

March 2019

CREDIT SUISSE 

UK Entities Gender Pay Gap Report 2018



Foreword



When we published our first Gender Pay Gap numbers last March, I was pleased to do so – not because the numbers we reported were acceptable, far from it – but because they helped to shine a light on the challenge we face and provide a further impetus for change.

Before we published, we suspected we were not alone in the industry in having such a gap – our publication and that of all our peers proved those suspicions to be correct.

The principal reason for this disparity has been well covered in the media over the past 12 months: there are not enough senior women in financial services organisations. This is not an excuse or an explanation, simply a fact. It is worth remembering that the financial services sector is not alone in this, but it is one of the industries in which the issues are more exacerbated. It is also worth remembering that progression in a complex area like this is not always straightforward. For instance, increasing representation of women at all levels within the organisation, in order to support current and future pipelines into senior managers may, in the short term, unintentionally cause the pay gap to widen.

As an industry, we have to work together as a whole to effect change and recognise that it is only by every employer playing their part that permanent change will begin to shine through.

I am proud that we are an active partner in a number of outreach initiatives including Women on Boards, to promote gender diversity at more senior levels across industries, Women in Banking and Finance, to promote career opportunities for female talent across the financial services industry, and Modern Muse and Tech She Can, to inspire girls to pursue opportunities in this sector. I am also proud that we were one of the first wave of investment banks to sign up to HM Treasury's Women in Finance Charter, pledging continued support for the progression of women into senior roles.

But it is not just externally where we are seeking change. Our internal gender strategy focuses on three areas to improve diversity and inclusion across our businesses: developing an inclusive culture, enhancing our existing flexible working opportunities, and addressing potential unconscious bias in employee processes. Our approach is to tackle this issue like any other business problem, led by the business, using data to understand the current state, agreeing targeted actions to increase the recruitment, development, promotion and retention of women and regularly measuring our progress.

No single action will lead to overnight success, but over time, we will begin to see lasting improvements. I am proud to see our strategy coming to life through many initiatives across our businesses. In particular, it is encouraging to see the success of our high profile 'Real Returns' programme. This aims to support talented senior professionals, who have taken an extended career break, transition back into the workforce by providing a structured programme of training, mentoring and networking opportunities.

Today, we publish our second Gender Pay Gap report, and while the numbers are not dramatically different to those from last year's, on an average basis across our UK business, our overall mean and median pay gaps have improved.

But they are still far from good enough.

As an organisation, we will do our best to address that gap. Just as importantly, however, we as an industry must work together to ensure that many of the drivers that continue to cause this problem are also addressed.

David Mathers

CEO of Credit Suisse International and Credit Suisse Securities (Europe) Limited

What is the gender pay gap?

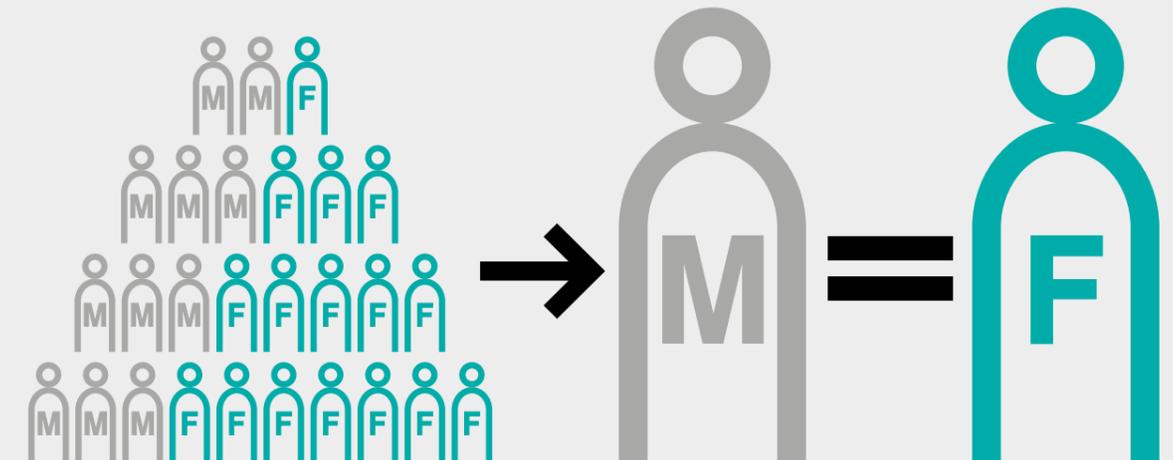
The gender pay gap is the difference in the average hourly pay of all men and all women in an organisation. The gender pay gap at Credit Suisse is in large part because of the higher proportion of men in senior and higher paying positions. This means men as a group receive higher pay on average than women.

This is not to be confused with an equal pay gap, which would be the comparison of the pay of men and women in like roles.

Globally, we have aspirations with respect to female representation in more senior and high paying roles in the organisation and tools to track progress in our compensation decision-making, performance appraisals and in the promotions process.

It can also be noted that while increasing the representation of women in more senior and higher paying positions in the organisation will decrease the gap, there are other factors that impact that figure as well including, hiring, exits, offshoring and the impact of Brexit in terms of what roles remain in the UK. As noted in the Foreword, increasing the number of women in entry level roles to create a broader pipeline itself might offset other efforts to reduce the gender pay gap. To effect the change we are seeking takes time and will not be accomplished in a single year. We note that many firms had a setback in their gender pay gaps in this year's disclosures. We understand the dynamics of what impacts the gender pay gap and are committed to taking a holistic approach that will yield results over time.

Explaining the Gender Pay Gap



The gender pay gap

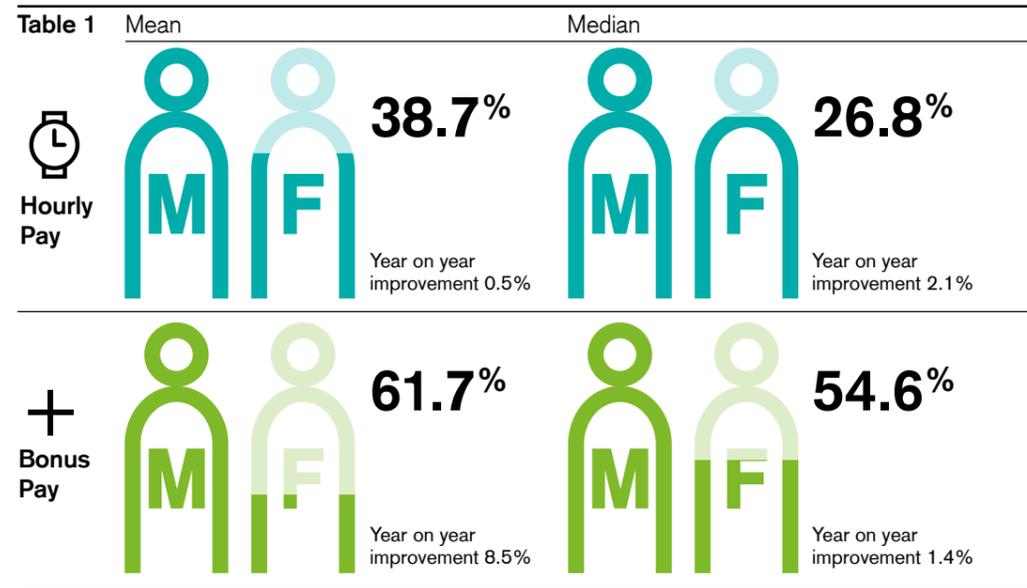
is the difference between the gross average hourly earnings for all men and the gross average hourly earnings for all women.

Equal pay

is men and women being paid the same for the same work.

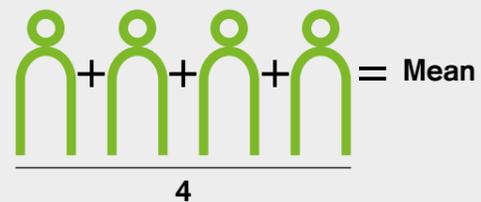
Our overall UK gender pay gap

Table 1 shows the four UK entities' overall mean and median difference in gender pay. The hourly pay figures were taken at the snapshot date of 5 April 2018. The bonus pay is for the 2017 performance year paid in 2018.



Explaining Mean and Median

The Mean is one way of determining an average. It is calculated by adding several items together and dividing the total by the number of items.



The Median is another way of showing an average. It represents the middle number in a given sequence of numbers when that sequence is put in rank order.

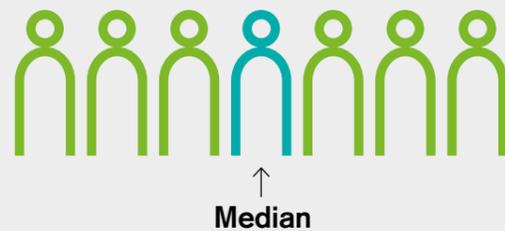


Table 2 shows an overall difference of 2.8% in the number of men and women who received a bonus in the relevant period.

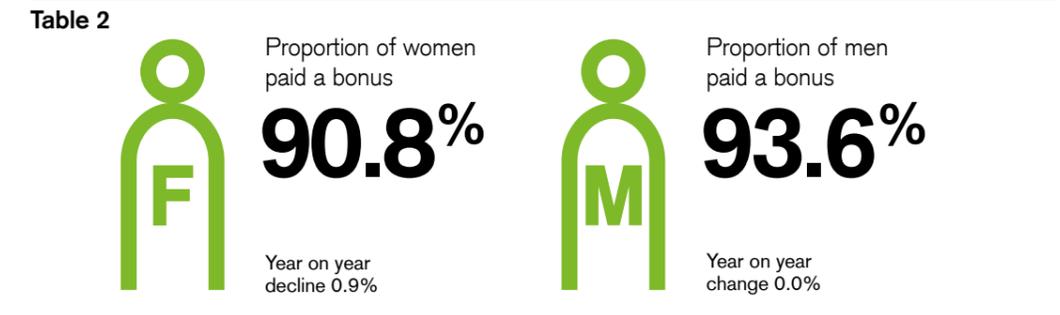


Table 3 illustrates the gender pay distribution across the UK entities overall. Our gender pay gap shows we have clear under-representation of females in the middle and highest paid quartiles. This means that there are more men in more senior and higher paid positions.

Table 3

Pay quartiles

Lower		Lower middle		Upper middle		Upper	
M	F	M	F	M	F	M	F
50.3%	49.7%	67.5%	32.5%	72.4%	27.6%	85.0%	15.0%



Our diversity and inclusion strategy is about providing equal opportunities for everyone, regardless of who they are or their background.

Diversity and inclusion at Credit Suisse

We are taking a data-driven approach to measurably improve gender diversity in the UK and provide a sustainable talent pipeline. Using data and insights enables us to focus our efforts in the right places to make effective change. Our diversity and inclusion strategy is about providing equal opportunities for everyone, regardless of who they are or their background.

Inclusive culture

Entering into its sixth year, our award-winning Real Returns programme creates employment opportunities for experienced professionals returning to work after two or more years' absence. Our 16-week internships provide the chance to work on a business project allowing participants to re-establish their career path via training, networking, support and mentoring. Many of the participants take up permanent positions with Credit Suisse at the end of the programme.

Our seven UK-based employee networks support our inclusive culture, serving as a platform to exchange knowledge and diverse experiences. Together, these networks run more than 100 events each year, celebrating employees' differences and creating an environment where everyone can be their true self and reach their full potential. Our EMEA Women's Network runs a wide variety of events such as celebrating International Women's Day, professional development sessions aimed at improving skills and attributes designed to aid career progression and reverse mentoring programmes. They also supported the 'This Girl Can' campaign with activities to encourage more women to engage in sport. Our LGBT and Ally Network provides support and education around the different issues which may be faced by our Lesbian, Gay, Bisexual and Transgender employees. Our efforts to attract and retain those who combine a career with parental and/or care responsibilities are supported by our UK Family Network and Wellbeing and Care Network, whose activities and informative events are supported by our suite of enhanced family leave policies and parental coaching provision.

We also partner with several external organisations to support the recruitment, development and promotion of women across our bank. Institutions such as Women On Boards, Modern Muse, Tech She Can and Women in Banking and Finance provide advice, networking and more, to engage both current and next generation female talent.



Flexible working

Adopting flexible working patterns is something that benefits many employees regardless of gender. We have enhanced our flexible working programme to support a culture where employees have the opportunity to work flexibly. Last year, we launched a campaign to highlight the opportunities available and worked with managers across the business to remind them of the benefits of flexible working. As a result, we have seen an increase in the number of employees choosing flexible working arrangements.

Unconscious bias

We have implemented unconscious bias awareness training for all employees to alert them to the effects of inherent biases. However, unconscious bias extends beyond the decisions we make individually and therefore we have also implemented technology to reduce potential unconscious bias in our recruitment processes as well as enhancing other human capital processes, to avoid potential systemic bias.



UK entities

Credit Suisse has four employing entities – Credit Suisse Securities (Europe) Limited, 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. This has increased from last year as a result of the creation of Credit Suisse Services AG, London Branch in mid-2017. This new entity was established to ensure that Credit Suisse complies with regulatory requirements on recovery and resolution planning and is the employer for all employees carrying out resolution-critical activities.

As at April 5, 2018, Credit Suisse Securities (Europe) Limited mainly employed our Corporate Functions teams performing non-resolution-critical roles; 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 teams.

Table 4

	Hourly Pay (Mean)	Hourly Pay (Median)	Bonus Pay (Mean)	Bonus Pay (Median)
CS Securities (Europe) Ltd	32.4%	18.5%	59.5%	40.0%
Credit Suisse International	52.0%	45.0%	67.6%	76.3%
Credit Suisse (UK) Limited	32.9%	29.1%	62.5%	63.9%
CS Services AG, London Branch	16.8%	18.9%	30.3%	40.0%

Table 5

	Proportion of women paid a bonus	Proportion of men paid a bonus
CS Securities (Europe) Ltd	90.9%	94.1%
Credit Suisse International	93.4%	95.2%
Credit Suisse (UK) Limited	84.1%	90.4%
CS Services AG, London Branch	90.2%	91.8%

Table 6

CS Securities (Europe) Limited

By quartiles

Lower		Lower middle		Upper middle		Upper	
M	F	M	F	M	F	M	F
54.1%	45.9%	68.9%	31.1%	71.2%	28.8%	83.8%	16.2%

Credit Suisse International

By quartiles

Lower		Lower middle		Upper middle		Upper	
M	F	M	F	M	F	M	F
50.2%	49.8%	63.2%	36.8%	76.7%	23.3%	91.3%	8.7%

Credit Suisse (UK) Limited

By quartiles

Lower		Lower middle		Upper middle		Upper	
M	F	M	F	M	F	M	F
45.5%	54.5%	51.5%	48.5%	66.7%	33.3%	84.6%	15.4%

CS Services AG, London Branch

By quartiles

Lower		Lower middle		Upper middle		Upper	
M	F	M	F	M	F	M	F
51.0%	49.0%	68.3%	31.7%	72.3%	27.7%	79.0%	21.0%



Credit Suisse has placed diversity and inclusion at the heart of our corporate strategy and culture in order to progress positive change throughout our businesses.

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

David Mathers, CEO, Credit Suisse International and Credit Suisse Securities (Europe) Limited

Noreen Doyle, Chair, Credit Suisse International and Credit Suisse Securities (Europe) Limited

Christian Berchem, CEO, Credit Suisse (UK) Limited

Mike Bussey, Chair, Credit Suisse (UK) Limited

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