

Say-on-Pay

Compensation of the Board of Directors and the Executive Board

Note: On April 6, 2021, Credit Suisse Group AG published a revised invitation to the Annual General Meeting of Shareholders to be held on April 30, 2021. With respect to the compensation proposals, there will no longer be votes on agenda items 6.2.1 and 6.2.3 (approvals of the short-term and long-term variable incentive compensation of the Executive Board). The information contained in this document on agenda items 6.2.1 and 6.2.3 is therefore no longer valid. Furthermore, the 2020 compensation report (agenda item 1.1) has been updated accordingly.

Dear shareholder,

We have all experienced an unprecedented period during 2020 on various levels, with extreme market volatility, global economic disruption, restricted mobility and social distancing driven by the COVID-19 pandemic, all factors which the Compensation Committee has had to consider and balance in 2020.

During the year, the Compensation Committee monitored closely the evolving regulatory guidance, proxy advisor commentary and peer compensation decisions concerning the COVID-19 pandemic. The Compensation Committee assessed the impact of the COVID-19 pandemic on our existing Group and Executive Board compensation framework and design, including pay for performance, alignment with the interests of our shareholders, and motivation and retention of talent. After careful consideration, the Compensation Committee decided not to modify any of the performance conditions or features of “in-flight” awards. With respect to the overall Group variable compensation pool, the Compensation Committee noted that the 2020 financial results reflect a substantial increase in the provision for credit losses to take into account the impact of the pandemic, contributing to a significant year-on-year decrease in reported income before taxes. With respect to Executive Board compensation, in addition to the above, the short-term incentive (STI) and long-term incentive (LTI) variable compensation awards are both determined based on financial metrics that include the full effects of significant items and major litigation provisions. Therefore, the Compensation Committee decided not to exercise any discretion (positive or negative) to modify the Group or Executive Board variable compensation outcomes.

As an organization, Credit Suisse welcomed Thomas Gottstein as Group CEO in February 2020. Mr. Gottstein refined our strategy during the year to focus on growth and operational synergies with several key initiatives. These included creating one global Investment Bank; integrating our Risk and Compliance functions; establishing the Sustainability, Research & Investment Solutions (SRI) function; continuing the integration of Neue Aargauer Bank (NAB) in SUB; and launching our digital banking offering CSX to position Credit Suisse as a digital leader in banking in Switzerland. As a result of these structural changes, several of the Executive Board members have taken on expanded roles, continuing the strong ethic of talent development at Credit Suisse.

Against a backdrop of challenging market conditions, reported net revenues were stable year on year. Reflecting the uncertain economic environment triggered by the COVID-19 pandemic, the Group reported a provision for credit losses of CHF 1.1 billion, an increase of CHF 772 million year on year, resulting in reported income before taxes of CHF 3.5 billion, 27% lower than the previous year. Reported results were also negatively impacted by major litigation provisions of CHF 988 million, primarily in connection with legacy mortgage-related

cases, and by restructuring expenses. Excluding these as well as real estate gains and expenses related to real estate disposals, adjusted income before taxes was 6% lower than the prior year. In assessing the Group's financial performance, the Compensation Committee adopted the same approach as in the previous year towards the treatment of significant items that did not reflect underlying performance. For example, in 2019 the gain related to the transfer of the Credit Suisse InvestLab AG fund platform (InvestLab) to Allfunds Group and the revaluation gain related to our equity investment in SIX Swiss Exchange Group AG (SIX) were not considered part of underlying performance in determining the 2019 variable incentive compensation pool. Similarly, in 2020, the gain related to the completed transfer of InvestLab to Allfunds Group, the respective revaluation gains related to our equity investments in SIX, Pfandbriefbank and Allfunds Group, and the impairment related to the investment in York Capital Management (York) were not considered reflective of underlying Group performance. Taking all of the above into consideration, the Compensation Committee noted that the underlying performance of the Group, as measured by adjusted income before taxes excluding significant items, increased 6% compared with the prior year. It is important to note, however, that the full impact of these items was taken into account in determining the Executive Board's 2020 STI awards, which in aggregate were 30% lower year on year.

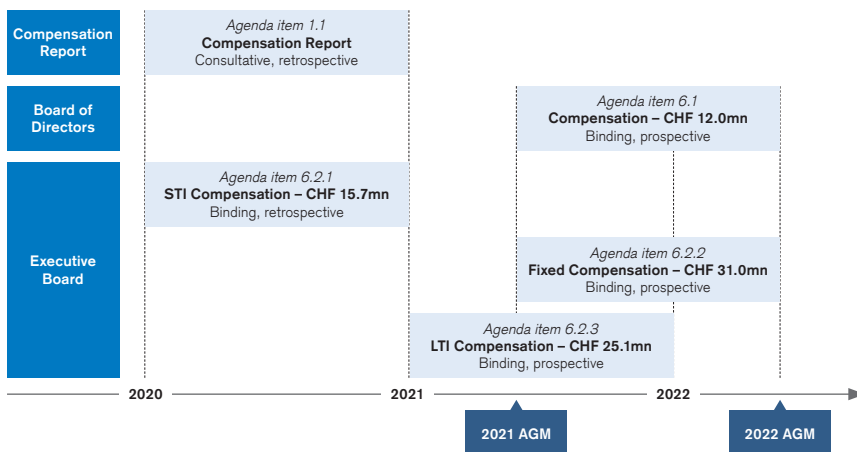
As part of the annual review, the Compensation Committee assessed whether current practices remain appropriately competitive, in light of regulatory and market developments. During the year, we also met with many of our key shareholders to discuss our compensation design. The Compensation Committee decided that the current compensation framework for both the Executive Board and Group employees continues to be broadly fit for purpose, with some refinements for 2021. The STI structure will be further enhanced by introducing division-specific financial metrics for the heads of the business divisions, in addition to the current return on tangible equity (RoTE), adjusted income before taxes and non-financial assessment. For the 2021 LTI, with respect to the relative total shareholder return (RTSR), we will retain the zero payout for a rank within the lowest five and maximum payout for a rank within the top five, with smoother payout levels for rankings in between to avoid large movements, positive or negative, based on small differences in total shareholder return (TSR) compared with peers. In the ever-changing operating environment, going forward the Compensation Committee will continue to assess whether the current design can be further improved to better reflect pay for performance and alignment to the shareholder experience.

In line with the Swiss Ordinance Against Excessive Compensation with respect to Listed Stock Corporations (Compensation Ordinance) and the Articles of Association of Credit Suisse Group AG, the compensation of our Board of

Directors and Executive Board will be submitted for binding shareholder approval at the 2021 Annual General Meeting of Shareholders (AGM).

Under agenda items 1.1 and 6, shareholders are asked to approve the following:

Agenda item	Content for shareholder approval	Amounts for shareholder approval	2021 AGM say on pay voting structure
Agenda item 1.1	Compensation Report 2020	Not applicable	Consultative, retrospective
Agenda item 6.1	Board of Directors compensation for the 2021 AGM to the 2022 AGM period	CHF 12.0mn	Binding, prospective
Agenda item 6.2.1	Executive Board short-term variable incentive compensation (STI) for the 2020 financial year	CHF 15.7mn	Binding, retrospective
Agenda item 6.2.2	Executive Board fixed compensation for the 2021 AGM to the 2022 AGM period	CHF 31.0mn	Binding, prospective
Agenda item 6.2.3	Executive Board long-term variable incentive compensation (LTI) for the 2021 financial year	CHF 25.1mn	Binding, prospective



The Compensation Report, which is a part of our 2020 Annual Report, provides further details on our compensation outcomes for 2020, as well as more general information about our compensation framework and practices.

Yours sincerely



Urs Rohner
Chairman of the Board of Directors



Kai S. Nargolwala
Chair of the Compensation Committee

March 2021

I. Agenda item 1.1: Consultative vote on the 2020 compensation report

The Board of Directors recommends that the 2020 compensation report be accepted in a consultative vote.

Our approach to compensation

We seek to ensure that our pay practices are aligned with the Group strategy and the interests of our shareholders, drive long-term value creation, environmental, social and governance (ESG) considerations and remain fully compliant with regulatory requirements. In this manner, individuals are incentivized to achieve our corporate goals, and compensation outcomes are aligned to long-term Group performance.

To this end, our compensation framework is intended to:

- 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 standards of conduct and behavior aligned to values, 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.

II. Agenda item 6.1: Approval of the compensation of the Board of Directors

The Board of Directors proposes approving a maximum amount of compensation for the Board of Directors of CHF 12.0 million for the period from the 2021 AGM to the 2022 AGM.

Members of the Board of Directors are compensated on the basis of fees that reflect the Board member's role, time commitment and scope of responsibility on the Board of Directors. The fee amounts are set at levels to attract and retain highly qualified and experienced individuals, taking into consideration levels at comparable leading Swiss companies.

The compensation for the Board of Directors consists of base board fees, committee fees, Chair fees, subsidiary board fees and (if applicable) pension and other benefits. The proposed maximum amount excludes any legally required employer contributions to social security systems.

The overall compensation structure of the Board of Directors for the period from the 2021 AGM to the 2022 AGM remains broadly consistent with that of the prior period. For the newly announced Sustainability Advisory Committee, the Board has proposed a Chair fee of CHF 75,000 for for the 2021 AGM to 2022 AGM period. All other fees remain unchanged compared with the prior period.

Board membership fees: 2021 AGM – 2022 AGM (in CHF)

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

Note: The Vice-Chair and Lead Independent Director does not receive additional compensation for these roles.

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

² The Chairman does not receive an additional fee for chairing the GNC.

With the exception of the Chairman, Board members receive an annual base board fee and annual committee fees for each committee membership. The Chairs of the Audit, Compensation, Conduct and Financial Crime Control, Risk, and Sustainability Advisory Committees receive additional fees reflecting the additional responsibility and time commitment required.

The Chairman's total compensation 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, representing the Group to key external stakeholders, and providing supervision, counsel and support, where appropriate. In addition to his annual base board fee and Chair fee, he receives pension and other benefits. The Chairman does not receive separate fees for board memberships in Group subsidiary companies. The current compensation structure and fee levels will be maintained for the new Chairman.

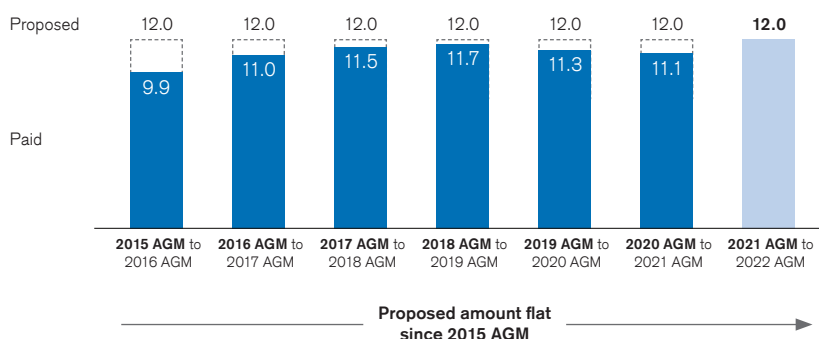
A number of Board members also serve as members on the boards of Group subsidiary companies. With the exception of the Chairman who does not receive any additional fees, these members receive a flat subsidiary board membership fee of CHF 100,000, or a higher amount if serving as chair of the subsidiary board or a committee. These fees are approved by the respective subsidiary boards, are subject to ratification by the Board of Directors of the Group and are included in the maximum amount of compensation proposed for approval by shareholders at the 2021 AGM.

The proposed total amount of CHF 12.0 million for the period from the 2021 AGM to the 2022 AGM is unchanged compared with the prior period. Of the proposed amount, no more than approximately CHF 11.2 million is intended to be paid to members of the Board of Directors for their Group Board roles and no more than approximately CHF 0.4 million for their roles as board members in subsidiary companies. The final amounts actually paid will be disclosed in the 2021 Compensation Report, which will be subject to a consultative vote at the 2022 AGM.

For the period from the 2020 AGM to the 2021 AGM, shareholders approved a maximum amount of compensation for the Board of Directors of CHF 12.0 million, of which CHF 11.1 million will have been paid to the 13 members of the Board of Directors at the date of the 2021 AGM. CHF 10.8 million of this relates to fees for Group Board roles and CHF 0.3 million for subsidiary company board roles.

Board of Directors compensation

(CHF million)



III. Agenda item 6.2: Approval of the compensation of the Executive Board

A. Agenda item 6.2.1: Short-term variable incentive compensation (STI)

The Board of Directors proposes approving the aggregate amount of CHF 15.7 million, comprising the short-term variable incentive compensation for the Executive Board for the 2020 financial year.

The STI awards are determined based on performance in 2020 measured against pre-defined financial criteria and a non-financial assessment, consistent with the prior year. As shown in the following diagram, the payouts achieved for the financial metrics were between the threshold and target performance levels and the Compensation Committee concluded that it was not necessary to exercise any discretion (positive or negative) to modify the outcomes:

- Adjusted income before taxes, a non-GAAP financial measure, of CHF 4.6 billion was 6% lower compared with the prior year, mainly due to the increased provision for credit losses and the York impairment, as well as higher revenues from significant items in the prior year. This resulted in an achievement of 39% of the maximum opportunity level.
- Return on tangible equity (RoTE), a non-GAAP financial measure, of 6.6% was down from 8.7% for the prior year, mainly due to the increased provision for credit losses as well as increased litigation provisions, mainly in connection with mortgage-related matters, and the York impairment. This resulted in an achievement of 26% of the maximum opportunity level.

The Executive Board's non-financial performance evaluation for the 2020 award was based on pre-defined criteria according to the following four categories: (i) strategy/client focus; (ii) risk and compliance; (iii) conduct and ethics; and (iv) people.

Note: 2020 adjusted income before taxes of CHF 4,648 million excludes CHF 15 million of real estate gains, CHF 157 million of restructuring expenses, CHF 988 million of major litigation provisions and CHF 51 million of expenses related to real estate disposals. 2019 adjusted income before taxes of CHF 4,968 million excludes CHF 251 million of real estate gains, CHF 2 million of losses on business sales, CHF 389 million of major litigation and CHF 108 million of expenses related to real estate disposals. Year-end 2020 tangible shareholders' equity excludes goodwill of CHF 4,426 million and other intangible assets of CHF 237 million from total shareholders' equity of CHF 42,677 million as presented in our balance sheet. Year-end 2019 tangible shareholders' equity excludes goodwill of 4,663 million and other intangible assets of CHF 291 million from total shareholders' equity of CHF 43,644 million as presented in our balance sheet.

Based on the above criteria, the Compensation Committee determined that as a group, the Executive Board had achieved 79% of the maximum opportunity for the non-financial component of the STI, compared with 76% for 2019. Excluding the CEO, the overall non-financial score was 78% of the maximum opportunity, compared with 82% for the previous year.

2020 STI awards: performance against targets

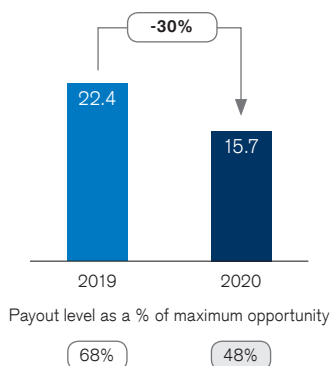
Performance criteria	Weighting	Performance levels			2020 result	Payout level (% of maximum opportunity)			
		Threshold	Target	Maximum		0%	Threshold 25%	Target 67%	Maximum 100%
Adjusted income before taxes (CHF billion)	33⅓%	4.2	5.5	6.6	4.6	39%			
RoTE (%)	33⅓%	6.5%	9.5%	11.5%	6.6%	26%			
Non-financial criteria (average)	33⅓%					79%			
Total	100%					48%			

Adjusted results and RoTE are non-GAAP financial measures and are used in this table for the purposes of defining performance target levels for compensation. Adjusted results exclude certain items included in our reported results. RoTE is calculated as net income attributable to shareholders divided by average tangible shareholders' equity. Tangible shareholders' equity, a non-GAAP financial measure, is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet.

Given the overall performance of the Executive Board during 2020, the Board of Directors proposes that shareholders approve the aggregate amount of 2020 STI awards of CHF 15.7 million. The proposed amount excludes any legally required employer contributions to social security systems. This amount represents a 30% decrease compared with the aggregate amount of 2019 STI awards of CHF 22.4 million approved at the AGM last year, mainly driven by lower achievement of the 2020 financial performance targets.

2020 STI awards: outcomes

(CHF million)



Further details may be found in the 2020 Compensation Report (pages 238-239).

B. Agenda item 6.2.2: Fixed compensation

The Board of Directors proposes approving the maximum amount of CHF 31.0 million, comprising the fixed compensation for the Executive Board for the period from the 2021 AGM to the 2022 AGM.

The maximum amount of fixed compensation includes compensation in the form of:

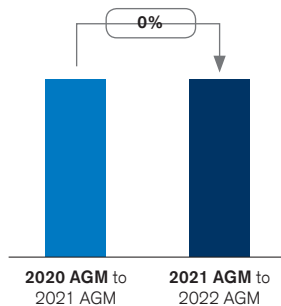
- Base salaries;
- Role-based allowances (for any member of the Executive Board who is a UK PRA Material Risk Taker);
- Dividend equivalents; and
- Pension and other benefits.

The proposed maximum amount excludes any legally required employer contributions to social security systems.

The proposed total maximum amount of CHF 31.0 million for the period from the 2021 AGM to the 2022 AGM is unchanged compared with the prior period.

Fixed compensation

(CHF million)



The final amount of fixed compensation actually paid to the Executive Board for the period between the 2021 and 2022 AGMs will be disclosed in the 2021 and 2022 Compensation Reports, which will be subject to consultative votes of the shareholders at the 2022 and 2023 AGMs, respectively.

C. Agenda item 6.2.3: Long-term variable incentive compensation (LTI)

The Board of Directors proposes approving the aggregate amount of CHF 25.1 million, comprising the long-term variable incentive compensation for the Executive Board for the 2021 financial year (based on fair value at grant).

Shareholders are asked to approve the LTI compensation for the 2021 financial year and the 2021–2023 performance cycle in a prospective vote, with the proposed amount of CHF 25.1 million being expressed in terms of the fair value at the time of grant.

The LTI is intended to incentivize Executive Board members to successfully deliver on our business strategy and to align them with our long-term corporate objectives. The performance metrics for the 2021 LTI opportunities remain unchanged from 2020. LTI will continue to vest in three equal tranches on the third, fourth and fifth anniversaries of the grant date, and the grant price will continue to be based on the same methodology used for share-based awards granted to Group employees. In relation to the RTSR component for the 2021 LTI, there will continue to be zero payout for a ranking within the lowest five and maximum payout for a ranking within the top five, with smooth payout levels for rankings in between to avoid large movements, positive or negative, based on small differences in TSR compared with peers. The 2021 LTI is determined based on the following equally-weighted metrics, measured over the financial years 2021, 2022 and 2023:

- Three-year average return on tangible equity (RoTE), a non-GAAP financial measure;
- Three-year average adjusted tangible book value per share (TBVPS), a non-GAAP financial measure; and
- Relative total shareholder return (RTSR).

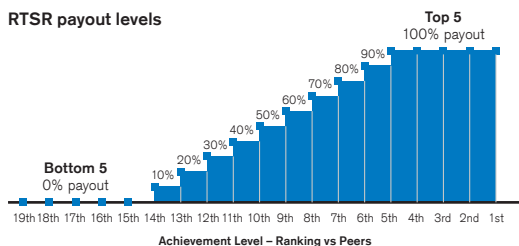
Each Executive Board member's maximum LTI opportunity is expressed as a multiple of his or her respective base salary, taking into account each member's role, market experience and geography. The final number of shares at vesting ranges between 0% and 100% of the number of shares granted. Maximum vesting requires achievement of the maximum performance levels for the RoTE and TBVPS components, and an RTSR ranking within the top five of the following peer group: 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, NatWest Group, Société Générale, Standard Chartered and UBS. In setting performance levels that

are challenging and motivating for the Executive Board, the Compensation Committee took into account the Group's internal financial plan, prior-year performance, analyst expectations and the Group's publicly stated ambitions, as well as market developments. The performance criteria and performance levels for the 2021 LTI, which have been approved by the Board, are shown in the following table:

2021 LTI opportunities: performance target levels

Performance criteria	Weighting	Performance targets		
		Threshold (25%)	Target (67%)	Maximum (100%)
Three-year average RoTE ¹	33⅓%	6%	10%	12%
Three-year average adjusted TBVPS (CHF) ²	33⅓%	17.90	19.30	20.10
Relative Total Shareholder Return (RTSR)	33⅓%	See "RTSR payout levels"		

RTSR payout levels



Vesting schedule

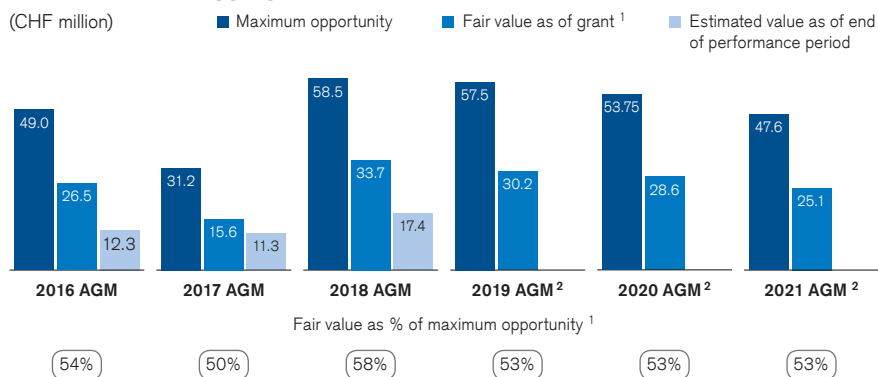
Vesting					
2021	2022	2023	2024	2025	2026
LTI three year performance measurement period			↑ ⅓ LTI shares vest in 1Q24 ³	↑ ⅓ LTI shares vest in 1Q25 ³	↑ ⅓ LTI shares vest in 1Q26 ³

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.

- 1 RoTE, a non-GAAP financial measure, is calculated as net income attributable to shareholders divided by average tangible shareholders' equity. Tangible shareholders' equity, a non-GAAP financial measure, is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet.
- 2 Adjusted TBVPS is a non-GAAP financial measure. For purposes of the 2021 LTI, it is calculated by dividing tangible shareholders' equity by the total number of outstanding shares, after excluding the cumulative impact of dividends paid, own credit movements, any future corporate developments impacting equity and FX rate movements during the performance period.
- 3 Special rules apply to UK PRA Material Risk Takers.

As shown in the diagram below, the estimated value of the LTI awards at the end of the performance period may differ from the fair value at the time of grant, and the final value of the awards will depend on the share price at the time of settlement.

Executive Board aggregate LTI opportunities



¹ The fair value of the LTI opportunities as of the date of grant is determined using a probabilistic valuation method applied by one of the major international accounting firms and should more closely reflect the likely value of the awards than the value of their maximum opportunity.

² The estimated value can only be determined at the end of the three-year performance period.



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