

Credit Suisse Investor Day 2017

Compliance & Regulatory Affairs

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November 30, 2017

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This material does not purport to contain all of the information that you may wish to consider. This material is not to be relied upon as such or used in substitution for the exercise of independent judgment.

Cautionary statement regarding forward-looking statements

This presentation contains forward-looking statements that involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward-looking statements. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions we express in these forward-looking statements, including those we identify in "Risk factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2016 and in the "Cautionary statement regarding forward-looking information" in our media release relating to Investor Day, published on November 30, 2017 and filed with the US Securities and Exchange Commission, and in other public filings and press releases. We do not intend to update these forward-looking statements.

In particular, the terms "Estimate", "Illustrative", "Ambition", "Objective", "Outlook" and "Goal" are not intended to be viewed as targets or projections, nor are they considered to be Key Performance Indicators. All such estimates, illustrations, ambitions and goals are subject to a large number of inherent risks, assumptions and uncertainties, many of which are completely outside of our control. These risks, assumptions and uncertainties include, but are not limited to, general market conditions, market volatility, interest rate volatility and levels, global and regional economic conditions, political uncertainty, changes in tax policies, regulatory changes, changes in levels of client activity as a result of any of the foregoing and other factors. Accordingly, this information should not be relied on for any purpose. We do not intend to update these estimates, illustrations, ambitions or goals.

We may not achieve the benefits of our strategic initiatives

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Estimates, assumptions and opinions

In preparing this presentation, management has made estimates and assumptions that affect the numbers presented. Actual results may differ. Annualized numbers do not take account of variations in operating results, seasonality and other factors and may not be indicative of actual, full-year results. Figures throughout this presentation may also be subject to rounding adjustments. All opinions and views constitute judgments as of the date of writing without regard to the date on which the reader may receive or access the information. This information is subject to change at any time without notice and we do not intend to update this information.

Statement regarding non-GAAP financial measures

This presentation also contains non-GAAP financial measures, including adjusted results. Information needed to reconcile such non-GAAP financial measures to the most directly comparable measures under US GAAP can be found in the Appendix of the CEO and CFO Investor Day presentations, published on November 30, 2017. All Investor Day presentations are available on our website at www.credit-suisse.com.

Statement regarding capital, liquidity and leverage

As of January 1, 2013, Basel III was implemented in Switzerland along with the Swiss "Too Big to Fail" legislation and regulations thereunder (in each case, subject to certain phase-in periods). As of January 1, 2015, the Bank for International Settlements (BIS) leverage ratio framework, as issued by the Basel Committee on Banking Supervision (BCBS), was implemented in Switzerland by FINMA. Our related disclosures are in accordance with our interpretation of such requirements, including relevant assumptions. Changes in the interpretation of these requirements in Switzerland or in any of our assumptions or estimates could result in different numbers from those shown in this presentation. Capital and ratio numbers for periods prior to 2013 are based on estimates, which are calculated as if the Basel III framework had been in place in Switzerland during such periods.

Unless otherwise noted, leverage exposure is based on the BIS leverage ratio framework and consists of period-end balance sheet assets and prescribed regulatory adjustments. Beginning in 2015, the Swiss leverage ratio is calculated as Swiss total capital, divided by period-end leverage exposure. The look-through BIS tier 1 leverage ratio and CET1 leverage ratio are calculated as look-through BIS tier 1 capital and CET1 capital, respectively, divided by end-period leverage exposure.

Sources

Certain material in this presentation has been prepared by Credit Suisse on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. Credit Suisse has not sought to independently verify information obtained from public and third-party sources and makes no representations or warranties as to accuracy, completeness or reliability of such information.

Ensuring compliant growth and well-managed risk

Key priorities

- Protect the strategic aspirations of Credit Suisse by ensuring compliant growth within divisional business strategies
- Mitigating new and existing compliance risk through clear risk appetites, strong controls, and technology-driven surveillance

Progress since last Investor Day

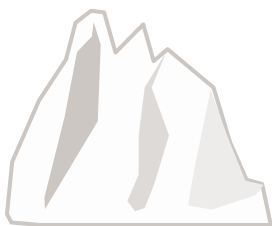
- Increased the stature of compliance and embedded compliance culture and behavior within Credit Suisse
- Aggressively addressed legacy risk and implemented over 1,000 control improvements across Credit Suisse
- Deployed state of the art data and technology platform

Way forward

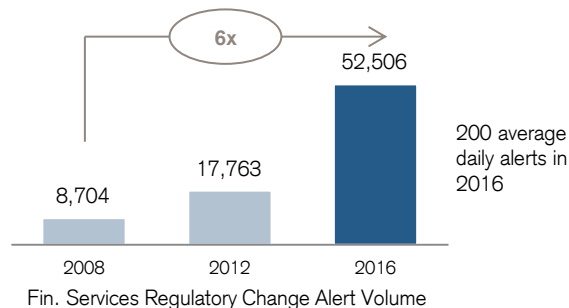
- Aim to manage compliance risks by using an intelligence-led risk focus and putting knowledge in the hands of the front lines, at the lowest cost per unit of risk
- Pivot investment in next-generation technology in an effort to leap-frog surveillance capabilities and proactively detect client and employee risks

Rising risk and cost of regulatory compliance across financial services industry

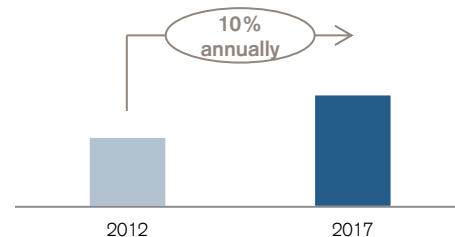
Visible



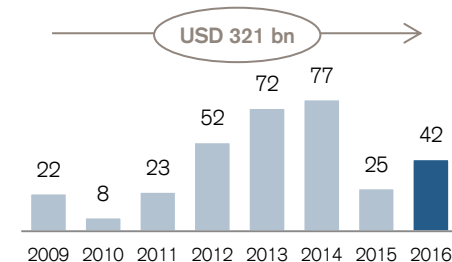
↑ Number of New Regulations¹



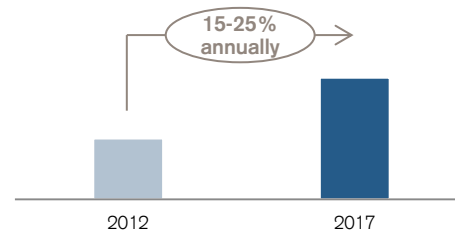
↑ High Regulatory Implementation Costs³



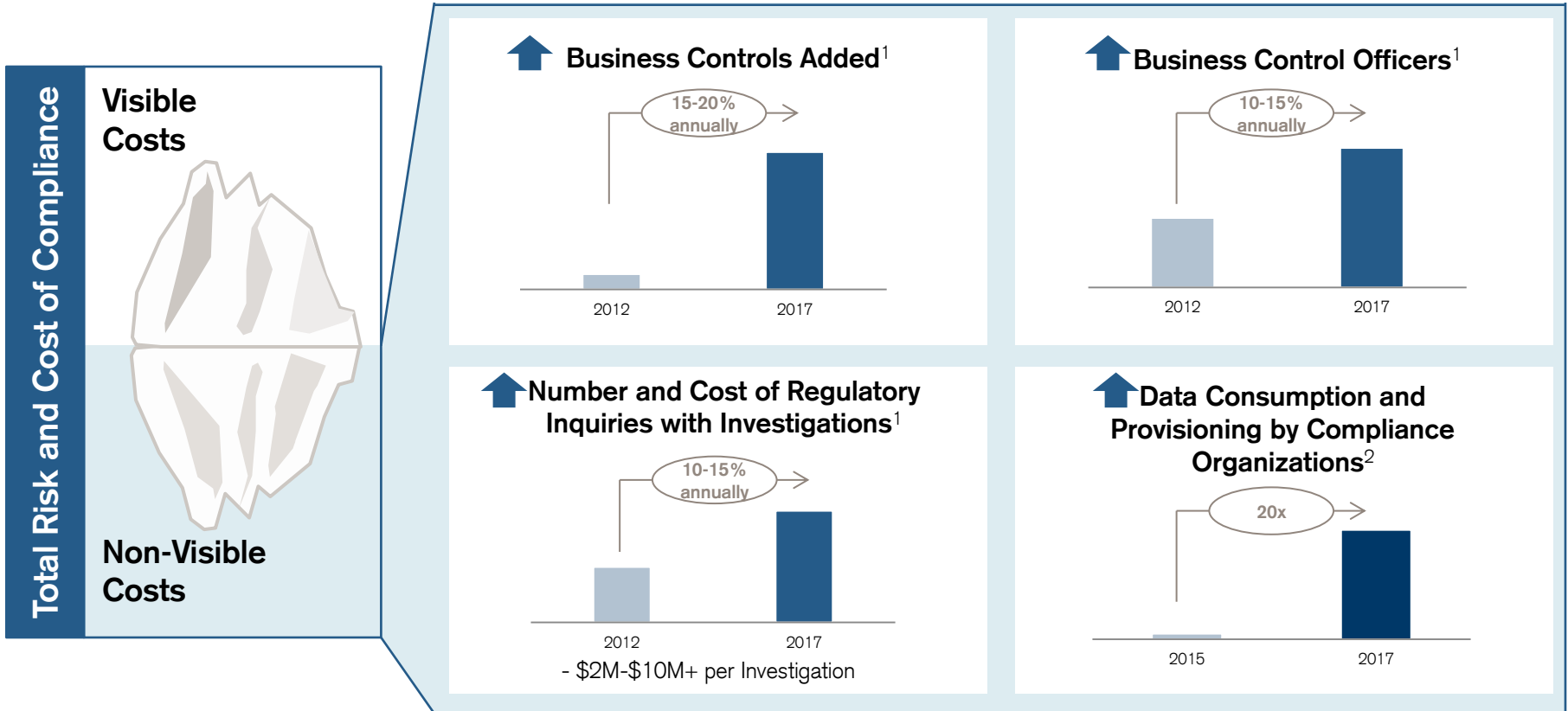
↑ Cumulative Industry Fines²



↑ Rising Cost of Compliance Organizations⁴



Industrywide, hidden costs of compliance growing at an even faster pace

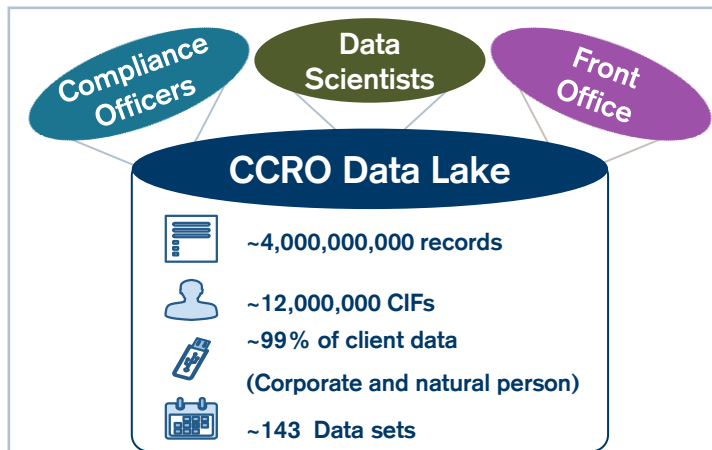


Independent risk and control function within decentralized bank strategy...

Chief Compliance and Regulatory Affairs Officer (CCRO) organization

- 1 CCRO reports directly to the CEO** and is a member of the Executive Board
- 2 Divisional Chief Compliance Officers report to the CCRO** and are part of each division's Executive Committees
- 3 Distinctive Assets:**
 - Investigations team
 - Data scientists
 - Regulatory Affairs
- 4 Strong Talents:**
 - PhDs
 - Compliance experts
 - Investigators
 - Process reengineering experts
 - Front office experience

...powered by advanced data and technology platform to detect risks



- Large and modern data lake
- Platform-based data lineage and real-time data quality assessment
- State of the art analytics

Better, faster capabilities achieved in 2017		
	Investigation reviews	~80-90% faster and ~20% more information reviewed at a ~95% lower cost
	Multi-jurisdiction client searches	~90% faster and more consistent client information across jurisdictions
	RM reviews	~70-80% more RM reviews covering ~80% more risk factors
	Predictive transaction monitoring alerts	~45x increase in productive alert disposition and ~60% faster resolution with more alert data at a ~90% lower cost
	Tax scenarios	~3-4x faster and more holistic client tax risk review at a ~95% lower cost
	Politically exposed persons assessments	~60% faster assessments with consistent information at a ~40% lower cost
	Robotics	~220x more suitability & appropriateness checks with significant risk reduction

From periodic, human-led to “always on,” tech-led controls driving earlier prevention & detection



Compliance is focused on reducing risk while optimizing costs

Risk Priorities

Reducing risks...

- ✓ Legacy Risk
- ✓ Investigations Risk
- ✓ Regulatory Risk (Regulatory Affairs)
- ✓ Business Strategy Compliance Risk

Efficiency Measures

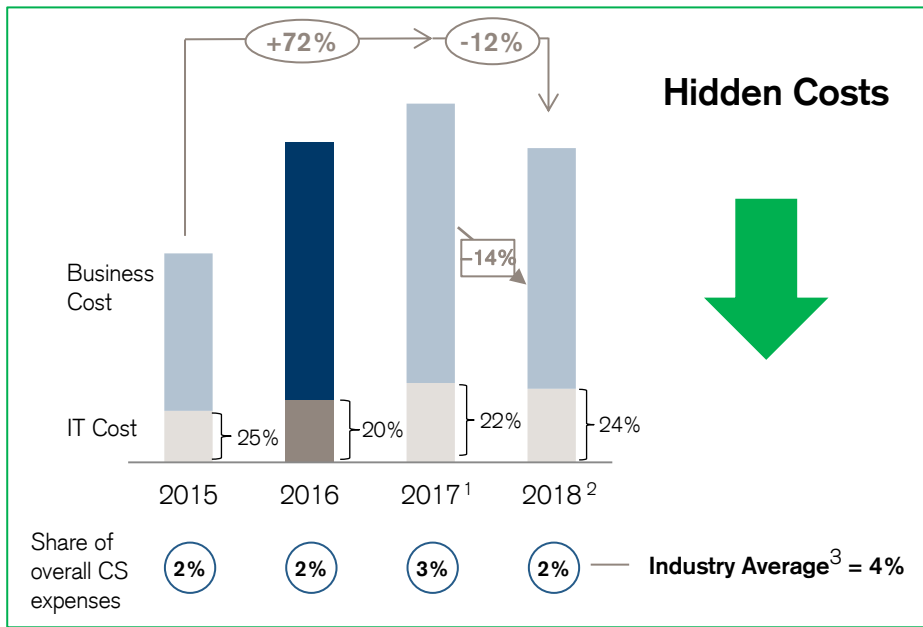
... driving efficiency...

- ✓ Processes Re-Engineering
- ✓ Knowledge Management



Total Cost of Compliance

...and targeting a decrease in cost of compliance in CHF mn



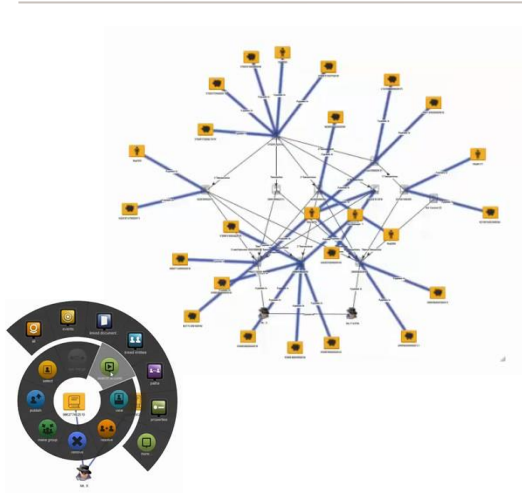
¹ 2017 Estimate based on currently available information and beliefs, expectations and opinions of management as of the date hereof. Actual results for 2017 may differ from any estimates ² 2018 Estimate based on currently available information and beliefs, expectations and opinions of management as of the date hereof. Actual results for 2018 may differ from any estimates ³ Duff and Phelps Global Regulatory Outlook 2017

Legacy risk significantly reduced

Risk Types	Scope	Control	Results
High Risk Emerging Markets	<ul style="list-style-type: none"> High Risk Emerging Markets 	<ul style="list-style-type: none"> Restrictive market risk appetites for clients and products 	<ul style="list-style-type: none"> ✓ Exited a number of high risk markets ✓ Approved key market and legal entity risk appetites
PEPs: Politically Exposed Persons	<ul style="list-style-type: none"> Small percentage of client base 	<ul style="list-style-type: none"> Full risk analysis and highly restrictive risk appetite enforced Heightened surveillance enforced 	<ul style="list-style-type: none"> ✓ PEP Risk Appetites ✓ Scored all PEPs and exited riskiest PEPs based on PEP risk appetites
Higher Risk Clients	<ul style="list-style-type: none"> Small percentage of client base 	<ul style="list-style-type: none"> Full review of all legacy client files 	<ul style="list-style-type: none"> ✓ Reviewed all Swiss booked clients in one year ✓ International review underway
Tax Review US Persons	<ul style="list-style-type: none"> Global Focus 	<ul style="list-style-type: none"> Zero tolerance for undeclared US clients Heightened surveillance enforced 	<ul style="list-style-type: none"> ✓ Extensive reviews of clients and client-facing teams ✓ In-depth review by Monitor
Tax Review Rest of the World	<ul style="list-style-type: none"> Covered countries 	<ul style="list-style-type: none"> Zero tolerance for onboarding untaxed assets 	<ul style="list-style-type: none"> ✓ Client tax remediation completed ✓ Recent Audit validated results ✓ All clients reviewed for tax evidence
Panama Papers	<ul style="list-style-type: none"> All clients/trusts 	<ul style="list-style-type: none"> Enhanced compliance requirements for trusts 	<ul style="list-style-type: none"> ✓ Review of Mossack Fonseca-related client relationships and Trust mandates completed ✓ A small number of connections require follow-up
Trading	<ul style="list-style-type: none"> All trading books 	<ul style="list-style-type: none"> Trade surveillance 	<ul style="list-style-type: none"> ✓ Evaluated and dramatically reduced number of trading books

Compliance Investigations: learning from legacy risks faster, better, and cheaper

Palantir Gotham



Matter	From ¹	To
Desk Reviews	– Weeks	– Days
Global Name Searches	– Weeks	– Hours
Exposure Assessments	– Months	– Days
Related parties	– Days	– Hours
Cost of Investigations	– Millions	– Thousands

- ✓ **Lessons Learned and Read-Across for every case with root cause analysis and remediation**
- ✓ **Over 300 mitigating actions completed at a Global Level to date due to efforts of Compliance Investigations**

¹ Since the inception of Compliance Investigations function in 2016

Business Compliance risks well understood and managed

Emerging Markets

- **GROWTH FOCUS**
- **Risks:**
 - Geopolitical and market risks
- **Compliance Focus:**
 - Highly selective clients
 - Restricted Client and Market Risk Appetite

Wealth Management

- **GROWTH FOCUS**
- **Footprint:** 40+ locations, ~3,500 relationship managers¹, ~600 Compliance Coverage Officers
- **Risks:**
 - RM conduct, legacy client risk, AML risk (client onboarding)
 - Misconduct difficult to detect over time
- **Compliance Focus:**
 - **All clients are approved by compliance prior to onboarding**
 - Modern surveillance capabilities

Mature Markets

- **PROFITABILITY FOCUS**
- **Risks:**
 - Complex Regulation Risks
- **Compliance Focus:**
 - Education, automation, state of the art surveillance

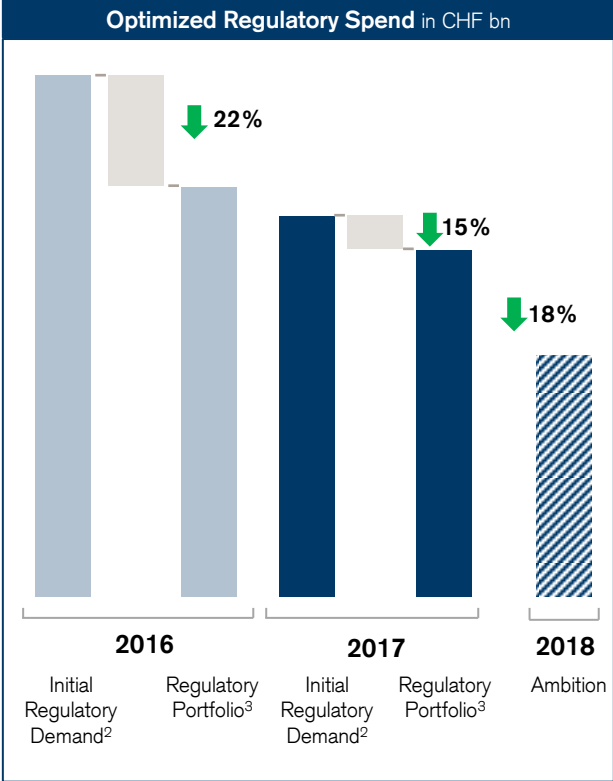
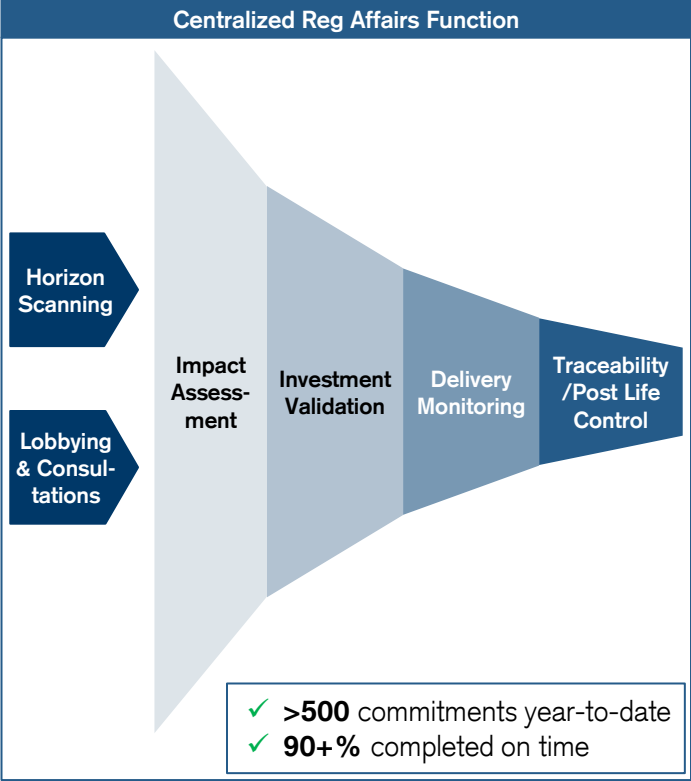
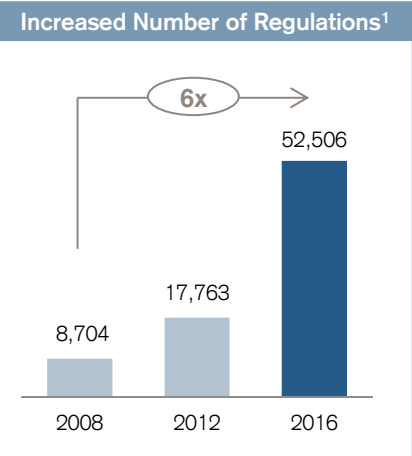
Investment Banking

- **Strategy:** Investment Banking Products sold into Wealth Management
- **Footprint:** 4 primary locations, ~900 traders, ~300 supervisors, ~150 Compliance Coverage Officers
- **Risks:**
 - High and complex regulation
 - Misconduct must be found quickly
- **Compliance Focus:**
 - Trader conduct, trader surveillance, conflicts



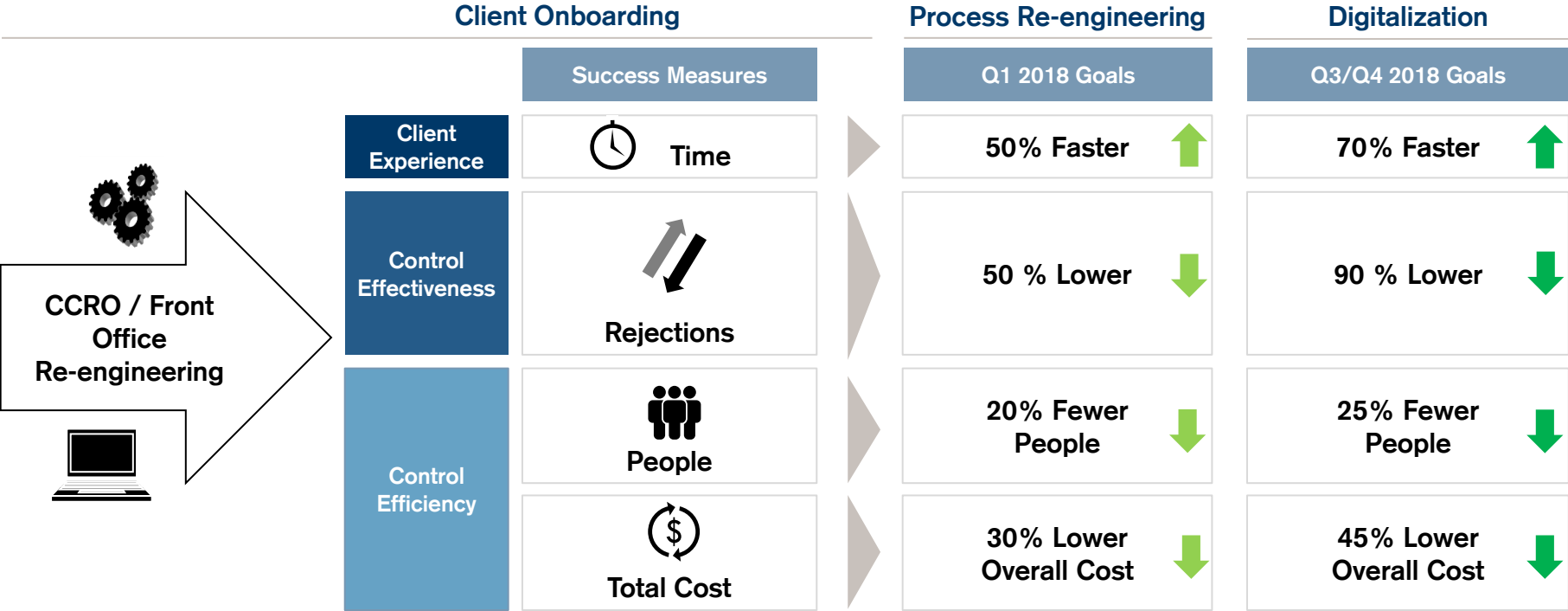
¹ As of 3Q17, SUB, IWM and APAC PB

Regulatory Affairs managing regulatory risks and promoting efficient spend



¹ Thomson Reuters, Cost of Compliance 2017 ² Initial demand submissions by portfolio owners for regulatory funding ³ Portfolio of programs delivering validated regulatory requirements

Compliance and Business re-engineering processes for control effectiveness and efficiencies



Compliance is providing tools to the business to put knowledge in their hands

2016

Cross Border Policy



- ~50-60 page country manual document limited to in office use



- ~2000 questions emailed a month to the cross-border compliance helpdesk

2017

Cross Border Compass App



- Mobile App for usage anywhere
- Lower number of cross-border travel breaches



- First digital compliance assistant available to all employees in Credit Suisse for a low development cost

Help desk headcount

2018

Compliance on Demand



...Know Your client Policy, Personal account trading, Cross Border...



Access to knowledge of > 800 Compliance Coverage Officers in the hands of the Front Office

Building a safer institution with industrialized, institutionalized, and digitalized Compliance function

Reducing risk with
better, stronger, faster
prevention and
detection

From		To
People driven	→	Tech enabled
Fragmented processes	→	Globally standardized approach
Episodic reviews	→	Always on
Sample-based surveillance	→	Comprehensive, multi-risk factor-based surveillance
Sequential implementation	→	High speed implementation

Appendix

Notes (1/2)

General notes

- For reconciliation of **adjusted to reported results**, refer to the Appendix of either the CEO or CFO Investor Day 2017 presentation. Throughout the presentation rounding differences may occur
- Unless otherwise noted, all **CET1 ratio, Tier 1 leverage ratio, risk-weighted assets** and **leverage exposure** figures shown in this presentation are as of the end of the respective period and on a "look-through" basis
- **Gross and net margins** are shown in basis points
Gross margin = adj. net revenues annualized / average AuM; net margin = adj. pre-tax income annualized / average AuM
- **Mandates penetration** reflects advisory and discretionary mandates as percentage of total AuM

Specific notes

* Our cost savings program is measured using adjusted operating expenses at constant FX rates. "Adjusted operating expenses at constant FX rates" and "adjusted non-compensation operating expenses at constant FX rates" include adjustments as made in all our disclosures for restructuring expenses, major litigation expenses and a goodwill impairment taken in 4Q15 as well as adjustments for certain accounting changes (which had not been in place at the launch of the cost savings program), debit valuation adjustments (DVA) related volatility and for FX, applying the following main currency exchange rates for

1Q15: USD/CHF 0.9465, EUR/CHF 1.0482, GBP/CHF 1.4296, 2Q15: USD/CHF 0.9383, EUR/CHF 1.0418, GBP/CHF 1.4497,
3Q15: USD/CHF 0.9684, EUR/CHF 1.0787, GBP/CHF 1.4891, 4Q15: USD/CHF 1.0010, EUR/CHF 1.0851, GBP/CHF 1.5123,
1Q16: USD/CHF 0.9928, EUR/CHF 1.0941, GBP/CHF 1.4060, 2Q16: USD/CHF 0.9756, EUR/CHF 1.0956, GBP/CHF 1.3845,
3Q16: USD/CHF 0.9728, EUR/CHF 1.0882, GBP/CHF 1.2764, 4Q16: USD/CHF 1.0101, EUR/CHF 1.0798, GBP/CHF 1.2451,
1Q17: USD/CHF 0.9963, EUR/CHF 1.0670, GBP/CHF 1.2464, 2Q17: USD/CHF 0.9736, EUR/CHF 1.0881, GBP/CHF 1.2603,
3Q17: USD/CHF 0.9645, EUR/CHF 1.1413, GBP/CHF 1.2695.

These currency exchange rates are unweighted, i.e. a straight line average of monthly rates. We apply this calculation consistently for the periods under review. Adjusted non-compensation expenses are adjusted operating expenses excluding compensation and benefits. To calculate adjusted non-compensation expenses at constant FX rates, we subtract compensation and benefits (adjusted at constant FX rates in the manner described above) from adjusted operating expenses at constant FX rates.

† Regulatory capital is calculated as the worst of 10% of RWA and 3.5% of leverage exposure. Return on regulatory capital is calculated using (adjusted) income after tax and assumes a tax rate of 30% and capital allocated based on the worst of 10% of average RWA and 3.5% of average leverage exposure. For the Markets business within the APAC division and for the Global Markets and Investment Banking & Capital Markets divisions, return on regulatory capital is based on US dollar denominated numbers. Adjusted return on regulatory capital is calculated using adjusted results, applying the same methodology to calculate return on regulatory capital.

Notes (2/2)

Abbreviations

Adj. = Adjusted; AI = Artificial Intelligence; AM = Asset Management; AML = Anti-Money Laundering; APAC = Asia Pacific; AT1 = Additional Tier 1; AuM = Assets under Management; BCBS = Basel Committee on Banking Supervision; BIS = Bank for International Settlements; bps = basis points; CAGR = Compound Annual Growth Rate; CCRO = Chief Compliance and Regulatory Affairs Officer; CET1 = Common Equity Tier 1; CIC = Corporate & Institutional Clients; CIF = Customer/Client Information File; Corp. Ctr. = Corporate Center; CVA = Credit Valuation Adjustment; DCM = Debt Capital Markets; EAM = External Asset Manager; ECM = Equity Capital Markets; EM = Emerging Markets; EMEA = Europe, Middle East & Africa; EPS = Earnings Per Share; EQ = Equities; EU = European Union; FICC = Fixed Income, Currencies & Commodities; FINMA = Swiss Financial Market Supervisory Authority; FLP = Fund Linked Products; FRTB = Fundamental Review of the Trading Book; FX = Foreign Exchange; G10 = Group of Ten; GDP = Gross Domestic Product; GM = Global Markets; IBCM = Investment Banking & Capital Markets; IBD = Investment Banking Department; IC = Investment Consultant; IMF = International Monetary Fund; IP = Investor Products; IPO = Initial Public Offering; IRB = Internal Ratings Based; IT = Information Technology; ITS = International Trading Solutions; IWM = International Wealth Management; JV = Joint Venture; LSC = Large Swiss Corporates; M&A = Mergers & Acquisitions; MI = Management Information; Mkts = Markets; NNA = Net new assets; Op Risk = Operational Risk; PB = Private Banking; PC = Private Clients; PEP = Politically Exposed Person; pp = percentage points; PTI = Pre-tax income; PWMC = Private & Wealth Management Clients; RM = Relationship Manager(s); RoRC = Return on Regulatory Capital; RoTE = Return on Tangible Equity; RPA = Robotic Process Automation; RWA = Risk-weighted assets; SA-CCR = Standardized Approach to Counterparty Credit Risk; SME = Small and Medium-Sized Enterprises; SMG = Systematic Market-Making Group; SoW = Share of Wallet; SRU = Strategic Resolution Unit; SUB = Swiss Universal Bank; TBTF = Too Big To Fail; TBVS = Tangible Book Value per Share; (U)HNW(l) = (Ultra) High Net Worth (Individuals); VaR = Value-at-Risk; VIX = Volatility Index; WM = Wealth Management; WM&C = Wealth Management & Connected; YoY = Year over year; YTD = Year to Date

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