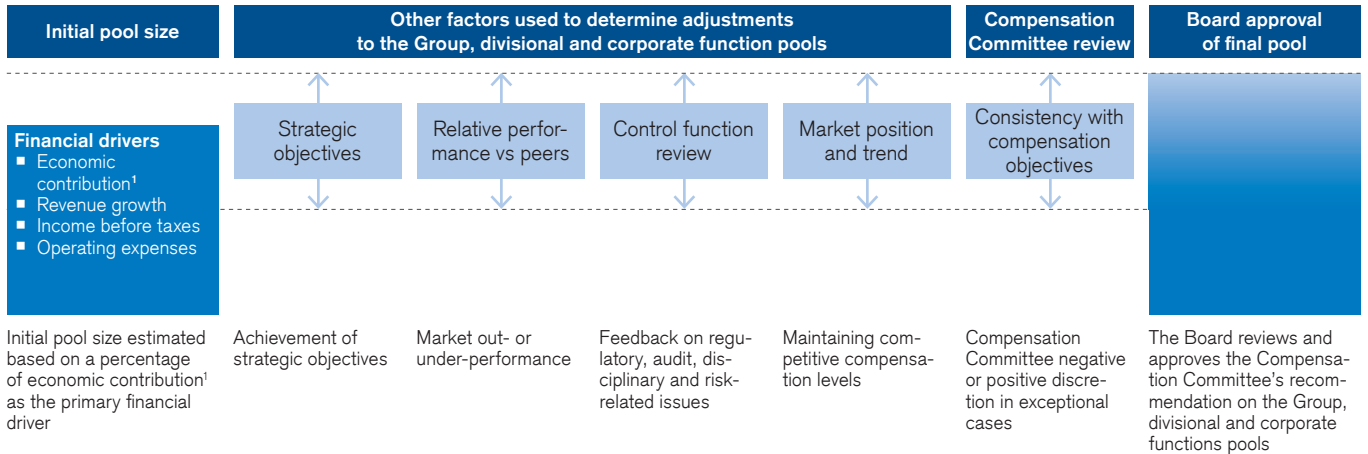
- **Pay for performance alignment** with significant portion of Executive Board and employee compensation "at risk" and determined by the achievement of performance targets linked to Group financial results and shareholder value creation
- **Majority of variable pay in deferred share-based awards** with vesting periods of at least three years
- **Risk, compliance and conduct and ethics** considerations are factored into the compensation decision-making process
- **Minimum shareholding requirements**, with Executive Board members restricted from selling shares, or from receiving share-based awards in the form of cash, until they fulfill the requirements
- **Strong malus provisions** that enable the cancellation or reduction of unsettled awards in the event of certain detrimental conduct
- **Competitive benchmarking** against our peer groups to make informed decisions on pay levels and pay practices
- **Mitigation of equity dilution** of existing shareholders by fulfilling the Group's share delivery obligations through purchasing shares in the market
- **Shareholder engagement** throughout the year to gather feedback on compensation programs and practices and reflect it in our decision-making

What we don't do

- **No "golden parachute" agreements** or any other pre-determined termination agreements including special severance awards for employees
- **No special severance** provisions to Executive Board members beyond the regular compensation awarded during the notice period
- **No hedging** of outstanding share-based awards and **no pledging** of unvested, or vested and undistributed share-based awards
- **No multi-year guaranteed incentive awards**
- **No special executive benefits** that are different from those available to other employees. Executive Board members are part of the same pension plan structure as other employees

Determination of Group variable incentive compensation pool

The Group variable incentive compensation pool for all employees, including the CEO and the other Executive Board members, is determined on an annual basis, with accruals made throughout the year. In determining the Group, divisional and corporate function pools, the Compensation Committee aims to balance the distribution of the Group's profits between shareholders and employees. The factors taken into consideration at the Group level, as well as at the divisional and functional levels, are shown in the illustration below. The primary driver of the initial pool amounts is economic contribution, with non-financial factors taken into consideration to arrive at the final level.

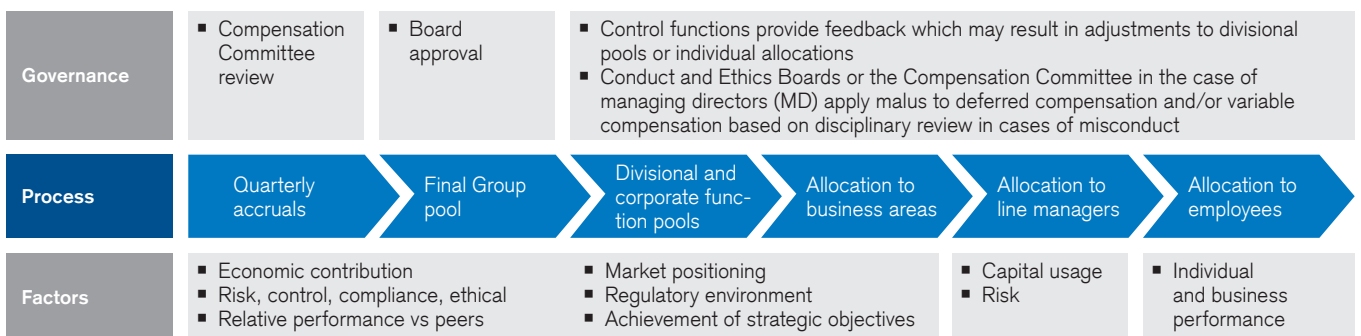


¹ Economic contribution is measured as income before taxes excluding variable incentive compensation expense, after deducting a capital usage charge that is calculated based on regulatory capital. Regulatory capital for compensation purposes was defined for each division as the higher of 10% of average divisional Basel III risk-weighted assets and 3.5% of average divisional leverage exposure. This measure of economic contribution considers the profitability of the divisions and the Group and the capital utilized to achieve this profitability.

The Compensation Committee regularly reviews the accruals and related financial information and applies adjustments in exceptional circumstances to ensure that the overall size of the pools is consistent with the Group's compensation objectives.

The total amount of the variable incentive compensation pool for the corporate functions is not linked to the performance of the particular divisions that employees of the corporate functions support or oversee, but takes into account the Group-wide financial performance, measured in the form of Group economic contribution and non-financial factors. Therefore, employees working in the corporate functions, including those performing control functions, are remunerated independently from the performance of the businesses they oversee and support. As with the business divisions, risk, control, compliance and conduct and ethics considerations and relative performance compared to peers, as well as the market and regulatory environment, are taken into account.

Determination of variable incentive compensation pools



Executive Board compensation framework for 2019: key elements

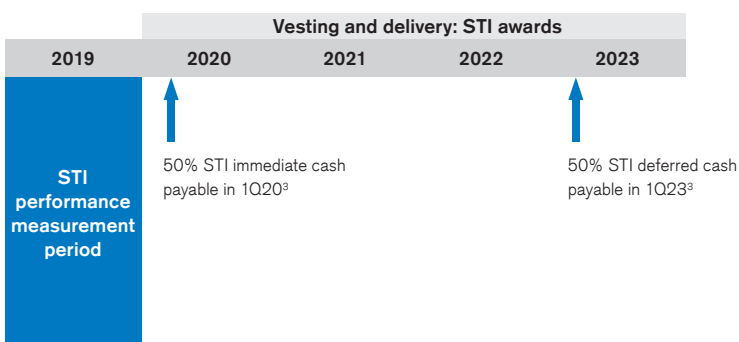
There are two main components of Executive Board compensation: fixed compensation in the form of base salary and pension and benefits (~30-40% of total compensation); and variable compensation in the form of an annual STI award and an LTI opportunity (~60-70% of total compensation). The key features of the STI and LTI are described in the following diagrams, including the performance targets for the 2019 STI awards which are disclosed retrospectively, and those for the LTI which were disclosed prospectively in the 2018 Compensation Report. In setting the threshold, target and maximum performance levels, the Compensation Committee takes into account the Group's internal financial plan, prior-year performance, analyst expectations and any publicly stated ambitions, in order to set performance targets which are challenging and motivating for the Executive Board.

2019 STI awards: key features

- Rewards **achievement of annual objectives** of the Group
- Each Executive Board member has a **maximum opportunity** that takes into account role, market experience and geography:
 - Executive Board members: ranges from 0.33 to 2.50 times base salary
 - CEO: 1.83 times base salary
- The maximum STI award pool equals the sum of all individual maximum opportunities of the Executive Board members. **The award pool amount is determined based on achievement of pre-determined Group financial and non-financial metrics**
- The STI award amount for each Executive Board member is assessed by the CEO based on **individualized balanced scorecards**. Based on this assessment, the Compensation Committee makes proposals to the Board for the approval of final STI award amounts
- Payout levels for the Group financial criteria** (calculated as a linear percentage of the award opportunity between levels):

Below Threshold	Threshold	Target	Maximum
0%	25%	67%	100%

Performance criteria	Weighting	Performance targets		
		Threshold	Target	Maximum
Adjusted income before taxes ¹ (CHF billion)	33 $\frac{1}{3}$ %	4.2	5.2	6.1
RoTE ² (%)	33 $\frac{1}{3}$ %	6.0%	8.5%	10.5%
Non-financial criteria (average)	33 $\frac{1}{3}$ %	See separate description		

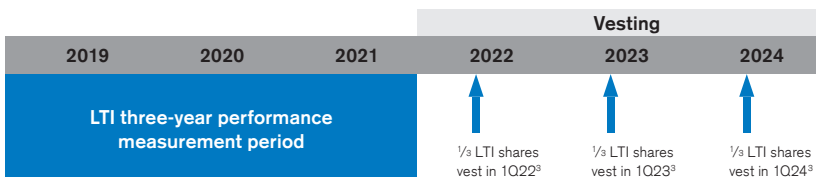
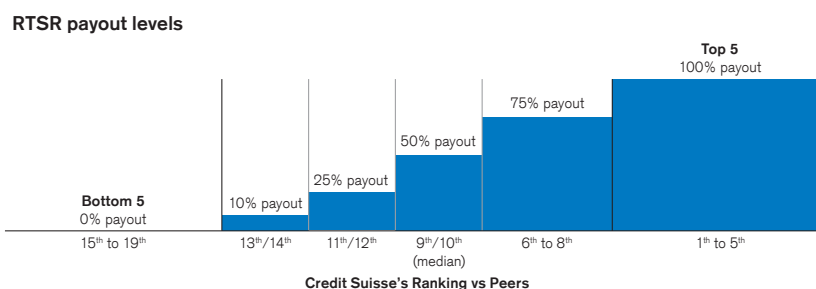


2019 LTI opportunities (2019-2021 performance cycle): key features

- Rewards **achievement of long-term business plan and long-term returns for shareholders**
- Each Executive Board member has a **maximum opportunity** that takes into account role, market experience and geography:
 - Executive Board members: ranges from 0.67 to 4.25 times base salary
 - CEO: 2.50 times base salary
- Payout levels for the Group financial criteria** are determined by average performance over three years (calculated as a linear percentage of the award opportunity between levels):

Below Threshold	Threshold	Target	Maximum
0%	25%	67%	100%
- For the RTSR component, **zero payout for bottom five places** and limited payout below median in line with Swiss market practice
- RTSR peer group of 18 publicly-listed companies, chosen by the Compensation Committee based on size, geographic scope, business mix, and positive share price correlation in terms of reaction to external market conditions. The peer group is unchanged since 2016 when the RTSR criteria was introduced, and consists of Banco Santander, Bank of America, Barclays, BBVA, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, ING Group, Intesa Sanpaolo, JPMorgan Chase, Julius Bär, Morgan Stanley, Nordea Bank, Royal Bank of Scotland, Société Générale, Standard Chartered and UBS

Performance criteria	Weighting	Performance targets		
		Threshold	Target	Maximum
Three-year average RoTE ²	33 $\frac{1}{3}$ %	6.0%	8.5%	11.5%
Three-year average TBVPS (CHF) ⁴	33 $\frac{1}{3}$ %	17.50	18.55	19.60
Relative Total Shareholder Return (RTSR)	33 $\frac{1}{3}$ %	See "RTSR payout levels"		



¹ Adjusted results are non-GAAP financial measures, which exclude certain items included in our reported results.

² RoTE is based on tangible shareholders' equity, a non-GAAP financial measure, which is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet.

³ For UK PRA MRT (Material Risk Takers), to comply with regulatory requirements, delivery comprises 20% immediate cash payment, 20% immediate Credit Suisse Group AG registered shares, subject to a blocking period of 12 months, and 30% deferred cash and 30% deferred shares, vesting in five equal tranches on the third to seventh anniversaries of the grant date.

⁴ TBVPS is a non-GAAP financial measure, which is calculated by dividing tangible shareholders' equity by total number of shares outstanding and excludes the impact of any dividends paid during the performance period, own credit movements and foreign exchange rate movements, but includes the impact of share buybacks.

→ Refer to "Executive Board compensation" for further information.

Group employees compensation framework for 2019: key elements

The compensation structure for employees not on the Executive Board consists of fixed compensation in the form of base salary and pension and benefits, and variable compensation in the form of cash, share awards, performance share awards and contingent capital awards, as shown in the diagram below.

Features	Vesting (year)					Design	
	2019	2020	2021	2022	2023		
Fixed	Base Salary						<ul style="list-style-type: none"> Based on skills, qualifications, relevant experience, responsibilities and external market factors Role-based allowances apply to certain MRTC
	Pension and Benefits						<ul style="list-style-type: none"> Pension and benefits consistent with local market practice
Variable	Cash Award						<ul style="list-style-type: none"> Employees with total compensation below CHF/USD 250,000 receive their full amount of variable compensation in the form of an immediate cash award
	Share Awards			1/3	1/3	1/3	For total compensation of CHF/USD 250,000 or higher: <ul style="list-style-type: none"> Deferred share awards with no additional performance conditions Managing Directors (MD) and MRTC receive deferred share awards with performance conditions as part of their deferred compensation MD and Directors receive loss-absorbing contingent capital awards
	Performance Share Awards			1/3	1/3	1/3	
	CCA					1/3	

Note: Individuals in certain jurisdictions may be subject to conditions other than those outlined above in order to comply with local legal or regulatory requirements.

→ Refer to "Group compensation" for further information.

Board of Directors compensation framework for 2019: key elements

The Board compensation framework for 2019 continues to be based on a fixed fee structure for the period from one AGM to the next with pre-defined fees for Board membership, committee membership and chairing a committee. In line with industry practice, Board fees are not linked to the financial performance of the Group. Fees for specific Board leadership roles are reviewed periodically and adjusted as required. Base Board fees have not changed for over 10 years.

Board membership fees: 2019 AGM – 2020 AGM (in CHF)

Role	Board	Governance and Nominations Committee (GNC)	Audit Committee (AC)	Compensation Committee (CC)	Conduct and Financial Crime Control Committee (CFCCC)	Risk Committee (RC)	Form of payment	Timing of payment
Base fee/Committee fee (excluding the Chairman)	250,000	50,000	150,000	100,000	75,000	100,000	50% cash; 50% Group shares blocked and non-transferable for four years	Two equal installments in arrears
Committee Chair fee ¹		– ²	480,000	300,000	– ²	400,000		One installment at end of current board period
Chairman's base fee	3,000,000						Cash	12 monthly payments
Chairman's Chair fee	1,500,000						Group shares blocked and nontransferable for four years	One installment at end of current board period

Note: The Vice-Chair and Lead Independent Director does not receive additional compensation for these roles. The above fees will remain the same for the 2020 AGM to 2021 AGM period, except that the Audit Committee Chair fee will be reduced to CHF 400,000 and a new chair fee of CHF 150,000 will be introduced for the incoming chair of the Conduct and Financial Crime Control Committee.

¹ Committee chairs do not receive committee fees in addition to their chair fees.

² The Chairman does not receive any additional fees for chairing the GNC and the CFCCC.

→ Refer to "Board of Directors compensation" for further information.

Compensation governance

The Compensation Committee

The Compensation Committee is the supervisory and governing body for compensation policies, practices and plans. In designing and setting compensation, the Compensation Committee aims to make decisions in the best interests of the Group and to align the interests of the Group's employees to those of shareholders. The Compensation Committee reviews proposals regarding Group, Executive Board and Board compensation, and makes recommendations to the Board for approval. Total Executive Board compensation and Board compensation are also subject to shareholder approval pursuant to the Compensation Ordinance and the AoA.

The Compensation Committee consists of at least three members of the Board, all of whom must be independent. The members during the 2019 AGM to 2020 AGM term were Kai S. Nargolwala (Chair), Iris Bohnet, Christian Gellerstad and Michael Klein. The Board has applied the independence criteria of the SIX Swiss Exchange Directive on Information relating to Corporate Governance, the FINMA, the Swiss Code of Best Practice for

Corporate Governance, and the listing standards of the New York Stock Exchange (NYSE) and the Nasdaq Stock Market (Nasdaq), in determining that all of these individuals are independent.

→ Refer to "Independence" in IV – Corporate Governance – Board of Directors for more information on how the Group determines the independence of its Board members.

Compensation Committee activities

The Chairman and the CEO may attend the Compensation Committee meetings, and the Compensation Committee Chair determines the attendance of other Board members, Executive Board members, senior management, compensation advisers and external legal counsel, as appropriate. The Chairman, CEO, Executive Board members and senior management do not participate in discussions which relate to their own compensation outcomes.

In addition to the 44 investor and proxy adviser meetings held by the Compensation Committee Chair, during 2019, the Compensation Committee held 11 internal meetings and calls, with an overall attendance rate of 95%. The Compensation Committee's focus areas in 2019 are summarized in the following table:

Compensation Committee activities in 2019

	Jan	Feb	Mar	Apr	Jun	Jul	Aug	Oct	Dec
Compensation governance, design and disclosure									
Review of compensation policy and charter updates					■		■		■
Review of Compensation Report			■	■				■	
Review and refinement of Executive Board compensation design	■		■		■		■	■	■
Review of Group compensation structure and award plans		■	■	■	■		■	■	■
Compensation Committee self-assessment and focus areas	■								
Risk and regulatory									
Review of input from control functions	■	■					■		
Review of any disciplinary events/potential application of malus	■	■		■	■			■	■
Review of regulatory developments					■		■		
Annual compensation review									
Accruals and full year forecast of variable incentive compensation pools	■	■		■		■		■	■
Performance assessment and overall Group pool recommendation	■	■							■
CEO and Executive Board performance objectives and target setting		■	■			■		■	
CEO and Executive Board performance assessment and awards	■	■	■	■	■		■		■
Review of Board fees				■					
External									
Review of shareholder engagement and feedback				■	■			■	■
Review of market trends				■	■		■	■	■
Review of benchmarking data				■				■	■

Advisers to the Compensation Committee

The Compensation Committee is authorized to retain external advisers to provide support as it carries out its responsibilities. Deloitte LLP (Deloitte) has been retained to assist the Compensation Committee in ensuring that the Group's compensation programs remain competitive, responsive to regulatory developments and in line with the compensation policy. Deloitte has appointed a senior consultant to advise the Compensation Committee. Apart from assisting the Compensation Committee, this senior consultant does not provide any other services to the Group. The Compensation Committee also obtained external legal advice during 2019 on various matters relating to compensation policy and design. Prior to appointment, the Compensation Committee conducted an independence assessment of its advisers pursuant to the rules of the SEC and the listing standards of the NYSE and the Nasdaq.

Other aspects of compensation governance

Compensation policy

The compensation policy applies to all employees and compensation plans of the Group. It contains a detailed description of the Group's compensation principles and objectives as well as the compensation programs. It also sets out the standards and processes relating to the development, management, implementation and governance of compensation. The compensation policy is available at credit-suisse.com/compensationpolicy.

Approval authority

The approval authorities for setting the compensation policy and compensation for different groups of employees are defined in the Group's Organizational Guidelines and Regulations and the Compensation Committee charter available at credit-suisse.com/governance.

Action	Compensation Committee	Board
Establish or change the Group's compensation policy	R	A
Establish or change compensation plans	R	A
Set variable incentive compensation pools for the Group and the divisions	R	A
Determine Executive Board compensation, including for the CEO	R	A ¹
Determine Board compensation, including for the Chairman	R	A ¹
Determine compensation for the Head of Internal Audit	A ²	n/a
Determine compensation for MRTC and other selected members of management	A	n/a

R = recommendation; A = approval

¹ Subject to shareholder approval requirement pursuant to the Compensation Ordinance and the AoA.

² In consultation with the Audit Committee Chair.

Risk and control considerations

During its annual review of the Group's performance, the Compensation Committee considers input from the Risk Committee Chair with respect to risk considerations, and the Audit Committee Chair with respect to internal control considerations. The Compensation Committee also considers input from various corporate functions including Risk, Compliance, General Counsel, Human Resources, Internal Audit and Product Control, regarding control and compliance issues and any breaches of relevant rules and regulations or the Group's Code of Conduct.

To meet regulatory guidelines regarding employees engaged in risk-taking activities, the Compensation Committee reviews and approves the compensation for employees identified as MRTC. The Risk Committee is involved in the review process for MRTC compensation.

→ Refer to "Focus on risk and control" in Group compensation for further information.



Report of the Statutory Auditor

To the General Meeting of Shareholders of Credit Suisse Group AG, Zurich

We have audited the accompanying compensation report dated March 25, 2020 of Credit Suisse Group AG (the "Group") for the year ended December 31, 2019. The audit was limited to the information according to articles 14-16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (the "Ordinance") contained in the sections marked with (audited) on pages 232 to 249 of the compensation report.

Responsibility of the Board of Directors

The Board of Directors is responsible for the preparation and overall fair presentation of the compensation report in accordance with Swiss law and the Ordinance. The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying compensation report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the compensation report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the compensation report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the compensation report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of compensation, as well as assessing the overall presentation of the compensation report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the compensation report for the year ended December 31, 2019 of the Group complies with Swiss law and articles 14 – 16 of the Ordinance.

KPMG AG

Nicholas Edmonds
Licensed Audit Expert
Auditor in Charge

Shaun Kendrigan
Licensed Audit Expert
Global Audit Partner

Zurich, Switzerland
March 25, 2020

KPMG AG, R ffelstrasse 28, PO Box, CH-8036 Zurich

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