

## Letter to shareholders

Zurich, April 14, 2017

### Dear shareholders,

Following the publication of our proposals for the AGM of April 28, 2017, and as we have done every year, the Chairman of the Compensation Committee and I held extensive discussions with many of our shareholders. In these discussions we have received a lot of support and recognition for the implementation for our strategy in the past year. It is fair to say however that some shareholders expressed reservations regarding certain aspects of our compensation including the total level of compensation of the Board of Directors and the treatment of the US Department of Justice settlement related to our RMBS litigation in setting Executive Board compensation levels.

Regarding Executive compensation, the Board of Directors wishes to reiterate its high degree of satisfaction with the performance of the CEO and the Executive Board in 2016. Following the meetings that the Chairman of the Compensation Committee and I have had with certain shareholders, the CEO and the Executive Board have been made aware of the reservations expressed. In order to alleviate these concerns and to ensure that the Executives are able to continue to focus on the task at hand, i.e. the successful turnaround of Credit Suisse, the CEO and Executive team have decided to propose to the Board of Directors that the total variable compensation previously awarded to them by the Board of Directors for 2016 be reduced by 40%.

In light of the current environment and sentiment towards compensation, the Board of Directors understands the decision made by the CEO and the Executive team. The Board of Directors accepts these voluntary and personal decisions with great respect.

We attach our CEO's letter which is addressed directly to you, our shareholders, and which articulates the approach taken by the Executive team with respect to this matter.

In addition and against this backdrop, the Board of Directors has also decided to maintain total Board compensation at the level of 2015 and 2016, with no incremental increase in 2017 as proposed to the AGM.

We hope that these actions taken together address the concerns expressed by our shareholders and I am looking forward to welcoming you at our AGM on April 28<sup>th</sup>.

Very truly yours,



Urs Rohner  
Chairman of the Board of Directors