Media Release

Credit Suisse positions Swiss business to meet new client needs and drive further growth

Zurich, August 25, 2020 – **Credit Suisse today announced a series of steps to further expand its retail business with private clients and to streamline and enhance the efficiency of these activities. In implementing these measures, Credit Suisse is systematically taking account of changes in client behavior and of the way the bank wants to conduct its business in the future – on the one hand, concentrating on clients who have more complex advisory needs and expect individual advice, and on the other hand on those who primarily conduct their banking digitally and with the support of telephone services. In addition to the organizational changes and the adjustments to the branch network in Switzerland already communicated at the end of July, it is planned that the business of Neue Aargauer Bank AG (NAB) will be merged with that of Credit Suisse, and a uniform presence with a single brand will be established in Canton Aargau. To strengthen its range of products and services for private clients, Credit Suisse will introduce a new digital offering and a future-oriented branch concept at the end of October and it intends to make additional investments in advisory services, new solutions, digitalization and its market presence in the medium term.**

As a universal bank, Credit Suisse offers private, corporate and institutional clients in Switzerland a comprehensive range of products and services. It consistently aligns this offering with the changing requirements of clients. While the need for advice on more complex financial matters and the demand for sophisticated solutions is growing, the proportion of clients who want to make greater use of the bank's digital and telephone services to complete their banking transactions is also continuously rising. In the last two years alone, use of Online Banking at Credit Suisse has grown by approximately 40%, while the use of Mobile Banking has more than doubled. The COVID-19 crisis has further accelerated these trends. In contrast, the number of visits to branches has been declining for years.

Against this backdrop, Credit Suisse is taking further steps to streamline its business and structure it more efficiently while, at the same time, allowing for investments in further growth: It intends to merge NAB's business with that of Credit Suisse and it will adapt its Swiss branch network in response to evolving client needs, make organizational changes, and launch a new digital offering as well as a future-oriented branch concept.

André Helfenstein, CEO Swiss Universal Bank and CEO Credit Suisse (Schweiz) AG, stated: "Digitalization is happening all around us and will continue to advance rapidly. As a leading universal bank, we ensure that we continuously adapt our offering to the evolving needs of our clients and deploy our resources in those areas with opportunities to generate profitable growth. The changes we are making to our branch network – while simultaneously investing in digital solutions and in advisory services for clients with more complex needs – represent a logical step forward. Branches featuring a contemporary design and focusing on the provision of advice will continue to play a key role in this context in the future. We will therefore also continue to invest in our branches in the coming years."

Planned merger of NAB with Credit Suisse

In Canton Aargau, where Credit Suisse and its 100% subsidiary NAB currently have a total of 30 branches, it is planned that NAB will merge with Credit Suisse (Schweiz) AG. NAB has been majority owned by Credit Suisse since 1994 and has around 530 employees (full-time equivalents) and approximately CHF 19 billion of assets under management as well as a mortgage volume of CHF 19.1 billion (as of December 31, 2019). Although certain synergies are already being realized today, the presence of two independent banks results in areas of duplication – in terms of their product and service offering and branches, their leadership structure and support functions. In addition, the strategies of both banks have become increasingly aligned in the past few years – partly due to the growing use of digital channels and NAB's stronger focus on private banking and pension planning.

With combined annual earnings historically in the mid-three digit million range, the bank's position in the region should be further strengthened. It is planned that the Aargau region will be managed as an individual business region in the future, and thus become one of the three largest regions within Credit Suisse's Swiss Universal Bank division. As a result of the merger of the two organizations, it will be possible to build on their shared strengths, benefiting NAB clients in particular – e.g. in terms of the range of digital solutions offered, the provision of advice on more complex wealth-related matters, or the provision of services to entrepreneurs and institutional clients.

Following the merger, it is intended that a broad network will be maintained in Canton Aargau with a total of 12 branches. Credit Suisse expects that NAB clients will not experience any changes for the time being. Their banking relationships will automatically be transferred to Credit Suisse following the successful merger of the two institutions; they do not need to take any action and they will be informed about the planned merger and the next steps in the coming days.

André Helfenstein stated: "NAB has a long tradition and the merger was not an easy decision to take following the successful co-existence of these two strong brands. However, we are convinced that in today's rapidly changing environment, we are taking the right step by offering our clients in Aargau one combined offering in the future based on the solutions and vast expertise of the entire bank. With its broad client base and economic strength, the new Aargau business region will continue to be of central importance for Credit Suisse in Switzerland and will become one of our three largest regions."

The planned transaction is to take the form of a merger of NAB with Credit Suisse (Schweiz) AG. Subject to prior approval by FINMA, the merger is expected to become legally effective at the end of November 2020, with the full closing of the merger expected to take place in the second quarter of 2021. Following the merger, Roberto Belci will take over the management of Private Banking and assume responsibility for the entire Aargau region. Roberto Belci currently serves as Head of Private Banking and the Private and Corporate Clients business of NAB and is a member of the NAB Executive Board. Robin Wasser, current Market Head of Zofingen at NAB, will be appointed as Head of the SME business. The current CEO of NAB, Roland Herrmann, will hand over operational responsibility for the integration to Roger Suter. As interim CEO, Roger Suter will manage NAB until the completion of the merger and will subsequently return to his existing role as Head of Region Central Switzerland at Credit Suisse (Schweiz) AG.

André Helfenstein commented: “Roland Herrmann has been at the helm of NAB since 2016. During that time, he has been a committed leader and has brought strong impetus to the bank and taken key decisions on NAB’s strategy. He leaves behind a well-positioned and successful bank. On behalf of Credit Suisse (Schweiz) AG, I would like to thank Roland Herrmann for his successful management of NAB and for our very good collaboration over many years. I am very pleased that he will actively support the transition phase and I wish to also express my thanks to him for this. At the same time, I am very pleased that Roberto Belci and Robin Wasser – two longstanding and experienced managers with strong roots in the Aargau region – have accepted these newly created positions.”

Realignment of Swiss branch network and further investments in advisory offering
The changes to Credit Suisse’s branch network across Switzerland, including branches in Canton Aargau, are expected to be implemented by the end of 2020. With a goal of 109 locations – compared to 146 at present – Credit Suisse will continue to have a strong regional presence in the future. To simultaneously strengthen its advisory services and client offering, Credit Suisse has begun a series of initiatives that are expected to be implemented from September 2020. These include the continued development of a comprehensive online and mobile banking offering as well as a new, future-oriented branch concept under which employees in branches will be assigned additional functions. This concept will be applied for the first time with the opening of a new location in Europaallee in Zurich (see box). The existing Client Service Center with operations in Zurich, Gümligen, Lausanne, Chiasso and Brugg (formerly NAB), whose around 550 employees offer information and advice by telephone, will remain an integral part of Credit Suisse’s client advisory services in Switzerland. Targeted steps will be taken to strengthen the Customer Service Center’s team in Brugg in particular. In addition, Credit Suisse wants to continue to invest in advisory expertise and hire additional relationship managers to serve private, corporate and institutional clients.

The measures announced today, including the planned merger of NAB with Credit Suisse, are expected to result in gross cost savings of around CHF 100 million per annum from 2022 onwards. They form part of the Group-wide aim to generate run-rate savings of approximately CHF 400 million per annum, from 2022 onwards, as announced on July 30, 2020. Credit Suisse intends to reinvest a substantial portion of these synergies in the Swiss business – especially in hiring additional relationship managers to serve private, corporate and institutional clients, as well as in technology, digitalization and marketing. The anticipated restructuring costs of around CHF 75 million form part of the expected approximately CHF 300 to 400 million Group-wide restructuring expenses announced on July 30, 2020, and are expected to be booked over the duration of the program, which is expected to be completed within a year.

It is intended that the synergy effects will be achieved partly through the reduction of general expenses – especially through lower leasing and maintenance costs for branches as well as further cost savings that can be generated through the planned merger of NAB with Credit Suisse. At the same time, a headcount reduction at NAB as well as the Swiss Universal Bank division of Credit

Suisse is inevitable. The planned merger and, in particular, the measures relating to employees are subject to the conclusion of the consultation process with the Staff Councils of NAB and Credit Suisse. A social plan is in place. Its primary objective is to find further employment – either within the bank or externally – for as many of the affected employees as possible. A substantial proportion of the anticipated synergies are expected to be reinvested in the Swiss business. As a result, new roles should continue to be created and further new employees should be hired.

Changes to the Executive Board of Credit Suisse (Schweiz) AG

To align the organizational set-up of the Swiss division even more closely with the way Credit Suisse meets its clients' needs ('high-tech' vs 'high-touch'), the two business areas 'Direct Banking' and 'Digitalization & Products' will be merged with effect from October 1, 2020. The new 'Digital Banking' business area will be managed by Anke Bridge Haux, who currently heads 'Digitalization & Products'. The 'Direct Banking' business unit has been built up successfully under the leadership of Mario Crameri since September 2019 and it will launch a new digital offering from the end of October (see box).

The 'Institutional Clients' business area, which has experienced strong growth momentum and has been expanding its platform and services for pension funds, independent asset managers, banks and other financial intermediaries, will now be managed by Daniel Hunziker, also with effect from October 1, 2020. Daniel Hunziker currently serves as Head of Strategy at Credit Suisse (Schweiz) AG and will take over his new role from Michael Sager, who performed the function on an interim basis following the appointment of André Helfenstein as CEO of Credit Suisse (Schweiz) AG.

André Helfenstein stated: "On behalf of Credit Suisse, I wish to thank Mario Crameri for the excellent work he has performed together with his team in building and further developing the 'Direct Banking' area. With our new digital offering that is expected to be gradually rolled out for clients from the end of October, we are positioning ourselves for the future in the highly competitive Swiss retail business. By bundling our resources in the area of digitalization, we can embark on the next phase of our digital strategy with a leaner organization, thus ensuring the rapid provision of innovative digital solutions for our clients."

Announcement of Digital Banking offering and new branch concept in September

As part of its initiatives to realign its market presence in Switzerland, Credit Suisse has developed a new branch concept that centers on the provision of advisory services and will be unveiled next week in Europaallee in Zurich. In addition, the 'Digital Banking' business area that offers core products and services to private and commercial clients is expected to launch a new digital offering at the end of October that combines the flexibility and cost benefits of a digital bank with the range of products and services offered by Credit Suisse as an established universal bank domiciled in Switzerland. We intend to present both new developments to the media in September 2020.

Management Committee of the Swiss Universal Bank and Executive Board of Credit Suisse (Schweiz) AG from October 1, 2020

André Helfenstein	Chief Executive Officer
Front units:	
Felix Baumgartner	Head Premium Clients
Anke Bridge Haux	Head Digital Banking
Didier Denat	Head Corporate Banking
Serge Fehr	Head Wealth Management Clients
Jens Haas	Head Investment Banking Switzerland
Damian Hoop	Head SUB Sales & ITS Switzerland
Daniel Hunziker	Head Institutional Clients
Support units:	
Antoine Boublil	Chief Financial Officer
Serena Fioravanti	Chief Risk Officer
Erwin Grob	Chief Compliance Officer
Thomas Grotzer	General Counsel
Claude Täschler	Head HR
Robert Wagner	Chief Operating Officer

Media telephone conference – Tuesday, August 25, 2020

A telephone conference for media representatives will take place today, **Tuesday, August 25, 2020, at 10.00 CEST**.

André Helfenstein, CEO Swiss Universal Bank and Credit Suisse (Schweiz) AG, will explain the steps announced today in more detail and will be available to answer your questions.

The media telephone conference will be held in German. It is not necessary to register for the event in advance.

Access
Telephone: +41 44 580 48 67
Conference ID: 4061078
Reference: Credit Suisse Media Call

Please dial in 10 minutes before the start of the conference.

Further information
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Important information

We may not achieve all of the expected benefits of our strategic initiatives. Factors beyond our control, including but not limited to the market and economic conditions (including macroeconomic and other challenges and uncertainties, for example, resulting from the COVID-19 pandemic), changes in laws, rules or regulations and other challenges discussed in our public filings, could limit our ability to achieve some or all of the expected benefits of these initiatives.

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, objectives, outlooks 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, challenges and uncertainties resulting from the COVID-19 pandemic, 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, objectives, outlooks or goals.

In preparing this document, management has made estimates and assumptions that affect the numbers presented. Actual results may differ. Figures throughout this document 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.

Investors and others should note that we announce material information (including quarterly earnings releases and financial reports) to the investing public using press releases, SEC and Swiss ad hoc filings, our website and public conference calls and webcasts. We intend to also use our Twitter account @creditsuisse (https://twitter.com/creditsuisse) to excerpt key messages from our public disclosures, including earnings releases. We may retweet such messages through certain of our regional Twitter accounts, including @csschweiz (https://twitter.com/csschweiz) and @csapac (https://twitter.com/csapac). Investors and others should take care to consider such abbreviated messages in the context of the disclosures from which they are excerpted. The information we post on these Twitter accounts is not a part of this document.
Information referenced in this document, whether via website links or otherwise, is not incorporated into this document.

Cautionary statement regarding forward-looking information

This document contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- our plans, targets or goals;
- our future economic performance or prospects;
- the potential effect on our future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as "believes," "anticipates," "expects," "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility and interest rate fluctuations and developments affecting interest rate levels, including the persistence of a low or negative interest rate environment;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular the risk of negative impacts of COVID-19 on the global economy and financial markets and the risk of continued slow economic recovery or downturn in the EU, the US or other developed countries or in emerging markets in 2020 and beyond;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact on our business;
- potential risks and uncertainties relating to the severity of impacts from COVID-19 and the duration of the pandemic, including potential material adverse effects on our business, financial condition and results of operations;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of us, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic goals, including those related to our targets, ambitions and financial goals;
- the ability of counterparties to meet their obligations to us and the adequacy of our allowance for credit losses;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations;
- political, social and environmental developments, including war, civil unrest or terrorist activity and climate change;
- the ability to appropriately address social, environmental and sustainability concerns that may arise from our business activities;
- the effects of, and the uncertainty arising from, the UK's withdrawal from the EU;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- the risk of cyber attacks, information or security breaches or technology failures on our business or operations;
- the adverse resolution of litigation, regulatory proceedings and other contingencies;
- actions taken by regulators with respect to our business and practices and possible resulting changes to our business organization, practices and policies in countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which we conduct our operations;
- the expected discontinuation of LIBOR and other interbank offered rates and the transition to alternative reference rates;
- the potential effects of changes in our legal entity structure;
- competition or changes in our competitive position in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes instituted by us, our counterparties or competitors;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; and
- other unforeseen or unexpected events and our success at managing these and the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, including the information set forth in "Risk factors" in *I – Information on the company* in our Annual Report 2019 and in "Risk factor" in *I – Credit Suisse* in our 1Q20 Financial Report.