V – Compensation

Compensation

Letter from the Chair of the Compensation Committee

Kai S. Nargolwala
Chair of the
Compensation Committee

Dear shareholders

2021 has been an unprecedented and uniquely challenging year for Credit Suisse. Given this context, the Compensation Committee has engaged in some extremely difficult deliberations in trying to reach the most appropriate outcomes, carefully balancing the interests of our stakeholders.

Our discussions on these topics have been extensive, and it is very important for the Compensation Committee that we are transparent with you on how we have reached our decisions. In particular, we have had to balance considerations including the significant impacts of the Archegos and supply chain finance funds (SCFF) matters on our shareholders, clients and employees, the very strong underlying performance of many parts of our Group, and the extremely buoyant external market for talent and compensation.

As I am sure you will agree, it is essential that we continue to be able to attract, retain and motivate our employees to deliver our strategy and create sustainable value for all of our stakeholders. We have considered all aspects of our performance over 2021, while also ensuring we have the right talent and pay approaches going into 2022. The summary below and the detail provided in the remainder of this Compensation Report outline the rationale and the decisions we have ultimately reached.

Accountability for the Archegos and SCFF matters

As previously disclosed, there has been a significant impact on the compensation of the individuals directly concerned with these matters. We applied malus and clawback provisions of USD 70 million to deferred compensation of 23 individuals in relation to Archegos, and USD 43 million to 14 individuals in relation to SCFF. Downward adjustments of up to 100% of outstanding deferred compensation have been applied to those individuals closest to these matters.

In addition, the Compensation Committee considered that it was important to emphasize leadership accountability. As a result, Executive Board members had one full year of variable compensation cancelled, which consisted of the full cancellation of the 2020 short-term incentive (STI) and the forward-looking long-term incentive (LTI) that would have been awarded in 2021 (covering the performance period 2021-2023). This equated to lost compensation for the Executive Board of more than CHF 40 million. Executive Board variable compensation continues to be negatively impacted through the 2021 STI financial outcomes, as well as projected payouts under previously awarded LTI opportunities.

Across the Group as a whole, the impact of these matters has led to a significant reduction in the 2021 incentive pool, as described below. On top of this reduction, there have also been impacts linked to performance share awards granted in previous years. Performance share awards are deferred share awards that are subject to negative adjustment for example in the event of a divisional loss, further aligning employees with shareholders. Given the loss in the Investment Bank for 2021 as a result of Archegos, a negative adjustment has been applied to awards granted in prior years, with the negative financial impact to those employees of approximately CHF 68 million (based on award value at grant).

Underlying performance in 2021

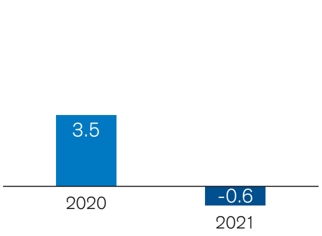
We fully acknowledge the highly disappointing results for our shareholders in 2021. At the same time, the vast majority of our employees have worked diligently and delivered substantial progress and results in their respective areas of activities. As an indication, Group adjusted income before taxes excluding significant items and Archegos increased 51% compared with the prior year, and on this same basis the Investment Bank division has had an outstanding performance, with a 63% increase year over year.

→ Refer to "Reconciliation of adjusted results" in II – Operating and financial review – Credit Suisse for further information.

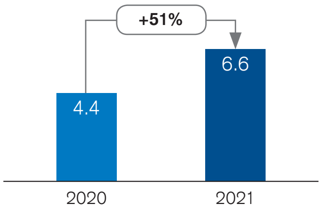
Our employees have responded to these incidents, working closely with our regulators and remediating issues, while improving our risk and control environment, working through the structural implications of our new strategy and continuing to serve our clients.

Group performance highlights

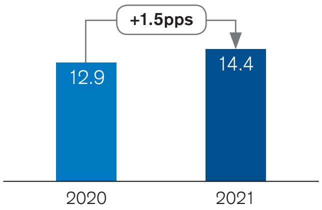
Income before taxes (CHF billion)



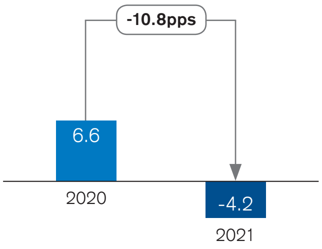
Adjusted income before taxes excluding significant items and Archegos (CHF billion)



CET1 ratio (%)



Return on tangible equity (%)



Return on tangible equity, a non-GAAP financial measure, 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. Adjusted results are non-GAAP financial measures. Refer to "Reconciliation of adjusted results" in II – Operating and financial review – Credit Suisse for further information.

Executive Board compensation

Compensation outcomes for 2021

Total aggregate Executive Board compensation for 2021 of CHF 38.6 million is comprised of:

- CHF 30.0 million fixed compensation; and
- CHF 8.6 million short-term incentive (STI) award, subject to shareholder approval at the 2022 Annual General Meeting (AGM).

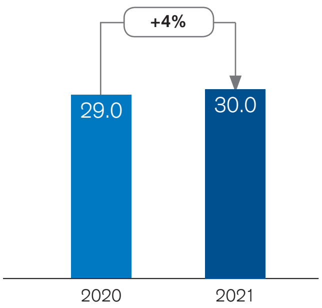
There was no long-term incentive (LTI) award for 2021, given the proposal was withdrawn from the agenda of the 2021 AGM.

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

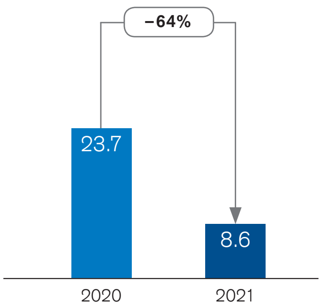
Total Executive Board fixed compensation increased by 4% compared with the prior year, mainly reflecting the changes to the composition of the Executive Board membership during 2021. Variable compensation decreased by 64% compared with 2020, mainly driven by the cancellation of the 2021 LTI. The performance of the 2021 STI was heavily impacted by Archegos, resulting in the financial performance targets (Group return on tangible equity (RoTE) and Group adjusted income before taxes) not being achieved. The non-financial objectives were assessed with a focus on risk and controls and differentiated across the Executive Board members. The individual Executive Board member payout levels for the non-financial component ranged from 33% to 90% of the maximum opportunity. The average payout of 69% reflects the Compensation Committee's assessment of the Executive Board's significant remediation efforts and the improvements implemented in the areas of risk and control, and that the scores of newly joined Executive Board members were not penalized for the Archegos/SCFF matters. As a result, the overall STI payout was 31% of the maximum opportunity. This compares with an overall STI payout of 48% for 2020 (before cancellation of the STI) and the 68% payout for the 2019 STI.

As previously disclosed, the cancellation of awards in the prior compensation round due to the Archegos matter resulted in more than CHF 40 million in lost value. In addition, the estimated value of the LTIs from prior years (2019 and 2020) has been significantly impaired.

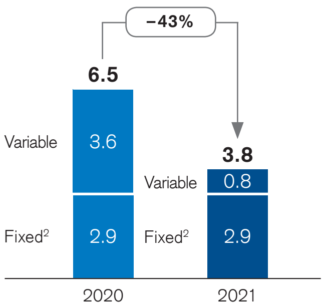
Executive Board fixed compensation (CHF million)



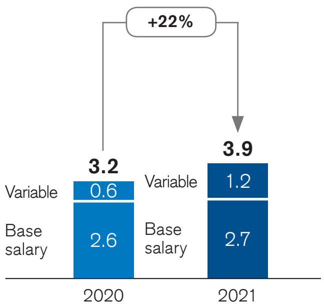
Executive Board variable compensation[1] (CHF million)



CEO awarded compensation (CHF million)



CEO realized compensation (CHF million)



Figures above may contain rounding differences.

1 2020 Executive Board variable compensation includes only the 2020 LTI grant as the 2020 STI was cancelled. 2021 Executive Board variable compensation includes only the 2021 STI as the 2021 LTI was cancelled.

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

Chief Executive Officer (CEO) compensation

Mr. Gottstein's total compensation for 2021 of CHF 3.8 million was 43% lower than his compensation granted for the prior year. This decrease reflects the impact of Archegos on the 2021 STI outcome, as well as the cancellation of the 2021 LTI. Mr. Gottstein's variable compensation for 2021 was 77% lower than in 2020.

In terms of realized compensation for 2021, the CEO received CHF 3.9 million, which comprised of CHF 2.7 million base salary, CHF 0.4 million non-deferred portion of the 2021 STI, and CHF 0.8 million of deferred compensation that settled in 2021 relating to his role prior to having been appointed CEO. The year over year increase in realized compensation reflects both the cancellation of the 2020 STI, as well as the delivery in 2021 of deferred compensation from historical awards.

→ Refer to "Compensation of the Group CEO" in Executive Board compensation for further information.

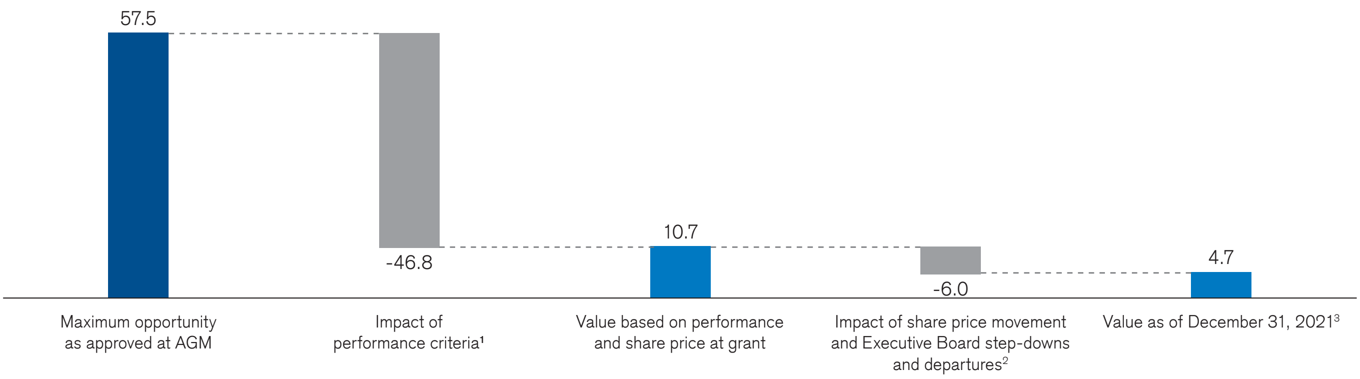
Vesting of the 2019 LTI (2019-2021 performance cycle)

The maximum opportunity approved at the 2019 AGM for the 2019 LTI was CHF 57.5 million. Performance against the Group financial metrics and relative total shareholder return (RTSR) criteria as well as a qualitative assessment for the Executive Board member categorized as a UK Prudential Regulation Authority Material Risk Taker (UK PRA MRT) would have resulted in an overall outcome at 19% of the maximum opportunity for the original Executive Board members. Factoring in share price movements and changes to Executive Board composition, the estimated value of the 2019 LTI was CHF 4.7 million in aggregate for the ten award recipients, based on the share price at the end of 2021. The final value of the awards at delivery may differ from the value at the end of 2021 due to subsequent share price movement.

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

Estimated value of the 2019 LTI awards

2019-2021 performance cycle (in CHF million)



Note: Figures above may contain rounding differences.

[1] Includes CHF -1.5 million FX rates impact.

[2] Of which -2.8 million reflects the impact of share price changes from grant date to end of December 31, 2021, and -3.2 million reflects the impact of Executive Board step-downs and departures.

[3] Based on the share price as of December 31, 2021. The number of shares earned based on achievement of the performance targets over the three-year performance period will vest in three equal tranches on the third, fourth and fifth anniversaries of the grant date.

Review of our Executive Board compensation framework and shareholder engagement

With the announcement of the revised Group strategy in November 2021, the Compensation Committee has undertaken a comprehensive review of the Executive Board compensation framework to ensure it continues to motivate and incentivize management appropriately. As a result of this review and taking into account feedback from many of our key shareholders and proxy advisers with whom I had the opportunity to meet, a new approach is effective from performance year 2022 onwards. I appreciate the open discussions and feedback that we received.

The proposed framework changes are anchored in the following core principles:

- **Simplicity and transparency**: moving to a single variable compensation framework with a 70% weighting on pre-defined quantitative financial performance measures, and a 30% weighting on measurable ESG-related factors reflected in the three non-financial performance categories: Risk and Control; Values and Culture, and Sustainability.
- **Accountability, risk and control**: compensation outcomes aligned to our improved risk and control practices.
- **Pay-for-performance**: compensation outcomes directly and demonstrably linked to prior year performance.
- **Shareholder and debtholder alignment**: variable compensation delivered at least 70% in deferred shares subject to multi-year underpins to ensure longer-term alignment; introduction of contingent capital awards (CCA) instead of deferred cash under the previous design; and higher minimum shareholding requirements – 1,000,000 shares for the Group CEO (from 500,000) and Investment Bank CEO (from 300,000), and 500,000 shares for other Executive Board members (from

300,000), where Executive Board members will not be permitted to sell shares other than to satisfy tax obligations until they reach the revised thresholds.

The approach to annual compensation will change from 2022, with the introduction of an overall incentive pool covering both the short-term and long-term awards. The aggregate pool will be determined based on the achievement of annual financial and non-financial performance objectives set at the beginning of the year, and the total pool amount will be subject to a cap of 2% of Group income before taxes excluding any items that the Compensation Committee determines are not reflective of underlying performance. There will no longer be a concept of a Short-Term Incentive or a Long-Term Incentive. Instead, the Executive Board variable incentive pool will be allocated to individual Executive Board members based on their performance against individual scorecards, which incorporate financial and non-financial measures at a Group and divisional/functional level. A minimum of 70% of Executive Board variable incentive awards will be granted in the form of share awards, which is a greater proportion in shares than under the previous design.

The share awards will contain underpins that reflect the underlying financial health and stability of the Group and will have vesting dates on the third, fourth and fifth anniversaries of the award's grant date. The remaining portion of Executive Board variable incentive awards will be in the form of non-deferred cash and CCA that vest on the third anniversary of the grant date (instead of the previous deferred cash component), which is aligned to awards received by the broader employee population as well as to the interests of the Group's debtholders. The aggregate amount of an Executive Board member's variable incentive award that is granted in the form of non-deferred cash and CCA cannot exceed CHF 2 million.

One of the main changes under this new approach is that any amounts awarded in the form of longer-term share awards will have been aligned to performance at grant as part of the incentive pool determination process described above. In addition, longer-term share awards will also align to Group performance throughout the five-year vesting period, both through share price alignment as well as through additional underpins. The following diagram summarizes the key themes and elements of the revised compensation design.

Key themes

- **Simplicity and transparency**
- **Accountability, risk and control**
- **Pay-for-performance**
- **Shareholder and debtholder alignment**

One variable compensation pool for the Executive Board	**Executive Board pool performance-aligned against financial and non-financial objectives set at the beginning of the year**	**Simplified structure with at least 70% of variable compensation in the form of long-term share awards**	**Share awards subject to additional underpins over the vesting period**	**Caps on aggregate and individual Executive Board variable compensation (plus cash/CCA cap)**

Rather than having maximum variable incentive award values based on a multiple of base salary, as under the old STI and LTI plans, each Executive Board member will be provided with an individual total target variable compensation figure, which will be delivered if the Compensation Committee determines the financial and non-financial performance objectives are met. The target variable compensation level for each Executive Board member will be established for 2022 by reference to previous individual compensation levels under the old STI and LTI plans, taking into account a 50% discount on the previous maximum opportunity to recognize greater certainty under the share award. Achievement of the threshold, target and maximum performance levels would result in payouts of 50%, 100% and 150% of target compensation, respectively.

A cap on individual Executive Board member total annual variable incentive compensation of 500% of base salary will apply for all Executive Board members apart from the CEO who is capped at 400% of base salary. This is equivalent to a total compensation cap of CHF 13.2 million for Executive Board members apart from the CEO, and CHF 13.5 million for the CEO, compared with CHF 15.5 million and CHF 13.5 million respectively, under the previous framework.

The Executive Board variable compensation outcomes based on 2022 performance will be subject to approval by shareholders at the 2023 AGM in the form of two separate votes: one for the aggregate amount of short-term awards, and the other for the aggregate amount of long-term share awards. In addition to the annual disclosures of compensation of the CEO and the highest paid Executive Board member (if not the CEO), we will continue to disclose the average payout as a multiple of base salary for the Executive Board.

In making the change to assess performance at the time of grant on the long-term share awards, the Executive Board will not receive an award until after the 2023 AGM. This gap in awarding a new share award is on top of the cancellation of the LTI award in 2021 and also under the previous compensation design where an LTI award would typically have been granted following the 2022 AGM. The Compensation Committee considered the possibility of granting a one-off share award in 2022 to bridge this transitional gap, however decided instead to move fully to the new approach from the 2022 performance year, despite the additional negative impact on Executive Board member compensation and cashflow.

Further details, including a comparison with the previous framework, can be found in the section "Executive Board compensation – Introduction to the new Executive Board design".

Environmental, social and governance (ESG) considerations in the compensation process

For the Executive Board's 2021 STI awards, the non-financial performance assessment was based on Strategy and ESG-related factors including compliance, risk management, conduct and ethics, talent management, diversity and inclusion, and client satisfaction. Under the new Executive Board compensation framework, such factors will play an even larger role in compensation outcomes. That is, the non-financial assessment will be considered as part of the overall Executive Board incentive pool determination (delivered in short-term and long-term awards), and the Compensation Committee will place a 30% weighting on Risk and Control, Values and Culture, and Sustainability to determine the pool.

→ Refer to "Environmental, Social and Governance (ESG) considerations at Credit Suisse" for further information.

Group compensation

Variable Compensation for 2021

To reflect the unprecedented issues that occurred in 2021 the Compensation Committee recommended, and the Board approved, a Group variable compensation pool of CHF 2,000 million, 32% lower than last year's CHF 2,949 million pool. The Compensation Committee considers that this appropriately reflects the significant impact of the Archegos and SCFF matters on our stakeholders, while recognizing the contributions of most of our employees and the competitiveness of the talent market. In addition to the strong underlying financial performance, the Compensation Committee also took into account non-financial achievements such as the improvements that have been implemented during the year to strengthen the risk and control framework, as well as feedback from external stakeholders including the Group's main regulators.

The overall structure of variable compensation is consistent with prior years for the majority of employees. However, employees at a more senior level (Managing Directors and Directors), who are employed in jurisdictions where it is permissible, have received their cash award as a restricted Upfront Cash Award (UCA), which contains a pro-rata repayment obligation that applies in the event the employee voluntarily terminates his or her employment during the three-year period ending in February 2025. This is not a new approach at Credit Suisse, but it has been deployed more widely this year. At the same time, in order to more closely align with market practice, the Compensation Committee decided to lower deferral rates applicable to variable compensation for 2021.

Approximately CHF 400 million of retention awards were granted during 2021 in response to significant external pressure on some of our critical talent, particularly as the Group strategy review took place and uncertainty surrounded the future structure of the Group. These retention awards were in the form of share-based awards, vesting in equal tranches over three years.

Strategic Delivery Plan

Recognizing the role of senior management in the implementation of our strategy, most Managing Directors and Directors have been granted a separate one-time share-based award (the Strategic Delivery Plan or SDP) to incentivize delivery of the strategic objectives and align senior management to the longer-term interests of shareholders. The SDP awards will vest in three years' time subject to minimum specified capital and leverage ratio levels being maintained over the course of 2022-2024. At the end of the three-year vesting period, the Compensation Committee will assess the overall success of the implementation of the Group's strategic goals, and if there is significantly increased performance, in recognition of those achievements, it is able to award additional shares, up to a maximum of 50% of the original SDP award to recipients. To encourage collaboration and collective effort, any uplift would apply across all participants, rather than on an individual basis. Half of the potential uplift may be awarded if a pre-determined average Group return on tangible equity (RoTE) threshold is achieved, measured over the key strategic implementation years 2023 and 2024. The other half of the potential uplift may be awarded based on the Compensation Committee's assessment of risk management and other strategic non-financial achievements. Details of any uplift will be disclosed when determined at the end of the three-year vesting period. The total face value at grant of the SDP awards is CHF 497 million.

Board of Directors (Board) compensation

Aggregate compensation for the Board, including compensation for certain Group Board members serving on subsidiary boards, was CHF 11.7 million, compared with the amount of CHF 12.0 million that was approved prospectively by shareholders at the 2021 AGM. The Board has decided upon certain changes which will increase the overall Board fees for the 2022 to 2023 AGM period to CHF 13 million. The Board approved the introduction of membership and chair fees for the Digital Transformation and Technology Committee which was newly established at the beginning of 2022 to oversee the execution of the Group's digitalization and technology strategy. The Board plans to introduce fees for the role of the Vice Chair and/or Lead Independent Director, given the increased significance of these roles within the Board, and any such fees will be benchmarked and paid in line with market practice. Furthermore, certain Group Board members have assumed or will assume additional subsidiary board roles and the related subsidiary board fees are included in the aggregate Board compensation. It is for these reasons that the aggregate Board compensation amount is proposed to be raised to CHF 13 million from CHF 12 million, which had been maintained for many years.

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

"Say-on-Pay" compensation proposals at the 2022 AGM

At the 2022 AGM, we will be seeking shareholder support for the say-on-pay proposals described in the following table:

Approved at 2021 AGM	Proposal for 2022 AGM	Explanation for 2022 proposal
Executive Board related compensation		
▪ Fixed compensation for 2021-2022 AGM period: CHF 31 million maximum amount	▪ Fixed compensation for 2022-2023 AGM period: CHF 34 million maximum amount	▪ The increase of CHF 3 million is to accommodate the potential increase in Executive Board membership from 12 members to 14 members going forward.
▪ 2020 STI award withdrawn (CHF 15.7 million pre-cancellation)	▪ 2021 STI award: CHF 8.6 million	▪ The 2021 STI outcome was significantly impacted by the Archegos matter.
▪ Share-based replacement awards for new members: no proposal	▪ Share-based replacement awards for new members: CHF 12.1 million	▪ With the cancellation of the 2021 LTI awards at last year's AGM, unusually, the only supplemental budget available (under the Articles of Association) for the replacement of existing deferred awards for new Executive Board members is 30% of the previously approved total fixed compensation. ▪ This supplemental budget has been utilized to fund the cash-based replacement awards given to newly recruited Executive Board members who have joined after the 2021 AGM. ▪ However, in order to compensate new members of the Executive Board for forfeiture of compensation by their previous employers (as is the norm across the industry), this vote is required. ▪ The proposal of CHF 12.1 million for the share-based replacement awards represents the maximum amount of compensation forfeited by previous employers. The replacement awards will have deferral periods and performance conditions, where applicable, that mirror the respective terms at the previous employers.
Board of Directors compensation		
▪ Board compensation for 2021-2022 AGM period: CHF 12 million maximum amount	▪ Board compensation for 2022-2023 AGM period: CHF 13 million maximum amount	▪ The CHF 1 million increase in total Board compensation is driven by several factors, including new membership and chair fees for the Digital Transformation and Technology Committee and introduction of fees for the role of the Vice Chair and/or Lead Independent Director in line with market practice and in recognition of the increased significance of these roles within the Board in recent years, as well as other Board members taking on significant subsidiary board roles.

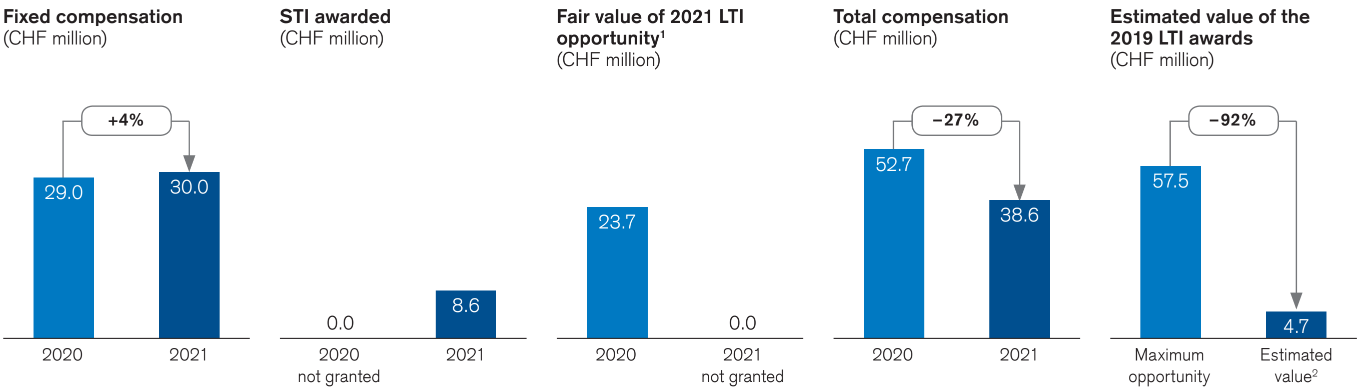
Further information on each of these proposals will be contained in the "Say-on-Pay" brochure that accompanies the AGM invitation and will also be available at *credit-suisse.com/agm*.

On behalf of the Compensation Committee, I would like to thank you for your continued support, particularly during this challenging period. I am particularly grateful for the constructive discussions with our shareholders, as well as our regulators, and the feedback received.

Kai S. Nargolwala
Chair of the Compensation Committee
Member of the Board
March 2022

Executive Board compensation

Compensation outcomes for 2021



1 The fair value of the LTI awards as of the date of grant is determined using a probabilistic valuation method applied by Deloitte LLP.
2 Estimated value based on the share price of CHF 8.87 as of December 31, 2021 after Executive Board step-downs and departures.

Fixed compensation

The total fixed compensation for the Executive Board was CHF 30.0 million in 2021, compared with CHF 29.0 million in 2020. The increase from the prior year was driven by compensation paid during contractual notice periods to outgoing members of the Executive Board overlapping with compensation paid to new incoming replacement members, as well as an increase in the number of Executive Board members resulting from the separation of Asset Management as a standalone division and the separation of the risk and compliance functions.

Annual short-term incentive (STI) awards

The 2021 STI awards were determined based on performance in 2021 measured against pre-defined financial and non-financial criteria, consistent with the prior year. The aggregate STI award amount for the Executive Board is CHF 8.6 million, reflecting an overall payout of 31% of the total maximum opportunity. This compares with CHF 15.7 million that would have been awarded for 2020 if the 2020 STI would not have been cancelled in full. The Group financial threshold performance levels were not achieved, resulting in zero payout for the RoTE and adjusted income before taxes measures. Aside from the Group metrics, the business division heads were also assigned divisional performance targets, which achieved a payout ranging from 55% to 100%. For some of the newer Executive Board members who joined the Executive Board after the Archegos and SCFF matters surfaced, their performance was assessed against targets excluding the impact of those matters.

For the non-financial performance assessment, the Compensation Committee evaluated the Executive Board's performance against four broad categories: Strategy, Environmental, Social, and Governance. Governance objectives, which include risk and controls, were weighted 70% of the overall non-financial assessment for 2021, given the gravity of the issues that had occurred. The individual Executive Board member payout levels for the non-financial component ranged from 33% to 90% of the maximum opportunity. The average payout of 69% reflects the Compensation Committee's assessment of the Executive Board's significant remediation efforts and the improvements implemented in the areas of risk and control, and that the scores of newly joined Executive Board members were not penalized for the Archegos/SCFF matters. A summary of the non-financial assessment appears further below.

The 2021 STI compensation will be submitted for shareholder approval at the 2022 AGM on a retrospective basis.

2021 STI awards: summary performance

Performance criteria	Weighting: CEO and Corporate functions	Weighting: Divisional CEOs	Performance levels: Threshold	Performance levels: Target	Performance levels: Maximum	2021 result	Payout level (% of maximum opportunity) 0% / Threshold 25% / Target 67% / Maximum 100%
Group RoTE (%)	33.3%	12.5%–25.0%	5.0%	9.0%	11.0%	-4.2%	**0%**
Group adjusted PTI (CHF billion)	33.3%	12.5%–25.0%	3.8	5.3	6.1	2.2	**0%**
Divisional metrics		25.0%–37.5%	Not disclosed due to commercial sensitivity				**68% on average**
Non-financial metrics	33.3%	25.0%–37.5%	See separate description below				**69% on average**
Total							31%

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. Refer to "Reconciliation of adjusted results" in II – Operating and financial review – Credit Suisse for further information. 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.

→ Refer to "Compensation Design – Executive Board compensation framework for 2021: key elements" for further information

2021 STI awards: non-financial performance assessment – Executive Board

Category	Executive Board assessment
Strategy	■ Developed a strategy and five-year plan in the IB, building on businesses where Credit Suisse has market leadership ■ Strengthened client needs-based focus in IWM (client transfers between Private Banking International & regional business areas), expanded capabilities by building on Investment Banking Advisory, expanded the lending hub (International Financing Group) and sustainable solutions capabilities (SCS) ■ Invested into our high touch businesses including reworking PB value proposition, further strengthening UHNWI, investments into Institutionals/Asset Servicing ■ Made significant enhancements to Technology and Operations, including setting Credit Suisse on trajectory to adopt leading cyber practices, reducing the average number of red and amber IT incidents, built a suite of foundational controls and capabilities to improve the control model and delivered against key objectives to ensure a successful go-live for Central Securities Depositories Regulation Settlements Discipline Regime
Environmental	■ Made significant progress on our commitment to provide at least CHF 300 billion in sustainable finance by 2030 ■ Published the Group's 2030 and 2050 carbon reduction goals, including progress to date, for oil, gas and coal financing, aligned to our Net Zero Ambition ■ Maintained CHF market leadership for green bonds for second consecutive year ■ Applied additional sector policy restrictions to tighten the Group's Risk Appetite for the Oil, Gas & Coal business ■ Awarded The Banker Investment Bank of the Year for Sustainable Bonds award in 2021
Social	■ Enhanced insights into employees' views of Credit Suisse values via IMPACT (Inclusion, Meritocracy, Partnership, Accountability, Client Focus, Trust) survey, how they are applied and how this shaped Credit Suisse as an employer of choice ■ Focused further on Diversity & Inclusion (D&I) measures, with various divisional/functional activities undertaken to improve aspects of D&I such as global initiatives as well as updates/best practice sharing across lines of business, measurement of progress towards achieving D&I targets, focus on adopting the right tone from the top ■ Protected the franchise through heightened attrition focus; engagement with staff to ensure motivation and retention ■ Strong handling of the COVID-19 pandemic with key roles in regional incident management groups
Governance (70%)	■ Focused on developing a culture to make the business accountable as the first line of defense for the risks and controls that they operate and required each Division to develop appropriate tools ■ Reviewed the divisional and regional structure of Credit Suisse and developed measures to strengthen regional accountability and oversight ■ CRO and CCO heads undertook a thorough review of their respective functions and their key priorities with a particular focus on the effectiveness of these organizations ■ For each committee, whether delivering a change project or governing risk, established a requirement that there are two key individuals (4-eye principle) who will be held responsible for managing and resolving issues ■ Developed a written set of duties and responsibilities for all N-2 and N-3 management positions (and other key roles) and agreed performance scorecard ensuring a risk focus for each of these key accountable executives as well as developing a process to ensure that potential conflicts are identified and mitigated ■ Made enhancements to the control framework, including a process to improve the oversight and delivery of major projects, mandatory discussion and resolution of Internal Audit topics at the Executive Board level, increased stature and senior representation at key valuation meetings, and agreed a mandate for Internal Audit to introduce a group-wide risk identification project ■ Increased overall non-financial risk and control awareness and introduced improvements in AML controls ■ Improved discipline within Credit Suisse, evidenced by a strong decrease in severe disciplinary cases in 2021 (slight decrease (–1% YTD) in level 0/1 cases (target: –15%); strong decrease (–40% YTD) in level 2-5 cases (target: stable))

2021 STI awards: non-financial performance assessment – CEO

Category	CEO assessment
Strategy	■ Successfully executed full Strategy Review within six months, during a challenging period for the bank, which included decisions on the long-term strategic direction of the Group and development of the Group's 2021-2024 strategic plan ■ Continued to steer the Group towards profitable and compliant growth and higher returns, while taking measures to navigate through the macro-economic and operational challenges posed by COVID-19 ■ Developed an updated, global technology strategy, achievements included delivery of digital WM solutions and market leading digital platforms and capabilities in IB (e.g., an award-winning Equity Derivatives platform and a number one ranked E-Trading platform for APAC)
Environmental	■ Established proprietary Sustainable Activities Framework to categorize deals as sustainable; the framework has been published, with governance and processes in continuous development. CHF 60 billion in aggregate transactions executed during 2020 and 2021 that have been reviewed and approved (as of January 26, 2022) as qualifying for inclusion towards the overall sustainable finance commitment of CHF 300 billion by 2030 amount to CHF 60 billion in aggregate ■ Initiated a net zero program and in March 2021 published our inaugural Credit Suisse Sustainability Report with enhanced Task Force on Climate-related Financial Disclosures and Sustainability Accounting Standard Board disclosures, and also established the Sustainability Advisory Committee at Board Level
Social	■ Strengthened focus on representation, confirmed goal for female MDs to 20% by 2025, also increased overall representation by women, US/UK black talent and underrepresented talent ■ Broadened focus across multiple dimensions of diversity: joined the Valuable 500 disability inclusion initiative of 500 CEOs; grew the LGBTQ+ ally community to approximately 6,000 employees globally and earned a "Best Place to Work for LGBTQ+ Equality rating from the Human Rights Campaign

Governance (70%)	■ In 2021, the Group had significant events, in particular in relation to the Archegos and SCFF matters, which posed reputational challenges and generated negative financial impacts, and led to a review of risk governance and culture
	■ For 2022, the culture needs to improve to a level where people feel freer to speak up and where there is a greater systematic risk awareness. The following has been rolled out so far to advance these goals:
	  ■ Hired a new CRO and separated the CRO and CCO functions to promote increased focus at Executive Board level on compliance risk
	  ■ Conducted Global Client Reviews and enhanced Group Consolidated Supervision focus
	  ■ Implemented measures to strengthen regional accountability and oversight by optimizing the divisional and regional structure
	  ■ Centered the risk management culture around individual accountability, implemented the 4-eye principle for each committee and major strategic projects
	  ■ In early 2021 launched the evolved Credit Suisse cultural values, building on our new purpose. Established the new Global Conduct Board (GCB) and the Purpose, Values and Culture Council (PVCC) to govern the culture topic

2019 LTI awards (2019-2021 performance period)

As disclosed in the 2018 Compensation Report, the performance of the 2019 LTI awards is based on RoTE, adjusted tangible book value per share (TBVPS) and relative total shareholder return (RTSR), each weighted equally and measured over the three-year period from the beginning of 2019 until the end of 2021. The 2019 LTI awards had an initial aggregate maximum opportunity of CHF 57.5 million approved at the 2019 AGM, and the number of shares granted was calculated by dividing the maximum opportunity by the Group share price at the time of grant. The share price utilized was based on the same methodology used for share-based awards granted to Group employees.

The Archegos and SCFF matters have had a significant impact on the expected value of outstanding LTI awards. After taking into account foreign exchange movements, achievement of the performance criteria and the qualitative assessment component for the Executive Board member categorized as a UK PRA MRT, the estimated value based on the share price at grant was CHF 10.7 million, or 19% of the maximum opportunity. Based on the share price at the end of 2021, and reflecting the changes to the Executive Board composition, the estimated value of the 2019 LTI was CHF 4.7 million in aggregate for the ten Executive Board members receiving shares under the award. 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 2021 due to subsequent share price movements.

2019 LTI awards: performance against targets

	Weighting[1]	Performance levels			Result	Payout level (% of maximum opportunity)
Performance criteria		Threshold	Target	Maximum		0% / Threshold 25% / Target 67% / Maximum 100%
Three-year average RoTE[2] (%)	33⅓%	6.0%	8.5%	11.5%	3.7%	**0%**
Three-year average adjusted TBVPS[3] (CHF)	33⅓%	17.50	18.55	19.60	18.18	**52.1%**
Relative Total Shareholder Return (RTSR)[4]	33⅓%				**17**	**0%**
Total	**100%**					**19%**

Note: Three-year average RoTE and three-year average adjusted TBVPS are non-GAAP financial measures and are used in this table for the purposes of defining performance target levels for compensation.

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

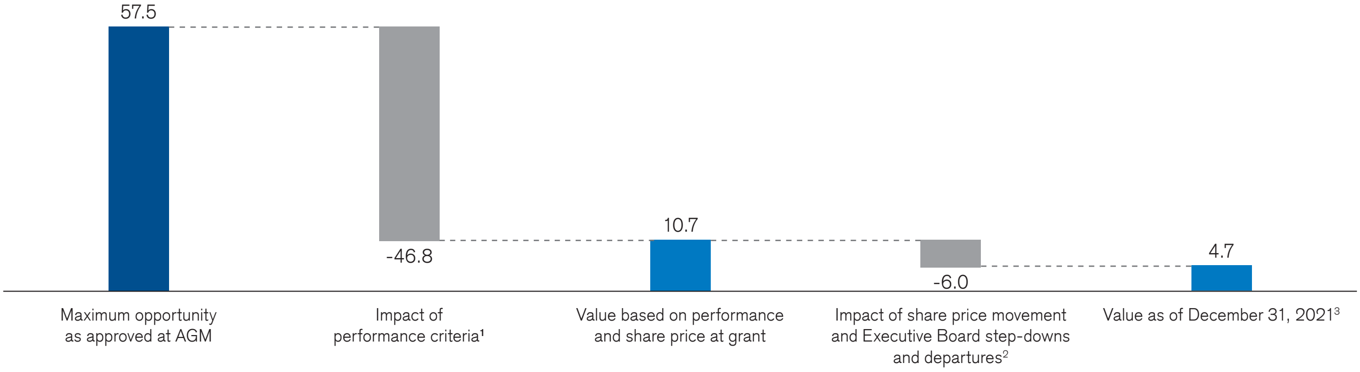
2 RoTE, a non-GAAP financial measure, is calculated as net income attributable to shareholders divided by average tangible shareholders' equity. Tangible shareholders' equity, a non-GAAP financial measure, is calculated by deducting goodwill and other intangible assets from total shareholders' equity as presented in our balance sheet.

3 Tangible book value, a non-GAAP financial measure, is equal to tangible shareholders' equity. TBVPS, a non-GAAP financial measure, is calculated by dividing tangible shareholders' equity by the total number of shares outstanding. Adjusted TBVPS, a non-GAAP financial measure, is calculated by dividing tangible shareholders' equity, excluding the impact of dividends paid, own credit movements and foreign exchange movements, by the total number of outstanding shares. The impact of foreign exchange movements references exchange rates in 2019 at the time the targets were set.

4 To provide the benchmark for comparison of performance, a group of 18 peers has been chosen by the Compensation Committee based on size, geographic scope and business mix, and consists of companies with publicly traded shares where there is positive correlation to Credit Suisse in the relationship of share price movements and how they react to external market conditions. For the purposes of the RTSR ranking, the peer group list was 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, NatWest Group, Nordea Bank, Société Générale, Standard Chartered and UBS.

Estimated value of the 2019 LTI awards

2019-2021 performance cycle (in CHF million)



Note: Figures above may contain rounding differences.

[1] Includes CHF -1.5 million FX rates impact.

[2] Of which -2.8 million reflects the impact of share price changes from grant date to end of December 31, 2021, and -3.2 million reflects the impact of Executive Board step-downs and departures.

[3] Based on the share price as of December 31, 2021. The number of shares earned based on achievement of the performance targets over the three-year performance period will vest in three equal tranches on the third, fourth and fifth anniversaries of the grant date.

Compensation of the Group CEO

The annual performance assessment of the Group CEO Thomas Gottstein takes into account the same Group financial and non-financial criteria applied to other Executive Board members. Based on the STI performance assessment described previously, Mr. Gottstein's total variable incentive compensation for 2021 was CHF 0.8 million, 77% lower than the prior year. Mr. Gottstein's total compensation awarded for 2021 was CHF 3.8 million, or 43% lower than the prior year.

Mr. Gottstein's realized compensation for 2021 was CHF 3.9 million and comprised of:

- CHF 2.7 million base salary;
- CHF 0.4 million non-deferred cash component of the 2021 STI award (paid out in 2022, subject to shareholder approval at the 2022 AGM); and
- CHF 0.8 million deferred cash portion of the 2017 STI award.

In addition, Mr. Gottstein received CHF 0.2 million in pension and other benefits.

Compensation of the highest paid Executive Board member

The highest paid Executive Board member in 2021 was David Mathers, who has been a member of the Executive Board since 2010 and currently holds two roles: the Chief Financial Officer for the Group as well as the CEO of the UK subsidiaries Credit Suisse International and Credit Suisse Securities (Europe) Limited. For 2021, Mr. Mathers was awarded total compensation of CHF 4.1 million, which comprised of CHF 2.0 million base salary, CHF 1.5 million role-based allowance, CHF 0.3 pension and benefits, CHF 0.1 million dividend equivalents and a total STI award of CHF 0.2 million in the form of cash and blocked shares which are non-transferrable for 12 months, in compliance with regulatory requirements given Mr. Mathers' status as a UK PRA MRT.

Mr. Mathers' total realized compensation for 2021 was CHF 4.6 million and comprised of:

- CHF 2.0 million base salary;
- CHF 1.5 million role-based allowance;
- CHF 44,000 in non-deferred cash for the 2021 STI; and
- CHF 1.0 million in share awards delivered during 2021 relating to previous STI and LTI awards.

In addition, Mr. Mathers received CHF 0.4 million in pension and other benefits and dividend equivalents.

Supplementary information

Executive Board compensation (audited)

in	Base salaries and role-based allowances [1]	Dividend equivalents [2]	Pension and other benefits [3]	**Total fixed compen-sation**	STI awards (Non-deferred) [4]	STI awards (Deferred) [5]	**Total STI awards**	**LTI awards fair value (Deferred) [6]**	**Total variable compen-sation**	**Total compen-sation [7,8]**
2021 (CHF million)										
15 members	27.21	0.51	2.26	**29.98**	4.27	4.32	**8.59**	**0.00**	**8.59**	**38.57**
% of total compensation [9]				**78%**			**22%**	**0%**	**22%**	
of which highest paid: David Mathers	3.50	0.14	0.26	**3.90**	0.09	0.13	**0.22**	**0.00**	**0.22**	**4.12**
% of total compensation				**95%**			**5%**	**0%**	**5%**	
of which CEO: Thomas Gottstein	2.70	0.00	0.24	**2.94**	0.41	0.41	**0.81**	**0.00**	**0.81**	**3.75**
% of total compensation				**78%**			**22%**	**0%**	**22%**	
of which joiners and leavers during 2021 (6 individuals)	7.76	0.12	0.75	**8.63**	1.94	1.94	**3.88**	**0.00**	**3.88**	**12.51**
% of total compensation				**69%**			**31%**	**0%**	**31%**	
2020 (CHF million)										
13 members	25.70	1.12	2.14	**28.96**	–	–	**–**	**23.74**	**23.74**	**52.70**
% of total compensation [9]				**55%**			**0%**	**45%**	**45%**	
of which CEO and highest paid: Thomas Gottstein	2.62	0.08	0.24	**2.94**	–	–	**–**	**3.59**	**3.59**	**6.53**
% of total compensation				**45%**			**0%**	**55%**	**55%**	
of which joiners and leavers during 2020 (3 individuals)	4.86	0.25	0.34	**5.45**	–	–	**–**	**1.87**	**1.87**	**7.32**
% of total compensation				**74%**			**0%**	**26%**	**26%**	

For the individuals who joined the Executive Board and the individuals who left the Executive Board during 2020 and 2021, 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. The 2020 table has been updated to reflect the withdrawal of the 2020 STI award proposal for the Executive Board. There was no vote for the 2020 STI at the 2021 AGM.

1 The 2020 base salaries and role-based allowances total reflects the base salary for two Executive Board members that is already reduced by 20% of their annual base salary during six months that Executive Board members committed to COVID-19 pandemic relief efforts. For all other Executive Board members their donations to pandemic relief efforts were made post payment of salary.

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

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

4 STI non-deferred awards for 2021 comprised of CHF 4.23 million (for 2020 CHF 0.00 million) cash, with a further CHF 0.04 million (for 2020 CHF 0.00 million) granted as blocked shares to Mr. Mathers, to comply with regulatory requirements given that he was categorized as UK PRA MRT during 2021 and 2020.

5 STI deferred awards for 2021 comprised of CHF 4.25 million (for 2020 CHF 0.00 million) in deferred cash awards as well as CHF 0.07 million (for 2020 CHF 0.00 million) granted as share awards to Mr. Mathers, to comply with regulatory requirements given that he was categorized as UK PRA MRT during 2021 and 2020.

6 The fair value of the LTI awards as of the date of grant was determined using a probabilistic valuation method applied by Deloitte.

7 For the total compensation awarded to the members of the Executive Board, the Group made payments of CHF 2.3 million in 2021 (for 2020 CHF 2.7 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.

8 No guaranteed bonuses, sign-on or replacement awards were paid to Executive Board members for 2021 and 2020.

9 Variable compensation ranged from 5% to 55% of total compensation in 2021 and from 23% to 69% in 2020.

Former Executive Board members (audited)

For 2021, no compensation payments were made to former Executive Board members who left Credit Suisse, which was also the case for 2020. Further, no payments were made to former Executive Board members pursuant to non-compete arrangements.

Utilization of Executive Board compensation approved at the 2021 AGM

At the 2021 AGM, shareholders approved a maximum aggregate amount of fixed compensation to be paid to members of the Executive Board for the period from the 2021 AGM to the 2022 AGM of CHF 31.0 million. Fixed compensation includes base salaries, role-based allowances, dividend equivalents, pension and other benefits as well as any replacement awards granted to new Executive Board members during this period. 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.

During the period from the 2021 AGM to the 2022 AGM, six new members have joined the Executive Board, of which one is for the newly created Chief Compliance Officer role. Given that the proposal for the 2021 LTI awards was withdrawn from the 2021 AGM, the supplementary amount available for new members of the Executive Board is 30% of the CHF 31.0 million in fixed compensation, or CHF 9.3 million. Of this supplementary amount, CHF 8.4 million was utilized to fund (or part fund) the cash-based replacement awards for the newly recruited Executive Board members, namely CHF 6.3 million for David Wildermuth (Chief Risk Officer), CHF 1.5 million for Joanne Hannaford (Chief Technology & Operations Officer) and CHF 0.6 million for Francesco De Ferrari (CEO Wealth Management). By the time of the 2022 AGM, a total of CHF 39.4 million will have been paid to Executive Board members, of which CHF 27.7 million relates to the individuals who were Executive Board members during 2021 and CHF 11.7 million relates to individuals who became Executive Board members in 2022. By the time of the 2022 AGM, an additional amount of up to CHF 12.1 million will have been awarded to the newly recruited Executive Board members in the form of deferred share awards to compensate them for the equivalent fair value of the awards that were cancelled by their previous employer as a consequence of them joining Credit Suisse. This amount of CHF 12.1 million will be submitted for retrospective approval by the shareholders at the 2022 AGM to cover the share-based replacement awards, which will have deferral periods and performance conditions, where applicable, that mirror the respective terms at the previous employers.

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 those below the Executive Board level.

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 subject to a non-compete period of six months 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, 2021, the outstanding cash-based deferred compensation awards granted to certain Executive Board members in prior years comprised of the 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 19 million, unchanged from their value as of December 31, 2021. These amounts also include the cash value of dividend equivalents related to unvested share awards at their respective grant dates and at December 31, 2021.

Minimum shareholding requirements

As of December 31, 2021, the CEO and all other Executive Board members, except for five members, fulfilled the minimum shareholding requirements as measured against the number of shares owned plus the number of unvested shares 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) or at full value for the new share awards going forward. The CEO and other 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. From 2022 onward, the minimum shareholding requirement will increase to 1,000,000 shares for the Group CEO and the Investment Bank CEO and 500,000 for all other Executive Board members.

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]
2021					
Thomas P. Gottstein	343,933	865,241	1,209,174	10,346,761	5,044,803
Romeo Cerutti	419,333	339,027	758,360	4,074,902	2,033,172
André Helfenstein	89,962	516,222	606,184	5,574,001	3,215,381
Lydie Hudson	–	243,816	243,816	2,670,588	1,383,393
Ulrich Körner	246,487	–	246,487	–	–
Rafael Lopez Lorenzo	99,591	127,566	227,157	1,519,990	1,131,766
David R. Mathers	163,403	992,083	1,155,486	10,869,369	6,974,651
Christian Meissner	247	–	247	–	–
Joachim Oechslin	213,577	272,122	485,699	3,506,175	2,414,266
Antoinette Poschung	158,585	123,557	282,142	1,355,032	706,324
Helman Sitohang	471,033	805,946	1,276,979	9,665,696	4,811,141
James B. Walker	221,384	396,582	617,966	4,314,624	2,582,473
Philipp Wehle	76,739	549,634	626,373	6,208,945	3,511,812
Total	**2,504,274**	**5,231,796**	**7,736,070**	**60,106,082**	**33,809,182**
2020					
Thomas P. Gottstein	329,945	1,175,386	1,505,331	14,059,196	7,982,209
Romeo Cerutti	360,449	569,438	929,887	7,134,274	4,108,232
Brian Chin	568,030	1,790,864	2,358,894	21,951,346	12,474,970
André Helfenstein	74,229	671,329	745,558	7,523,347	5,899,796
Lydie Hudson	57,115	421,216	478,331	4,864,351	2,895,168
David R. Mathers	110,958	1,313,581	1,424,539	14,661,244	10,505,639
Antoinette Poschung	141,405	207,515	348,920	2,360,009	1,412,321
Helman Sitohang	365,186	1,344,933	1,710,119	16,773,304	9,612,195
James B. Walker	143,444	577,046	720,490	6,552,588	5,092,395
Lara J. Warner	–	1,089,006	1,089,006	13,461,484	7,647,962
Philipp Wehle	74,542	670,246	744,788	7,652,671	5,095,777
Total	**2,225,303**	**9,830,560**	**12,055,863**	**116,993,815**	**72,726,662**

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 2020	Granted in 2021 [1]	Paid out in 2021	Ex post explicit adjustments	Ex post implicit adjustments	**Total outstanding end of 2021**	% of which exposed to ex post explicit adjustments
Executive Board (CHF million) [2]								
Contingent Capital Awards	Cash-based	5	0	(1)	–	–	4	100%
Cash awards [3]	Cash-based	13	–	(3)	–	–	10	100%
Share awards [4]	Share-based	81	0	(5)	(58)	(3)	15	100%
Performance share awards	Share-based	9	1	(3)	0	(2)	5	100%
Total		**108**	**1**	**(12)**	**(58)**	**(5)**	**34**	**–**

1 Includes awards granted to Executive Board members with respect to their previous roles prior to joining the Executive Board.
2 Includes Executive Board members who were in office on December 31, 2021.
3 Includes the deferred cash portion of STI awards.
4 Includes the impact of performance-based adjustments to the outstanding 2020 and 2019 LTI opportunities.

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, 2021, 2020 and 2019, outstanding loans to Executive Board members amounted to CHF 16 million, CHF 13 million and CHF 32 million, respectively. The number of individuals with outstanding loans at the beginning and the end of 2021 was five and seven, respectively, and the highest loan outstanding was CHF 4 million to Mr. Körner.

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.

Introduction to the new Executive Board compensation design

Overview

In parallel with the revised Group strategy announced in November 2021, the Compensation Committee undertook a comprehensive review of the Executive Board compensation framework to ensure it continues to incentivize management appropriately. One of the key aims of the revised compensation model is to ensure closer alignment between the Executive Board and our shareholders' experience by delivering a more significant part of the compensation of the Executive Board members in the form of shares, thereby reinforcing the ownership mentality within the Executive Board. The revisions also aim to simplify the delivery and structure of the compensation plan. A key change is therefore driving long-term performance by focusing on the delivery of critical short-term goals that can be updated year-on-year to reflect particular areas of priority. Coupled with long-term alignment through increased delivery in shares, this should lead to a compensation framework which is more relevant, motivating, and simpler to understand. Under the new design, value creation will to a large extent be driven by positive share price movement. Additionally, the minimum shareholding requirements have been raised significantly. Furthermore approximately 85% of the variable compensation will be in the form of deferred CCA and share awards subject to underpins over a period of three to five years.

The new Executive Board compensation framework shown below has been implemented with effect from the 2022 financial year. Executive Board members continue to receive fixed compensation (in the form of base salary, role-based allowance where applicable, pension and benefits). The pool available for variable compensation will be determined based on prior year performance; variable compensation will be delivered in the form of 1) immediate cash, 2) contingent capital awards (CCA) vesting on the third anniversary of grant, and 3) share awards vesting in three equal tranches on the third, fourth and fifth anniversaries of grant. Regulated employees may have differing terms as may be required. Long-term share awards will constitute at least 70% of the total variable compensation. The maximum annual amount of combined cash and CCA that can be granted to any individual Executive Board member is CHF 2 million, and if this cap is reached, any remaining amount is allocated in the form of long-term share awards. As a further measure to facilitate greater shareholder alignment, if the RTSR is within the bottom quintile of the pre-defined peer group of 20 peers, then all variable compensation will be granted in the form of long-term share awards for that year.

	Components	Vesting (Year 0 = performance year)						
		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Fixed	Salary and RBAs[1]							
Fixed	Pension and Benefits							
Variable	Cash (~15% of VC)		Cash					
Variable	CCA (~15% of VC)					CCA		
Variable	Share awards (~70% of VC)					⅓		
Variable							⅓	
Variable								⅓

Minimum shareholding requirement
- Group CEO and Investment Bank CEO: **1,000,000 shares**
- Other Executive Board members: **500,000 shares**

Contingent capital awards (CCA) – are awards that have rights and risks similar to those of certain contingent convertible capital instruments issued by the Group in the market. CCA qualify as going-concern loss-absorbing capital of the Group, the timing and form of distribution is subject to approval by FINMA. Prior to settlement, CCA provide the recipient a conditional right to receive semi-annual cash payments of interest equivalents. At settlement, the recipient will receive either a contingent capital instrument or cash payment based on the fair value of the CCA, as determined by the Group.

Prior to settlement, the principal amount would be written down to zero and forfeited if 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.

Share award threshold requirements – forfeiture of outstanding tranches due for settlement in the following year, if either:
- CET1 ratio falls below FINMA requirement[2] + 50 bps at the end of the year; or
- Reported loss before taxes for the full year.

The Compensation Committee has the discretion to review special circumstances, for example if major legacy items are not reflective of underlying performance.

1 Role-based allowance in relation to one Executive Board member who is classified as a UK PRA Material Risk Taker.
2 Refers to the statutory minimum requirement plus any additional amount FINMA may require for Credit Suisse specifically. For example, in the first quarter of 2021, we agreed with FINMA to apply a Pillar 2 capital add-on of USD 2.0 billion relating to the SCFF matter. As of December 31, 2021, for the Group this Pillar 2 capital add-on of CHF 1.8 billion equated to an additional Swiss CET1 capital ratio of 68 basis points and a Swiss CET1 leverage ratio requirement of 21 basis points.

Determination of the Executive Board variable compensation pool

Performance is measured against financial and non-financial performance objectives set and approved by the Compensation Committee and Board of Directors at the beginning of the year. Performance is measured against these objectives, which creates a pool that is limited to 2% of Group income before taxes excluding items that the Compensation Committee determines are not reflective of underlying performance. Measures to be applied for 2022 are set out in the table below.

The financial metrics have a 70% weighting and are based on Group-wide key metrics that measure 1) returns; 2) adjusted income before taxes; 3) performance compared to peers; and 4) capital usage. The non-financial objectives have a 30% weighting and are based on three categories: Risk and Control; Values and Culture; and Sustainability. Given the commercial sensitivity, the financial performance objective will be disclosed retrospectively in the 2022 Compensation Report.

To determine the aggregate Executive Board variable compensation pool for 2022, the Compensation Committee will review the Group's performance against these objectives at the end of the performance period. In making its assessment, the Committee will also take into account how the results compare with those delivered in the prior year, relative peer performance, and market positioning and trends.

As mentioned previously, caps will be maintained on the compensation of individual Executive Board members, with a maximum variable compensation at four times base salary for the Group CEO, and at five times base salary for the other Executive Board members.

Financial metrics (targets to be disclosed retrospectively)		Weighting
Group metrics	▪ Reported Return on Tangible Equity (RoTE)	25%
	▪ Adjusted income before taxes	25%
	▪ Relative Total Shareholder Return (RTSR)	10%
	▪ CET1 capital ratio	10%
Non-financial metrics		**Weighting**
Risk & Control	The evaluation will consider the level of improvements to Risk & Control based on the level of achievements in the following areas: ▪ Strengthening risk and compliance teams, systems and processes in the 1st Line of Defence (LoD) and 2nd LoD organizations within Credit Suisse. The level of achievement will be based on an assessment by Internal Audit and a third party of the risk control strengthening measures ▪ Disciplined implementation of, and adherence to, the financial risk framework, which will be measured by the key risk metrics, including risk limit breaches, provision for credit losses and financial losses ▪ The extent of new Non-Financial Risk incidents occurring in 2022 and comparison with the number of incidents in 2021 ▪ Efficiency in the implementation / remediation of key regulatory and audit items and improvement in controls, measured by the delivery record in respect of regulatory projects plus the efficiency in the remediation of issues raised in internal audits, as well as the number of negative internal audits occurring	30%
Values and Culture	Values and culture objectives comprise improvements in the overall risk culture, Diversity & Inclusion, as well as further improving on our IMPACT values (Inclusion, Meritocracy, Partnership, Accountability, Client Focus, and Trust) across the organization and improving employee satisfaction. An evaluation of the level of achievement will be based on: ▪ Results from our internal Conduct and Risk Assessment, which is carried out towards the end of each year ▪ 50% progress towards our goals that, by January 1, 2024, women represent 42% of total employees, with additional targets for percentages of women at senior levels within Credit Suisse ▪ 50% progress towards our goals of a 50% increase to our Black talent in the US and UK by January 1, 2024, as well as doubling the senior Black talent (Managing Directors, Directors, Vice-Presidents) in the US and UK, also by January 1, 2024 ▪ Further increase in under-represented minorities in the US and UK ▪ Results of the IMPACT survey for 2022, targeting a 2.5% increase in positive responses compared with the 2021 survey	
Sustainability	The evaluation will be based on an assessment of the performance towards our sustainability targets and objectives, specifically: ▪ A positive contribution to the trajectory of our net zero plan 2030 and 2050 carbon reduction goals, including adherence to lending objectives in critical areas, including oil, coal, and gas ▪ Progress towards our goal by 2030, by increasing current levels by CHF 30 billion in 2022 ▪ Progress towards our goal for sustainable assets under management by increasing current levels to 11.7% in 2022 ▪ Contributing to support Credit Suisse as a sustainability leader as measured by external sustainability rankings, such as MSCI, Sustainalytics etc., reviewing research and thought leadership contributions on sustainability as well as attendance and participation at sustainability events ▪ There should be zero transactions or investments carrying high environmental and social risks that did not follow appropriate governance	

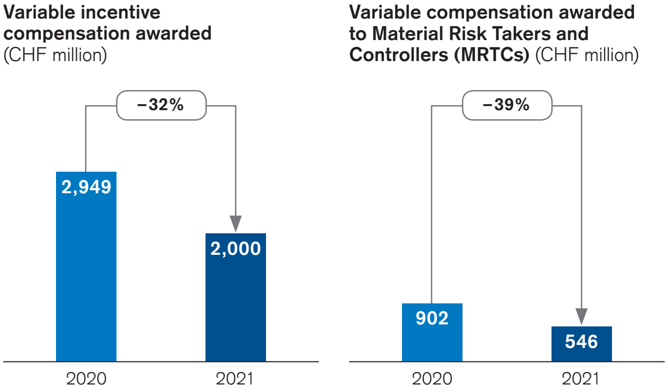
Key changes and comparison to the previous framework

The new features of the Executive Board compensation design and rationale for the changes are summarized in the table below.

Element	Current design	New design – key changes	Rationale
Fixed compensation	▪ Base salary no greater than CHF/USD 2 million (other than for the Group CEO: up to CHF 2.7 million)	▪ Base salary range from CHF/USD 1.5 million to CHF/USD 2.2 million (other than for the Group CEO: up to CHF 2.7 million)	▪ To enable greater differentiation for factors such as geographic market and level of experience
Variable compensation (VC) determination	▪ Each Executive Board member has a Short Term Incentive (STI) maximum opportunity and Long Term Incentive (LTI) maximum opportunity, which is expressed as a multiple of base salary ▪ The STI payout is determined based on prior year performance: – CEO/Corporate Functions: 2/3 Group financial metrics and 1/3 non-financial assessment – Division heads: 1/2 Group financial metrics; 1/4 Divisional financial metrics; 1/4 non-financial assessment ▪ The LTI payout is determined based on prospective 3-year performance: – 1/3 Group RoTE; 1/3 Group TBVPS and 1/3 RTSR ranking ▪ Payout levels are 25%, 67% and 100% of the opportunity level for threshold, target and maximum opportunity. For the RTSR component, zero payout for the bottom five places and limited payout below median performance	▪ Each Executive Board member will have a target total compensation ▪ Total aggregate Executive Board variable compensation is determined based on prior year performance: – Financial metrics: 70% weighting – Non-financial metrics: 30% weighting ▪ An individual achieving target performance would on average be expected to earn his or her target variable compensation – underperformance would result in a lower pay-out, while out-performance would result in a higher pay-out ▪ **Maximum cap on total Executive Board pool is 2% of Group income before taxes** (PTI) excluding items not reflective of underlying performance ▪ **CEO total variable compensation cap of 4x base salary** ▪ **Individual Executive Board member cap on variable compensation of 5x base salary**	▪ More transparent comparison of performance vs compensation proposals at time of AGM say-on-pay vote ▪ Non-financial component applies to entire variable compensation pool
Form of award	▪ Historically, based on performance and fair value, payout has been split ~50% STI and ~50% LTI	▪ **Cash and CCA no more than 30%** of total variable compensation – **individual Executive Board member cap of CHF/USD 2 million** ▪ **Long-term share awards at least 70%** of total variable compensation	▪ Increased alignment with shareholders and debtholders
Short term awards	▪ 50% immediate cash ▪ 50% deferred cash cliff vesting on 3rd anniversary of grant	▪ 50% immediate cash (no change) ▪ 50% CCA cliff vesting on 3rd anniversary of grant ▪ Individual Executive Board cap of CHF/USD 2 million on combined cash/CCA amount	▪ CCA is in line with awards granted to other Group employees ▪ Cash/CCA cap to facilitate alignment with shareholder interests and is in line with existing cap for other Group employees
Long term awards	▪ LTI share awards subject to 3-year prospective performance targets ▪ Vesting in equal tranches on the 3rd, 4th and 5th anniversaries of grant	▪ Share awards are subject to **CET1 ratio and reported PTI underpins** that apply throughout the vesting period – if either underpin is not satisfied, all outstanding tranches settling in the following year by be forfeited ▪ If RTSR is in the bottom quintile of defined peer group for the performance year, then all variable compensation including the cash/CCA awards will be delivered as share awards vesting in equal tranches on the 3rd, 4th and 5th anniversaries of grant	▪ Further alignment to shareholder interests: – Minimum threshold levels of performance (for CET1 ratio and reported PTI) must be satisfied for share awards to vest – All variable compensation will be delivered in share awards (including the short-term awards) if total shareholder return relative to peers is in the bottom four
Shareholding requirements	▪ Group CEO: 500,000 shares ▪ Other Executive Board members: 300,000 shares	▪ Group CEO and Investment Bank CEO: **1 million shares** ▪ Other Executive Board members: **500,000 shares**	▪ Increased alignment with shareholders

Group compensation

Compensation outcomes for 2021



Variable compensation awarded
In determining the Group variable incentive compensation pool for 2021, the Compensation Committee noted that outside of the areas responsible for Archegos and SCFF, many of the Group's businesses performed very strongly. In addition to the strong underlying financial performance, the Compensation Committee also took into account non-financial factors such as the improvements that have been implemented during the year to strengthen the risk and control framework. Looking at external considerations, the market trend for compensation in the financial services industry is up significantly compared with the prior year, and there is a highly active market for talent. In light of these considerations, as well as feedback from external stakeholders including the Group's main regulators, the Compensation Committee proposed a Group variable incentive pool of CHF 2,000 million, 32% lower compared with the previous year. Differentiation will continue to be a focus, with the highest-performing employees rewarded for their contribution to the Group's performance.

In order to more closely align with market practice, the Compensation Committee decided to lower deferral rates applicable to variable compensation. For 2021, these deferral rates ranged from 10% to 50% of the variable incentive amount, compared with 17.5% to 85% for 2020. Approximately 25% 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.

For 2021, most Managing Directors and Directors who were granted a variable incentive compensation award received the non-deferred portion in the form of a restricted upfront cash award (UCA). The restricted UCA is a form of variable compensation, where employees receive an immediate cash payment that is subject to repayment in connection with a termination of employment due to voluntary resignation (or other specified repayment condition) that occurs during the following three-year period. The repayment amount equals the gross proportionate amount of the award between the departure date and the end of the three-year period. In this way, the restricted UCA is a retention tool that also aligns the employee's interests with the long-term interests of the Group. Additionally, the UCA is subject to a malus provision as well as a repayment obligation in the event of a termination with cause.

Approximately CHF 400 million of retention awards were granted in response to significant external pressure on some of our critical talent, particularly as the Group strategy review took place and uncertainty surrounded the future structure of the Group. These retention awards were in the form of share-based awards, vesting in equal tranches over three years.

Strategic Delivery Plan
In February 2022, the Group granted Strategic Delivery Plan (SDP) deferred share-based awards of CHF 497 million to most Managing Directors and Directors to incentivize the longer-term delivery of the Group's strategy. The SDP awards are subject to service conditions and underpins over the course of 2022-2024 and are scheduled to vest in their entirety on the third anniversary of the grant date.

Prior to settlement, the SDP awards will be written down to zero and forfeited if any of the following triggering events exist at the end of 2022, 2023 or 2024:
- the Group's CET1 capital ratio is below the FINMA-prescribed minimum + 50 basis points; or
- the Group's CET 1 leverage ratio is below 3.7%.

In addition, the Compensation Committee will review and assess the overall success of the delivery of the strategic plan at a Group level over the three-year period (2022-2024) and may increase the SDP awards up to a maximum of 50% of the initial award amount. Half of the potential uplift may be awarded if a pre-determined average Group RoTE threshold is achieved, measured over the key strategic implementation years 2023 and 2024. The other half of the uplift may be awarded based on the Compensation Committee's assessment of risk management and other strategic non-financial achievements. Details of any uplift will be disclosed when determined at the end of the three-year vesting period.

Negative adjustment to outstanding Performance Share Awards

For the purposes of assessing the application of a negative adjustment to outstanding performance share awards, the Compensation Committee has the discretion to exclude extraordinary items from the calculation of divisional income before taxes and the Group return on equity (ROE). Given the legacy nature of the CHF 1.6 billion goodwill impairment relating to the acquisition of Donaldson, Lufkin & Jenrette in 2000, the Compensation Committee excluded the impairment charge from the Investment Bank loss before taxes and the Group ROE for 2021. Based on the Investment Bank's loss before taxes excluding the goodwill impairment, the outstanding performance share awards currently held by employees who received those awards while being a member of the Investment Bank have been adjusted downward by a total of approximately CHF 68 million (based on award value at grant). Excluding the goodwill impairment, the Group ROE would have been -0.1%, equivalent to a negative adjustment of CHF 0.5 million applying to nearly 1,900 employees. Due to the de minimis negative Group RoE, the Compensation Committee applied its discretion to waive the negative adjustment.

Median and average employee compensation

For 2021, the median annualized total compensation (excluding pension and benefits and dividend equivalents) of all of our bonus eligible employees of our company (other than the CEO) was CHF 113,000, and the annual total compensation of our CEO was CHF 3.51 million (excluding pension and benefits and dividend equivalents). Based on this information, for 2021, the ratio of the annual total compensation of our CEO to the median annual total compensation of all employees was estimated to be 31.06 to 1.

The average total compensation awarded for 2021 was estimated at approximately CHF 190,600 per employee (full-time equivalents), 6% lower compared with approximately CHF 201,800 per employee for the prior year, as calculated by taking the total compensation awarded for each year and dividing by the number of employees (full-time equivalents) reported at the end of each year.

Compensation awarded to Material Risk Takers and Controllers (MRTCs)

Total compensation awarded to MRTCs for 2021 was CHF 1,487 million, compared with CHF 1,607 million for 2020. Of the CHF 1,487 million total compensation awarded, 37% was in the form of variable incentive compensation, with 41% of the variable incentive compensation subject to malus.

Total compensation awarded

			2021			2020
For	Non-deferred	Deferred	**Total**	Non-deferred	Deferred	Total
Fixed compensation (CHF million)						
Salaries	5,341	259	5,600	5,158	120	5,278
Social security	622	–	622	653	–	653
Other [1]	808	–	808	836	–	836
Total fixed compensation	**6,771**	**259**	**7,030**	**6,647**	**120**	**6,767**
Variable incentive compensation (CHF million)						
Cash awards	1,452 [2]	55	1,507	1,476 [2]	100	1,576
Share awards	41	216	257	35	592	627
Performance share awards	–	161	161	–	493	493
Contingent Capital Awards	–	75	75	–	253	253
Total variable incentive compensation	**1,493**	**507**	**2,000**	**1,511**	**1,438**	**2,949**
Other variable compensation (CHF million)						
Cash severance	31	–	31	47	–	47
Retention awards	20	375	395	0	40	40
Other [3]	27	68	95	16	21	37
Total other variable compensation	**78**	**443**	**521**	**63**	**61**	**124**
Total compensation awarded (CHF million)						
Total compensation awarded	**8,342**	**1,209**	**9,551**	**8,221**	**1,619**	**9,840**
of which guaranteed bonuses	32	31	63	10	9	19

Salaries include role-based allowances.

1 Includes pension and other post-retirement expense of CHF 503 million and CHF 517 million in 2021 and 2020, respectively.

2 Includes restricted Upfront Cash Awards of CHF 799 million for 2021 and CHF 59 million for 2020. Prior period has been reclassified to conform to the current presentation.

3 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

			2021			2020
	MRTCs [1]	Other employees	**Total**	MRTCs [1]	Other employees	Total
Number of employees awarded variable incentive compensation						
Variable incentive compensation	**1,432**	**43,024**	**44,456**	**1,413**	**43,531**	**44,944**
of which Cash awards [2]	1,432	43,024	44,456	1,413	43,531	44,944
of which Share awards	1,240	4,874	6,114	1,282	5,492	6,774
of which Performance share awards	1,266	797	2,063	1,297	853	2,150
of which Contingent Capital Awards	1,229	3,869	5,098	1,268	4,509	5,777
Number of employees awarded other variable compensation						
Cash severance	9	258	267	10	599	609
Retention awards	134	518	652	42	104	146
Guaranteed bonuses	12	156	168	1	66	67
Other [3]	40 [4]	1,597	1,637	24 [4]	573	597

Excluding Executive Board members who were in office on December 31, 2021 or 2020, respectively.
1 Excludes individuals who may have been classified as MRTCs according to regulatory requirements of jurisdictions outside of Switzerland, particularly US-based revenue producers in the Investment Bank, who were classified as Covered Employees by the US Federal Reserve.
2 Includes restricted Upfront Cash Awards. Prior period has been reclassified to conform to the current presentation.
3 Includes replacement awards to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers as well as sign-on payments.
4 For 2021 and 2020, there were no sign-on payments paid.

Compensation awarded to Material Risk Takers and Controllers

			2021			2020
For	Non- deferred	Deferred	**Total**	Non- deferred	Deferred	Total
Fixed compensation (CHF million)						
Total fixed compensation [1]	**622**	**112**	**734**	**598**	**74**	**672**
Variable incentive compensation (CHF million)						
Cash awards	282 [2]	29	311	237 [2]	34	271
Share awards	41	58	99	35	178	213
Performance share awards	–	99	99	–	299	299
Contingent Capital Awards	–	37	37	–	119	119
Total variable incentive compensation	**323**	**223**	**546**	**272**	**630**	**902**
Other variable compensation (CHF million)						
Cash severance	10	–	10	4	–	4
Retention awards	7	172	179	0	17	17
Other [3]	3 [4]	15	18	3 [4]	9	12
Total other variable compensation	**20**	**187**	**207**	**7**	**26**	**33**
Total compensation (CHF million)						
Total compensation	**965**	**522**	**1,487**	**877**	**730**	**1,607**
of which guaranteed bonuses	2	2	4	1	5	6

Excluding Executive Board members who were in office on December 31, 2021 or 2020, respectively. Of the total compensation awarded to MRTCs for 2021 and 2020, 35% and 45%, respectively, was deferred. Of the total variable incentive compensation awarded to MRTCs for 2021 and 2020, 41% and 70%, respectively, was deferred.
1 The number of MRTCs receiving fixed compensation for 2021 and 2020 was 1,480 and 1,438, respectively.
2 Includes restricted Upfront Cash Awards. Prior period has been reclassified to conform to the current presentation.
3 Includes replacement awards to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers as well as sign-on payments.
4 For 2021 and 2020, there were no sign-on payments paid.

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	Current compensation	Deferred compensation	2021 Total	Current compensation	Deferred compensation	2020 Total
Fixed compensation expense (CHF million)						
Salaries	5,341	147 [1]	5,488	5,158	112 [1]	5,270
Social security [2]	622	–	622	653	–	653
Other [3]	808	–	808	836	–	836
Total fixed compensation expense	**6,771**	**147**	**6,918**	**6,647**	**112**	**6,759**
Variable incentive compensation expense (CHF million)						
Cash awards [4]	653	203 [5]	856	1,417	286 [5]	1,703
Share awards [6]	41	482	523	35	573	608
Performance share awards	–	290	290	–	448	448
Contingent Capital Awards	–	202	202	–	255	255
Total variable incentive compensation expense	**694**	**1,177**	**1,871**	**1,452**	**1,562**	**3,014**
Other variable compensation expense (CHF million)						
Cash severance	31	–	31	47	–	47
Retention Awards	–	123	123	–	43	43
Other [7]	20	–	20	27	–	27
Total other variable compensation expense	**51**	**123**	**174**	**74**	**43**	**117**
Total compensation expense (CHF million)						
Total compensation expense	**7,516**	**1,447**	**8,963**	**8,173**	**1,717**	**9,890**

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.

1 Represents deferred fixed cash compensation expense of CHF 147 million and CHF 112 million related to cash awards for 2021 and 2020, respectively.
2 Represents the Group's portion of employees' mandatory social security.
3 Includes pension and other post-retirement expense of CHF 503 million and CHF 517 million in 2021 and 2020, respectively.
4 Includes CHF 8 million and CHF 2 million of compensation expense associated with replacement cash awards granted in 2021 and 2020, respectively, to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers.
5 Includes restricted Upfront Cash Awards expense. Prior period has been reclassified to conform to the current presentation.
6 Includes CHF 13 million and CHF 6 million of compensation expense associated with replacement share awards granted in 2021 and 2020, respectively, to compensate employees for the equivalent fair value of deferred awards cancelled by previous employers.
7 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 2021 and prior years that were outstanding as of December 31, 2021, with comparative information for 2020. 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 For 2021	Deferred compensation For prior-year awards	2021 Total	Deferred compensation For 2020	Deferred compensation For prior-year awards	2020 Total
Estimated unrecognized compensation expense (CHF million)						
Share awards	224	349 [1]	573	538	449 [1]	987
Performance share awards	156	146	302	453	194	647
Contingent Capital Awards	72	134	206	241	151	392
Cash awards [2]	854	223 [3]	1,077	159	201 [2]	360
Retention awards	–	284	284	–	40	40
Total estimated unrecognized compensation expense	**1,306**	**1,136**	**2,442**	**1,391**	**1,035**	**2,426**

1 Includes CHF 20 million and CHF 10 million of estimated unrecognized compensation expense associated with replacement share awards granted in 2021 and 2020, respectively, not related to prior years.
2 Includes estimated unrecognized compensation expense associated with restricted Upfront Cash Awards granted in 2021 and prior years.
3 Includes CHF 11 million and CHF 3 million of estimated unrecognized compensation expense associated with replacement cash awards granted in 2021 and 2020, 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-based 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 30 – 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 2020 and 2021, indicating the value of changes due to ex post implicit and ex post explicit adjustments. For 2021, 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, and explicit adjustments relating to the negative adjustment applied to the performance-based awards as well as forfeiture and malus provisions.

Outstanding deferred compensation awards

in / end		Total outstanding end of 2020	Granted in 2021	Paid out in 2021	Ex post explicit adjustments	Ex post implicit adjustments	**Total outstanding end of 2021**	% of which exposed to ex post explicit adjustments
Group (CHF million) [1]								
Contingent Capital Awards	Cash-based	691	251	(190)	(84)	18	686	100%
Cash awards [2]	Cash-based	193	104	(99)	(16)	14	196	100%
Share awards [3]	Share-based	1,428	1,030	(500)	(244)	(488)	1,226	100%
Performance share awards	Share-based	1,045	470	(327)	(161)	(342)	685	100%
Total		**3,357**	**1,855**	**(1,116)**	**(505)**	**(798)**	**2,793**	**–**
Material Risk Takers and Controllers (CHF million) [4]								
Contingent Capital Awards	Cash-based	309	110	(76)	(5)	4	342	100%
Cash awards [2]	Cash-based	89	46	(44)	(2)	7	96	100%
Share awards [3]	Share-based	441	364	(174)	(21)	(149)	461	100%
Performance share awards	Share-based	561	251	(162)	(47)	(179)	424	100%
Total		**1,400**	**771**	**(456)**	**(75)**	**(317)**	**1,323**	**–**

1 Includes MRTCs and Executive Board members who were in office on December 31, 2021.
2 Includes retention awards and restricted Upfront Cash Awards.
3 Includes retention awards.
4 Excludes Executive Board members who were in office on December 31, 2021.

Supplementary information

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 2021 and will continue covering future share delivery obligations through market purchases.

Share-based awards outstanding
At the end of 2021, there were 221.0 million share-based awards outstanding, of which 143.8 million were share awards and 77.2 million performance share awards.

→ Refer to "Note 30 – Employee deferred compensation" in VI – Consolidated financial statements – Credit Suisse Group for further information.

Subsequent activity
In early 2022, the Group granted approximately 27.7 million new share awards and 19.4 million new performance share awards with respect to performance in 2021. Further, the Group awarded CHF 75 million of deferred variable incentive compensation in the form of CCA pursuant to the Group's compensation policy.

In the first half of 2022, the Group plans to settle 82.7 million deferred awards from prior years, including 51.0 million share awards and 31.7 million performance share awards. The Group will continue 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 Takers (MRTs) 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 V (CRD V) and Capital Requirements Regulation. The deferred cash allowance plan (DCAP) is a form of role-based allowance that is used primarily in the Americas.

Variable incentive compensation
For 2021, variable incentive compensation was paid in cash unless the total compensation awarded to an employee for 2021 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. For 2021, most Managing Directors and Directors who were granted a variable incentive compensation award received the non-deferred portion in the form of a restricted upfront cash award (UCA). The restricted UCA is a form of variable compensation, where employees receive an immediate cash payment that is subject to repayment in connection with a termination of employment due to voluntary resignation (or other specified repayment condition) that occurs during the following three-year period. The repayment amount equals the gross proportionate amount of the award between the departure date and the end of the three-year period. In this way, the restricted UCA is a retention tool that also aligns the employee's interests with the long-term interests of the Group. Additionally, the restricted UCA is subject to a malus provision as well as a repayment obligation in the event of a termination with cause.

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 V 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 time, generally 12 months.

The Compensation Committee has decided to lower deferral rates to more closely align with market levels. For 2021, these deferral rates ranged from 10% to 50% of the variable incentive award, compared with 17.5% to 85% for 2020. The amount of variable incentive compensation paid in cash for 2021 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

	Total compensation				
	Fixed compensation	Variable compensation			
			Deferred compensation[1]		
Employee category	Base salary	Cash[2]	Share awards	Performance share awards	Contingent Capital Awards
Managing directors and directors who are MRTCs			30%	50%	20%
Other directors			80%		20%
Other MRTCs			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.
2 Subject to clawback in certain jurisdictions, including the UCA.

Deferred compensation: key features

Award	Delivery[1]	Vesting period[1]	Performance conditions
Share awards	■ One registered share per award ■ Dividend equivalents (payable upon delivery)	■ 3 years (ratable vesting) ■ 4 years (ratable vesting) for CRD V MRTs and / or EU Identified Employees (who are not either of the below, e.g. risk or senior manager MRTs) ■ 5 years (ratable vesting) for risk managers[2] ■ 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers[3]	■ No additional performance conditions
Performance share awards	■ One registered share per award ■ Dividend equivalents (payable upon delivery)	■ 3 years (ratable vesting) ■ 4 years (ratable vesting) for CRD V MRTs and / or EU Identified Employees (who are not either of the below, e.g. risk or senior manager MRTs) ■ 5 years (ratable vesting) for risk managers[2] ■ 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers[3]	■ Performance conditions apply to full balance of outstanding awards ■ Negative adjustment applies in the event of divisional loss[4] by the division in which the employee worked as of December 31, 2021, 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	■ 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)	■ 3 years (ratable vesting) ■ 4 years (ratable vesting) for CRD V MRTs and / or EU Identified Employees (who are not either of the below, e.g.risk or senior manager MRTs) ■ 5 years (cliff vesting) for risk managers[2] ■ 7 years (cliff vesting) for senior managers[3]	Prior to settlement, the principal amount would be written down to zero and forfeited if: ■ 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 including MRTs / EU Identified Employees who are ineligible to receive interest or dividend payments (or equivalent) during the deferral period on variable compensation instruments awarded.
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 negative adjustments of performance share awards

Performance share awards are subject to downward adjustments in the event of a divisional loss or a negative ROE of the Group, whichever results in a larger adjustment. The Compensation Committee has the discretion to exclude extraordinary items from the calculation of divisional losses or Group ROE as it deems appropriate. If the Group reports a negative ROE, the number of outstanding awards is reduced by the same percentage as the negative ROE. The amount of negative adjustment applied in the event of divisional loss is shown in the table below.

Negative adjustment if division incurs a loss

Division loss before taxes (in CHF billion)	Negative 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

→ Refer to the "Compensation outcomes for 2021" in Group Compensation for further information.

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.

The RTSR peer group includes Banco Santander, Bank of America, Barclays, BBVA, BNP Paribas, Citigroup, Deutsche Bank, Goldman Sachs, HSBC (new addition from 2022 onwards), ING Group, Intesa Sanpaolo, JPMorgan Chase, Julius Bär, Morgan Stanley, Nordea Bank, NatWest Group, Société Générale, Standard Chartered and UBS. From 2022 onwards, the Compensation Committee decided to add another company to the previous peer group to facilitate analysis based on quartiles and quintiles (20 companies including Credit Suisse), and HSBC was chosen given the similarities in geographical coverage and scope of businesses.

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 RTSR peer group, peers considered for Executive Board compensation include: ABN AMRO Bank, CaixaBank, Commerzbank, Credit Agricole, Danske Bank, KBC Group, Lloyds Banking Group 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 considers and approves adjustments to the divisional pool levels.

The Group Conduct Board reviews all disciplinary events and decides on sanctions proposed by the recommendation teams, which include representatives from the control functions. The Group Conduct Board meets on a regular 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 and clawback provisions were enforced during the course of 2021. All variable incentive compensation granted to UK PRA MRTs 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	▪ Reduction or cancellation of outstanding deferred awards prior to settlement ▪ Applies to all outstanding deferred awards granted	▪ 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	▪ Claim back of deferred and non-deferred variable compensation after settlement ▪ For UK PRA MRTs, 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	For UK PRA MRTs, clawback may be applied in certain situations, including: ▪ 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 Similar clawback provisions apply for employees regulated by the Bank of Italy and other EU-regulated employees who are subject to a clawback requirement.

Covered Employees (including Material Risk Takers and Controllers)

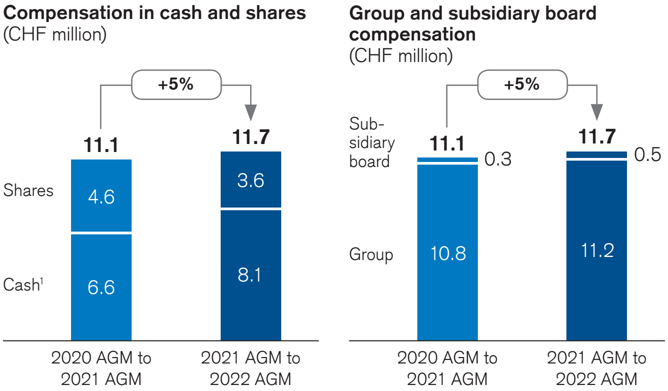
Covered employees are subject to a heightened level of scrutiny over the alignment of their compensation with performance and risk considerations.

Employee categories		Compensation process
Covered Employees	▪ MRTCs ▪ US-based revenue producers in the Investment Bank division	**Focus on risk assessment** ▪ 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
MRTCs	▪ 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 2021

Board of Directors compensation



Figures above may contain rounding differences.
1 Includes pension and other benefits for the period from the 2020 AGM to the 2021 AGM and from the 2021 AGM to the 2022 AGM.

For the period from the 2021 AGM to the 2022 AGM, aggregate compensation to the Board of CHF 11.7 million consisted of CHF 11.2 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 2021 AGM. Total Board compensation is 5% higher than the prior period, driven mainly by a combination of a greater number of Board members and higher subsidiary board fees due to more Board members serving on subsidiary boards.

The Board membership and committee fee amounts for the 2021 AGM to 2022 AGM period are consistent with the prior year with the exception of the Sustainability Advisory Committee for which the Board introduced a Chair fee of CHF 75,000.

Effective January 1, 2022, the Board further introduced a chair fee of CHF 150,000 for the new Digital Transformation and Technology Committee.

→ Refer to the table "Board membership fees: 2021 AGM – 2022 AGM" in Compensation Design for further information.

For the 2022 AGM to 2023 AGM period, the Board intends to introduce a committee membership fee of CHF 40,000 for this committee. All other committee and committee chair fees will remain unchanged. The Board plans to introduce fees for the role of the Vice Chair and/or Lead Independent Director, given the increased significance of these roles within the Board, and any such fees will be benchmarked and paid in line with market practice.

Compensation of the Chairman

The Chairman's compensation for the full 2021 AGM to 2022 AGM period remained unchanged compared with the amount for the prior period, namely a base fee of CHF 3 million payable in cash and a chair fee of CHF 1.5 million, to be pro-rated in case of an early step-down. In light of the resignation of the former Chairman, António Horta-Osório on January 16, 2022, his base and chair fees were paid on a pro-rated basis until the end of January, in order to ensure a smooth handover to his successor, Axel Lehmann. The Board agreed to pay the chair fee fully in cash, rather than Group shares. Of the total amount of CHF 4.5 million in base and chair fees that would have been awarded to the former Chairman, Mr. Horta-Osório received an amount of CHF 3.5 million for the period from the 2021 AGM to January 31, 2022. For the new Chairman, Axel Lehmann, the base and chair fees for the 2021 AGM to 2022 AGM period are pro-rated for the period from January 16, 2022 to the 2022 AGM and payable in cash (base fee) and Group shares (chair fee). The role of the Chairman 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 and the shareholder meetings. He takes an active role in representing the Group to regulators and supervisors, key shareholders, investors, government officials and other external stakeholders.

Compensation of the Vice Chair and Lead Independent Director

In prior years up to and including the 2021 AGM to 2022 AGM period, there has been no separate fee paid for the roles of Vice Chair and Lead Independent Director. Starting from the 2022 AGM to 2023 AGM period and in recognition of the increased significance of these roles within the Board in recent years, the Board plans to introduce fees for the role of the Vice Chair and/or Lead Independent Director, which will be benchmarked and paid in line with market practice. The Vice Chair and Lead Independent Director leads the annual Board assessment of the Chairman, chairs Board meetings in the event the Chairman is not able to for any reason, interviews potential new Board member candidates, and may meet with investors or other external stakeholders independently from the Chairman.

Compensation of the committee chairs

Committee chair fees are paid for the Audit Committee, the Compensation Committee, the Risk Committee, the Conduct and Financial Crime Control Committee, the new Digital

Transformation and Technology Committee and the Sustainability Advisory 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 the committee chairs throughout the year as required 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 18 meetings, and the Compensation Committee Chair personally attended 33 separate meetings with key shareholders and proxy advisers during 2021. 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, the Audit Committee Chair's supervisory role over the Internal Audit function, and the lead role of the Audit Committee Chair for overseeing investigations into whistleblowing and other escalated matters. The Audit Committee held 17 meetings during 2021. 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 13 meetings during 2021, and in addition, the Risk Committee Chair held numerous meetings with regulators and other stakeholders. The Conduct and Financial Crime Control Committee held 6 meetings during 2021, plus one meeting of the entire committee with FINMA.

→ Refer to the table "Meeting attendance – 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 non-executive 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.

Board members 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 non-executive 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 Bank (Europe), S.A. [3]	4	4	**8**
Credit Suisse (Schweiz) AG	17	16	**33**
Credit Suisse International (CSI) / Credit Suisse Securities (Europe) Ltd. (CSSEL)	21	11	**32**
Credit Suisse Holdings (USA), Inc. [4]	34	15	**49**

1 Includes ad hoc meetings and calls.
2 Includes meetings of the respective subsidiary board's audit and risk committees.
3 Includes meetings held in 2021, starting from June 18, 2021, the date on which the board was formed.
4 Board and committee meetings held jointly with Credit Suisse (USA) Inc. and Credit Suisse Securities (USA) LLC.

Supplementary information

Board compensation from the 2021 AGM to the 2022 AGM (audited)

	Group															
	GNC	AC	CC	CF CCC	RC	DTTC	SAC	Base board fee	Committee fee	Chair fee	Pension and other benefits	**Total**	Of which awarded in Group shares [1]	Subsidiary board fee [2]	**Total, including subsidiary boards** [3]
CHF															
Axel Lehmann, Chairman [4]	C				C (a.i.)			928,767	85,457	511,781	54,776	**1,580,781**	549,304	–	**1,580,781**
António Horta-Osório, former Chairman [5]								2,250,000	0	1,125,000	162,806	**3,537,806**	0	–	**3,537,806**
Iris Bohnet			M				C	250,000	100,000	75,000	–	**425,000**	212,500	–	**425,000**
Clare Brady		M		M				250,000	225,000	–	–	**475,000**	237,500	36,712	**511,712**
Juan Colombas		M	M		M			145,205	204,167	–	–	**349,372**	174,686	50,000	**399,372**
Christian Gellerstad	M		M	C				250,000	150,000	150,000	–	**550,000**	275,000	100,000	**650,000**
Michael Klein			M					250,000	100,000	–	–	**350,000**	175,000	–	**350,000**
Shan Li					M			250,000	100,000	–	–	**350,000**	175,000	–	**350,000**
Seraina Macia		M						250,000	150,000	–	–	**400,000**	200,000	–	**400,000**
Blythe Masters [6]			M			C		250,000	166,667	50,000	–	**466,667**	233,333	91,450	**558,117**
Richard Meddings [7]	M	C		M	M			250,000	175,000	600,000	–	**1,025,000**	512,500	84,258	**1,109,258**
Kai S. Nargolwala	M		C	M	M			250,000	225,000	300,000	–	**775,000**	387,500	–	**775,000**
Ana Paula Pessoa		M		M				250,000	225,000	–	–	**475,000**	237,500	137,500	**612,500**
Severin Schwan	M				M			250,000	150,000	–	–	**400,000**	200,000	–	**400,000**
Total								**6,073,973**	**2,056,290**	**2,811,781**	**217,582**	**11,159,626**	**3,569,823**	**499,920**	**11,659,546**

GNC = Governance and Nominations Committee; AC = Audit Committee; CC = Compensation Committee; CFCCC = Conduct and Financial Crime Control Committee; RC = Risk Committee; DTTC = Digital Transformation and Technology Committee; SAC = Sustainability Advisory Committee; C = Chair; M = Member

1 As of December 31, 2021, 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 9.35. The remaining shares will be delivered to Board members at or around the date of the 2022 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 and advisory board roles: i) Ms. Brady served from August 19, 2021 until December 2021 as non-executive board member of the UK subsidiaries Credit Suisse International and Credit Suisse Securities (Europe) Limited and receives annual fees of CHF 100,000 for this role; ii) as of January 1, 2022, Mr. Meddings assumed the chair of the UK subsidiaries Credit Suisse International and Credit Suisse Securities (Europe) Limited, subject to regulatory approval, and received an annual chair fee of GBP 250,000 on a pro-rated basis until March 10, 2022, at which time he stepped down as chair of the UK subsidiary, but remains on the board in the role of Vice-Chair, with an annual fee of GBP 150,000, payable on a pro-rated basis from March 10, 2022 to the 2022 AGM; iii) Mr. Colombas was appointed as non-executive chair of the Credit Suisse Bank (Europe), S.A. effective January 2022, subject to regulatory approval, and receives annual fees of CHF 150,000 for this role; iv) Mr. Gellerstad serves as non-executive board member of the Credit Suisse (Schweiz) AG and receives annual fees of CHF 100,000 for this role; v) Ms. Masters serves as non-executive chair of the Credit Suisse Holdings (USA), Inc. (CSH USA), effective January 2022, and receives annual fees of USD 300,000 for this role; vi) Ms. Pessoa served from June 2021 until December 2021 as non-executive chair of Credit Suisse Bank (Europe) S.A. and as chair of the Credit Suisse Brazil Advisory Board effective January 2022, and receives annual fees of CHF 150,000 for each of these roles. All amounts have been pro-rated to reflect the time the respective Board member served on the subsidiary board.

3 At the 2021 AGM, shareholders approved a maximum amount of total compensation to be awarded to Board members until the 2022 AGM of CHF 12 million. For the total compensation awarded to members of the Board, the Group will make estimated payments of CHF 0.6 million for the 2021/2022 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. In the case of Mr. Lehmann, this amount has been pro-rated from January 16, 2022 until the 2022 AGM. The total compensation of the Chairman includes benefits for the period from January 16, 2022 to the 2022 AGM of CHF 54,776, including pension and health insurance benefits. Mr. Lehmann furthermore received pro-rated amounts for his Risk Committee membership (October 1-31, 2021), Risk Committee Chair (November 1, 2021 – January 16, 2022), Audit Committee membership (October 1, 2021 – January 16, 2022), Conduct and Financial Crime Control Committee membership (October 1, 2021 – January 16, 2022) and Governance and Nominations Committee membership (November 1, 2021 – January 16, 2022). Upon becoming Chairman, Mr. Lehmann does not receive a separate fee for chairing the Governance and Nominations Committee or serving as the ad interim Risk Committee Chair until the AGM.

5 Mr. Horta-Osório served as Chairman and Board member from May 1, 2021 until January 16, 2022. As per terms of his resignation agreement, Mr. Horta-Osório remained at Credit Suisse until January 31, 2022 to ensure a smooth handover to his successor. He received his Chair fee (pro-rated from May 1, 2021 until January 31, 2022) fully in cash.

6 Since January 1, 2022, Ms. Masters serves as Chair of the new Digital Transformation and Technology Committee and receives annual fees of CHF 150,000 for this role or CHF 50,000 for the period from January 1, 2022 to the 2022 AGM.

7 In addition to his Audit Committee Chair fee of CHF 400,000, Mr. Meddings received CHF 200,000 or 50% of the annual Risk Committee Chair fee for taking on the role of the Risk Committee Chair on an ad interim basis for the six month period from May 1, 2021 through October 31, 2021. During this period, Mr. Meddings did not receive the regular Risk Committee membership fee. For the period between November 1, 2021 and April 29, 2022, Mr. Meddings will receive CHF 50,000 or 50% of the regular Risk Commitee membership fee.

Board compensation from the 2020 AGM to the 2021 AGM (audited)

						Group							
	GNC	AC	CC	CF CCC	RC	Base board fee	Committee fee	Chair fee	Pension and other benefits	**Total**	Of which awarded in Group shares [1]	Subsidiary board fee [2]	**Total, including subsidiary boards** [3]
CHF													
Urs Rohner, Chairman [4]	C			M		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		M	C		250,000	150,000	150,000		**550,000**	275,000		**550,000**
Andreas Gottschling	M	M			C	250,000	200,000	400,000		**850,000**	425,000	100,000	**950,000**
Michael Klein			M		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**
Richard Meddings	M	C		M	M	250,000	225,000	400,000		**875,000**	437,500		**875,000**
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				250,000	150,000	–		**400,000**	200,000	198,000	**598,000**
Total						**6,000,000**	**1,875,000**	**2,750,000**	**218,665**	**10,843,665**	**4,562,500**	**298,000**	**11,141,665**

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

1 As of December 31, 2020, one-half of the Board member fees to be awarded in Group shares had been delivered to Board members. The applicable Group share price was CHF 8.62. The remaining shares were delivered to Board members at or around the date of the 2021 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, 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. 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 receives annual fees of USD 225,000 for these roles; 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 2020 AGM, shareholders approved a maximum amount of total compensation to be awarded to Board members until the 2021 AGM of CHF 12 million. For the total compensation awarded to members of the Board, the Group will make estimated payments of CHF 0.7 million for the 2020 / 2021 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 2020 AGM to the 2021 AGM of CHF 218,665, including pension and health insurance benefits.

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, 2021 and 2020, there were no Board members with outstanding options.

Board shareholdings by individual

end of	2021	2020
December 31 (shares) [1]		
Axel Lehmann [2]	108,220	–
António Horta-Osório [3]	335,902	–
Iris Bohnet	115,182	96,328
Clare Brady [2]	12,695	–
Juan Colombas [2,4]	–	–
Christian Gellerstad	138,884	103,991
Michael Klein	71,465	49,897
Shan Li	49,062	28,590
Seraina Macia	105,035	84,844
Blythe Masters [2]	12,027	–
Richard Meddings	58,403	13,774
Kai S. Nargolwala	422,140	366,334
Ana Paula Pessoa	79,404	53,816
Severin Schwan	199,154	169,976
Total	**1,707,573**	**967,550** [5]

1 Includes Group shares that are subject to a blocking period of up to four years; includes shareholdings of immediate family members.
2 Clare Brady and Blythe Masters were newly elected at the 2021 AGM. Juan Colombas and Axel Lehmann were newly elected at the EGM on October 1, 2021.
3 Chairman and Board member until January 16, 2022.
4 Juan Colombas will receive the share portion of his Board and Committee fees at the end of the 2021/2022 Board period.
5 Excludes 425,783 shares held by Urs Rohner, 104,659 shares held by Andreas Gottschling, 77,724 shares held by Joaquin J. Ribeiro and 335,960 shares held by John Tiner, who did not stand for re-election to the Board as of April 30, 2021.

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, 2021, 2020 and 2019, outstanding loans to Board members amounted to CHF 7 million, CHF 4 million and CHF 4 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, 2021, 2020 and 2019, 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	2021	2020
December 31 (CHF)		
António Horta-Osório [1]	2,477,554	0
Christian Gellerstad	3,456,750	3,495,150
Seraina Macia	936,000	944,000
Total	**6,870,304**	**4,439,150** [2]

Includes loans to immediate family members and companies, in which the respective Board member has an ownership stake of 50% or higher.
1 Chairman and Board member until January 16, 2022.
2 Excludes a loan of CHF 4,490,000 held by Urs Rohner, who did not stand for re-election to the Board as of April 30, 2021.

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 other additional fees, severance payments or other forms of compensation were paid to former members of the Board or related parties during 2021 and 2020.

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 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**.

What we do

- **Pay for performance alignment** with a 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 Executive Board members 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

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 unvested 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

Environmental, social and governance (ESG) considerations at Credit Suisse

Sustainability in compensation

Financial institutions have a crucial role to play in society, and Credit Suisse is committed to conducting its business in the most sustainable manner possible. As part of this commitment, ESG aspects are considered in various stages of the compensation process:

- **Group variable incentive pool:** the Compensation Committee considers audit, disciplinary, risk and regulatory-related issues, among other factors, in order to determine appropriate adjustments to the Group, divisional and corporate functions pools. In addition, one of the key drivers of bonus pool development at the divisional level is economic contribution, which factors in the level of risk taken to achieve profitability;
- **Executive Board non-financial assessment:** one-third of the 2020 STI award was assessed based on strategy and ESG-related objectives, including the integration of ESG into investment processes, client satisfaction, corporate

responsibility, talent management, diversity and inclusion, compliance, risk management and conduct and ethics. From 2022 onwards, ESG-related objectives will be considered as part of the overall Executive Board incentive pool determination (delivered in short-term and long-term awards), with a 30% weighting on Risk and Control, Values and Culture, and Sustainability;

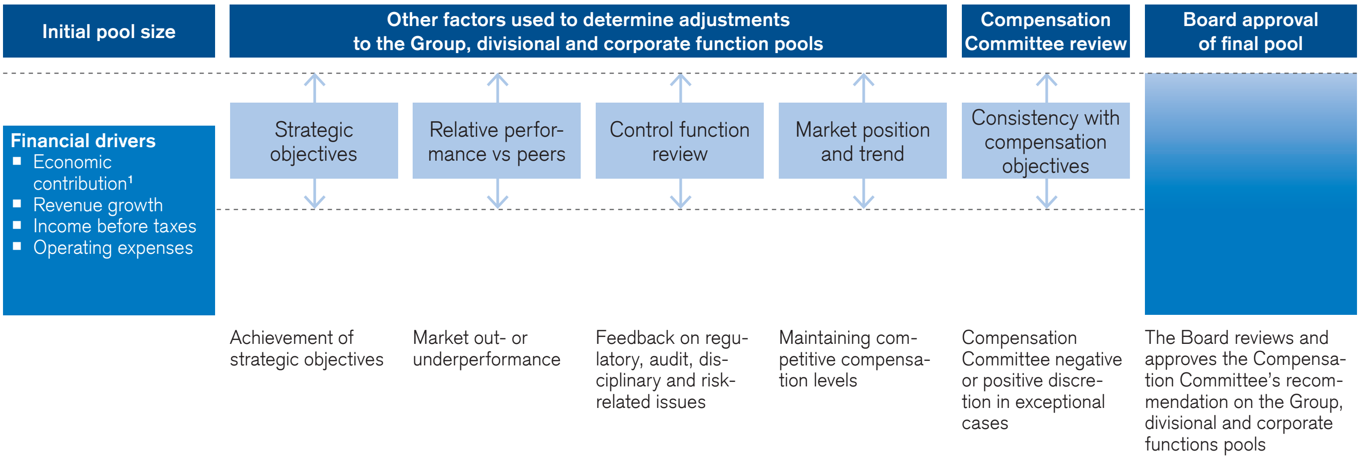
- **Equal pay policy:** Credit Suisse does not tolerate any form of discrimination, in particular discrimination based on ethnicity, nationality, gender, sexual orientation, gender identity, religion, age, marital or family status, pregnancy, disability, or any other status that is protected by local 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.

The Group's key achievements are summarized in the table below.

Our achievements in 2021	
Governance and leadership	■ There is recognition that it has been a challenging period with the Archegos and SCFF matters and, in early 2022, a change in leadership of our Board ■ Reorganization of the Group around four divisions, including a unified, global Wealth Management division, a global Investment Bank, a Swiss Bank and an Asset Management division, with sustainability a core element of our value proposition to our clients, shareholders and employees ■ Incorporated more clearly defined ESG metrics into Executive Compensation scorecards ■ In early 2021, our Code of Conduct was revised to align it more closely with our new purpose and cultural values. The Code was endorsed by the Executive Board and the Board ■ In our pursuit of further transparency, we have reported for the first time against the core World Economic Forum (WEF) IBC Stakeholder Capitalism Metrics in our 2021 Sustainability Report
Environment and sustainable business practice	■ Our sustainability strategy has been supported by strong growth in ESG funds, Sustainable Assets under Management and Sustainable Finance ■ Created the Credit Suisse Sustainable Activities Framework (SAF) to provide transparency, rigor and accountability when assessing whether individual transactions should qualify towards our commitment for Sustainable Finance ■ We made significant progress on our commitment to provide at least CHF 300 billion in sustainable finance by 2030 ■ We published our 2030 and 2050 carbon reduction goals, including progress to date, for oil, gas and coal financing, aligned to our Net Zero Ambition ■ We confirmed the commitment to the Science Based Targets Initiative (SBTi) in February 2021, when Credit Suisse formally signed the "SBTi Business Ambition for 1.5°C commitment letter." ■ In February 2021, we joined the Sustainable Markets Initiative's Financial Services Taskforce, a collaboration of around a dozen global banks convened by HRH the Prince of Wales to accelerate the financial industry's transition to net zero ■ We were awarded the Terra Carta Seal as part of the Sustainable Markets Initiative ■ We joined a number of industry associations, including the Net Zero Banking Alliance, which is working towards common standards on how to measure, report and set targets for carbon reduction ■ Furthermore, we introduced a time-bound commitment to restrict financing and capital market underwriting to businesses involved in activities related to thermal coal mining and coal power ■ We reported the performance of our shipping finance portfolio in line with the Poseidon Principles for the first time in December 2021
Social	■ In 2021, we further increased our representation of women globally and our Black Talent representation in the US and UK, progressing towards our targets set in 2020. Launched the global Accessibility taskforce to meet our commitments to the Valuable 500, a global business collective made up of 500 CEOs and their companies, innovating together to promote disability inclusion ■ In January 2022, Credit Suisse was recognized for the 17th consecutive year in achieving a score of 100% on the Human Rights Campaign Corporate Equality Index and we remained a top 100 employer in the 2021 Stonewall UK Workers Equality Index ranking ■ In 2021, Credit Suisse received numerous awards across the recruitment, virtual recruitment, employer attractiveness, employer branding and diversity and inclusion categories, from organizations such as Forbes, Universum and eFinancial Careers ■ We held our first Sustainability Week and our 5th annual Global Women's Financial Forum to bring together global leaders from business and public policy to discuss ways to create sustainable, shared prosperity ■ We co-founded the Sustainable Development Goals (SDG) Impact Finance Initiative as a public-private partnership, which aims to mobilize financing for the SDGs in developing countries ■ Through our skills-based volunteering programs, we offered our employees around the world numerous opportunities to help build the capacity of our partner organizations ■ We published our flagship Supertrends report outlining many key sustainability themes such as Technology, Millennial Values and Anxious Societies which are now also aligned to the 17 UN SDGs. We also published a report on Biodiversity, and a trio of reports on the role of women in the labor market and financial markets ■ We trained employees in ESG and continued our investments in talent and education to strengthen sustainability governance ■ In 2021, we continued to provide disaster relief funding in response to pandemic-related emergencies in countries and regions including India and Southeast Asia
Ratings and indices	■ Credit Suisse is assessed by a number of ESG rating providers, such as S&P Global (Corporate Sustainability Assessment), Sustainalytics, MSCI and CDP, and FTSE Russel, and we are a member of the FTSE4Good Index Series ■ Since its launch in February 2021, Credit Suisse has also been included in the SIX SPI ESG Index

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.

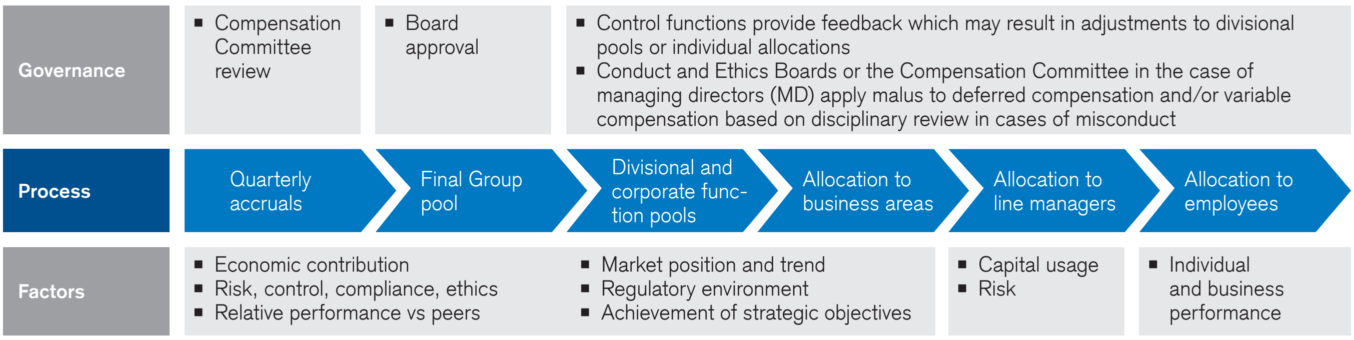


1 Economic contribution is measured as income before taxes excluding variable incentive compensation expense, after deducting a capital usage charge that is calculated based on regulatory capital. Regulatory capital for compensation purposes is defined for each division as the average of 13.5% of divisional Basel III risk-weighted assets and 4.25% of 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, non-financial factors and changes in headcount. Therefore, employees working in the corporate functions, including those performing control functions, are remunerated independently from the performance of the businesses they oversee or 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 2021: key elements

There are two main components of Executive Board compensation: fixed compensation in the form of base salary, role-based allowances and pension and benefits; and variable compensation in the form of an annual STI award and an LTI opportunity, however the 2021 LTI proposal was withdrawn from the 2021 AGM and cancelled in full due to the Archegos matter. The base salary and STI/LTI opportunity levels are set at different levels for each Executive Board member, depending on factors such as scope of role, experience and market benchmarking. The key features of the STI are described in the following diagram, including the performance targets which are disclosed retrospectively. In setting the threshold, target and maximum performance levels for the STI, 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.

2021 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: 1.50 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 scorecards**. Based on this assessment, the Compensation Committee makes proposals to the Board for the approval of final STI award amounts
- **Payout levels for Group and divisional financial criteria** (calculated as a linear percentage of the opportunity between levels):

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

Performance criteria	Weighting
CEO and Corporate Functions Heads	
Adjusted income before taxes[1] (CHF billion)	33⅓%
RoTE[2] (%)	33⅓%
Non-financial criteria	33⅓%
Divisional CEOs (SUB, IWM, AM, APAC, IB)	
Adjusted income before taxes[1] (CHF billion)	12.5% – 25%
RoTE[2] (%)	12.5% – 25%
Division-specific financial metrics	25.0% – 37.5%
Non-financial criteria	25.0% – 37.5%

	Vesting			
2021	2022	2023	2024	2025
STI performance measurement period	50% STI immediate cash vest in 1Q22[3]			50% STI deferred cash vest in 1Q25[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 Adjusted results are non-GAAP financial measures, which exclude certain items included in our reported results.

2 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.

3 For UK PRA MRTs (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.

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

Group employees compensation framework for 2021: key elements

The compensation structure for employees not on the Executive Board consists of fixed compensation in the form of base salary, role-based allowances 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) 2021	2022	2023	2024	2025	Design
Fixed	Base Salary						■ Based on skills, qualifications, relevant experience, responsibilities and external market factors ■ Role-based allowances apply to certain MRTCs
Fixed	Pension and Benefits						■ Pension and benefits consistent with local market practice
Variable	Cash Award[1]						■ Employees with total compensation below CHF/USD 250,000 receive their full amount of variable compensation in the form of an immediate cash award[1]
Variable	Share Awards			⅓	⅓	⅓	For total compensation of CHF/USD 250,000 or higher: ■ Deferred share awards with no additional performance conditions
Variable	Performance Share Awards			⅓	⅓	⅓	■ Managing Directors (MD) and MRTCs receive deferred share awards with performance conditions as part of their deferred compensation
Variable	CCA						■ MD and Directors receive loss-absorbing contingent capital awards

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 Subject to clawback in certain jurisdictions, including the UCA.

→ Refer to "Group compensation" for further information.

Board of Directors compensation framework for 2021: key elements

The Board compensation framework for 2021 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: 2021 AGM – 2022 AGM (in CHF)

Role	Board	Governance and Nominations Committee (GNC)	Audit Committee (AC)	Compensation Committee (CC)	Conduct and Financial Crime Control Committee (CFCCC)	Digital Transformation and Technology Committee (DTTC)	Risk Committee (RC)	Sustainability Advisory Committee (SAC)	Form of payment	Timing of payment
Base fee/ Committee fee (excluding the Chairman)	250,000	50,000	150,000	100,000	75,000	–[1]	100,000	–	50% cash; 50% Group shares blocked and nontransferable for four years	Two equal installments in arrears
Committee chair fee[2]		–[3]	400,000	300,000	150,000	150,000[4]	400,000	75,000		One installment at end of current board period
Chairman's base fee	3,000,000								Cash	12 monthly payments
Chairman's chair fee[5]	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 has so far not received additional compensation for these roles, but starting with the 2022 AGM to 2023 AGM period, the fees for the roles in line with market practice will be introduced.
1 The Board intends to introduce a committee membership fee for the DTTC of CHF 40,000 as of the 2022 AGM.
2 Committee chairs do not receive committee fees in addition to their chair fees.
3 The Chairman does not receive any additional fees for chairing the GNC.
4 The Board has introduced a chair fee for the DTTC of CHF 150,000 as of Jan 1, 2022.
5 For the former Chairman, António Horta-Osório, who resigned from the Board on January 16, 2022, the chair fee was paid on a pro-rated basis in cash.

→ 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 and other stakeholders. 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 2021 AGM to 2022 AGM term were Kai S. Nargolwala (Chair), Iris Bohnet, Christian Gellerstad, Michael Klein and Blythe Masters, as well as Juan Colombas following his election at the Extraordinary General Meeting on October 1, 2021. 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 33 investor and proxy adviser meetings held by the Compensation Committee Chair, during 2021, the Compensation Committee held 18 internal meetings and calls, including one workshop, with an overall attendance rate of 92%. The Compensation Committee's focus areas in 2021 are summarized in the following table:

Compensation Committee activities in 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	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 2021 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 MRTCs 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 as well as the Conduct and Financial Crime Control Committee Chair with respect to matters concerning financial crime compliance. The Compensation Committee also considers input from various corporate functions including Risk, Compliance, General Counsel, Human Resources and Internal Audit, 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 MRTCs. The Risk Committee is involved in the review process for the compensation of MRTCs.

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

Report of the Statutory Auditor
to the General Meeting of Credit Suisse Group AG, Zurich

We have audited the accompanying compensation report of Credit Suisse Group AG for the year ended December 31, 2021. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the sections labelled as 'audited' on pages 251 to 271 of the compensation report.

Board of Directors' responsibility

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 against Excessive Compensation in Stock Exchange Listed Companies (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 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 of Credit Suisse Group AG for the year ended December 31, 2021 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG

Matthew Falconer	Beresford Caloia
Audit expert Auditor in charge	Audit expert

Zurich, Switzerland
March 10, 2022

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