

UK Entities Gender Pay Gap Report 2020



March 2021

Foreword



Since the outbreak of the coronavirus pandemic at the start of 2020, much of our attention as a firm has been focused on the welfare of our employees, clients and those communities in which we operate. Notwithstanding the enormous challenges of the last 12 months, Credit Suisse, like other institutions, cannot allow this global event to divert our focus from other critical goals, including making progress on our ambitious diversity and inclusion targets.

At Credit Suisse, we know the strength that comes from having a diverse and inclusive workforce. Along with my Executive Board colleagues, I am fully committed to empowering women, promoting diversity within our organisation, and building a culture where everyone can thrive. Put simply, it is the right thing to do.

In 2020, we presented a range of commitments and expanded our existing targets, further advancing the diversity and inclusion agenda across our company. We appointed a new Global Head of Diversity and Inclusion in Della Sabessar; joined the 10,000 Black Interns campaign, and signed up to the Business in the Community's Race at Work Charter. As a firm, we also developed a purpose statement to guide us in our roles at work and updated our cultural values, placing inclusion at the centre of everything we do.

One important measure that we continue to focus on is our gender pay gap. While most of our UK pay gap imbalances continued to reduce in comparison with previous years, some progress was halted in 2020. Our mean hourly pay gap increased by 0.1%, resulting in our first salary or bonus gap increase since we started reporting these figures.

As we have seen in previous years, the root cause for gender pay gaps is the lack of parity in the numbers of senior females and males. To rectify this imbalance and further support the progression of women into senior roles across our UK legal entities, Credit Suisse became an early signatory to the Women in Finance Charter. By signing the charter on behalf of the bank, I committed to having a minimum of 35% female representation on the Executive Committees of our UK Legal Entities by 2020, and the leadership teams of each respective Executive Committee. As of January 2021, we met this target in aggregate.

We have made real progress in 2020, developing new programmes and structures to support Credit Suisse's diversity and inclusion ambitions. Reducing our gender pay gap must and will remain a key priority.

David Mathers
CEO, Credit Suisse International

Recent Gender Awards
Bloomberg Gender Equality Index 2021

The Times Top 50 Employers for Women 2020

Women in Banking & Finance (WIBF) Awards for Achievement:

- Shortlisted for 2020 awards:
 - Award for Achievement,
 - Team Diversity Award
 - Champion for Women
 - Tech Star Award
 - Future Leaders

FN100 Most Influential Women in European Finance



Fostering a culture where everyone belongs and feels supported

Demonstrating leadership on gender diversity is a key element in attracting and retaining diverse talent at Credit Suisse, but we also know that enhancing an employee's experience is part of our ongoing focus to create a positive organisational culture where everyone can thrive.

Our steps towards this goal include:

Diversity and Inclusion

Advancing our culture of inclusion and belonging remains a priority and is part of the broader evolution of our cultural values. 'Inclusion', for example, has been elevated to be one of our six core values – a testimony to how important this is to our culture. More information on this can be found [here](#).

Gender equality

Increasing gender representation and advancement is a key focus as we further expanding our existing targets on gender. Credit Suisse was an early signatory to the Women in Finance Charter in June 2016. We pledged to support the progression of women into senior roles across the UK Legal Entities. The Executive Committees of the UK Legal Entities and the leadership teams of each respective Executive Committee have in aggregate met the pre-stated goal of achieving a minimum of 35% female representation. Our commitment to the Charter continues and we will be recommitting to targets and associated activity to improve gender equality, which include:

- An annual strategic review of gender across all divisions and functions to mitigate against potential unconscious bias in our people processes;

- Enhanced maternity, paternity, parental and shared parental leave policies, well above the minimum requirements;
- Our returns hiring programme targeted at those wanting to return to the workplace after an extended period of absence;
- Parental coaching;
- Flexible working; and
- Personal and professional development.

Supporting employees in the pandemic

Providing support during the pandemic was a priority, putting our staff first and remaining in close contact, surveying staff to adjust as required. The steps we took included:

- Throughout the pandemic, a majority of our employees have been working from home. Given this new way of working, we have taken active steps to pilot a project where people can work from home more regularly when life returns to normal;
- Paid family leave was introduced in response to the closure of schools and other challenges associated with global pandemic. This arrangement was an option available to staff unable to work from home at the same time as caring for their children or other family members;
- Based on internal surveys, such flexible work patterns have been positively received by all employees, but particularly so by our female employees.

Wellbeing and Benefits

We recognize the challenges of juggling a career with the demands of personal life and the effect this has on the wellbeing of our employees, particularly throughout the COVID-19 pandemic. Employee wellbeing is critical and has been at the forefront of our efforts this year.

As a result, we have:

- Opened our new dedicated Wellbeing office space;
- Accredited nearly 100 onsite Mental Health First Aiders;
- Introduced a Wellbeing Choice Day (in addition to regular holiday entitlement) for UK employees to use to improve their wellbeing;
- Launched our new Carer's Leave policy enabling employees to take paid leave for caring responsibilities
- Introduced over 40 educational events across the topics of mental, physical and financial wellbeing; and
- Sent a Mental Health Support Postcard to employees' homes to outline all of the support services available.

Making an impact

We recognize there is still more to do to achieve our gender and inclusion goals. We are proud of the general direction of travel, but know we need to renew our efforts to continue supporting our employees.

A culture of diversity and inclusion at Credit Suisse



At Credit Suisse, we take a broad view of diversity and inclusion. We believe that identities are not definable by one word, but instead are multidimensional, made up of characteristics like race, colour, nationality, ethnic or national origin, gender, gender identity, sexual orientation, religion or belief, age, civil partner or marital status, pregnancy or maternity, gender reassignment, disability, or any other characteristics protected by law. Our strategy, which is rooted in our global policy for equal employment opportunity and dignity at work, focuses on increasing representation of underrepresented talent and fostering an environment that is equitable and inclusive for all.

- To understand our employees and improve our strategies, we continue to ask employees to self declare demographic data. This allows us to analyse more deeply the diverse characteristics of our workforce and develop targeted initiatives.
- We are taking action to ensure that our Black, Asian and Minority Ethnic (BAME) employees have equal opportunities to progress. For example, in 2020 Credit Suisse not only committed to the UK Race at Work Charter but we also put in place targets to increase the representation of our Black talent. More information on this can be found [here](#)
- To foster an environment of open dialogue, we launched the Courageous Conversations platform with an initial panel discussion on Black Lives Matter. This was followed by podcasts of interviews with employees sharing their diverse experiences.
- We signed up to the 10,000 Black Interns programme.
- In 2020, we launched customized education to increase the inclusive leadership competencies of our senior leaders including the Executive Board. This in addition to targeted education on topics such as:
 - Our LGBT and Ally Network provides support and education around the different issues, which may be faced by lesbian, gay, bisexual and transgender employees.
 - We educated Line Managers on “Menopause Awareness” workshops and ran information sessions on health related topics including fertility options and breast cancer awareness.

What is the Gender Pay Gap?

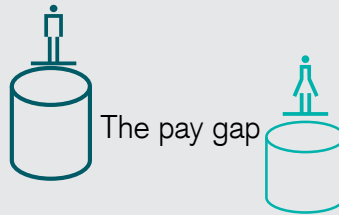
The Gender Pay Gap is the gap between the mean or median hourly pay of all men and all women in an organisation. The Gender Pay Gap at Credit Suisse is in large part driven by the higher proportion of men in senior and higher paying positions. This means men as a group receive higher pay on average than women.

Our Gender Pay Gap does not identify a difference in pay between men and women for doing the same job, or jobs of equal value (an equal pay gap).

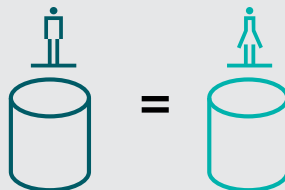
This large pay gap is primarily driven by the relatively low number of women in senior roles in banks in the UK.

Explaining the pay gap

The **Gender Pay Gap** is the gap between the gross median or mean hourly earnings for all men and the gross mean or median hourly earnings for all women.



Equal pay is men and women being paid the same amount for the same work or work of equal value.

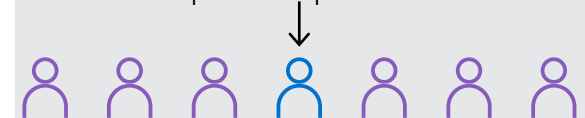


Explaining Mean and Median

The **mean** is calculated by adding several items together and dividing the total by the number of items. As such, the mean is typically more variable as it is more heavily influenced by extreme values (high and low).

$$\begin{array}{c} \text{Person} + \text{Person} + \text{Person} + \text{Person} = \text{Mean} \\ \hline 4 \end{array}$$

The **median** represents the middle number in a given sequence of numbers when the sequence is put in rank order.



Our overall UK Gender Pay Gap

Table 1 shows the three UK entities' overall mean and median difference in gender pay. The overall hourly pay figures were taken at the snapshot date of 5 April 2020. The overall bonus pay relates the period 6 April 2019 to 5 April 2020.

Table 1

	Year-on-year change of mean gap	Year-on-year narrowing of median gap
Hourly Pay	0.1% Mean 37.0%	-0.7% Median 25.0%
Bonus Pay	-0.8% Mean 59.1%	-3.6% Median 50.0%

Table 2 shows an overall difference of 0.2% in the number of men and women who received a bonus in the relevant period.

Table 2

Proportion of women paid a bonus	Proportion of men paid a bonus
91.8%	92.0%
Year-on-year change 0.8%	Year-on-year change -2.3%

Table 3 illustrates the gender pay distribution across the UK entities overall. Our Gender Pay Gap shows we have clear under-representation of women in the middle and highest paid quartiles. This means that there are more men in more senior and higher paid positions.

Table 3 Pay Quartiles

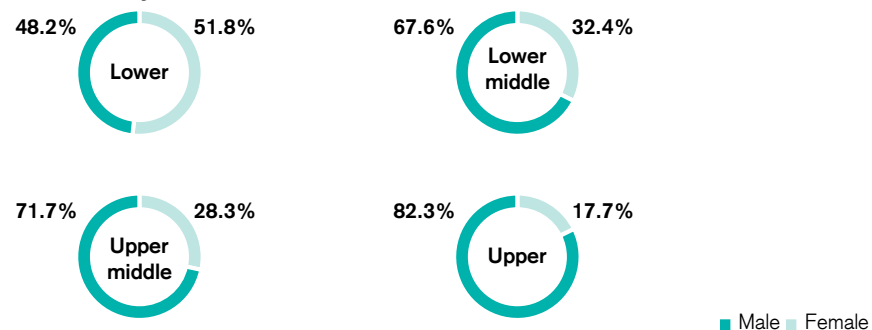


Table 4 illustrates the year on year trend in overall mean and median hourly and bonus gaps

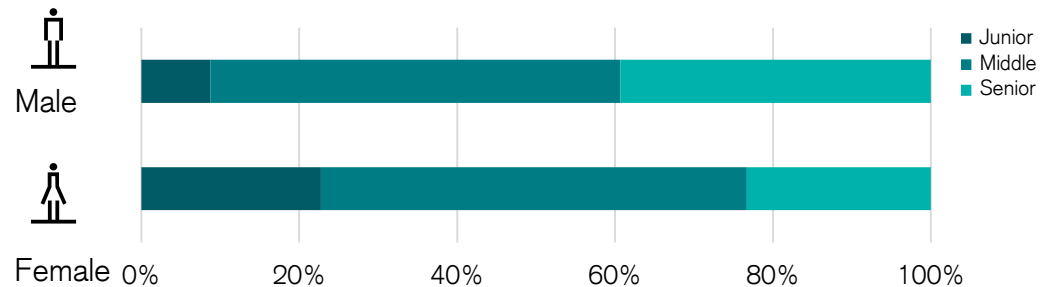


Understanding our workforce

Why we have a Gender Pay Gap

We have conducted analysis to gain a better understanding as to what causes our Gender Pay Gap by assessing a range of contributory factors. The analysis identified gender imbalance at senior levels of our organisation as the primary reason for our Gender Pay Gap.

Since conducting the analysis, we have designed our diversity and inclusion strategy to increase the number of senior women in our organisation. As such the proportion women in senior roles is improving but this change is slow to impact our gender pay numbers.



Our approach to closing the gap

We know that without action we cannot change the profile of our workforce or reduce our Gender Pay Gap. We do not consider tokenism or good intentions to be sufficient to achieve meaningful change.

Our data-driven approach measurably improves gender diversity in the UK and provides a sustainable talent pipeline. Access to reliable data and insights enables us to focus our efforts in the right places to make effective change and to support women to progress to senior roles, improve inclusivity and remove potential unconscious bias from our processes, such as recruitment, performance management, compensation decision-making, leadership development and promotions, and use targets to measure progress.

The benefits of (Closing the gap) , for individual companies and the economy at large, have been found to be large. For example, closing the gender pay gap has been estimated to add GBP 600 billion (or 27% of GDP) to UK GDP by 2025 (McKinsey (2016)), while full representation of BAME individuals across the labour market, through improved participation and progression, could add an additional GBP 24 billion (or over 1% of GDP) per year (BEIS (2017)).

Bank of England 2020



Set Targets

- Headcount targets by corporate title and business area, aligned to our external commitments.



Established regular reporting

- Against the targets and key underlying processes that drive changes to the gender mix (hiring/attrition/promotion/performance rating).
- Published quarterly and supported by dedicated review meetings.



Set-up formal governance to maintain focus and drive accountability

- Annual update to the Board of Directors for each of the UK legal entities.
- Cross-bank Working Group with nominated champions from each Business and Function with a remit to drive change in their areas.



Hiring

- Implemented gender neutral language in job descriptions.
- Female representation on interview panels – as a visible sign of what the firm looks like as well as for balanced decision making.



Annual appraisal and compensation review processes:

- Removing self-assessed ratings.
- Ensuring all our employees continue to be rewarded in a fair and unbiased manner.



Promotions process

- Metrics prepared to monitor gender proportionality relative to the proportion of men and women at the corporate grade below.
- A focus on transparency with our staff on the promotions process and outcomes.

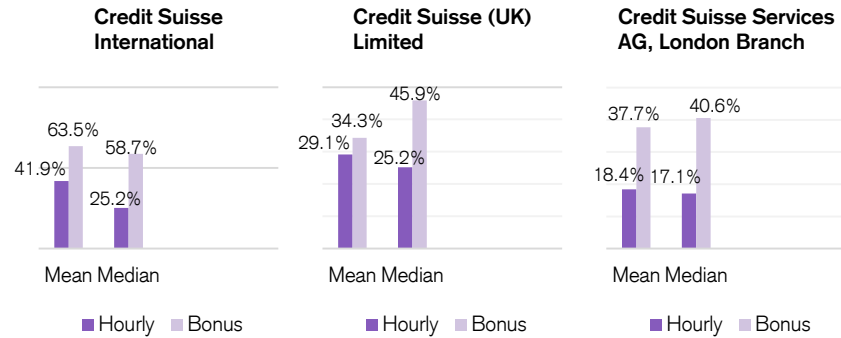


Increased communications and education

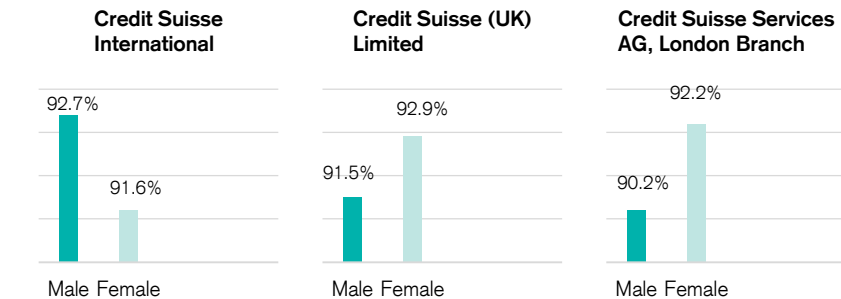
- Focus on role-modelling in internal communications (profiling senior men who work flexibly; ensuring visible representation of senior women).
- CEO and Executive Board commitment to equality, respect, diversity and inclusion communicated internally and externally.
- In 2020, we held our first ever global Town Hall dedicated to Credit Suisse's commitment to diversity and inclusion.
- Increase leadership competency through education and inclusive leadership training

UK Entities

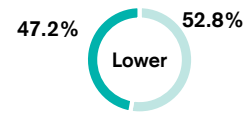
Credit Suisse has three employing entities – Credit Suisse International, Credit Suisse (UK) Limited and Credit Suisse Services AG, London Branch – for which we are required to provide Gender Pay Gap information under the reporting regulations. Our reportable entities have decreased by one from last year as a result of transfer of employees from Credit Suisse Securities (Europe) Limited to Credit Suisse International during 2019–20. As at April 5, 2020, Credit Suisse Services AG, London Branch employed our Corporate Functions teams performing resolution-critical roles; Credit Suisse International mainly employed our Global Markets and Investment Banking & Capital Markets functions and Credit Suisse (UK) Limited employed our Private Banking businesses.



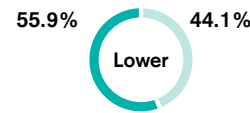
Bonus Proportions



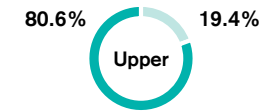
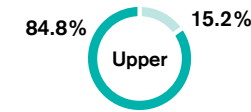
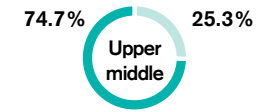
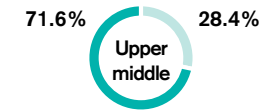
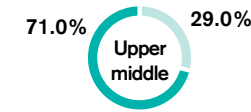
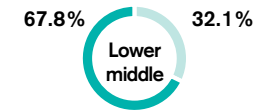
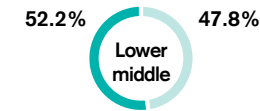
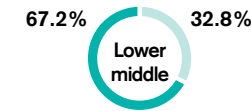
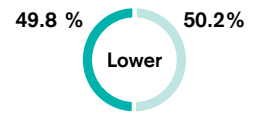
Credit Suisse International by quartiles



Credit Suisse (UK) Limited by quartiles



Credit Suisse Services AG, London Branch by quartiles



■ Male ■ Female

UK Entities Gender Pay Gap Report 2020



We confirm that the Credit Suisse Gender Pay Gap calculations featured in this report are accurate.

David Mathers, CEO, Credit Suisse International

John Devine, Chair, Credit Suisse International

Christian Berchem, CEO, Credit Suisse (UK) Limited

Maureen Erasmus, Chair, Credit Suisse (UK) Limited