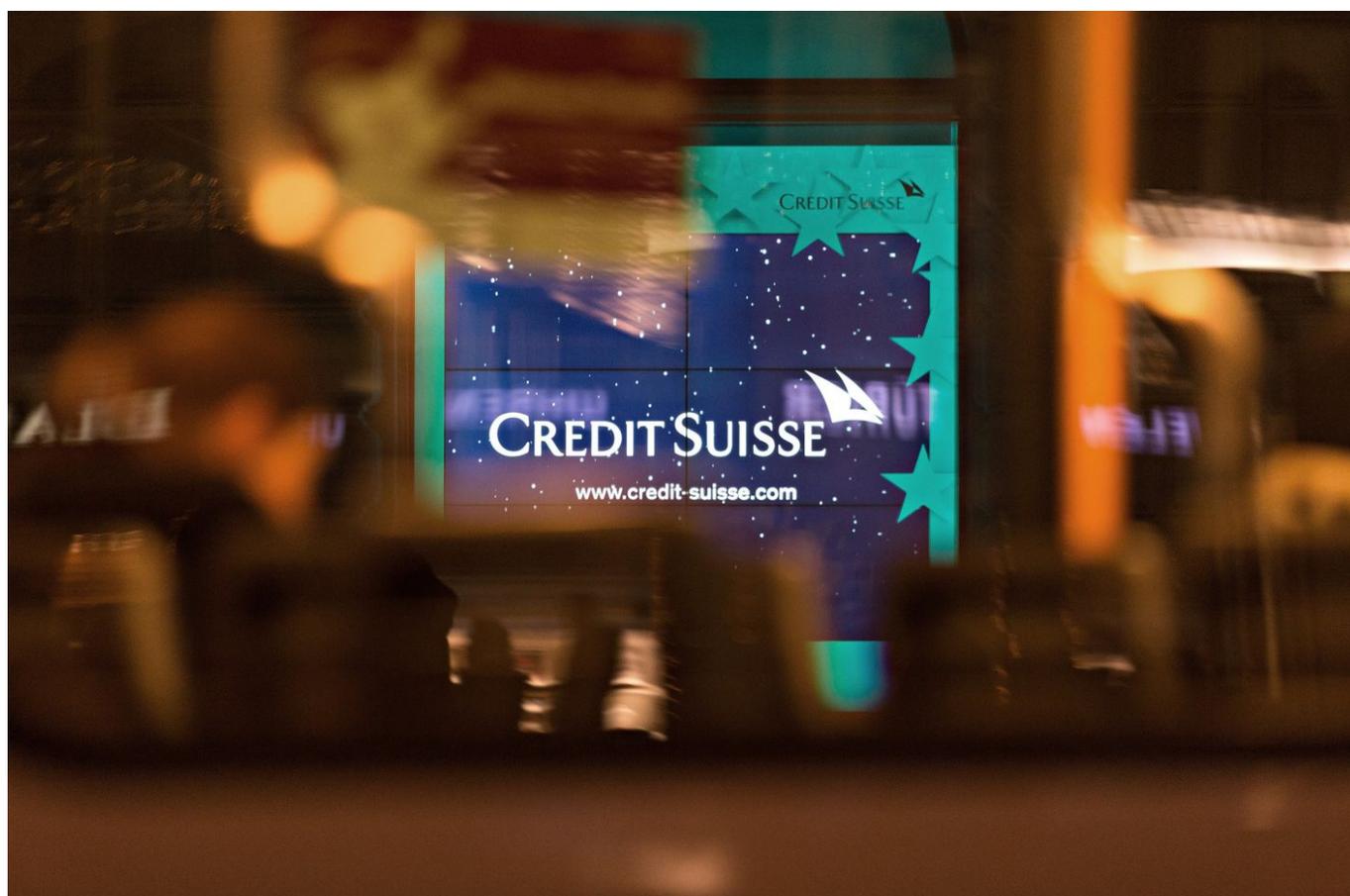


Credit Suisse Gets Pay Opposition at Home After Overseas Support

By **Albertina Torsoli**

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- Ethos advises investors to reject pay plan, oppose chairman
 - Bank overhauled compensation after investor uproar last year
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A sign sits illuminated inside the window of the Credit Suisse Group AG headquarters in Zurich. *Photographer: Michele Limina/Bloomberg*

A Swiss investor adviser group said Credit Suisse Group AG shareholders should vote against the bank's 2017 compensation plan, splitting with overseas advisers that backed changes made following uproar last year.

Ethos, which advises Swiss pension funds, also said investors shouldn't support the re-election of Chairman Urs Rohner because remuneration changes were driven by

management rather than the board, according to an email on Saturday. zRating, another Swiss shareholder group, is similarly recommending a vote against the compensation report at the April 27 annual meeting, Finanz und Wirtschaft reported.

Even though “changes in the remuneration system go in the right direction, the level of variable remuneration remains too high in light of the bank’s further losses,” Ethos Chief Executive Officer Vincent Kaufmann said in the email. “Credit Suisse needs a new chairman to fully restore the confidence of shareholders.”

Ethos’s stance contrasts with ISS and Glass Lewis, which both said earlier this month that investors should [support <https://www.bloomberg.com/news/articles/2018-04-10/credit-suisse-s-pay-revamp-gets-blessing-from-proxy-advisers>](https://www.bloomberg.com/news/articles/2018-04-10/credit-suisse-s-pay-revamp-gets-blessing-from-proxy-advisers) Credit Suisse’s pay proposals. The Zurich-based lender overhauled compensation formulas, including placing greater importance on cost reductions, after the executive board last year waived 40 percent of bonuses to assuage investor anger over pay levels.

“The Ethos report is out of touch with the widespread support we have received for our compensation report and other corporate governance matters,” the bank said by email.

For 2017, the Swiss bank’s management board is getting 69.9 million francs (\$72.7 million), 4.3 percent less than 2016. CEO Tidjane Thiam is taking a slightly bigger pay cut of 5 percent. Still, the bank’s overall 2017 bonus pool is 3 percent higher than 2016.

Ethos welcomes the “improved transparency” of Credit Suisse’s remuneration plan for 2017, Kaufmann said. The group’s recommendation was [reported <https://epaper.fuw.ch/#article/1/FUW/2018-04-14/1/84836373>](https://epaper.fuw.ch/#article/1/FUW/2018-04-14/1/84836373) earlier Saturday by Swiss newspaper FuW. zRating didn’t immediately respond to an email seeking comment outside office hours.