

## Credit Suisse Group

Pays	Suisse
Date de l'assemblée	vendredi 28 avril 2017 10:30
Lieu de l'assemblée	Hallenstadion, Wallisellenstrasse 45, Zurich-Oerlikon
Type d'assemblée	Assemblée générale ordinaire
Titres	ISIN CH0012138530, Telekurs 1213853

### Points marquants de l'ordre du jour

Aux **POINTS 6.1.1** et **6.1.9** de l'ordre du jour, le conseil propose de réélire le président Urs Rohner et le vice président Richard Thornburgh. Le Credit Suisse est exposé à de nombreux contentieux juridiques depuis plusieurs années. En 2016, la banque a dû constituer de nouvelles provisions de plus de CHF 3 milliards, notamment pour mettre fin à un litige avec le département américain de la justice, concernant des produits financiers toxiques vendus par la banque durant les années qui ont précédé la crise financière (2005-2007). Aussi bien U. Rohner que R. Thornburg occupaient des fonctions exécutives à l'époque. Parallèlement, la stratégie de la banque ne semble pas claire, notamment au sujet de la mise en bourse de l'unité suisse. Ethos recommande par conséquent de voter CONTRE la réélection du président et du vice président (points 2.1.b, 2.3.a et 2.3.f des lignes directrices d'Ethos). Pour les mêmes raisons, sous le **POINT 2**, Ethos recommande de voter CONTRE la décharge (point 1.2.d).

Au **POINT 3.2**, le conseil propose de payer un dividende de CHF 0.7 par action (en espèces et/ou en actions), pour un montant total de CHF 1.43 milliards, alors que :

- Le Credit Suisse a enregistré une perte consolidée de CHF 2.7 milliards en 2016, après une perte de CHF 2.9 milliards en 2015;
- Les ratios de capital du Credit Suisse sont faibles au vu des nouvelles exigences légales. En particulier, le leverage ratio (CET1) est de 3.2%, alors qu'il devrait être au minimum de 3.5% d'ici 2019 selon la FINMA.

En conséquence, Ethos est d'avis qu'il est plus approprié de garder ce montant pour renforcer le capital du Credit Suisse et, en ligne avec le point 1.3.a de ses lignes directrices, recommande de voter CONTRE.

Sous les **POINTS 1.2, 4.1, 4.2.1, 4.2.2 et 4.2.3** de l'ordre du jour, le conseil propose des votes séparés pour les rémunérations du conseil et de la direction générale. Ethos a de sérieuses critiques sur la transparence, la structure et les montants des rémunérations, en particulier alors que la banque a enregistré une perte pour la deuxième année consécutive. Ethos recommande de voter CONTRE (points 4.1.a, 4.1.b, 4.2.b, 4.3.b, 4.4.a et 4.4.c des lignes directrices).

### Contenu

- 1 Positions de vote
- 2 Analyse de l'assemblée
- 3 Informations sur la société
- 4 Rapport de rémunération
- 5 Rémunération demandée
- 6 Conseil d'administration
- 7 Glossaire

# 1. Aperçu de l'Assemblée Générale

## 1.1 Positions de vote à l'assemblée générale

Point	Proposition		Position de vote d'Ethos	Position du Conseil d'administration
1.1	Présentation des états financiers et des comptes		SANS VOTE	SANS VOTE
1.2	Vote consultatif sur le rapport de rémunération	●	CONTRE	POUR
1.3	Approbation du rapport annuel, des comptes consolidés et des comptes annuels		POUR	POUR
2	Décharge aux membres du conseil d'administration et de la direction générale	●	CONTRE	POUR
3.1	Emploi du bénéfice		POUR	POUR
3.2	Décision sur la distribution par prélèvement sur les réserves issues d'apports en capital	●	CONTRE	POUR
4	Votes contraignants sur la rémunération du conseil d'administration et de la direction générale			
4.1	Vote contraignant prospectif sur la rémunération totale du conseil d'administration	●	CONTRE	POUR
4.2.1	Vote contraignant rétrospectif sur la rémunération variable à court terme de la direction générale	●	CONTRE	POUR
4.2.2	Vote contraignant prospectif sur la rémunération fixe de la direction générale	●	CONTRE	POUR
4.2.3	Vote contraignant prospectif sur la rémunération variable à long terme de la direction générale	●	CONTRE	POUR
5	Augmentation et prolongation du capital autorisé destiné à un dividende en actions ou à un dividende optionnel	●	CONTRE	POUR
6.1	Elections au conseil d'administration			
6.1.1	Réélection de M. Urs Rohner comme président et membre du conseil d'administration	●	CONTRE	POUR
6.1.2	Réélection de Dr. oec. Iris Bohnet		POUR	POUR
6.1.3	Réélection de Dr. oec. publ. Rainer Alexander Gut		POUR	POUR
6.1.4	Réélection de M. Andreas N. Koopmann		POUR	POUR
6.1.5	Réélection de Mme Seraina Maag		POUR	POUR
6.1.6	Réélection de M. Kaikhushru S. Nargolwala		POUR	POUR
6.1.7	Réélection de M. Joaquin J. Ribeiro		POUR	POUR
6.1.8	Réélection de Dr. iur. Severin Schwan		POUR	POUR
6.1.9	Réélection de M. Richard E. Thornburgh	●	CONTRE	POUR
6.1.10	Réélection de M. John Tiner		POUR	POUR
6.1.11	Election de M. Andreas Gottschling		POUR	POUR

6.1.12	Election de M. Alexandre Zeller		POUR	POUR
6.2	Elections au comité de rémunération			
6.2.1	Réélection de Dr. oec. Iris Bohnet au comité de rémunération		POUR	POUR
6.2.2	Réélection de M. Andreas N. Koopmann au comité de rémunération		POUR	POUR
6.2.3	Réélection de M. Kaikhushru S. Nargolwala au comité de rémunération		POUR	POUR
6.2.4	Election de M. Alexandre Zeller au comité de rémunération		POUR	POUR
6.3	Election de l'organe de révision	●	CONTRE	POUR
6.4	Election de l'organe de révision spécial		POUR	POUR
6.5	Election du représentant indépendant		POUR	POUR
	Divers (propositions d'actionnaires)	●	CONTRE	
	Divers (propositions du conseil d'administration)	●	CONTRE	

## 1.2 Résultats des votes de l'assemblée générale du vendredi 29 avril 2016

Point	Proposition	% Pour	Résultat	Position de vote d'Ethos	Position du Conseil d'administration
1.1	Présentation des états financiers et des comptes		-	<i>SANS VOTE</i>	<i>SANS VOTE</i>
1.2	Vote consultatif sur le rapport de rémunération	79 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
1.3	Approbation du rapport annuel, des comptes consolidés et des comptes annuels	95 %	Acceptée	<i>POUR</i>	<i>POUR</i>
2	Décharge aux membres du conseil d'administration et de la direction générale	86 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
3.1	Décision sur l'affectation du bénéfice résultant du bilan	99 %	Acceptée	<i>POUR</i>	<i>POUR</i>
3.2	Décision sur la distribution par prélèvement sur les réserves issues d'apports en capital	97 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
4	Votes contraignants sur la rémunération du conseil d'administration et de la direction générale		-		
4.1	Vote contraignant prospectif sur la rémunération totale du conseil d'administration	83 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
4.2.1	Vote contraignant rétrospectif sur la rémunération variable à court terme de la direction générale	81 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
4.2.2	Vote contraignant prospectif sur la rémunération fixe de la direction générale	85 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
4.2.3	Vote contraignant prospectif sur la rémunération variable à long terme de la direction générale	83 %	Acceptée	● <i>CONTRE</i>	<i>POUR</i>
5.1	Augmentation du capital autorisé pour un dividende en actions ou un dividende optionnel	89 %	Acceptée	<i>POUR</i>	<i>POUR</i>

5.2	Augmentation et renouvellement du capital autorisé pour des acquisitions futures	87 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1	Elections au conseil d'administration		-			
6.1.1	Réélection de M. Urs Rohner comme président et membre du conseil d'administration (un seul vote)	92 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.2	Réélection de M. Jassim Bin Hamad Al Thani	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.3	Réélection du Dr. Iris Bohnet	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.4	Réélection de Mme Noreen Doyle	93 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.5	Réélection de M. Andreas N. Koopmann	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.6	Réélection de M. Jean Lanier	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.7	Réélection de Mme Seraina Maag	95 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.8	Réélection de M. Kaikhushru S. Nargolwala	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.9	Réélection du Dr. Severin Schwan	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.10	Réélection de M. Richard E. Thornburgh	93 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.11	Réélection de M. John Tiner	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.12	Election du Dr. Rainer Alexander Gut	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.1.13	Election de M. Joaquin J. Ribeiro	95 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.2	Elections au comité de rémunération		-			
6.2.1	Réélection du Dr. Iris Bohnet au comité de rémunération	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.2.2	Réélection de M. Andreas N. Koopmann au comité de rémunération	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.2.3	Réélection de M. Jean Lanier au comité de rémunération	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.2.4	Réélection de M. Kaikhushru S. Nargolwala au comité de rémunération	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.3	Election de l'organe de révision	94 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.4	Election de l'organe de révision spécial	95 %	Acceptée		<i>POUR</i>	<i>POUR</i>
6.5	Election du représentant indépendant	95 %	Acceptée		<i>POUR</i>	<i>POUR</i>
	Divers (propositions d'actionnaires)		-	●	<i>CONTRE</i>	
	Divers (propositions du conseil d'administration)		-	●	<i>CONTRE</i>	

### Détail des présences

Le taux de présence à l'assemblée générale 2016 était de 66% des actions avec droit de vote. Les voix étaient représentées comme suit :

- Représentant indépendant : 99%
- Actionnaires présents dans la salle : 1%

## 2. Proxy Analysis

1.1	Present financial statements and accounts	NON-VOTING
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This item is the presentation of the annual report, as well as of the annual statutory and consolidated accounts.

This is a non-voting item.

1.2	Advisory vote on the remuneration report	OPPOSE
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The board of directors requests an advisory vote on the remuneration report included in the annual report. While the vote is not binding, it allows shareholders to send a message to the board that could help shape executive remuneration. The remuneration report describes the remuneration policy and discloses the remuneration paid to both non-executive board members and members of the executive board. Section 4 of this report includes the description and detailed figures of the 2016 remuneration of the board of directors and of the members of the executive management of the company.

### A) Changes implemented

To align the executive board's remuneration with the new strategy of the bank, a revised remuneration structure was approved by shareholders at the 2016 AGM and fully implemented in 2016 (see point 4.4 of this report for more details). The new variable remuneration structure consists of a short and a long-term incentive plan, both having target grant values expressed as a percentage of the base salary. The actual payout levels of those plans are determined at the end of each performance cycle and based on the achievement of pre-defined performance targets. The new system was already presented in the 2015 remuneration report. However, further changes were made in 2016 with regard to the new long-term incentive plan:

- The maximum initial grant of shares under the long-term incentive plan (LTIP) has been raised for some members of the management from 325% of their base salary to 425%. However, it remains capped at 250% of the base salary for the CEO. The vesting scale is unchanged, ranging from 0% (below threshold) to 100% (maximum performance).
- The performance criteria and their weighting have been amended. For the CEO and the Functional Head, the "Operating free capital generated" metric has been replaced by a "Divisional performance" metric, which is measured by using the adjusted pre-tax income for the Swiss Universal Bank, the International Wealth Management and the Asia Pacific units, the adjusted pre-tax loss for the Strategic Resolution Unit and the adjusted return on regulatory capital for the Global Markets and Investment Banking units. It weights 25% in their performance assessment. Moreover, the Total Shareholder Return (TSR) metric, calculated on a 3-year period, has a 50% weighting now for all the management, up from 40% previously.

### B) Ethos' appraisal of the remuneration system

#### B.1) Disclosure

##### Positive features

- The company discloses the performance conditions for the annual bonus, as well as the target and maximum bonus as a percentage of the base salary. In addition, the level of bonus paid with regard to the performance achieved during the year under review is clearly explained in the remuneration report.
- For the long-term incentive plan, specific performance targets are disclosed, as well as the corresponding vesting scale.

##### Concerns

- The company does not mention the effective vesting level of the previous year's long term plan which prevents shareholders from confirming the pay for performance connections.

- The funding of the aggregate variable remuneration pool (for the entire bank) depends on several factors but mainly on the economic contribution, which is determined by deducting the cost of capital from the profit before tax and variable remuneration. However, the economic contribution of the group and its divisions is not disclosed in the annual report.
- The company discloses for the first time its peers with regard to the remuneration of the management, which Ethos welcomes. However, Ethos questions the composition of Credit Suisse's peer group, which does not include important European banks, such as HSBC, BNP Paribas, Banco Santander or ING Group. Moreover, Credit Suisse is the second smallest bank in the group in terms of market capitalization (after Deutsche Bank) and in terms of number of employees (after Goldman Sachs).

### **B.2) Aggregate variable remuneration pool**

In 2016, the total variable remuneration pool available to all employees increased by 5.92% to CHF 3'093 million. The number of beneficiaries on the other hand remained stable at 42'473 (+0.2%). At the same time, the number of key risk takers (KRT), which comprises the members of the management, has increased from 835 to 939 (+12.5%).

In line with the FINMA regulation, Credit Suisse must identify its "key risk takers". In 2016, they received a total remuneration of CHF 1'409 million, out of which CHF 899 million was variable. In other words, 29.07% of the total variable remuneration pool in 2016 was granted to 2.21% of the beneficiaries.

Ethos has concerns on the increase of the total variable remuneration pool in 2016, despite Credit Suisse posting a net loss of CHF 2.71 billion. While this loss is mainly due to a provision of CHF 1.99 billion that was booked following an agreement with the DoJ, Ethos notes that the adjusted pre-tax income of CHF 615 million is not sufficient for a bank of the size of Credit Suisse. In fact, the 2016 financial results do not cover the bank's cost of capital. Based on an average cost of capital of 10% and total equity at year-end 2016 of CHF 41.9 billion, the bank posted an economic loss of CHF 3.5 billion on an adjusted basis.

Ethos also suspects that an important part of the variable remuneration pool is paid to the Investment Bank. Indeed, the remuneration report mentions that in 2016, "an important transition year", the investment banking businesses experienced key employee retention issues as a result of the reductions in their respective variable remuneration pools following the disappointing financial performance in 2015. Consequently, the board approved "special retention awards which enabled senior management to retain critical staff on selective basis and to prevent harmful departures during a period of restructuring".

Ethos has therefore significant concerns regarding the allocation of the variable remuneration pool among Credit Suisse's employees. It also notes that the bank is planning to cut up to 6500 jobs in 2017 according to Bloomberg, while the number of full-time equivalent employees decreased by 2.2% in 2016 to 47'170.

Finally, part of the variable remuneration is deferred and paid in Credit Suisse's shares. Ethos notes that for the financial year 2016, a total of 67.5 million new shares, corresponding to 3.2% of the share capital, were granted to employees. Ethos' limit for capital attributions to employees of 1% per year is therefore largely exceeded.

### **B.3) Remuneration structure: Board members**

During the year under review, the chairman of the board, Mr. Rohner, received CHF 3'980'929 (+23.4%), while the other members of the board received on average CHF 582'814 (-3.6%). The chairman's remuneration is 6.8 times the average remuneration of the other members of the board.

The remuneration of the chairman is however not comparable in time. Indeed, in 2015 Mr. Rohner voluntarily waived all his chair fee of CHF 1.5 million whereas for 2016 he proposed to waive half of his chair fee only (CHF 750'000), for the same reason.

#### **Positive features**

- The non-executive directors do not receive any performance-related remuneration or options, which is compliant with best practice.
- Part of their remuneration is paid in shares, which helps to align the interests of the board members with those of the shareholders.

### Concerns

- While Ethos welcomes the chairman's decision to voluntarily reduce his 2016 fees (for the third consecutive year), Ethos considers that the normal level of remuneration of the chairman of the board, the chairs of the key committees and members of the board at Credit Suisse is too high compared to international peers and other Swiss financial institutions. While acknowledging the important responsibilities of Swiss directors, Ethos is of the opinion that their level of remuneration is still too high. Ethos understands that the reduction for 2016 is unique and that the board intends to return to normal remuneration levels in 2017 (see ITEM 4.1). The other board members' average fees are also very high compared to international peers. Ethos still considers the level of board members fees as excessive and largely above the median of the peer group (see ITEM 4.1).

### B.4) Remuneration structure: Executive management

Members of the executive management, including the CEO, have a base salary and can receive variable remuneration under 2 incentive plans, which are described in detail under section 4.5 of this report. For the year under review, the company CEO, Mr. Thiam, received a total remuneration of CHF 11'890'000, of which 69% is variable. His total variable remuneration at grant represents 2.74 times his base salary. This amount includes the target value of the shares awarded under the LTIP which are valued by the bank with a 46% discount to take into account the performance conditions triggering the final release of the shares. When assuming full vesting of the long term awards (100%), Mr. Thiam's remuneration stands at CHF 15'350'000. The other members of the management received on average CHF 6'331'227 (+7.6%), of which 63% is variable. Their total variable remuneration at grant represents 1.84 times their average base salary. When assuming full vesting of the long term awards (100%), their total average remuneration stands at CHF 8'054'152.

The comparison of the CEO remuneration is not possible as Mr. Thiam was appointed CEO of Credit Suisse in June 2015 and was therefore paid on a 6-month basis only.

#### Pay-for-performance connection

In order to assess the pay-for-performance connection, and thus the relevance of the level of bonus paid, Ethos reviews the performance of the company compared to 62 companies active in the same industry as Credit Suisse Group (based on the Global Industry Classification Standard (GICS) level 2). Ethos considers that the evolution of operating income (relative to the sales at the beginning of the period) and the total shareholder return (TSR) give a good overview of the performance of the company.

For the 2016 financial year, the company ranks at the following percentiles (100 is best) for each of the indicators:

Evolution of operating income	52th
TSR	9th

Based on the two indicators, the performance of the company is at the 30th percentile, well below the median of the peer group. Ethos considers that the target bonus should reward median performance. Therefore, Ethos considers that the annual bonus of CHF 26 million that was paid to the 12 members of the management (including CHF 4.16 million for the CEO) with regard to the relative poor performance of the company in 2016 is excessive (see ITEM 4.2.1).

#### Positive features

- In its remuneration report, the company discloses the performance assessment against the targets set for the short-term incentive and the actual achievements against targets for all the bank's divisions. The bank states that the same disclosure for the long-term incentive plan will be done when the awards will vest.
- An important part of the variable remuneration is conditional upon the achievement of forward-looking long-term performance conditions.

### Concerns

- Ethos has serious concerns over the level of base salary of the members of the executive management. The CEO has a base salary of CHF 3 million, while the other members of the management have a base salary of CHF 2.17 million on average, which is well above the base salaries paid at companies similar to Credit Suisse Group in terms of size and complexity (see ITEM 4.2.2 for more details).

- Credit Suisse assesses the performance of the management based on adjusted results to determine the variable remuneration. The adjusted results do not take into account financial events such as the goodwill impairment of CHF 3.8 billion that was recorded in 2015 nor the provision of CHF 1.99 billion booked in 2016 which led to a net loss of CHF 2.71 billion. As a result, there is a strong discrepancy between the 2016 US GAAP results which directly impact shareholders and the variable remuneration of the management.
- Ethos also has serious concerns over the variable remuneration that was paid to the management in 2016. Its 12.1 full-time equivalent members received a total of CHF 26 million as annual bonus (CHF 4.2 million for the CEO) as well as equity awards under the LTIP with a maximum value of CHF 49 million (CHF 7.5 million for the CEO), while the group recorded a net loss of CHF 2.71 billion. At the same time, the total variable remuneration pool for the entire group was increased by 5.9% to CHF 3.09 billion. This increase was due, in particular, to the special retention awards that were granted to senior management members of the investment bank, which posted a net profit of CHF 309 million in 2016 (CHF 261 million for the Investment Banking unit and 48 million for the Global Market unit). As mentioned above, Credit Suisse's financial results for 2016 do not cover the cost of capital of the bank on both, US GAAP and adjusted results.
- Moreover, Ethos' 2017 voting guidelines recommend that, in principle, the total variable remuneration (including short-term and long-term incentives) should not exceed 3 times the base salary for the CEO and 2 times the base salary for the other members of the executive management. At Credit Suisse however, and despite the already high level of base salaries compared to peers, the maximum variable remuneration far exceeds Ethos limits. In fact, the maximum variable remuneration (short-term and long-term incentive plans) can reach 400% of the base salary for the CEO and up to 550% of the base salary for the other members of the management.

### C) Ethos' recommendation

In view of the above concerns, in particular the excessive level of fees of the chairman and of the other members of the board, the inadequate pay for performance alignment for the financial year 2016, the excessive level of the management base salaries and the excessive dilution resulting from the share-based grants made to employees, Ethos, in accordance with point 4.1.b of its voting guidelines, recommends to OPPOSE.

## 1.3

### Approve annual report, financial statements and accounts

FOR

The board of directors requests shareholder approval of the company's annual report and of the annual and consolidated accounts for the fiscal year 2016.

#### Company performance in 2016 (see detailed figures in section 3.3 of this report)

- Total revenues variation in 2016		-14.6%
- Total revenues variation (3-year annualised)		-8.2%
- Operating margin 2016		-11.2%
- Operating margin 2015		-10.2%
- Net loss in 2016	CHF	2.71 billion
- Net loss in 2015	CHF	2.94 billion
- Return on equity 2016		-6.3%
- Return on equity 2015		-6.7%
- Total Shareholder Return (TSR)		-29.4%
- 3-year TSR		-38.7%



### 2016 Company milestones

- During the year under review, Credit Suisse delivered a net loss attributable to shareholders of CHF 2.71 billion (compared to a loss of CHF 2.94 billion in 2015). This disappointing result, the second in a row, is due in particular to the settlement of litigation with the US Department of Justice (DoJ) with regard to the bank's legacy on its residential mortgage-backed securities (RMBS) business. On an adjusted basis, the bank reported a pre-tax income of CHF 615 million for 2016 (-71%). The assets under management were up 3.05% to CHF 1'251 billion, while net new assets were CHF 26.8 billion in 2016, compared to CHF 46.9 billion in 2015.
- The 2016 loss is partially explained by the settlement announced in December 2016 with the DoJ regarding Credit Suisse's legacy RMBS business in the United States between 2005 and 2007. Under the terms of the settlement, Credit Suisse agreed to pay a civil monetary penalty of USD 2.48 billion and to provide consumer relief totalling USD 2.8 billion over the course of five years post settlement. This fine is twice the amount Credit Suisse paid to end its cross-border issue with the US authorities in May 2014 (USD 2.6 billion). In the fourth quarter of 2016, the bank recorded a litigation provision of USD 1.99 billion with regard to the RMBS litigation, in addition to existing provisions of USD 550 million. This provision was increased again by CHF 300 million in March 2017.
- The new Swiss legal entity created in 2015 received its banking license as of 14 October 2016 and started its business operations as a standalone Swiss Bank on 20 November 2016. As announced in October 2015, Credit Suisse is planning a partial IPO of its Swiss entity by the end of 2017. However, since CEO Tidjane Thiam said in an interview that the RMBS settlement with the DoJ was a "game-change", speculation over the abandonment of the IPO have increased. The chairman of the board, Urs Rohner, has himself recently said in an interview with the magazine Weltwoche that the bank was "not under special time pressure" regarding its Swiss unit IPO.
- The bank continues to focus on cost management. In 2016, it reduced the total operating expenses on an adjusted basis from CHF 20.9 billion in 2015 to CHF 19.1 billion in 2016. The target remains an adjusted operating cost-base of less than CHF 17 billion by year-end 2018. According to Bloomberg, the bank plans to cut between 5'500 and 6'500 jobs in 2017. It had 47'170 full-time equivalent employees at the end of 2016, compared to 48'210 one year earlier.
- The CET1 capital ratio and the CET1 leverage ratio have been directly impacted by the settlement concluded with the DoJ. The CET1 capital ratio, which stands now at 11.5%, remains above the FINMA requirement of 10% thanks, in particular, to an increase of capital realized by the bank in 2015. The CET1 leverage ratio, however, is still below the 2019 requirements of 3.5%. It even went down from 3.34% at the end of 2015 to 3.24% at the end of 2016.

In line with the new provisions of the circular 1/2015 of the Federal Audit Oversight Authority, the audit report mentions 6 key audit matters that were most significant in the audit of the 2016 consolidated financial statements and how these key audit matters were addressed by KPMG. However, the audit report does not mention the materiality threshold used by KPMG or the scope of audit, which Ethos regrets.

Ethos has no special concerns regarding the accuracy of the company's financial statements and accounts. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

2

### Discharge board members and executive management

OPPOSE

The board of directors requests shareholders to discharge its members as well as those of the executive management of their responsibilities for their management of the company for the fiscal year 2016.

In line with the Swiss Code of Obligations, shareholders are requested to release the members of the board of directors from liability for their activities during the fiscal year under review. Shareholders that grant the discharge lose their right to file claims against the members of the board of directors for activities carried out during the year relating to facts that have been disclosed to shareholders. Nevertheless, all shareholders maintain their rights to file claims for facts that have not been disclosed to shareholders when the discharge was granted.

In December 2016, Credit Suisse announced that it has reached a settlement in principle with the DoJ regarding its legacy Residential Mortgage-Backed Securities (RMBS) business in the United States between 2005 and 2007. Under the terms of the settlement, Credit Suisse agreed to pay a civil monetary penalty of USD 2.48 billion and to provide consumer relief totalling USD 2.8 billion over the course of five years post settlement.

In the fourth quarter of 2016, the bank recorded a litigation provision of USD 1.99 billion with regard to that matter, in addition to an existing provision of USD 550 million that was already constituted. In March 2017, the bank further increased its provision by CHF 300 million with regard to that matter.

Thanks to this settlement, Credit Suisse was able to end the probe into sales of toxic debt that fueled the financial crisis and to close a major dispute that undermined confidence in the bank.

Credit Suisse, however, is still facing a number of judicial, regulatory and arbitration proceedings in connection with the conduct of its business. The group's litigation provisions was CHF 3.8 billion as of 31 December 2016, while the possible losses not covered by existing provisions could be of as much of CHF 1.1 billion according to the bank.

Along with other banks, Credit Suisse is facing potential lawsuits in the United States for the alleged manipulation of exchange rates. The bank has also been named in a lawsuit alleging claims under the United States Anti-Terrorism Act (ATA).

According to Bloomberg, Credit Suisse could face a new civil or criminal case in the US for having helped a US person to escape from his tax obligations. When the bank pleaded guilty in 2014 for helping Americans cheat on their taxes, it promised to help the US authorities root out suspicious accounts. However, the bank could have neglected to tell them about USD 200 million in undeclared assets owned by an American client. Up to now, the bank declined to comment on this matter.

In Europe, Credit Suisse has been dragged into another investigation regarding whether clients used the Swiss bank to evade taxes after the Dutch authorities said they had received a tip-off about tens of thousands of suspect accounts. On 31 March 2017, offices in the Netherlands but also in France and in the United Kingdom were raided by the police. Credit Suisse confirmed its offices had been visited «concerning client tax matters» and declared it was cooperating with local authorities.

Credit Suisse is also highly criticized by Greenpeace and other NGOs for funding companies involved in the controversial Dakota Access oil pipeline project in the United States; a pipeline that will run through traditional grounds of Sioux native Americans with risks that it could pollute the water table in the region. The environmental NGOs argue that they have uncovered documents stating that Credit Suisse is involved in an USD 850 million financing project that includes Dakota Access partner firm Energy Transfer Equity. This goes against Credit Suisse's own principles, says Greenpeace. In its sector policies and guidelines, Credit Suisse explains indeed that it «seeks to promote responsible oil and gas industry practices that protect the environment and the climate system, ensure worker health and safety, protect human rights, respect local communities, and engage the public through consultation and disclosure». Up to now, the bank has denied any wrongdoing on this issue.

Ethos considers that there is still significant outstanding litigation and new revealed facts in 2016 as well as in early 2017 that prevent shareholders from granting the discharge this year. While Ethos acknowledges that several of these cases do not originate from the 2016 financial year, Ethos considers that some new revealed facts regarding past corporate affairs and litigation should prompt shareholders not to grant the discharge. This would maintain their rights to file legal actions against the board of Credit Suisse or its executive management. Several members of the board and members of the management who served during 2016 are long standing members of the management of Credit Suisse in key positions and share responsibilities in numerous pending litigations involving the Bank. Ethos, in accordance with point 1.2.d of its voting guidelines, recommends to OPPOSE.

## 3.1

## Approve allocation of income

FOR

The board of directors proposes that the amount at the disposal of the AGM be allocated as follows:

Available earnings brought forward	CHF	5'344'000'000
2016 Loss of the parent company	CHF	-147'000'000
At the disposal of the AGM	CHF	5'197'000'000
Payment of dividend	CHF	0
Allocation to reserves	CHF	0
Carry forward to statutory accounts	CHF	5'197'000'000

For the fiscal year under review, the board proposes to pay a dividend out of the capital contributions reserves under ITEM 3.2. Ethos, in accordance with its voting guidelines, recommends to vote FOR.

## 3.2 Approve dividend distribution out of capital contribution reserves

OPPOSE

For the fiscal year under review, the board proposes, subject to the approval of ITEM 5, the distribution of CHF 0.70 per share payable out of capital contribution reserves in the form of either a scrip dividend, a cash distribution or a combination of both:

- New shares: eligible shareholders can elect to receive, free of charge, a certain number of newly issued Credit Suisse Group shares to which they are entitled depending on the number of existing Credit Suisse shares they hold. The issue price will be the average share price during the period of 5 trading days ending on 24 May 2017 less a discount of 8% and will be announced on 24 May 2017. The conversion ratio (number of shares to hold in order to receive one new share) will be calculated by dividing the issue price by CHF 0.70 (dividend in cash).
- Cash dividend: a cash distribution of CHF 0.70 per share out of the capital contribution reserves (this will be the default choice).
- Combination of both: eligible shareholders can elect to receive the distribution in the form of a combination of new Credit Suisse shares (free of charge) and cash.

The board made the same proposal at the 2016 AGM. The result was that 67.8% of the distribution was paid in the form of new shares, which resulted in the issuance of 75 million Credit Suisse shares. The cash outflow, on the other hand, was of CHF 493 million.

The payment of dividend out of the capital contributions reserves allows shareholders, whether subject to Swiss taxes or not, not to pay the withholding tax on dividend. In order to proceed with the dividend payment, the company needs to transfer the amount of the dividend to be paid from the reserves from capital contributions to free reserves:

Closing balance of capital contributions reserves	CHF	23'364'000'000
Transfer to free reserves for dividend payment	CHF	-1'463'000'000
Capital contributions reserves available for future tax-free distributions	CHF	21'901'000'000

**Key indicators**

Consolidated net loss	CHF	2'710'000'000
Dividend per share	CHF	0.70 (2015: 0.70)
Payout ratio		NA
Dividend yield (based on a share price of CHF 13.60 on 11 April 2016)		4.79%
Look-through CET1 ratio		11.5%
Look-through CET1 leverage ratio		3.2%

Subject to approval of ITEM 3.2 and ITEM 5, shareholders can decide on how to receive their dividend from 12 May 2016 through 24 May 2017. The issue price will be announced on 24 May 2017 and the cash dividend and/or the delivery of shares will take place on 30 May 2017.

Ethos notes that Credit Suisse's financial results were negative in 2016 for a second year in a row, with a consolidated loss of CHF 2.71 billion (CHF 2.94 billion in 2015). At the same time, Credit Suisse was able to increase its "Look-through" Core Equity Tier 1 ratio (based on the measurement regulation that will prevail as of 2019) from 11.4% to 11.5%, mainly due to a reduction in the total Risk Weighted Assets of the bank from CHF 290 billion to CHF 268 billion. However, the "Look-through" Core Equity Leverage ratio went down to 3.2% (from 3.3% at the end of 2015), in particular due to the settlement of the RMBS litigation with the DoJ for which the bank had to book a provision of CHF 1.99 billion. As a comparison, UBS Core Equity Tier 1 ratio was 13.8% at the end of 2016 while its Core Equity Leverage ratio was 3.5%. Under the new draft Swiss "Too Big Too Fail" regime issued in October 2015, Credit Suisse would need to fulfill a 3.5% minimum core equity leverage ratio by 2019.

In light of Credit Suisse's financial loss for 2016 and the need of the Bank to reinforce its capital basis to comply with the new capital requirements, Ethos believes it is not in the long term interest of Credit Suisse's stakeholders to approve a dividend of CHF 1.46 billion. Such dividend payment could potentially lower the bank's Common Equity Tier 1 capital and thus its capital and leverage ratios. According to Ethos' calculation, if the dividend is entirely paid in cash, the bank's Core Equity Tier 1 ratio would go down to 11.2% while the Core Equity Leverage ratio would be of 3.15%, well below the new regulation requirements. At the same time, no dividend payment will immediately raise both ratios (to respectively 11.7% and 3.3%), since the bank has made a provision in the 2016 results equivalent to a payment of 40% of the dividend in cash. Therefore, the Core Equity ratio will raise to 11.7% and the Leverage ratio to 3.3%.

Ethos regrets that the payment of the dividend is not conditional upon maintaining a certain level of CET1 capital or leverage ratios. At UBS, for example, a capital return to shareholders of a "at least 50% of net profit attributable to shareholders" is directly linked to a "fully applied CET1 capital ratio of at least 13%".

Ethos believes that there are a lot of uncertainties regarding the outcome of the new strategy announced in 2015 by the bank, that the financial markets are going through difficult times and that Credit Suisse does not yet meet the forthcoming capital regulation. Moreover, the IPO of its Swiss Unit, announced in October 2015, seems uncertain since the CEO Mr. Thiam said in an interview that the RMBS settlement with the DoJ was a "game changer". Therefore, since the board has not indicated a clear strategy on how it intends to reach minimum capital requirements, Ethos considers that it is more appropriate to retain equity in the Bank and, in accordance with point 1.3.a of its voting guidelines, recommends to OPPOSE.

#### 4 Binding votes on the remuneration of the board of directors and the executive management

In accordance with the Minder ordinance, the amounts of remuneration of the board of directors and the executive management are submitted to shareholder approval (binding separate votes). Consistent with the provision of the articles of association, the board requests 4 separate votes as follows:

- Prospective vote on the total remuneration of the board of directors (ITEM 4.1)
- Retrospective vote on the short-term variable remuneration of the executive management (ITEM 4.2.1)
- Prospective vote on the fixed remuneration of the executive management (ITEM 4.2.2)
- Prospective vote on the long-term variable remuneration of the executive management (ITEM 4.2.3)

#### 4.1 Binding prospective vote on the total remuneration of the board of directors OPPOSE

The board of directors requests shareholder approval of the total maximum remuneration to be paid to the board of directors for the period from the 2017 AGM to the 2018 AGM (prospective vote).

##### A) Board proposal

The board requests a maximum total amount of CHF 12.5 million for its 12 members, including the chairman (see section 5 of this report for details). Part of the remuneration budget will be paid in the form of shares blocked for 4 years. However, the appendix to the meeting agenda does not specify what amount will be paid in cash and what will be paid in shares. Based on the 2016 remuneration report, the amount paid in shares represents 36% of the total remuneration of the board of directors.

The meeting agenda appendix indicates however that the chairman will receive an annual base board fee of CHF 3 million in cash plus a chair fee of CHF 1.5 million in group shares as well as pension benefits and other benefits.

##### B) Comparison to company peers

In 2015 (most recent figures available), the total remuneration paid to the members of the board of directors of companies included in the SMI index was the following:

Median remuneration of chairmen	CHF	1'679'000
Median remuneration of other board members	CHF	320'500

In 2016, the board remuneration at Credit Suisse Group was as follows:

Chairman	CHF	3'980'929
Other board members (average)	CHF	582'814

However, in light of the poor financial results of the bank in 2016, the chairman voluntarily waived CHF 750'000 of his remuneration, which corresponds to half of his remuneration in shares (in 2015, he waived his whole remuneration in shares, equivalent to CHF 1.5 million). Therefore, when adding these CHF 750'000, his total remuneration would have been CHF 4.73 million, which is 2.82 times the median of the peer group. The remuneration of the other members of the group is, on average, 81.8% higher than the peer group.

#### C) Ethos' recommendation

The remuneration report mentions that the total remuneration paid to the chairman reflects his full-time status and active role in shaping the group's strategy, governing the group's affairs, engaging and maintaining a close working relationship with the CEO and senior management, and providing counsel and support, where appropriate.

However, Ethos notes that the level of remuneration of the board members of Credit Suisse is significantly higher than in other SMI companies, especially for the chairman. While Ethos acknowledges that the responsibilities and exposure of board members active in large financial institutions are significant, Ethos believes that the absolute level of fees and the difference compared to those of other large companies is not acceptable. Such high level of fees for non-executive board members entails significant risks with regard to their objective judgement in their supervision duties as it might create a direct financial dependency of the board member vis-a-vis the company. Ethos, in accordance with point 4.2.b of its voting guidelines, recommends to OPPOSE.

#### 4.2.1

#### Binding retrospective vote on the short-term variable remuneration of the executive management

OPPOSE

The board of directors requests shareholder approval of the short-term variable remuneration (annual bonus) to be paid to the executive management with regard to the performance achieved during the 2016 financial year (retrospective vote).

#### A) Board proposal

The board proposes that a total of CHF 25.99 million be paid to the 12.1 full-time equivalent members of the executive management as annual bonus for the financial year 2016.

This amount corresponds to the amount that will be paid out after this AGM in relation to the performance achieved in 2016. This amount includes CHF 4.17 million to be paid to the CEO Mr. Tidjane Thiam (see section 4.3.A of this report). Contrary to 2015, Mr. Thiam did not voluntarily waive part of his annual bonus to reflect the weak financial performance of the group (in 2015 he waived 40% of his annual bonus).

#### B) Ethos' appraisal of the requested amount

The short-term incentive plan is described in detail in section 4.5.B of this report.

In the remuneration report, the company provides details on the level of achievement of the targets that were set for the calculation of the bonus, which Ethos welcomes. It is explained that during 2016, the management "continued to successfully implement the group's strategy, reducing the cost base of their respective operations, reallocating resources to higher growth businesses, increasing market share across key products and client segments, while maintaining the focus on clients and supporting the reputation of the group". The aggregate amount of CHF 25.99 million requested as annual bonus corresponds, on average, to 80% of their target bonus. Regarding the CEO's annual bonus, the board considers that Mr. Thiam has met his performance targets set for the year. The remuneration report mentions the group's stronger capital position, his sound leadership, his efforts to drive a change in culture, his focus on cost efficiency, his personal engagement in resolving significant legacy legal issues or his prudent capital management.

As mentioned under ITEM 1.2, Ethos has major concerns regarding the requested level of annual bonus for 2016 in light of the consolidated loss of CHF 2.71 billion. The calculation of the annual bonus is based on adjusted results that do not take into account the USD 1.99 billion provision that was booked with regard to the RMBS litigation settlement with the DoJ. The remuneration report mentions, for example, that without this provision the group's look through CET1 ratio would have been 12.4% (compared to a year-end performance target of 11%) while the CET1 leverage ratio would have been 3.5% (compared to a target of 3.3%). Therefore, the company considers that Mr. Thiam overachieved his 2016 targets in terms of capital requirements and that his annual bonus payout level, with regard to those criteria (which represent 60% of his quantitative performance assessment) should be close to the maximum. Ethos, however, has the following objections:

- Ethos notes that the CET1 capital ratio stands at 11.5% while the CET leverage ratio is 3.2%, below the FINMA requirement of 3.5% by 2019. Moreover, the adjusted pre-tax income of CHF 615 million is far from meeting the CEO's target which was set at CHF 1.5 billion for 2016.
- Ethos also considers that the performance of the Investment Banking and the Global Markets divisions, even on an adjusted basis, is clearly insufficient. In fact, their adjusted results do not cover their capital cost.
- Moreover, and contrary to the board of directors, Ethos does not believe that the reputation of the group has been strengthened over the last months. Indeed, Credit Suisse has been named in various litigation cases. It is also strongly criticized by NGOs for reportedly financing companies involved in the controversial Dakota Access oil pipeline project in the United States. Finally, Credit Suisse's offices in Amsterdam, Paris and London were recently raided by police under suspicions of tax evasion by clients of the bank.
- Ethos also notes that Credit Suisse's Total Shareholder Return (TSR) over the past 3 years (-29.4%) is among the lowest in the financial industry. Ethos therefore considers that paying CHF 26 million to the executive management of Credit Suisse for the performance year 2016 is highly inappropriate. Ethos also notes that Credit Suisse has initiated a massive restructuring programme with important job cuts. In March 2016, Credit Suisse announced a headcount reduction of 6000, which corresponded to 12.5% of the workforce at year-end 2015. The number of full-time equivalent employees went down by 1'040 in 2016 to 47'170 at year-end, while, according to Bloomberg, up to 6500 additional jobs could be cut in 2017. Ethos therefore considers inadequate to pay such annual bonuses while conducting important restructuring programme.

#### C) Ethos' recommendation

Ethos considers that the requested amount of 25.99 million for the 2016 annual bonus is unfair and not justified. Ethos also notes that the level of fixed remuneration of the members of the executive management is among the highest of the industry (ITEM 4.2.2) and that in addition to the requested annual bonus, members of the executive management are also entitled to receive long term awards with an aggregate value of CHF 52 million (ITEM 4.2.3).

Moreover, Ethos considers that the amount requested is not in line with the performance of the company. In fact, Credit Suisse's performance in 2016 was below expectations. Since the publication of the 2016 results on 14 February, Credit Suisse's share price has decreased by more than 5% (as per 3 April 2017) whereas the SMI Index is up 1.75%. Since the announcement of the new strategy in October 2015, the share price has dropped by 32.5% while, in comparison, the share price of UBS has decreased by 8.25%. In light of the company's weak performance, the level of the other remuneration components (fixed and long term voted separately), the massive restructuring of the bank with significant job cuts, Ethos is of the opinion that no annual bonus should be paid for 2016. Therefore, Ethos, in accordance with point 4.4.c of its voting guidelines, recommends to OPPOSE.

#### 4.2.2

#### Binding prospective vote on the fixed remuneration of the executive management

**OPPOSE**

The board of directors requests shareholder approval of the fixed remuneration to be paid to the executive management from the 2017 AGM to the 2018 AGM (prospective vote).

##### A) Board proposal

The board requests a maximum amount of CHF 31 million to be paid as fixed remuneration to the 12 members of the executive management, including the CEO (see section 5 of this report for details). The meeting agenda specifies that this amount includes a base salary of CHF 3 million for the CEO, CHF 2 million or the equivalent amount in local currency for the other members of the management in Switzerland and Singapore and USD 2 million for the members based in the United States and the United Kingdom.

##### B) Comparison to company peers

In 2015 (most recent figures available), the base salaries paid to the members of the executive management of companies included in the SMI Index were the following:

Median base salary of CEOs	CHF	1'517'502
Median base salary of other executives	CHF	831'895



In 2016, CHF 27 million were paid to 12.1 full time equivalents members of the executive management as fixed remuneration. The requested amount for 2018 therefore includes a 15.8% reserve, which is not explained in the meeting agenda. However, the meeting agenda mentions that for 2016, "the base salaries will be kept at the same levels as set in the previous year".

In 2016, the base salaries of the members of the executive management of Credit Suisse Group were as follows:

CEO	CHF	3'000'000
Other members executives (average)	CHF	2'165'000

Therefore, the base salary of Credit Suisse's CEO is 98% higher than the median base salary of the CEOs of companies included in the SMI Index, while for the other members of the management it is, on average, 160% higher than the median.

Ethos also compared the base salaries of Credit Suisse's CEO with the base salaries of the CEOs of global financial institutions included in Credit Suisse's own peer group (Bank of America, Barclays, Citigroup, Deutsche Bank, Goldman Sachs, JPMorgan Chase, Morgan Stanley and UBS). Based on Bloomberg data, the median base salary of those CEOs was CHF 2 million, 50% below the base salary of Mr. Thiam.

### C) Ethos' recommendation

Ethos considers that the potential fixed remuneration is excessive at Credit Suisse when compared to both the remuneration paid by companies included in the SMI Index and Credit Suisse's own peer group. Ethos, in accordance with point 4.3.b of its voting guidelines, recommends to OPPOSE.

#### 4.2.3

#### Binding prospective vote on the long-term variable remuneration of the executive management

OPPOSE

The board of directors requests shareholder approval of the maximum long-term variable remuneration to be paid to the executive management in 2017, related to the performance period 2017-2019 (prospective vote).

#### A) Board proposal

The board requests a maximum amount of CHF 52 million to be paid as long term incentive plan (LTIP) to the 12 members of the executive management (including the CEO).

The requested amount represents an increase of CHF 3 million compared to what was requested last year, while the number of the management members has remained the same. The meeting agenda explains that this increase is driven by "consideration of the market values for certain executive board member positions". It precises however that the maximum LTI Opportunity that can be granted to the CEO for 2017 remains unchanged at 250% of his base salary.

Under the new remuneration system implemented in 2016, members of the management receive long-term incentive (LTI) Opportunities that become shares after a 3-year period. The final vesting of the LTI Opportunities varies from 0% to 100%, depending on the bank's performance over the period: 50% of the vesting depends on the relative TSR compared to a peer group of 18 other banks, while the remaining 50% depends on other financial performance criteria (Core Equity Tier one ratio, Leverage ratio, Cost target and Divisional performance).

#### B) Ethos' appraisal of the requested Amount

While the company mentions the performance conditions that will be applied to the LTIP (relative TSR, Capital and Leverage ratios, Cost target and Divisional performance), the precise performance targets and vesting scale are not disclosed. The remuneration report only discloses the vesting scale of the relative TSR. Therefore, Ethos cannot assess whether the performance conditions are sufficiently challenging.

While the maximum grant of LTI Opportunities for the CEO has remained capped at 250% of his base salary, the maximum grant for the other members of the management has been raised from 325% in 2016 to 425% of their base salary in 2017. The company explains this increase was driven by "consideration of the market values for certain executive board members' positions". In addition to these grants, members of the management are also entitled to fixed remuneration (see ITEM 4.2.2) and annual short term incentive (ITEM 4.2.1). Ethos notes that based on the remuneration report 2016, the maximum annual bonus of the company CEO is 150% of his base salary while it ranges between 75% and 225% for the other members of the management.

Therefore, the maximum variable remuneration is 400% of his base salary for the CEO (or CHF 12 million) and 550% of the base salary for some members of the management (who are not identified). Therefore, Ethos considers that the total remuneration package remains too high, in particular due to the high level of base salaries paid at Credit Suisse. As a result, the maximum remuneration is excessive and well above Ethos' limit.

### C) Ethos' recommendation

Ethos considers that the initial grant of LTI Opportunities can lead to excessive remuneration packages. Furthermore, the targets set are provided for only 50% of the final vesting (the relative TSR part) while no indication is provided on targets for the 50% remaining of the grant. Ethos therefore considers that further information should be disclosed on the minimum performance threshold above which the plan starts paying out. Ethos, in accordance with points 4.4.a and 4.4.c of its voting guidelines, recommends to OPPOSE.

<b>5</b>	<b>Increase and extension of authorized capital for stock or scrip dividend</b>	<b>OPPOSE</b>
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Subject to shareholder's approval of ITEM 3.2, the board of directors proposes to increase the authorised share capital by 80'518'134 registered shares (3.85% of the current share capital) in respect of the scrip dividend. Indeed, the new registered shares to be issued in relation to the share in lieu of cash distribution, shall be issued out of the authorised capital. Therefore, the board of directors will need a maximum of CHF 5'400'000 (equivalent to 135'000'000 registered shares) to service this year's scrip dividend.

The authorised share capital still includes 157'481'866 resgisterd shares, which is sufficient to serve the proposed dividend. Therefore, Ethos sees no rationale to increase the authorised share capital. Ethos notes that the board states that in case of refusal of this proposal, no distribution of dividend will take place. This means that the board would like to retain part of its ability to issue shares out of the authorised share capital without pre-emptive rights for other purposes such as for a private placement. Ethos would rather prefers that an ordinary capital increase be conducted with transparent conditions and pre-emptive rights to avoid further dilution of shareholders. In line with its voting position under ITEM 3.2, Ethos, in accordance with point 5.3.a of its voting guidelines, recommends to OPPOSE.

<b>6.1</b>	<b>Elections to the board of directors</b>
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The board of directors proposes that all its current members be re-elected to serve for another 1-year term, with the exception of Ms Noreen Doyle and Mr. Jean Lanier, who have reach the tenure limit, and Mr. Jassim Bin Hamad J.J. Al Thani who will not stand for re-election at the 2017 AGM. In addition, the board proposes to newly appoint Messrs. Andreas Gottschling and Alexandre Zeller for a 1-year term.

#### Main features of board composition after the AGM (for more details, see section 6 of this report)

Board size	12
Combination of the functions of Chairman and CEO	No
% independent directors	75.0%
% executive directors	0.0%
% women directors	16.7%
Average age of directors	57.0
Average board tenure	4.3 years

With the departure of Mr. Al Thani, Qatar Investment Authority, which holds 4.93% of Credit Suisse's share capital, will not have a representative at the board of directors anymore.



6.1.1	Re-elect Mr. Urs Rohner as chairman and board member	OPPOSE
<p>The board proposes to re-elect Mr. Urs Rohner (Swiss, 58) for a further 1-year term. He has been board member since 2009 and chairman since 2011. He is also chairman of the chairman's and nomination committee. Mr. Rohner is considered affiliated by Ethos due to his remuneration package of CHF 4.5 million (see ITEM 4.1) which makes him de facto financially dependent towards the bank. Moreover, Mr. Rohner was member of Credit Suisse's Executive committee between 2004 and 2009, first serving as General Counsel and then as General Counsel and COO between 2006 and 2009.</p>		
<p>Ethos regrets that Mr Rohner has chosen to make himself available for reelection as chairman of the bank for a further 1-year term. As indicated last year, Ethos considers that the succession plan of the chairman of the board is a priority in order to restore trust in the bank, especially since the management team has been reshuffled in 2015 and that a new strategy was presented to the market in October 2015. Moreover, Ethos notes the lack of clarity in the current strategy, in particular as concerns the IPO of the Swiss Bank.</p>		
<p>Since the nomination of Mr. Rohner as chairman of the board on 29 April 2011, the financial performance of the bank has been rather weak. After a loss of CHF 2.94 billion recorded in 2015, Credit Suisse announced another loss of CHF 2.71 billion for 2016, mainly due to a provision of USD 1.99 billion it had to make to settle a litigation case with the DoJ. The litigation was related to the sale of approximately USD 16.6 billion of residential mortgage-backed securities between 2005 and 2007, when Mr. Rohner was General Council and Chief Operating Officer of the bank. Since his nomination as chairman, Credit Suisse has made new provisions for a total of CHF 10.9 billion and used CHF 7.4 billion to settle various litigations. Over the same period, Credit Suisse recorded a cumulative profit of CHF 1.85 billion, which is not acceptable for a bank of its size. Moreover, the share price has fallen by 50% while the SMI Index increased by more than 30% and the number of employees in Switzerland decreased by 19.7% (17'020 at the end of 2016).</p>		
<p>Urs Rohner points out the progress the bank has made over the last couple of years regarding the strengthening of its capital base. The CET1 capital ratio, thanks in particular to an increase of capital realised in 2015, stands now at 11.5%, above the 10% required by the Swiss Financial Market Supervisory Authority (Finma) by 2019. Other indicators of the bank resilience, however, are still weak. The CET1 leverage ratio, for instance, which stands at 3.3%, like one year earlier, is below Finma's requirement of 3.5%. Urs Rohner has said that the bank is targeting a CET1 leverage ratio of 3.5% to 4% by the end of 2018.</p>		
<p>In light of Mr. Rohner's track record as chairman of the board, and since current Credit Suisse's litigation date back when Mr. Rohner had key executive functions in the bank, Ethos, in accordance with points 2.1.b, 2.3.a and 2.3.f of its voting guidelines, recommends to OPPOSE.</p>		
6.1.2	Re-elect Dr. oec. Iris Bohnet	FOR
<p>The board proposes to re-elect Dr. oec. Iris Bohnet (Swiss, 51) for a further 1-year term. She has been board member since 2012 and is currently member of the remuneration committee. She is considered independent.</p>		
<p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.3	Re-elect Dr. oec. publ. Rainer Alexander Gut	FOR
<p>The board proposes to re-elect Dr. oec. publ. Rainer Alexander Gut (Swiss, 54) for a further 1-year term. He has been board member since 2016 and is currently member of the audit committee. He is considered independent.</p>		
<p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.4	Re-elect Mr. Andreas N. Koopmann	FOR
<p>The board proposes to re-elect Mr. Andreas N. Koopmann (Swiss, 66) for a further 1-year term. He has been board member since 2009 and is currently member of the remuneration committee and of the risk committee. He is considered independent.</p>		
<p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		

6.1.5	Re-elect Ms. Seraina Maag	FOR
<p>The board proposes to re-elect Ms. Seraina Maag (Swiss, 47) for a further 1-year term. She has been board member since 2015 and is currently member of the audit committee. She is considered independent.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.6	Re-elect Mr. Kaikhushru S. Nargolwala	FOR
<p>The board proposes to re-elect Mr. Kaikhushru Shiavax Nargolwala (Indian, 66) for a further 1-year term. He has been board member since 2013 and is currently member of the remuneration committee and of the risk committee. As a former CEO of Credit Suisse Asia Pacific region (2008-2010) and a former non-executive chairman of the region (2010-2011), Mr. Nargolwala is not considered independent.</p> <p>Mr. Nargowala is currently board member of Prudential, a UK-listed company, and of PSA International, one of the largest port operators in the world. He is also chairman of Clifford Capital, an investment firm that helps Singapore companies, as well as companies with a nexus to Singapore, to grow internationally and capture new business in the global market. Mr. Nargowala's aggregate time commitment stands at the upper limit accepted by Ethos. However, since the board is sufficiently independent, Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.7	Re-elect Mr. Joaquin J. Ribeiro	FOR
<p>The board proposes to re-elect Mr. Joaquin J. Ribeiro (US Citizen, 61) for a further 1-year term. He has been board member since 2016 and is currently member of the audit committee. He is considered independent.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.8	Re-elect Dr. iur. Severin Schwan	FOR
<p>The board proposes to re-elect Dr. iur. Severin Schwan (Austrian, 50) for a further 1-year term. He has been board member since 2014 and is currently member of the risk committee. He is considered independent.</p> <p>Dr. iur. Schwan is also CEO and member of the board of Roche, a Swiss-listed company.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>		
6.1.9	Re-elect Mr. Richard E. Thornburgh	OPPOSE
<p>The board proposes to re-elect Mr. Richard E. Thornburgh (US Citizen, 65) for a further 1-year term. He has been board member since 2006 and is currently member of the audit committee and of the chairman's and nomination committee. He is also chairman of the risk committee. As a former member of the executive committee of Credit Suisse, he was CFO (1997-2002), Chief Risk Officer (2003-2004) and executive vice chairman of Credit Suisse First Boston (until 2006), Mr. Thornburgh cannot be considered as independent.</p> <p>Mr. Thornburgh held executive positions within the bank prior to 2006, when Credit Suisse sold billion of toxic assets to American clients. In 2016, the bank agreed to pay a civil monetary penalty of USD 2.48 billion and to provide consumer relief totalling USD 2.8 billion over the course of five years to settle this litigation with the DoJ. Therefore, Ethos considers that Mr. Thornburgh should not be re-elected to the board and, in accordance with point 2.1.b of its voting guidelines, recommends to OPPOSE.</p>		
6.1.10	Re-elect Mr. John Tiner	FOR
<p>The board proposes to re-elect Mr. John Tiner (British, 60) for a further 1-year term. He has been board member since 2009 and is currently chairman of the audit committee and member of the chairman's and nomination committee as well as of the risk committee. He is considered independent.</p>		

Ethos, in accordance with its voting guidelines, recommends to vote FOR.

**6.1.11 Elect Mr. Andreas Gottschling FOR**

The board proposes to newly appoint Mr. Andreas Gottschling (German, 50) for a 1-year term. He is considered independent.

Mr. Gottschling served as Chief Risk Officer at Erste Group Bank in Vienna from 2013 until the end of 2016. Before joining Erste Group Bank, he was Senior Advisor at McKinsey in Zurich from 2012 to 2013. From 2005 until 2012 (and from 1997 until 2000), he was employed with Deutsche Bank in various positions, including as a member of the Risk Executive Committee. Meanwhile, he held senior positions at LGT Capital Management in Pfäffikon (SZ).

Ethos, in accordance with its voting guidelines, recommends to vote FOR.

**6.1.12 Elect Mr. Alexandre Zeller FOR**

The board proposes to newly appoint Mr. Alexandre Zeller (Swiss, 56) for a 1-year term. He is considered independent.

Mr. Zeller served as chairman of the SIX Group in Zurich from 2013 until 2016. Prior to joining SIX Group, he served in different management positions at HSBC in Geneva from 2008 until 2012, including as CEO. Mr. Zeller was also CEO of Banque Cantonale Vaudoise (2002-2008). He has worked for Credit Suisse (1987-2002), where he was appointed member of the executive board of Credit Suisse Private Banking in 1999 and CEO of Private Banking Switzerland in 2002.

Mr. Zeller has been elected chairman of the board of Credit Suisse (Schweiz) AG in October 2016. In addition, he is a member of the boards of Kudelski, another Swiss-listed company, Maus Frères SA and Banque Lombard Odier & Cie, a private bank based in Geneva. However, he has said in interviews with Swiss media that he would step down from the board of Lombard Odier upon his nomination at the board of Credit Suisse.

Ethos, in accordance with its voting guidelines, recommends to vote FOR.

**6.2 Elections to the remuneration committee**

The board of directors proposes that Dr. Bohnet and Messrs. Koopmann and Nargolwala be re-elected to the remuneration committee to serve for another 1-year term. In addition, it proposes to newly elect Mr. Zeller as a member of the remuneration committee for 1-year term.

**Main features of the remuneration committee composition after the AGM**

Committee size	4
Number of independent members	3
Number of executive members	0
Number of members with executive functions within other listed companies	0

The composition of the committee being in line with Ethos' guidelines, the election of the proposed nominees can be approved.

**6.2.1 Re-elect Dr. oec. Iris Bohnet to the remuneration committee FOR**

The board proposes to elect Dr. oec. Iris Bohnet to the remuneration committee for a 1-year term.

Ethos, in accordance with its voting guidelines, recommends to vote FOR.

6.2.2	Re-elect Mr. Andreas N. Koopmann to the remuneration committee	FOR				
<p>The board proposes to elect Mr. Andreas N. Koopmann to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>						
6.2.3	Re-elect Mr. Kaikhushru S. Nargolwala to the remuneration committee	FOR				
<p>The board proposes to elect Mr. Kaikhushru Shiavax Nargolwala to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>						
6.2.4	Elect Mr. Alexandre Zeller to the remuneration committee	FOR				
<p>The board proposes to newly appoint Mr. Alexandre Zeller to the remuneration committee for a 1-year term.</p> <p>Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>						
6.3	Election of the auditors	OPPOSE				
<p>The board of directors recommends that shareholders ratify the re-appointment of KPMG as the company's external auditors for a further 1-year term.</p> <p><b>Audit versus non-audit fees</b></p> <table data-bbox="316 1055 1481 1137"> <tr> <td>Non-audit fees / Audit fees (2016)</td> <td>15.2%</td> </tr> <tr> <td>Non-audit fees / Audit fees (3-year aggregate)</td> <td>21.4%</td> </tr> </table> <p>The breakdown of fees paid to the external auditor is adequately disclosed (see section 3.4 of this report). In light of the amount of non-audit fees paid by the company to its external auditor, Ethos has no reason to question the auditors' independence.</p> <p>However, Ethos notes that KPMG has been the company's external auditor since 1990 (27 years). While the rotation of the audit firm is not mandatory in Switzerland, the EU audit market reform requires to change external auditors on a regular basis (every 10 years or every 20 years if a public tendering process is conducted) to guarantee the independence of the audit firm and the quality of the audit. In the same spirit, Ethos has introduced in its 2017 voting guidelines a 20-year limit for the tenure of the audit firm. Therefore, Ethos, in accordance with point 3.1.b of its voting guidelines, recommends to OPPOSE.</p>			Non-audit fees / Audit fees (2016)	15.2%	Non-audit fees / Audit fees (3-year aggregate)	21.4%
Non-audit fees / Audit fees (2016)	15.2%					
Non-audit fees / Audit fees (3-year aggregate)	21.4%					
6.4	Election of the special auditors	FOR				
<p>The board of directors proposes to elect BDO AG as the company's special auditor for the 2014 fiscal year. According to Swiss company Law and the SEC regulation, the special auditor has the duty to establish legal documents in relation to various types of capital increase requests against contribution in kind. The appointment of such an auditor enhances the independence of the auditor in charge of the control of the annual accounts.</p> <p>In particular, the US Securities and Exchange Commission (SEC) considers that it is not admissible for the statutory auditors to undertake the valuation of companies in connection to qualified capital increases involving contributions in kind. Ethos, in accordance with its voting guidelines, recommends to vote FOR.</p>						
6.5	Election of the independent proxy	FOR				
<p>The Minder ordinance requires that the independent proxy be elected by the shareholders. The board of directors therefore proposes the appointment of Mr. Andreas G. Keller as independent proxy for a 1-year term.</p>						

Ethos is not aware of any potential conflict of interests and, in accordance with its voting guidelines, recommends to vote FOR.

**Transact any other business (shareholder proposal)**

**OPPOSE**

Ethos recommends to oppose any unannounced additional proposals made during the AGM by a shareholder. The formal meeting agenda does not include this proposal, which is only included in the proxy card with no precise item number. Ethos, in accordance with point 9.1 of its voting guidelines, recommends to OPPOSE.

**Transact any other business (board proposal)**

**OPPOSE**

Ethos recommends to oppose any unannounced additional proposals made during the AGM either by the board. The formal meeting agenda does not include this proposal, which is only included in the proxy card with no precise item number. Ethos, in accordance with point 9.1 of its voting guidelines, recommends to OPPOSE.

## 3. Company Information

### Before the General Meeting of 28 April 2017

#### 3.1 General Information

Headquarters	Zurich (ZH), Switzerland
Activities	<p>Credit Suisse Group, with activities in 50 countries, is the second largest Swiss Bank after UBS. At year-end 2016, Credit Suisse had total assets under management of CHF 1'214 billion.</p> <p>On 21 October 2015, the company announced the introduction of a new strategy with the reorganisation of the structure of the group. According to the new structure, the bank operates now through 5 divisions:</p> <ul style="list-style-type: none"> <li>- Swiss Universal Bank: net revenues of CHF 5.76 billion in 2016 (+0.66%) and profit before taxes of CHF 2.03 billion (+20.9%)</li> <li>- International Wealth Management: net revenues of CHF 4.70 billion (+3.21%) and profit before taxes of CHF 1.12 billion (+55.05%)</li> <li>- Asia Pacific: net revenues of CHF 3.60 billion (-6.30%) and profit before taxes of CHF 0.73 billion (+92.31%)</li> <li>- Global Markets: net revenues of CHF 5.50 billion (-19.47%) and profit before taxes of CHF 48 million</li> <li>- Investment Banking &amp; Capital Markets: net revenues of CHF 1.97 billion (+10.35%) and profit before taxes of CHF 261 million</li> </ul> <p>Moreover, a Strategic Resolution Unit was created to consolidate the remaining portfolios from the former non-strategic units plus additional businesses and positions that do not fit with the strategy. This division booked a loss before taxes of CHF 5.76 billion in 2016.</p>
Employees	<p>Total number on 31.12.2016: 47170</p> <p>of whom 17020 in Switzerland</p>
Chairman	Urs Rohner (since 2011), Swiss, aged 58
CEO	Tidjane Thiam (since 2015), French, aged 54
Listing	<p>SIX Swiss Exchange (Virt-X)</p> <p>New York Stock Exchange (ADS)</p>

## 3.2 Capital

Issued Capital	In CHF	Number	Nominal Value	Issued Capital
Registered shares		2'089'897'378	0.04	83'595'895
<b>Total issued capital</b>				<b>83'595'895</b>

In 2016, the bank's share capital increased from CHF 78'295'170 nominal to CHF 83'595'895 nominal representing 132'518'134 shares via:

- 30'000'000 shares issued via employee share awards (as conditional capital)
- 75'518'134 shares issued via 2016 scrip dividend payment (as authorised capital)
- 27'000'000 shares issued via the York Capital Management earn-out settlement (as authorised capital)

Authorisation to issue shares without guaranteed pre-emptive rights	In CHF	Equity Type	Number	% of Issued Capital
Authorised capital		Registered shares	157'481'866	7.5%
Conditional capital for the conversion of convertible bonds		Registered shares	400'000'000	19.1%
Conditional capital for the conversion of convertible bonds		Registered shares	150'000'000	7.2%
<b>Total authorisation</b>				<b>33.9%</b>

Under ITEM 5 of this 2017 AGM, the board proposes to increase the authorised share capital by 80'518'134 registered shares (3.85% of the current share capital) in respect of the scrip dividend.

Conditions to file a shareholder resolution	Date	31.12.2016	In CHF	Nominal value required	40'000
				Market value required	14'610'000
				% of listed voting capital	0.05%

Restriction on registration of shares or voting rights  
 Nominee voting rights are limited to 2% of share capital unless the name of the person(s) for whose account the nominee holds 0.5% or more of the share capital is disclosed upon request.

Important shareholders	Shareholder	% of Voting Rights	% of Capital	Comments
	Olayan Group	5.4%	5.4%	
	Harris Associates	5.2%	5.2%	
	Norges Bank	5.0%	5.0%	
	Qatar Investment Authority	4.9%	4.9%	
	BlackRock	3.0%	3.0%	
	<b>Total</b>	<b>23.5%</b>	<b>23.5%</b>	

At year-end 2016, the company holds no treasury shares.

### 3.3 Financials and Key Figures

Year end 31. December  
 Reporting standard US GAAP

		2016	2015	2014
Total revenues	CHF	20.32 billion	23.80 billion	26.24 billion
EBIT	CHF	-2.27 billion	-2.42 billion	3.63 billion
Net income attributable to shareholders (without minority interests)	CHF	-2.71 billion	-2.94 billion	1.88 billion
Shareholders' equity	CHF	41.90 billion	44.38 billion	43.96 billion
Market capitalisation at year-end	CHF	30.53 billion	42.46 billion	40.31 billion
Earnings per registered share (basic)	CHF	-1.32	-1.73	1.08
Dividend per registered share	CHF	0.70	0.70	0.70
Payout ratio (on group net income)				64.80 %
Market value per registered share at year-end	CHF	14.61	21.69	25.08

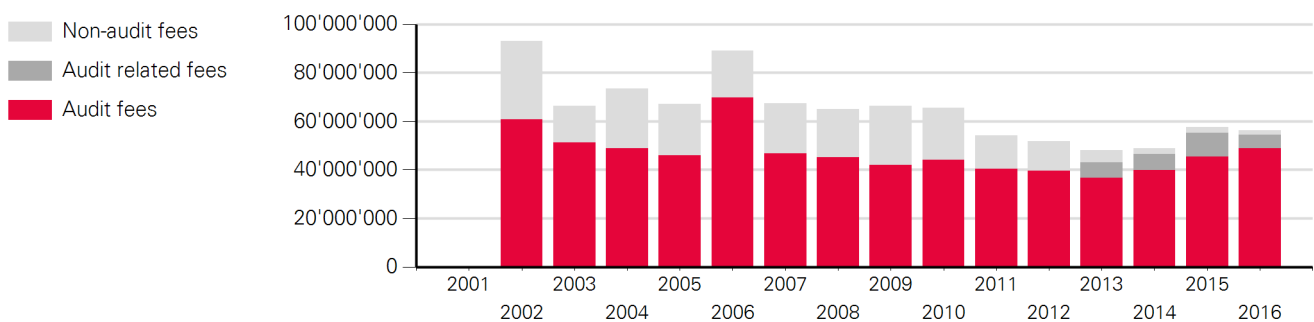
Comments In 2016, the cost/income ratio was of 83.2% (2015: 98.2%)



### 3.4 External Auditor

Auditor **KPMG, since 1990**

Fees	In CHF	2016	2015	2014
Audit fees		48'800'000	45'300'000	39'800'000
Audit related fees		5'500'000	10'000'000	6'700'000
Non-audit fees		1'900'000	2'200'000	2'400'000
<b>Total</b>		<b>56'200'000</b>	<b>57'500'000</b>	<b>48'900'000</b>



Comments The lead auditors are Mr. Anthony Anzevino, Global Lead Partner (since 2012) and Mr. Nicholas Edmonds, Group Engagement Partner (since 2016).

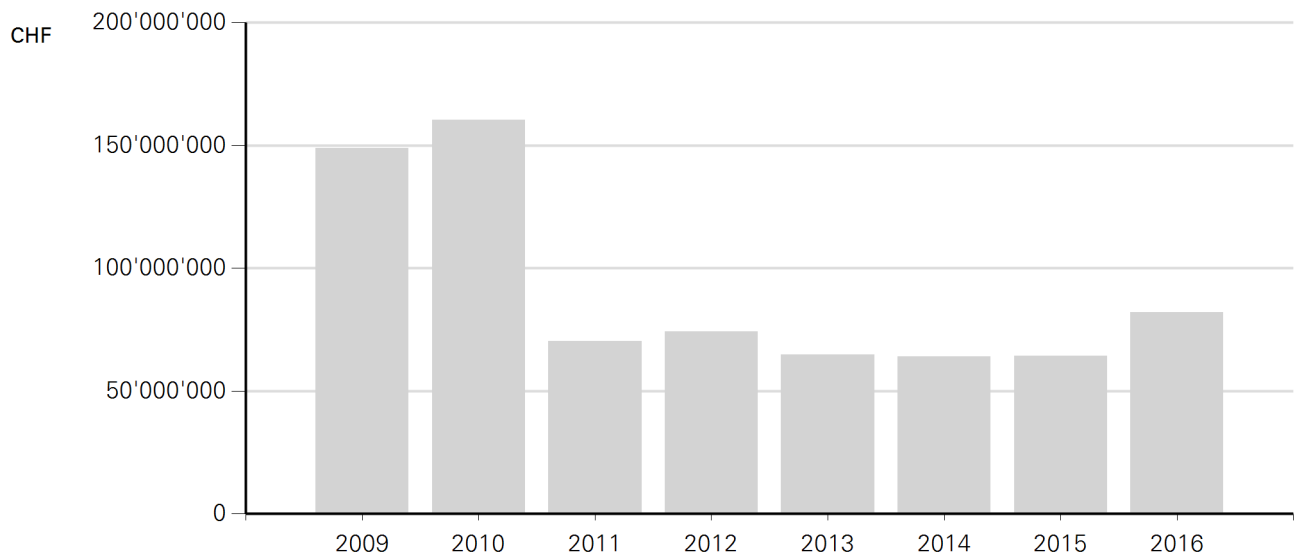
- Audit-related services are primarily in respect of:
- reports related to the Group’s compliance with provisions of agreements or calculations required by agreements
  - accounting advice
  - audits of private equity funds and employee benefit plans
  - regulatory advisory services

The non-audit fees consists of tax compliance and consultation services.

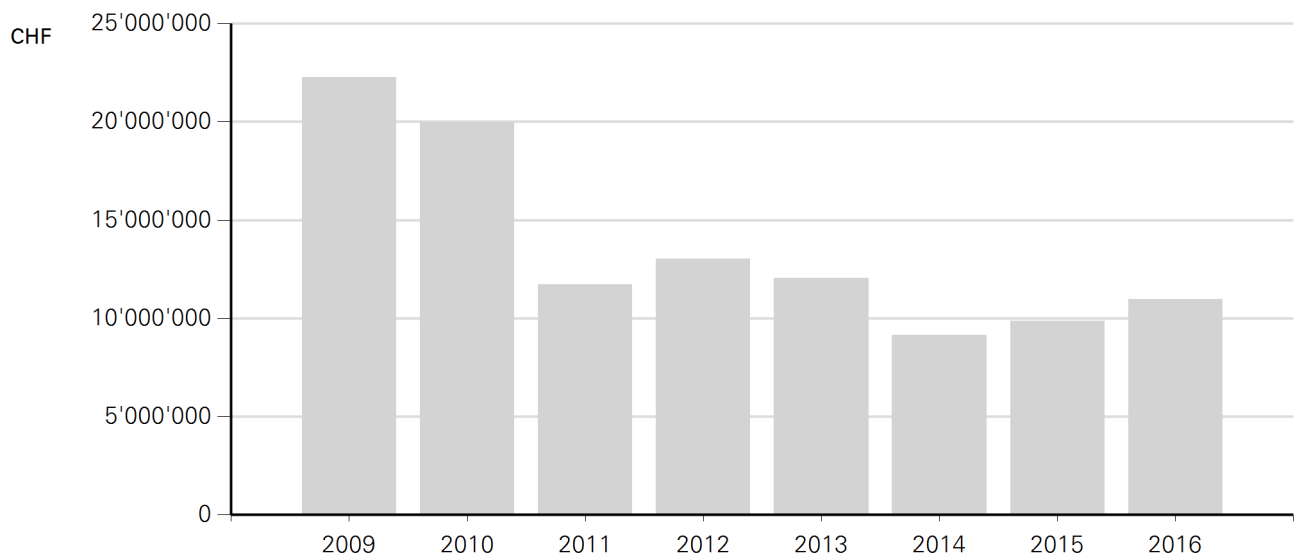
## 4. Remuneration Report

### 4.1 Evolution of the Aggregate Remuneration

#### A Members of the Executive Management



#### B Board Members (Outside Executive Management)



## 4.2 Global Remuneration Figures

### A Members of the Executive Management

		2016 Number	2016 CHF	2015 Number	2015 CHF	Var.
Total number of persons (FTE)		12.1		10.4		
Cash	Fixed		26'990'000		27'870'000	-3.2%
	Variable		25'990'000		13'930'000	86.6%
Shares	Fixed	0	0	0	0	0.0%
	Variable	NA	26'460'000	NA	20'650'000	28.1%
Options	Variable	0	0	0	0	0.0%
Other			2'600'000		1'740'000	49.4%
<b>Total</b>			<b>82'040'000</b>		<b>64'190'000</b>	<b>27.8%</b>
Highest paid executive			11'890'000		7'880'000	NA
Average other executives			6'331'228		5'884'013	7.6%

### B Board Members (Outside Executive Management)

		2016 Number	2016 CHF	2015 Number	2015 CHF	Var.
Total number of persons (FTE)		13.0		12.0		
Cash	Fixed		6'828'765		6'542'500	4.4%
	Variable		0		0	0.0%
Shares	Fixed	NA	3'915'000	NA	3'087'500	26.8%
	Variable	0	0	0	0	0.0%
Options	Variable	0	0	0	0	0.0%
Other			230'929		245'739	-6.0%
<b>Total</b>			<b>10'974'694</b>		<b>9'875'739</b>	<b>11.1%</b>
Highest paid non-executive			3'980'929		3'225'956	23.4%
Average other non-executives			582'814		604'526	-3.6%

## Comments

### Executive Management:

To align the executive board remuneration with the new strategy, a revised compensation structure was approved by shareholders at the 2016 AGM and fully implemented in 2016. The remuneration structure of the management consists of the following components:

- Base salary
- Short-term incentive (paid in cash and deferred cash, see chapter 4.5.B of this report)
- Long-term incentive (paid in shares, see chapter 4.5.C of this report)
- Pensions
- Other benefits

The highest paid member of the management in 2016 was the CEO Mr. Tidjane Thiam whereas it was Mr. Robert Shafir, former head of the Private Banking & Wealth Management division, in 2015. Mr. Thiam was appointed CEO in July 2015. The year-on-year comparison is thus not comparable between the two. Moreover, Mr. Thiam had voluntarily waived 40% of his variable remuneration due to weak financial performance in 2015.

The one-off remuneration of CHF 14.1 million that was granted to Mr. Thiam when he joined Credit Suisse in June 2015 is not included in the above table.,

### Non-executive board members:

The full-time chairman, the vice chairman(s) and the three key committee chairmen receive fees in addition to their normal board membership fees. The remaining non-executive directors receive fixed fees for board and committee membership, 50% of which is paid in cash and 50% in shares blocked for four years.

Moreover, the chairman receives compensation for pension, health insurance benefits and lump sum expenses (reported under "Other" in chapter 4.3.B of this report).

The highest paid in 2016 and 2015 is the chairman, Mr. Rohner.

Due to the weak financial performance in 2016, Mr. Rohner proposed to voluntarily waive 50% of his chair fee of CHF 1.5 million for the period from the 2016 AGM to the 2017 AGM. Last year, he had voluntarily waived all of his chair fee for the same reason.

### 4.3 Individual Remuneration Figures

Individual figures for 2016 (CHF)

#### A Members of the Executive Management

Name, Function	Cash Fixed	Cash Variable	Shares Fixed	Shares Variable	Options Variable	Other	Total
T. Thiam, CEO	3'000'000	4'160'000	0	4'050'000	0	680'000	11'890'000
Average other executives	2'165'163	1'970'217	0	2'022'563	0	173'285	6'331'228

#### B Board Members (Outside Executive Management)

Name, Function	Cash Fixed	Cash Variable	Shares Fixed	Shares Variable	Options Variable	Other	Total
U. Rohner, Ch	3'000'000	0	750'000	0	0	230'929	3'980'929
N. Doyle, VCh, LD	477'000	0	225'000	0	0	0	702'000
R. Thornburgh, VCh	784'510	0	510'000	0	0	0	1'294'510
J. Al Thani, Mbr	125'000	0	125'000	0	0	0	250'000
I. Bohnet, Mbr	175'000	0	175'000	0	0	0	350'000
R. Gut, Mbr	200'000	0	200'000	0	0	0	400'000
A. Koopmann, Mbr	225'000	0	225'000	0	0	0	450'000
J. Lanier, Mbr	325'000	0	325'000	0	0	0	650'000
S. Maag, Mbr	200'000	0	200'000	0	0	0	400'000
K. Nargolwala, Mbr	225'000	0	225'000	0	0	0	450'000
J. Ribeiro, Mbr	200'000	0	200'000	0	0	0	400'000
S. Schwan, Mbr	175'000	0	175'000	0	0	0	350'000
J. Tiner, Mbr	717'255	0	580'000	0	0	0	1'297'255

#### Comments

A mentioned under chapter 4.1 of this report, the chairman Mr. Rohner proposed to voluntarily waive 50% of his chair fee for the period going from the 2016 to the 2017 AGM due to weak financial performance of the bank in 2016. Therefore, he received CHF 750'000 instead of CHF 1.5 million.

## 4.4 Best Practice Checklist

### A Members of the Executive Management

Company practice	Each member's remuneration disclosed separately	-
	All pay components disclosed separately (salary, bonus, LTI, pension)	Ok
	Peer group for setting the remuneration levels disclosed	Ok
	Peer group for benchmarking the company's performance under the variable remuneration plan(s) disclosed	Ok
	Accrual principle applied	Ok
	Performance criteria for short-term incentive adequately disclosed	Ok
	% of annual bonus depending on individual criteria disclosed	Ok
	Ex-post explanation of the level of achievement of the performance objectives for the short-term incentive	Ok
	Performance criteria for the vesting of long-term incentive adequately disclosed	Ok
	Precise performance objectives for the vesting of the long-term incentive disclosed ex-ante	Ok
	Precise performance objectives for the vesting of the long-term incentive disclosed ex-post	-
	Level of vesting of the long-term incentive (in % of the initial grant) disclosed	-
	Value realised upon vesting of the long-term incentive disclosed	-
	Shares granted valued at fair market value	Ok
	Options granted valued at fair market value	Not relevant
	Reconciliation of reported remuneration with amounts approved prospectively	Ok

### B Board Members (Outside Executive Management)

Company practice	Non-executive directors' fees partly paid in shares	Ok
	Non-executive directors do not receive options	Ok
	Non-executive directors do not receive performance based remuneration	Ok
	Minimum share ownership requirements exist for non-executive board members	Ok
	Reconciliation of reported remuneration with amounts approved prospectively	Ok

## 4.5 Remuneration Structure (Executives)

### A Remuneration Breakdown

Breakdown	Base salary	Short-term incentives	Long-term incentives	Pensions / Other
Of highest paid executive	25.2%	35.0%	34.1%	5.7%
Of other executives	34.2%	31.1%	31.9%	2.7%

### B Short-term Incentives

Short-term incentives in % of base salary	On target	Maximum	Actual
Of highest paid executive	NA	150.0%	138.6%
Of other executives	NA	NA	91.0%

Performance criterion	Type	Weighting (highest paid)	Weighting (other executives)
Adjusted operating income	Absolute	NA	NA
Tier I capital ratio	Absolute	NA	NA
Net new money	Absolute	NA	NA

Each member of the management is entitled to receive a short-term incentive (STI). For 2016, the maximum STI ranges between 75% and 225% of the base salary for the members of the management while it is capped at 150% for the CEO. The targets and maximum STI are determined by the remuneration committee, taking into account benchmark market levels.

At the end of the year, the actual payout levels of the STI is determined according to threshold, target and maximum payout levels directly linked to performance criteria. The payout levels are the following:

- maximum performance: 100% payout
- target performance: 80%
- threshold performance: 25%
- below threshold: 0%

To assess the performance of each member of the management, the following criteria and weighting are taken into account:

- CEO and Functional Head: 70% quantitative criteria (adjusted pre-tax income, CET1 ratio, CET1 leverage ratio) and 30% qualitative criteria (delivery of strategic initiatives, leadership/culture, compliance)
- Divisional Head: 20% quantitative criteria at group level (adjusted pre-tax income, CET1 ratio, CET1 leverage ratio), 50% quantitative criteria at divisional level (adjusted pre-tax income, net new assets, leverage exposure, adjusted return on regulatory capital) and 30% qualitative criteria (delivery of strategic initiatives, leadership/culture, compliance)

While the level of on-target bonus is not disclosed, Credit Suisse discloses the targets for each key performance indicators on an ex-post basis.

The STI are paid 50% in the form of immediate cash and 50% in the form of deferred cash awards, which vest 3 years after the grant date.

## C Long-term Incentives

Incentive	Plan 1	Plan 2	Plan 3
Type of awards	Restricted cash	NA	-
Fair value at grant date disclosed	Yes	NA	-
Vesting period for time-vesting awards	3 years	NA	-
Performance period	3 years	NA	-
Sale restriction after performance/vesting period	-	NA	-
Absolute performance criteria for vesting	Cost/capital ratios/adjusted income	NA	-
Relative performance criteria for vesting	TSR	NA	-
Initial grant for the highest paid (in % of the base salary)	250%	NA	-
Minimum final grant (in % of initial grant)	0%	NA	-
Maximum final grant (in % of initial grant)	100%	NA	-
Maximum payout (valued at date of grant, in % of the base salary)	250%	NA	NA

### Comments

The new LTIP has been introduced in 2016.

#### Plan 1

Each member of the management is entitled to receive long-term incentive (LTI) awards in the form of performance shares. The initial grant is determined by the remuneration committee. For 2017, the maximum value at grant was set at 425% of the base salary for the member of the management (2016: 325%) while it remained capped at 250% of the base salary for the CEO.

The LTI awards are provided in the form of registered shares, which vest upon the achievement of pre-defined performance metrics at the end of the 3-year performance period. The shares are then delivered in three installments over two years following the completion of the performance period on the respective third, fourth and fifth anniversary of the grant date.

To assess the performance of each member of the management over the 3-year period, the following criteria and respective weighting are taken into account:

1) For the CEO and the Functional Head:

- Relative Total Shareholder Return (RTSR) against a group of 18 peers: 50%
- CET1 ratio and CET1 leverage ratio: 10%
- Cost target: 15%
- Divisional performance: 25% (measured by the adjusted pre-tax income/loss or by the adjusted return on regulatory capital for the Global Market and Investment Banking divisions)

2) For the Divisional Head:

- RTSR: 50%
- CET1 ratio and CET1 leverage ratio: 10%
- Cost target: 20%
- Divisional performance: 20%

RTSR is measured base on a ranked approach and a payout level of 100% requires a Credit Suisse Group TRS ranking within the top 4 of the peer group, whereas a ranking of eight to ten would result in a payout level of 50%.

Due to the commercial sensitivity of the internal metrics, performance against targets will be disclosed retrospectively.



## 4.6 Remuneration and Financial Performance

### A Change in Remuneration

Highest paid executive	NA
Average other executives	7.6%
Highest paid non-executive	23.4%
Average other non-executives	-3.6%

### B Change in Financial Performance

Sales	-14.6%
Operating income	NA
Net income	NA
Total shareholder return	-29.4%

## 4.7 Share and Option Holdings

### A Members of the Executive Management

Name	Function	31.12.2016 Shares	31.12.2016 Options	31.12.2015 Shares	31.12.2015 Options
T. Thiam	CEO	81'927	0	0	0
Total other executives	OE	1'224'117	0	468'425	0
<b>Total</b>		<b>1'306'044</b>	<b>0</b>	<b>468'425</b>	<b>0</b>

### B Board Members (Outside Executive Management)

Name	Function	31.12.2016 Shares	31.12.2016 Options	31.12.2015 Shares	31.12.2015 Options
U. Rohner	Ch	197'861	0	244'868	0
N. Doyle	VCh, LD	70'883	0	52'998	0
R. Thornburgh	VCh	225'038	0	194'089	0
J. Al Thani	Mbr	35'809	0	26'404	0
I. Bohnet	Mbr	38'287	0	25'120	0
R. Gut	Mbr	7'865	0	NA	NA
A. Koopmann	Mbr	81'746	0	60'944	0
J. Lanier	Mbr	96'318	0	75'799	0
S. Maag	Mbr	19'700	0	4'653	0
K. Nargolwala	Mbr	226'362	0	209'434	0
J. Ribeiro	Mbr	7'865	0	NA	NA
S. Schwan	Mbr	82'803	0	65'601	0
J. Tiner	Mbr	140'910	0	107'866	0
<b>Total</b>		<b>1'231'447</b>	<b>0</b>	<b>1'067'776</b>	<b>0</b>

## 5. Remuneration Requested

### Executive Management

Item	Component	Type	Amount requested (CHF)	Nb. of pers. (FTE)	Modality
4.2.1	Short-term variable remuneration	Cash	25'990'000	12	Retrospective
4.2.2	Fixed remuneration	Cash	31'000'000	12	Prospective
4.2.3	Long-term variable remuneration	Shares	52'000'000	12	Prospective

Total remuneration requested for the executive management: 108'990'000

### Board of Directors

Item	Component	Type	Amount requested (CHF)	Nb. of pers. (FTE)	Modality
4.1	Fixed fees	Cash, shares	12'500'000	12	Prospective

Total remuneration requested for the board of directors: 12'500'000

## 6. Board of Directors

### Composition after the General Meeting of 28 April 2017

Committee	Executive	Affiliated non-executive	Independent non-executive	Total
Board of Directors	0	3	9	12
Audit committee	0	1	4	5
Remuneration committee	0	1	2	3
Risk committee	0	2	3	5
Chairman's and nomination committee	0	2	1	3

Election procedure for directors	Individual
Mandate duration	1 year
Number of board meetings during the past year	16 (91% attendance)
Number of audit committee meetings during the past year	16 (92% attendance)
Number of remuneration committee meetings during the past year	10 (100% attendance)
Number of risk committee meetings during the past year	7 (86% attendance)
Number of chairman's and nomination committee meetings during the past year	13 (95% attendance)
Average attendance rate at board meetings disclosed	

At the 2017 AGM the board will propose Messrs. Alexandre Zeller and Andreas Gottschling for election as new board members. Three members are leaving, Ms. Noreen Doyle and Mr. Jean Lanier, due to reaching tenure limits, and Mr. Jassim Bin Hamad J.J. Al Thani (representative of Qatar shareholding in the bank) will not stand for re-election. Ms. Noreen Doyle will continue as chairwoman of Credit Suisse International and Credit Suisse Securities (Europe) Limited, the bank's UK subsidiaries.

The board has established an "innovation & technology committee" in order to assist the board in monitoring and promoting innovation.

Members of the board shall generally retire after having served on the Board for 12 years (previously 15 years).

Urs Rohner		
Affiliated	Chairman	Up for Re-election
Nationality	Swiss	
Age	58	
Director since / term ends	2009 / 2018	
Committee memberships	– Chairman's and nomination committee, Chairman	
Affiliation	– Miscellaneous	
	Full time chairman of the board.	
Main activity	none	
Directorships	– GlaxoSmithKline (listed), United Kingdom - Member	
Other relevant mandates	– Credit Suisse Foundation, Switzerland - Chairman – University of Zurich, Department of Economics, Switzerland - Chairman, Advisory Board – Swiss Bankers Association (SwissBanking) - Vice chairman – Swiss Finance Council - Member – European Financial Services Roundtable, Belgium - Member – European Banking Group - Member – Lucerne Festival, Switzerland - Member – Economiesuisse, Switzerland - Member – Institute of International Finance (IIF) - Member – Institute International d'Etudes Bancaires - Member – Avenir Suisse, Switzerland - Member – International Business Leaders Advisory Council of the Mayor of Beijing, China - Member – International Institute for Management Development (IMD), Switzerland - Member – Swiss University Sports Foundation - Member	
Comments	Group General Counsel and COO of Credit Suisse (2004-2009). CEO of ProSiebenSat.1 Media (2000-2004). Partner at Lenz & Staehelin Law Firm (1992-1999).	

**Richard E. Thornburgh**

Affiliated Vice chairman Up for Re-election

Nationality	US Citizen
Age	65
Director since / term ends	2006 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>– Audit committee</li> <li>– Risk committee, Chairman</li> <li>– Chairman's and nomination committee</li> </ul>
Affiliation	<ul style="list-style-type: none"> <li>– Former executive</li> </ul> <p style="margin-left: 40px;">Former member of the executive committee of Credit Suisse Group.</p>
Main activity	none
Directorships	<ul style="list-style-type: none"> <li>– S&amp;P Global (listed), USA - Member</li> <li>– NewStar Financial Inc. (listed), USA - Lead director</li> <li>– CapStar Bank (listed), USA - Member</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>– University of Cincinnati, USA - Member, Investment Committee</li> <li>– St. Xavier High School, USA - Member</li> <li>– Corsair Capital LLC, USA - Member, Investment Committee</li> </ul>
Comments	Member of the executive committee of Credit Suisse Group as CFO (1997-2002), and then as Chief Risk Officer (2003-2004), and finally being executive vice chairman of Credit Suisse First Boston until 2006.

**Dr. oec. Iris Bohnet**

Independent Member Up for Re-election

Nationality	Swiss
Age	51
Director since / term ends	2012 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>– Remuneration committee</li> </ul>
Main activity	<ul style="list-style-type: none"> <li>– Harvard Kennedy School, USA - Professor of Public Policy</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>– Vienna University of Economics and Business Administration, Austria - Member, Advisory Board</li> <li>– Decision Making and Negotiations Journal, USA - Member, Advisory Board</li> <li>– Economic Dividends for Gender Equality (EDGE) - Member, Advisory Board</li> <li>– MBA for Women Foundation, Switzerland - Member</li> <li>– University of Lucerne, Switzerland - Member</li> <li>– University of Texas, Negotiations Center, USA - Member</li> <li>– Global Agenda Council on Behavior - Member</li> </ul>
Comments	Director of the Women and Public Policy Program at the Harvard Kennedy School since 2008. Academic Dean at the Harvard Kennedy School (2011–2014).

**Andreas Gottschling**  
 Independent Member New Nominee

Nationality German  
 Age 50  
 Director since / term ends 2017 / 2018  
 Committee memberships none  
 Main activity none  
 Comments Chief Risk Officer at Erste Group, Germany (2013–2016).  
 Senior Advisor at McKinsey & Company (2012–2013).  
 Managing Director Risk at Deutsche Bank, Vienna (2005–2012).

**Dr. oec. publ. Rainer Alexander Gut**  
 Independent Member Up for Re-election

Nationality Swiss  
 Age 54  
 Director since / term ends 2016 / 2018  
 Committee memberships – Audit committee  
 Main activity – Gut Corporate Finance AG, Switzerland - Managing partner and founder  
 Directorships – Adecco (listed), Switzerland - Member  
 – LafargeHolcim (listed), Switzerland - Member  
 – SIHAG Swiss Industrial Holding AG, Switzerland - Member  
 Comments Swiss Certified Accountant.  
 Partner at KPMG (2003-2007).  
 Partner at Ernst & Young (2002-2003).  
 Senior Manager of KPMG (1991-2001).

**Andreas N. Koopmann**  
 Independent Member Up for Re-election

Nationality	Swiss
Age	66
Director since / term ends	2009 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>- Remuneration committee</li> <li>- Risk committee</li> </ul>
Main activity	none
Directorships	<ul style="list-style-type: none"> <li>- Georg Fischer (listed), Switzerland - Chairman</li> <li>- Nestlé (listed), Switzerland - Vice chairman</li> <li>- CSD Group, Switzerland - Vice chairman</li> <li>- Sonceboz SA, Switzerland - Member -</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>- EPFL Plus Foundation, Switzerland - Member</li> <li>- Economiesuisse, Switzerland - Member</li> <li>- EPFL, Switzerland - Member, strategic advisory board</li> <li>- Swiss Board Institute, Switzerland - Member, board of trustees</li> </ul>
Comments	CEO of Bobst Group (1995-2009).

**Seraina Maag**  
 Independent Member Up for Re-election

Nationality	Swiss
Age	47
Director since / term ends	2015 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>- Audit committee</li> </ul>
Main activity	<ul style="list-style-type: none"> <li>- Hamilton USA, USA - CEO</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>- Association of Professional Insurance Women, USA - Member</li> <li>- Food Bank for New York City, USA - Member</li> <li>- CFA Institute, USA - Member</li> </ul>
Comments	<p>CEO and President of AIG EMEA (2013-2016).                  Chief Executive at XL Insurance North America (2010-2013).                  President of the Specialties Business Unit (2006-2010) and CFO (2007-2010) at Zurich North America Commercial.                  - Various positions including Head of Investor Relations and Rating Agencies Management at Zurich Financial Services (2002-2008).</p>



**Kaikhushru S. Nargolwala**  
 Affiliated Member Up for Re-election

Nationality	Indian
Age	66
Director since / term ends	2013 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>- Remuneration committee</li> <li>- Risk committee</li> </ul>
Affiliation	<ul style="list-style-type: none"> <li>- Former executive</li> </ul> <p>Former member of Credit Suisse Executive committee as CEO of the Asia-Pacific region (2008-2010).</p>
Main activity	none
Directorships	<ul style="list-style-type: none"> <li>- Prudential PLC (listed), United Kingdom - Member</li> <li>- Clifford Capital Pte. Limited, Singapore - Chairman</li> <li>- PSA International Pte. Limited, Singapore - Member</li> </ul>
Other relevant mandates	<ul style="list-style-type: none"> <li>- Casino Regulatory Authority of Singapore - Member</li> <li>- Duke-NUS Graduate Medical School, Singapore - Member, Governing Board</li> </ul>
Comments	<p>CEO and Chairman of Credit Suisse Asia Pacific (2008-2011).                      Group Executive Director, Asia Governance and Risk of Standard Chartered Plc (1998-2007)</p>

**Joaquin J. Ribeiro**  
 Independent Member Up for Re-election

Nationality	US Citizen
Age	61
Director since / term ends	2016 / 2018
Committee memberships	<ul style="list-style-type: none"> <li>- Audit committee</li> </ul>
Main activity	none
Other relevant mandates	<ul style="list-style-type: none"> <li>- Institute of International Finance (IIF) - Member</li> <li>- Securities Industry and Financial Markets Association, USA - Member</li> <li>- Pace University, USA - Member</li> </ul>
Comments	<p>Career at Deloitte LLP, USA (1997-2016):</p> <ul style="list-style-type: none"> <li>- Vice Chairman and Chairman of Global Financial Services Industry practice (2010-2016)</li> <li>- Head of US Financial Services Industry practice (2003-2010)</li> <li>- Head of Global Financial Services Industry practice in Asia (1997-2003)</li> <li>- Head of South East Asian Corporate Restructuring practice (1997-2000)</li> </ul> <p>Certified Public Accountant.                      \$senior advisor to Finance Governor's Committee at WEF (2005-2010)</p>



<b>Alexandre Zeller</b>		New Nominee
Independent	Member	
Nationality	Swiss	
Age	56	
Director since / term ends	2017 / 2018	
Committee memberships	none	
Main activity	none	
Directorships	<ul style="list-style-type: none"> <li>– Kudelski (listed), Switzerland - Member</li> <li>– Credit Suisse (Schweiz) AG, Switzerland - Chairman</li> <li>– Garage Carrosserie Central SA, Switzerland - Chairman</li> <li>– Banque Lombard Odier &amp; Cie, Switzerland - Member</li> <li>– Maus frères SA, Switzerland - Member</li> </ul>	
Other relevant mandates	– Study Center Gerzensee (SNB Foundation), Switzerland - Member, Foundation Council	
Comments	CEO of HSBC Private Banking Switzerland (2008-2012). CEO of Banque Cantonale Vaudoise (2002-2008). CEO of Credit Suisse Private Banking (1999-2002).	

## 7. Glossaire

English	Deutsch	Français
<b>A</b>		
Activities	Aktivitäten	Activités
Affiliated	Affiliert	Affilié
AGM (Annual General Meeting)	Ordentliche Generalversammlung	Assemblée générale ordinaire
Annual bonus	Jahresbonus	Bonus annuel
Attendance rate	Teilnahmequote	Taux de présence
Audit committee	Prüfungsausschuss	Comité d'audit
Audit fees	Honorare für Revisionsdienstleistungen	Honoraires de révision
Audit-related fees	Honorare für revisionsnahe Dienstleistungen	Honoraires pour les services liés à la révision
Autorised capital	Genehmigtes Kapital	Capital autorisé
Average	Mittelwert	Moyenne
<b>B</b>		
Base salary	Grundgehalt	Salaire de base
Bearer share	Inhaberaktie	Action au porteur
Board meeting	Verwaltungsratssitzung	Séance du conseil d'administration
Board members	Verwaltungsratsmitglieder	Membres du conseil d'administration
Board of directors	Verwaltungsrat	Conseil d'administration
Breakdown	Detaillierte Offenlegung	Répartition détaillée
<b>C</b>		
Capital	Kapital	Capital
Capital contribution reserves	Reserven aus Kapitaleinlagen	Réserves issues d'apports en capital
CEO (Chief Executive Officer)	Geschäftsleiter	Président de la direction générale
Chairman	Verwaltungsratspräsident	Président du conseil d'administration
Chairman's committee	Ausschuss des Verwaltungsratspräsidenten	Comité du président du conseil d'administration
Comments	Kommentare	Commentaires
Committee meeting	Ausschusssitzung	Séance du comité
Conditional capital	Bedingtes Kapital	Capital conditionnel
Corporate governance committee	Ausschuss für Corporate Governance	Comité de gouvernance d'entreprise
<b>D</b>		
Dividend	Dividende	Dividende
Dividend rights certificates	Partizipationsscheine	Bons de participation
<b>E</b>		
Earnings per share	Gewinn pro Aktie	Bénéfice par action

English	Deutsch	Français
<b>E</b>		
EGM (Extraordinary General Meeting)	Ausserordentliche Generalversammlung	Assemblée générale extraordinaire
Election	Neuwahl	Election
Election procedure for directors	Wahlverfahren für Verwaltungsräte	Procédure d'élection des administrateurs
Employees	Personalbestand	Employés
Executive management	Geschäftsleitung	Direction générale
External auditor	Externe Revisionsstelle	Auditeur externe
<b>F</b>		
Fair value	Beizulegender Zeitwert	Juste valeur
Fees	Gebühren	Honoraires
Financial performance	Finanzergebnis	Performance financière
Financial reporting	Finanzberichterstattung	Information financière
Financials	Finanzergebnis	Données financières
<b>G</b>		
General information	Allgemeine Informationen	Informations générales
Global remuneration figures	Allgemeine Vergütungsangaben	Rémunérations agrégées
<b>H</b>		
Headquarters	Hauptsitz	Siège social
Highest paid executive	Höchstbezahltes Mitglied der Konzernleitung	Membre le mieux rémunéré de la direction générale
<b>I</b>		
Important shareholders	Bedeutende Aktionäre	Actionnaires importants
Independent	Unabhängig	Indépendant
Individual remuneration figures	Individuelle Vergütungsangaben	Rémunérations individuelles
Internal Control	Internes Kontrollsystem	Contrôle interne
<b>K</b>		
Key figures	Kennzahlen	Chiffres clés
<b>L</b>		
Listing	Kotierung	Cotation
LTIP (Long-term incentive plan)	Langfristige Beteiligungspläne	Plan de participation à long terme
<b>M</b>		
Mandate duration	Mandatsdauer	Durée du mandat
Mandatory age limit	Obligatorische Altersgrenze	Limite d'âge statutaire
Market capitalisation	Marktkapitalisierung	Capitalisation boursière
Market value	Marktwert	Valeur boursière
<b>N</b>		
NA (Not available)	Nicht verfügbar	Pas disponible
ND (Not disclosed)	Nicht offengelegt	Pas publié
Net income	Reingewinn	Bénéfice net

English	Deutsch	Français
<b>N</b>		
Net revenues	Nettoerträge	Revenus nets
New nominee	Neuer Kandidat / Neue Kandidatin	Nouveau candidat
Nomination and remuneration committee	Nominations- und Vergütungsausschuss	Comité de nomination et de rémunération
Nomination committee	Nominationsausschuss	Comité de nomination
Non-audit fees	Honorare für nicht revisionsbezogene Dienstleistungen	Honoraires non liés à la révision
Non-voting equity securities	Genussscheine	Bons de jouissance
Notice period	Kündigungsfrist	Délai de préavis
NR (Not relevant)	Irrelevant	Pas pertinent
<b>O</b>		
Operating income	Betriebsergebnis	Résultat d'exploitation
Operating margin	Operative Marge	Marge opérationnelle
<b>P</b>		
Payout ratio	Gewinnausschüttungsquote	Taux de distribution du bénéfice
Peer group	Vergleichsgruppe	Groupe de référence
Pensions	Altersvorsorge	Contributions de retraite
Performance criteria	Leistungskriterien	Critères de performance
<b>R</b>		
Re-election	Wiederwahl	Réélection
Registered share	Namensaktie	Action nominative
Remuneration	Vergütung	Rémunération
Remuneration committee	Vergütungsausschuss	Comité de rémunération
Reporting standard	Rechnungslegungsstandard	Norme comptable
Restriction on registration of shares or voting rights	Beschränkungen der Übertragbarkeit der Aktien und des Stimmrechts	Restrictions relatives à l'inscription des actions ou aux droits de vote
Return on equity	Eigenkapitalrendite	Rendement des capitaux propres
Risk committee	Risiko-Ausschuss	Comité des risques
<b>S</b>		
Share and option holdings	Aktien- und Optionenbesitz	Détention d'actions et d'options
Share capital	Aktienkapital	Capital-actions
Shareholder resolution	Aktionärsantrag	Résolution d'actionnaire
Shareholders' equity	Eigenkapital	Capitaux propres
Short-term incentives	Kurzfristige variable Vergütung	Rémunération à court-terme
Stock ownership requirements	Aktienbesitz Anforderungen	Exigences en matière de détention d'actions
Strategy committee	Strategie-Ausschuss	Comité de stratégie
Structure	Struktur	Structure
Sustainability committee	Ausschuss für Nachhaltigkeit	Comité de développement durable

English	Deutsch	Français
<b>T</b>		
Total revenues	Betriebsertrag	Revenus totaux
Total shareholder return	Gesamte Aktienrendite	Rentabilité de l'action
<b>U</b>		
Up for re-election	Zur Wiederwahl	A réélection
<b>Y</b>		
Year end	Jahresende	Fin de l'année

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Sébastien Dubas

**About Ethos**

The Ethos Foundation aims at promoting socially responsible investment as well as a stable and prosperous socio-economic environment. Ethos is composed of more than 210 Swiss pension funds and other tax-exempt institutions. Its subsidiary Ethos Services is an acknowledged provider of consulting services comprising socially responsible investment (SRI) funds, shareholder meeting analyses and an investor engagement and dialogue programme.

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**Frequently used abbreviations**

AGM	Annual General Meeting
EGM	Extraordinary General Meeting
NA	Not available
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
OE	Other Executive Function
Ex-	Former



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