CREDIT SUISSE

Compensation Policy

2022 edition

Our Compensation Policy

As a leading global financial institution our compensation practices are fundamental to attracting, retaining, rewarding and motivating talented individuals needed for our long-term success. There is also significant political and regulatory focus on compensation at financial institutions with detailed regulation and guidance issued in various jurisdictions.

Credit Suisse strives to be a thought leader in compensation governance and the development of compensation structures and instruments. We have actively engaged with regulators, shareholders and other stakeholders. We strive to ensure that our compensation practices are well understood and consistent with emerging regulations and guidelines.

To this end, we have developed this Compensation Policy together with implementation standards and rules. The Compensation Policy has been prepared by reference to principles set out by the Swiss Financial Market Supervisory Authority FINMA (FINMA) and other regulators, and it applies to all compensation plans and practices of Credit Suisse Group AG and its consolidated subsidiaries (the Group).

Our pay-for-performance approach goes beyond pure financial performance – to an increasing extent, compensation decisions take into account non-financial objectives along with our purpose and values reflected in our Code of Conduct and Cultural Values Framework (IMPACT – Inclusion, Meritocracy, Partnership, Accountability, Client Focus, Trust). There is particular emphasis on ethics, risk, control and compliance and behavior as a basis for disciplined execution. In line with this, the Compensation Policy provides managers and employees a detailed description of our principles, structures and instruments. It sets defined standards and processes relative to the development, implementation, management and governance of compensation.

The Board of Directors issues this Compensation Policy and assumes responsibility for monitoring its implementation within the Group.

Board of Directors of Credit Suisse Group AG, October 2022

Disclaimer
This is the 2022 version of the Compensation Policy as approved by the Board of Directors of Credit Suisse Group AG. The most recent version of the Compensation Policy is posted on the Group's internet site. If there is a discrepancy between this printed version and the electronic version, the electronic version will prevail.

Structure of Document

For the purpose of this document, the terms "Credit Suisse Group", "Credit Suisse" and "the Group" mean Credit Suisse Group AG and its direct and indirect subsidiaries, unless the context indicates otherwise.

The content of this document shall at no time replace the applicable formal legal rules, the compensation plans of the Group and the individual employment agreements between the legal entities of the Group and its employees.

Moreover, this document is not a contract, express or implied, guaranteeing compensation of any kind, and no legal rights or entitlements to receive any kind of compensation may be derived from anything stated herein.

The Compensation Policy may be modified, supplemented, or withdrawn by the Group at any time without notice. In addition, unless otherwise specified, an individual employee's compensation can be modified by the Group with or without cause or notice at any time.

Abbreviations and selected terms are defined on first reference and in the abbreviations section.

Table of contents

Compensation Policy

Compensation Policy

As a global financial institution, the Group depends on highly-skilled individuals, specializing in a broad range of disciplines. The Group's ability to implement a comprehensive human capital strategy to attract, retain, reward and motivate talent is fundamental to the Group's long-term success. Compensation is a key component of the Group's human capital strategy.

In support of this goal, and to align the interests of shareholders and employees, the Group strives to be at the forefront of compensation policies and practices geared toward the objectives outlined below.

Objectives

The Board of Directors (BoD) approves the Compensation Policy on an annual basis and its implementation is monitored regularly by the Compensation Committee (CC) of the BoD.

The Group is committed to responsible compensation practices which are reviewed and assessed by the CC on a regular basis.

The need to reward the Group's employees fairly and competitively based on performance is balanced with the requirement to do so within the context of principled behavior and actions, particularly in the areas of risk, compliance, and control as reinforced by the Group's cultural values: Inclusion, Meritocracy, Partnership, Accountability, Client Focus and Trust (IMPACT). Compensation contributes to the achievement of the Group's objectives in a way that does not encourage excessive risk-taking or the violation of applicable laws, guidelines, or regulations, taking into account the capital position and economic performance of the Group over the long term.

The Group's Compensation Policy Framework

The Compensation Policy Framework summarizes the key features of the Group's compensation approach and sets forth some fundamental principles to guide the management of the Group's policies, practices and plans.

Our Vision

Maintain a responsible, performance-based Compensation Policy that is aligned with the long-term interests of our shareholders, clients and employees.

Our Goal

Strike the right balance between meeting shareholders' expectations, paying our employees competitively and responding appropriately to the legal and regulatory environment.

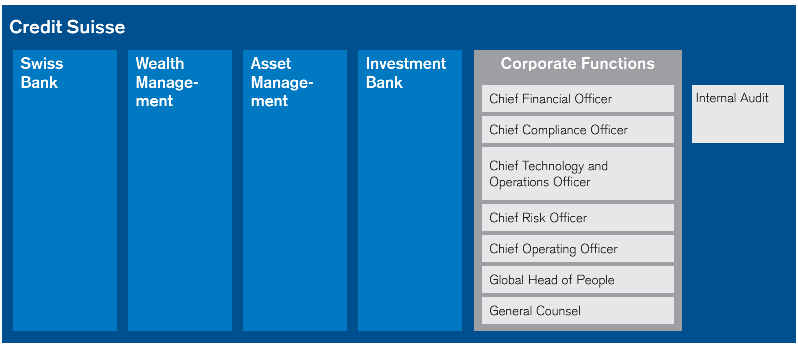
Our Approach

Our Approach	Guiding Principles
Governance	▪ Clearly defined and documented governance procedures. ▪ Independent CC and committee advisors. ▪ Policies, processes and plans are clear, transparent and auditable. ▪ The impact and performance of employees in roles that may expose the Group to significant risk is measured by the Risk Committee and CC. ▪ Mandatory shareholding requirements for Executive Board members. ▪ Compensation plans and overall compensation expenses approved by the BoD.
Performance Alignment	▪ Reward Group annual performance measured relative to: 1. planned key performance indicators; 2. prior year performance; and 3. the performance of competitors. ▪ Aligned to business performance, including risk-related metrics. ▪ Recognize and reward cross-divisional collaboration. ▪ Award and differentiate compensation based on individual performance and contributions. ▪ Environmental, social and governance (ESG) considerations taken into account.
Individual Compensation Determination	▪ Total compensation approach. ▪ Facilitate competitiveness by paying market-informed, competitive compensation levels for comparable roles and experience, subject to performance. ▪ Promote meritocracy by recognizing individual performance, with a particular emphasis on contribution, risk management, ethics and control. ▪ Equal compensation opportunity.
Compensation Structure and Instruments	▪ Provide the appropriate balance of fixed and variable compensation consistent with risk alignment and position and role in the Group. ▪ Significant portion of variable compensation deferred and aligned with the long-term performance of the Group and its divisions and in line with applicable regulations. ▪ Promote sound risk management practices, and in particular, do not create incentives to expose the Group to inappropriate risk.

Scope and application

- The Compensation Policy set out in this document applies to all employees and all compensation plans of the Group;
- Any and all variations from the Group's standard approach to compensation are covered by the Compensation Policy and must be approved by the CC;
- The application of the Compensation Policy varies for different categories of staff, particularly for members of the Executive Board (ExB) and other defined employees whose role, collectively or individually, may have a material impact on the risk profile of the Group; and
- All plans implemented under the Compensation Policy can be modified or terminated at the Group's discretion at any time.

The Group encourages collaboration between divisions. As illustrated in the table below, the Group operates as an integrated bank with four business divisions. These business divisions are supported by the global corporate functions, which ensures effective business support, control and supervision of business activities. For the purposes of this Compensation Policy, certain independent functions which are closely involved in the assessment and review of compensation are collectively referred to as the control functions, including, but not limited to the Chief Compliance Officer (CCO), Chief Risk Officer (CRO) and Internal Audit, which reports directly to the Chair of the Audit Committee.



Equal Compensation Opportunity

The Group does not tolerate any form of discrimination, in particular 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. This policy is gender neutral, meaning that it is a policy based on equal pay for male and female workers for equal work or work of equal value. The Group encourages a safe and healthy work environment, free from discrimination, harassment and retaliation.

All aspects of the Group's Equal Employment Opportunity and Dignity at Work Policy (GP-00024) apply equally to the compensation-setting process.

All employment-related decisions, including on compensation, are based on an individual's qualifications, performance and behavior, or other legitimate business consideration, such as (though not restricted to) the profitability of the Group or the division and department of the individual and the strategic needs of the Group.

1.0 Compensation Governance

The Group's compensation governance practices, which are set out in this Policy, are part of the Group's overall corporate governance structure. They should be read in conjunction with the Group's other policies and guidelines that deal with the governance of the Group.

The Compensation Policy has been prepared with reference to applicable legislations and regulations and the compensation principles set out by the Swiss Financial Market Supervisory Authority (FINMA) and similar guidelines adopted by other regulators in locations where the Group operates.

1.1 Recommendation, Review and Approval of Compensation Plans

The Group has a policy of a clear separation of responsibilities between the recommendation, review and approval of compensation plans.

Governance Body	Responsibilities in relation to Compensation Policy
BoD	▪ Approves: - Implementation and changes to Compensation Policy as well as related rules and regulations - Overall changes to the compensation plans - Compensation expenses - Variable incentive compensation pools for the Group and the divisions - ExB compensation, including the Chief Executive Officer (CEO)[2] - BoD compensation, including the Chairman[2]
CC[1]	▪ Recommends to BoD: - Annual changes to Compensation Policy - Overall changes to the compensation plans - Variable incentive compensation pools for the Group and the divisions - ExB compensation, including the CEO - BoD compensation, including the Chairman ▪ Approves: - Compensation for the Head of Internal Audit[3] - Compensation for Material Risk Takers and Controllers (MRTCs) and other selected members of management ▪ Supervises the implementation of the Compensation Policy and compensation plans and practices within the Group ▪ Supervises compensation policies and practices within the Group ▪ Procures independent external compensation advice or external legal advice as appropriate
Executive Board and other senior management	▪ Makes proposals to the CC based on performance and other sources of information, such as external market compensation benchmarking

1 The CC consists of independent directors, with independence defined in accordance with the SIX Swiss Exchange Directive on Information relating to Corporate Governance, the Swiss Code of Best Practice for Corporate Governance, the listing standards of the New York Stock Exchange (NYSE) and the Nasdaq Stock Market (Nasdaq) and FINMA.

2 Subject to shareholder approval requirement pursuant to Swiss law and the Articles of Association of the Group (AoA).

3 In consultation with Audit Committee Chair.

1.2 CC Discretion

The CC has the ability to exercise its discretion under the terms of this Compensation Policy to adjust upward or downward any award, pre or post grant, where it considers that:

- The outcome does not reflect the underlying financial or non-financial performance of the Group or of the individual over the relevant period;
- The outcome is not appropriate in the context of circumstances that were unexpected or unforeseen at the time of the award date; and/or
- There exists any other reason why an adjustment is appropriate as determined by the CC at its sole discretion.

1.3 Implementation of the Compensation Policy

The implementation of the Compensation Policy is the responsibility of all levels of management throughout the Group.

- Managers are provided with training and detailed guidance notes on implementation of the Compensation Policy;
- The CC reviews the implementation of the Compensation Policy at regular intervals;
- The BoD ensures an annual review of the Compensation Policy and approves changes upon the recommendation of the CC. The review covers all plans implemented under the Compensation Policy.

1.4 Involvement of Control Functions in the Compensation Process

Risk and control considerations are an integral part of the performance assessment and compensation processes. The Group's approach to compensation includes a focus on risk and internal control matters, risk culture and discourages excessive risk taking. The role and involvement of control functions in the compensation process are explained in the following section.

1.5 Independence and Competency of Control Functions

The independence and competency of control functions are explained below.

Role of Control Functions	
Involvement in Compensation Process	▪ Control functions provide feedback to the CC on relevant breaches of the Group's internal policies or practices including the Group's Code of Conduct and the Cultural Values Framework as well as their assessment of the collaboration with the respective divisions. ▪ Internal Audit conducts regular reviews of compensation to ensure that Compensation Policy standards, external regulations and guidelines are adhered to and that the processes for achieving and maintaining balanced incentive compensation arrangements are consistently followed. ▪ CC takes into account feedback from the control functions in its annual review of the Group's performance and in determining the variable compensation pools.
Independence and Competency	▪ The variable compensation pool for the control functions is only dependent on the Group's overall performance as well as on function-specific quantitative and qualitative criteria in order to avoid potential conflicts of interest. ▪ Each control function reports to a global head for the function in question rather than to the business it controls. ▪ Compensation of control functions is set at sufficient levels to ensure that competent and experienced professionals can be attracted and retained across business cycles.

1.6 Compensation Communication and Disclosure

An important objective of the Compensation Policy is to provide all relevant internal and external parties with appropriate information and transparency, thereby promoting a thorough understanding of the Group's compensation practices.

Details of compensation programs and plan awards are communicated to employees throughout the year. The Group maintains an intranet site that sets out details of plan awards, including vesting schedules.

The Group provides extensive disclosure about compensation in its annual Compensation Report. In addition, the Group communicates on the subject throughout the year by means of press releases, quarterly reports, investor presentations or information on the Group's website.

The BoD submits the annual Compensation Report to shareholders for a consultative vote at the Annual General Meeting (AGM).

2.0 Compensation Structure and Instruments

The Group takes a total compensation approach, based on two principle components: fixed compensation and variable compensation, including the portion of variable compensation that may be deferred. The objective is to have an appropriate balance between these elements. Compensation instruments are designed to align long-term shareholder and employee interests and to deliver compensation that promotes sustainable value for the Group and its shareholders over time.

2.1 Compensation Structure

Total compensation is comprised of fixed and variable compensation. The ratio of fixed to variable compensation depends on the position, role and responsibilities within the Group and varies from employee to employee.

In certain locations in accordance with the Capital Requirements Directive V (CRD V), or other applicable regulatory requirements, variable compensation may be subject to 'bonus caps' or 'ratios', which mandate a maximum ratio of variable pay versus fixed compensation. Depending on the rules of the relevant jurisdiction, and subject to shareholder approval, the applicable bonus cap threshold can be increased. Additionally, local regulatory implementation of the CRD V or other regulatory requirements may lead to further bonus caps in respect of certain employee populations. The Group ensures adherence to all applicable local requirements in relation to variable compensation, including applicable bonus caps.

Compensation component	Form of pay	Factors
Fixed	▪ Base salary ▪ Role-based allowances[1]	▪ Skills, qualifications and relevant experience of the individual ▪ Responsibilities required by the role ▪ External market factors
Variable	▪ Discretionary variable incentive award	▪ Absolute and relative performance of the Group and its divisions ▪ Achievement of pre-agreed individual performance objectives of employees ▪ Non-financial performance factors, including the IMPACT cultural values and ESG considerations ▪ Market positioning ▪ Various other factors

1 For example, employees impacted by the regulations imposed by the CRD V may receive a role-based allowance linked to their role and organizational responsibility rather than performance.

2.2 Variable Incentive Compensation

Above a certain threshold, a portion of variable compensation is subject to mandatory deferral to reflect the nature of the Group's business, its risk profile and the desire to have compensation plans based on sustainable performance criteria.

Generally, the higher an individual's total compensation, the higher the percentage that is deferred. Deferral percentages are regularly reviewed by the CC and are internally communicated. Deferral percentages also take into consideration market practice and applicable regulations and may differ in certain markets.

Deferred compensation elements are typically subject to a vesting period of three years (ratably). Longer vesting periods may be decided upon by the CC based on a number of factors, including regulatory requirements.

All deferred compensation awards granted contain malus provisions that enable the Group to reduce or cancel outstanding awards prior to settlement if employees engage in certain detrimental conduct. Engagement in conduct or events which are part of the malus provision may also result in the repayment (i.e., clawback) of any outstanding award of variable compensation.

In addition, all variable incentive compensation granted to UK Prudential Regulatory Authority (PRA) and Financial Conduct Authority (FCA) MRTs and all employees regulated by the Bank of Italy are subject to clawback of deferred and non-deferred variable compensation after vesting. Other MRTs are also subject to clawback provisions as required by applicable legal or regulatory requirements, such as MRTs for Luxembourg and Spain.

	Total compensation				
	Fixed compensation[1]	Variable compensation			
			Deferred compensation[2]		
Employee category	Base salary	Cash[3]	Share awards	Performance share awards	Contingent Capital Awards
All 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 (or local currency equivalent)			100%		
Employees with total compensation below CHF/USD 250,000 (or local currency equivalent)					

1 Includes base salary and role-based allowances.
2 Deferred compensation is applicable to employees with total compensation of CHF/USD 250,000 (or local currency equivalent) or higher.
3 Non-deferred cash may be subject to repayment (i.e. clawback) upon the occurence of specified events or conduct.
The types of awards and respective allocations represented in the above table are subject to further review and approval by the Compensation Committee and Board of Directors.

2.3 Deferred Variable Incentive Awards

The Group's primary long-term incentive compensation plan is the Credit Suisse Group AG Master Share Plan, as amended (the Plan). In order to align the interests of shareholders and employees, the payment of a substantial percentage of variable compensation, above a certain threshold, is typically in the form of deferred variable incentive awards. In recent years, these awards consisted of share awards or performance share awards issued pursuant to the rules of the Plan and associated award certificates as well as other applicable plan documents. Minimum shareholding requirements apply to members of the ExB. The CC and the BoD will determine the form of deferred variable incentive awards for 2022 following the completion of the performance year.

For senior executives and other employees with the potential to have a material impact on the risk exposure of the Group, a portion of deferred variable incentive compensation awards is typically delivered as performance share awards that are subject to negative adjustment in the event of a divisional loss or negative return on equity of the Group. The proportion of the variable compensation in each deferred instrument is generally dependent on corporate title and risk-taking status and may vary from year to year at the discretion of the CC.

Certain business areas within Asset Management operate separate deferral schemes under which a portion of deferred variable compensation is deferred into instruments that are aligned to the performance of the particular business area.

The Group also awards a portion of the deferred variable incentive awards in the form of Contingent Capital Awards (CCA), which have rights and risks similar to certain contingent capital instruments issued by the Group in the market.

There is a prohibition on all staff from entering into transactions to hedge the economic exposure tied to their deferred compensation prior to award vesting.

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 managers2 ▪ 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers3	▪ 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 managers2 ▪ 7 years (ratable vesting over five years, starting on the third anniversary) for senior managers3	▪ Performance conditions apply to full balance of outstanding awards ▪ Negative adjustment applies in the event of divisional loss4 by the division in which the employee worked as of December 31, 2022, 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, condi-tional right to receive semi-annual cash payments of interest equivalents ▪ Timing and form of distribu-tion upon settlement is subject to approval by the Swiss Financial Market Supervisory Authority FINMA (FINMA) ▪ 3 years (cliff 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 managers2 ▪ 7 years (cliff vesting) for senior managers3	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".

2.4 Specific Compensation Arrangements

Aside from the annual compensation review process, there are other possible compensation arrangements throughout the year. The most common relate to new hires, employee retention or terminations. These may entail Conditional Target Awards (CTA), guaranteed minimum variable compensation, buy-out arrangements, retention awards or termination payments in so far as not prohibited by laws and regulations.

The use of such arrangements may be justified under the circumstances and if specific approvals and rules have been satisfied.

In the case of guaranteed compensation, if such an arrangement is necessary at the time of a hire, the guarantee is limited to the first full calendar year and may be linked to pre-determined performance and/or conduct indicators. It is the Group's policy not to make multi-year guarantees. Guaranteed compensation arrangements to existing employees are strictly prohibited.

In the case of CTA, these may be offered to both new hires, and existing employees where there is a robust commercial rationale, for example, used to retain key/critical staff considered flight risks or who have an external offer. In all cases, CTA require pre-determined performance conditions. CTA may be offered for more than one year where there is a commercial rationale, for example recognizing a role that is critical to a project / business transformation / business closure.

3.0 Variable Compensation Pool

The determination of the Group’s annual variable compensation pool aims to balance the distribution of the Group’s profits between shareholders and employees. It takes into account the Group’s financial performance as well as non-financial factors such as the achievement of strategic objectives, relative performance compared to peers, Environmental, Social and Governance (ESG) considerations including risk and compliance-related issues, market position and any extraordinary events.

3.1 Accrual of Variable Compensation

Accrual of variable compensation occurs at the Group as well as at the divisional level. It is based on sustainable, profit-based performance measures, which include an adjustment for the cost of capital. Non-financial factors, such as ESG considerations, are taken into account, and final decisions about the size of the pools also consider the long-term capital position of the Group, the risk and control environment in which the Group operates and the need to provide an appropriate return to shareholders.

The CC regularly reviews proposed accruals and related internal and external reports and at its discretion makes adjustments, including negative adjustments, in determining its recommendations that are included in the Group's quarterly financial results. An accrual at the Group or at any other level does not create legal rights or entitlements for employees to be considered for, or to receive discretionary variable incentive awards.

3.2 Divisional Allocation

The allocation of variable compensation varies by division. The risk-adjusted performance of each division is factored in to an appropriate extent. Adjustments of divisional allocations are at the discretion of the BoD based on recommendations by the CC and are influenced by the long-term strategic direction, significant risk and control events, risk culture and objectives of the divisions.

The Group typically uses an accrual approach that is reflective of divisional performance-based metrics, such as Economic Contribution (EC), and the performance of the Group overall.

The variable compensation pool for the corporate functions is separate from the pools of revenue-generating divisions and is based on function-specific criteria as well as the performance of the Group as a whole. It is not dependent on the performance of the specific business areas that corporate functions oversee and support, nor are individual awards for employees within those functions.

Determination of Variable Incentive Compensation Pools

Governance	▪ CC review	▪ BoD approval	▪ Control functions provide feedback which may result in adjustments to divisional pools or individual allocations ▪ Executive Compensation or the applicable Conduct Board (Group or Divisional) may freeze awards if deemed necessary or appropriate as an interim step ▪ Conduct Boards or the CC may apply malus and clawback to deferred compensation and/or variable compensation based on disciplinary review in cases of misconduct			
Process	Quarterly accruals	Final Group pool	Divisional and corporate functions pools	Allocation to business areas	Allocation to line managers	Allocation to employees
Factors	▪ Economic Contribution ▪ Risk, control, compliance, ethical ▪ Relative performance vs peers		▪ Market positioning and trends ▪ Regulatory environment ▪ Achievement of strategic objectives		▪ Capital usage ▪ Risk	▪ Individual and business performance

4.0 Determination of Discretionary Variable Incentive Awards

The determination and allocation of discretionary variable incentive awards to employees is subject to a broad range of assessment criteria. Particular emphasis is placed on an individual's performance, responsibilities, position and role and conduct (including acting in the best interests of clients and, where applicable, consideration of sustainability risks in investment decision-making, financing activities or in the provision of advice). Market compensation levels are also taken into account, as applicable. The determination and granting of discretionary variable incentive awards is entirely at the Group's discretion.

The Group may at any time be entitled to amend the terms regarding granting, vesting and settlement of awards to comply with applicable law (e.g., art. 10a of the Swiss Banking Law[1]) or regulatory requirements.

1 The Swiss Federal Council can restrict payment of variable compensation for banks or order changes to their compensation plans under certain circumstances, in particular in the event the bank requires Federal financial assistance.

4.1 Performance

The Group adopts a performance culture with a strong emphasis on disciplined risk management and compliance-centered behavior.

Allocation decisions are based on the performance of the Group, the division and the individual. To support this, the Group has a comprehensive performance management system mainly based on two performance ratings: contribution and behaviors. Managers are provided with, and have an obligation to meet the requirements of the MyPerformance Year End Info Kit for Line Managers, which contains relevant information on the performance assessment process.

Performance management system

- Designed to foster team-work and collaboration, as well as support the Group's cultural values and professional standards
- Embodied by the Group's Code of Conduct and Cultural Values Framework
- Based on two performance ratings: **Contribution** and **Behaviors**

Contribution

Based typically on objective criteria such as:

- Achieving budget targets
- Increasing market share
- Successful completion of a project
- ESG considerations including risk and compliance related issues

Behaviors

Guided by six cultural values:

- Inclusion
- Meritocracy
- Partnership
- Accountability
- Client focus
- Trust

4.2 Covered Employees and 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.

Additionally, employees' specific roles and/or levels are considered in part with a view towards determining the potential of an individual (or group of individuals) to expose the Group to inappropriate risk. Both financial risks – such as credit, market and liquidity risks – and non-financial risks – such as compliance, legal, operational and reputational risks – are considered.

Compensation process for Covered Employees and MRTCs

Employee categories	Compensation process
Covered Employees ▪ Material Risk Takers and Controllers (MRTCs) ▪ US-based revenue producers in the Investment Bank division (IB)	**Focus on risk and conduct assessment** ▪ Covered Employees and their managers are required to define role-specific risk objectives 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 ▪ Senior relationship managers in the Wealth Management-related businesses ▪ Any employee identified as taking or controlling material risks on behalf of the Group and/or its subsidiaries, as prescribed by EU/UK regulators ▪ Other individuals whose roles, individually or as part of a group, have been identified as having a potential impact on the market, reputational and operational risk of the Group	

5.0 Board of Directors and Executive Board Compensation Structure

5.1 Board of Directors (BoD)

Compensation for the BoD is set in accordance with the legal provisions under Swiss law, the Articles of Association of the Group (AoA), the Organizational Guidelines and Regulations of the Group (OGR), the Charter of the Group's CC and the Compensation Policy.

All members of the BoD receive an annual base board fee and an annual fee for serving on any of the Committees. The Chairs of the Audit, Compensation, Risk, Conduct and Financial Crime Control, Digital Transformation and Technology and Sustainability Advisory Committees also receive annual Committee Chair fees that reflect the greater responsibility and time commitment required to perform the role of chairing the relevant Committee. Committee Chairs do not receive the committee membership fees for serving on the committees that they chair. An additional fee is also paid to the BoD member serving as the Vice-Chair and Lead Independent Director to reflect the additional responsibilities of this combined role. Fees are paid in the form of cash and Group shares. Shares are blocked for a period of four years. BoD members serving on subsidiary boards may receive additional fees for such role, all of which are subject to approval by the BoD and the shareholders of Credit Suisse Group AG at the AGM in accordance with the AoA and Swiss law.

The full-time BoD Chair is paid a base board fee paid in cash and a chair fee, which reflect the additional responsibilities associated with the position. The chair fee is paid in the form of Group shares at the end of the current board period and blocked for a period of four years.

5.2 Executive Board (ExB)

Compensation for ExB members is reviewed by the CC and recommended for approval to the BoD. Pursuant to Swiss law and the AoA, shareholders at the AGM approve the compensation of the ExB, based on proposals by the BoD. ExB compensation is designed to provide a meaningful alignment with the Group's strategic goals and the interest of its shareholders, and to encourage strong teamwork and collaboration across divisions. Salaries for members of the ExB are typically reviewed annually. The method of determining variable incentive compensation levels and the form of the awards to be granted provide a direct link between pay and performance, with compensation awarded based on the achievement of strategic goals.

The aggregate ExB variable compensation pool is determined based on prior-year performance, with a 70% weighting on Group financial metrics and a 30% weighting on non-financial metrics (Risk and Control, Values and Culture, and Sustainability). At the end of the financial year, the CC reviews the Group's performance against these objectives, and also takes into account other factors such as comparison against prior year performance, relative peer performance, market positioning and trends, in order to determine the aggregate ExB pool. Variable incentive compensation is delivered in the form of 1) immediate cash, 2) CCA vesting on the third anniversary of grant and 3) share awards vesting in three equal tranches on the third, fourth and fifth anniversary of grant. Long-term share awards constitute at least 70% of the total variable compensation. To facilitate greater shareholder alignment, there is an individual ExB member cap of CHF 2 million cap on the combined cash/CCA amount awarded, and if the Relative Total Shareholder Return (RTSR) is within the bottom quintile of the pre-defined peer group of 20 peers, then all variable incentive compensation will be granted in the form of long-term share awards for that year. The key features of the approach to ExB variable incentive compensation are:

- One variable compensation pool for the ExB;
- Financial and non-financial objectives set at the beginning of the year and aligned to longer term strategic goals;
- At least 70% of variable compensation granted in the form of long-term share awards, which are subject to additional underpins over the vesting period; and
- Caps on aggregate and individual ExB member variable compensation (plus a cap on combined cash/CCA amount).

Appendix

Compliance with Other Policies and Code of Conduct

This Compensation Policy is deemed to be compliant with all other policies of the Group, to the extent it relates to, or has an impact on, compensation. This includes policies such as:

- CM-10000 – Bank Compliance Manual
- GP-00012 – Escalation
- GP-00015 – General Principles of Effective Supervision
- GP-00024 – Equal Employment Opportunity and Dignity at Work
- GP-00103 – Reputational Risk
- GP-00363 – Employee Personal Account Trading
- GP-01058 – Disciplinary
- P-00135 – Discretionary Variable Incentive Award – Switzerland & Liechtenstein
- P-01592 – Equity Ownership

Other documents, such as the Plan, the Group's CC Charter and the Group's Code of Conduct are relevant and form part of this Compensation Policy.

In the event of conflict between this and other policies, the CC will make a decision based on the best interests of all parties, taking into account legal considerations and other relevant factors.

Abbreviations

AGM	Annual General Meeting
AoA	Articles of Association
BoD	Board of Directors
CC	Compensation Committee
CCA	Contingent Capital Award
CCO	Chief Compliance Officer
CEO	Chief Executive Officer
CET1	Common Equity Tier 1
CRD V	Capital Requirements Directive V
CTA	Conditional Target Awards
CRO	Chief Risk Officer
DCAP	Deferred Cash Allowance Plan
EC	Economic Contribution
ESG	Environmental, Social and Governance
ExB	Executive Board
FCA	Financial Conduct Authority
FINMA	Swiss Financial Market Supervisory Authority
Group	Credit Suisse Group AG and its consolidated subsidiaries
IB	Investment Bank division
MRT	Material Risk Taker
MRTC	Material Risk Taker and Controller
Nasdaq	Nasdaq Stock Market
NYSE	New York Stock Exchange
OGR	Organizational Guidelines and Regulations
Plan	Credit Suisse Group AG Master Share Plan
PRA	UK Prudential Regulatory Authority
RoE	Return on Equity
RTSR	Relative Total Shareholder Return

CREDIT SUISSE GROUP AG
P.O. Box 1
CH-8070 Zurich
Switzerland