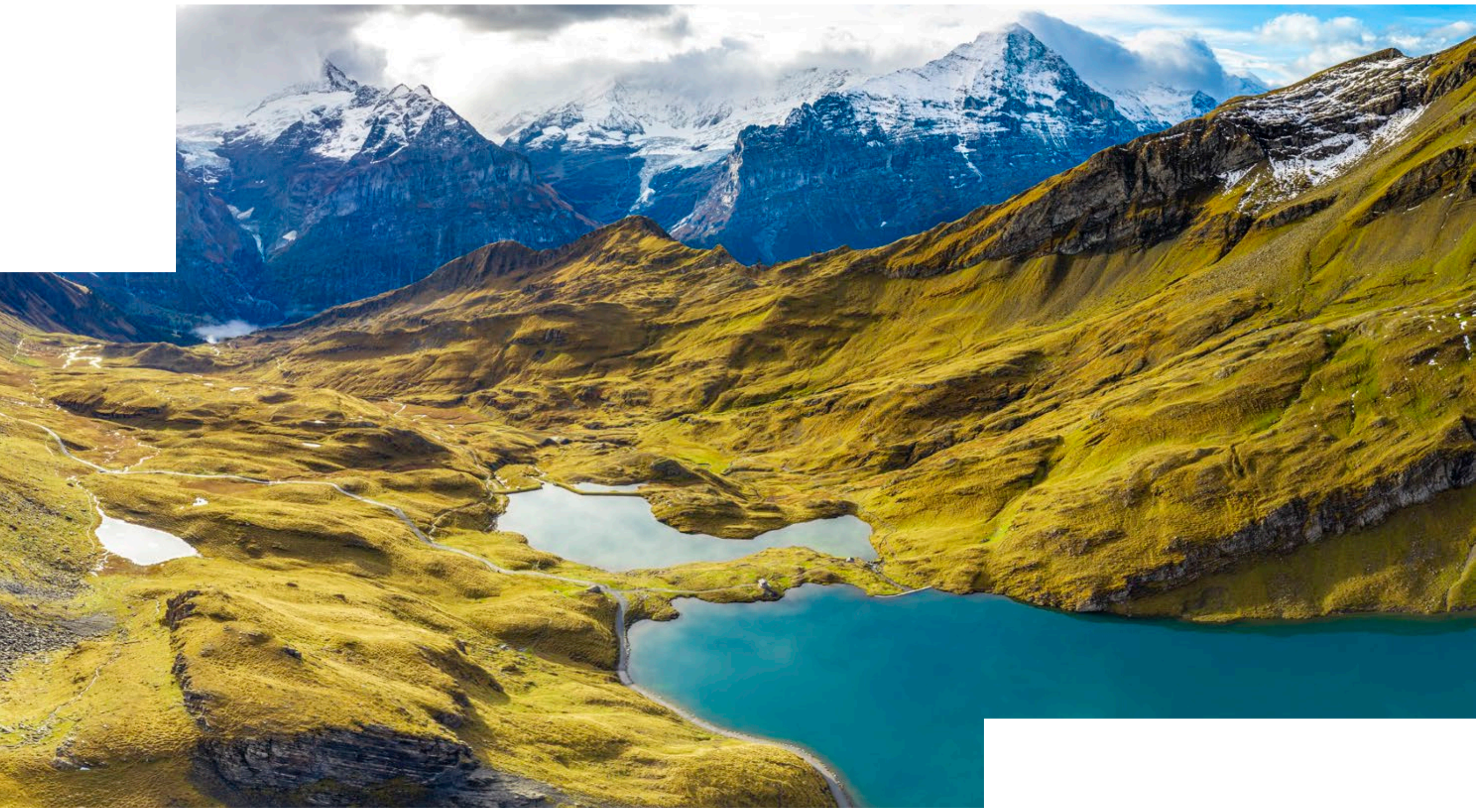
Corporate Responsibility Report 2019



Corporate Responsibility at Credit Suisse

As one of the world's leading banks, we are committed to delivering our financial experience and expertise to corporate, institutional and government clients and to ultra-high-net-worth individuals worldwide, in addition to affluent and retail clients in Switzerland. Founded in 1856, Credit Suisse today has a global reach with operations in around 50 countries. We believe that our responsible approach to business and the dedication and expertise of our over 45,000 employees are key factors that determine our long-term success. We have a broad understanding of our duties as a financial services provider, member of the economy and society, and employer. This approach is also reflected in our efforts to protect the environment.

Credit Suisse Annual Reporting Suite

Annual Report
The Annual Report is a detailed presentation of Credit Suisse Group's company structure, corporate governance, compensation practices and treasury and risk management framework, and it includes a review of Credit Suisse Group's operating and financial results accompanied by its annual financial statements.

credit-suisse.com/ar

Corporate Responsibility Report
The Corporate Responsibility Report describes how Credit Suisse Group assumes its various responsibilities in banking, in the economy and society, as an employer and towards the environment. The report is available in an online version or as a PDF download. It is complemented by the publication "Corporate Responsibility – At a glance".

credit-suisse.com/crr

Corporate Responsibility – At a glance
The publication "Corporate Responsibility – At a glance" provides an overview of the most important processes and activities that reflect our approach to corporate responsibility in banking, in the economy and society, as an employer and for the environment. In addition, it contains the cornerstones of our strategy and select figures for the 2019 financial year.

credit-suisse.com/crr

Contents

We regard our reporting on corporate responsibility as an important basis for our dialogue with stakeholders and welcome any feedback on our activities: responsibility.corporate@credit-suisse.com

The following key figures show the diverse nature of our activities in the area of corporate responsibility in 2019.

Responsibility in banking

► pages 10–27

Capitalization

12.7%

CET1 capital ratio at end-2019.

Risk management

799

transactions or client relationships were assessed for potential environmental and social risks.

Responsibility in the economy and society

► pages 28–41

Supplier of capital (CHF)

>163 billion

was Credit Suisse's volume of loans outstanding in Switzerland at end-2019.

Employee engagement

19,871

of our employees around the world volunteered their time to help charitable causes.

Responsibility as an employer

► pages 42–50

Workforce

47,860

individuals from over 150 different countries work at Credit Suisse.

Internal mobility

48%

of our leadership roles were filled internally.

Responsibility for the environment

► pages 52–60

Employee training

17,600

hours of training on environmental management and health and safety were provided to 17,200 participants.

Renewable energy

90%

of the electricity we consumed globally was generated using renewable energy sources.

For the purposes of this report, unless the context otherwise requires, the terms "Credit Suisse Group", "Credit Suisse", the "Group", "we", "us" and "our" mean Credit Suisse Group AG and its consolidated subsidiaries. The business of Credit Suisse AG, the direct bank subsidiary of the Group, is substantially similar to the Group, and we use these terms to refer to both when the subject is the same or substantially similar. We use the term the "Bank" when we are referring only to Credit Suisse AG and its consolidated subsidiaries.

Foreword

Dear Reader

2019 was a period of substantial progress for our business, but it also brought new challenges for Credit Suisse. Following the deep three-year restructuring of the bank, this was our first year of operating under our new model. With a reinforced capital position, lower risk exposures and a reduced cost base, we believe Credit Suisse is a much stronger and safer bank today – and this resilience is important to inspire confidence in our stakeholders. During 2019, we continued to deliver on our strategy to be a leading wealth manager with strong investment banking capabilities, offering high-quality service and advice to clients around the globe. Under our new model, we were able to generate profitable growth in 2019 even in unsupportive environments, achieving net income attributable to shareholders of CHF 3.4 billion.

We recognize the importance of upholding international standards and best practices to promote responsible business conduct, such as the UN Global Compact with its Ten Principles on human rights, labor standards, environmental protection and anti-corruption efforts. Equally, we strive to make a meaningful contribution to the realization of the UN Sustainable Development Goals (SDGs), a core element of the UN Agenda 2030 for sustainable development.

2019 was a year in which climate change featured high on the global agenda. Public perceptions of the responsibility of banks relating to climate change altered significantly during this period. At Credit Suisse, we have long recognized the role we can and should play in addressing the challenges of climate change and in supporting the transition to a low-carbon and climate-resilient economy. We publicly expressed our support for the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) on the voluntary reporting of climate change risks back in 2017 and continue working on their implementation. For almost a decade, we have been operating on a greenhouse gas neutral basis at all our locations globally. As a further milestone in our action against climate change, we introduced a Group-wide Climate Risk Strategy program and became a founding signatory to the Principles for Responsible Banking (PRB) of the UN Environment Programme Finance Initiative in 2019. The PRB call for the alignment of the banking sector with the objectives of the UN SDGs and the Paris Agreement.

Credit Suisse also launched a partnership with the Climate Bonds Initiative to help promote a sustainable transition bond market. Furthermore, we announced in December 2019 that we would cease to provide any form of financing specifically related to the development of new coal-fired power plants. We are also working with other banks to develop methodologies to measure the alignment of credit portfolios with the Paris Agreement.

We remain active in the rapidly growing area of sustainable investing. In particular, we have further expanded our Impact Advisory and Finance (IAF) department, which identifies and pursues investable projects and initiatives that have a positive economic and social impact while also focusing on generating a financial return for clients. By the end of 2019, Credit Suisse had over CHF 44 billion of assets invested according to sustainability criteria. Another important step was the announcement in September 2019 that Credit Suisse Asset Management has started to systematically reposition its products according to environmental, social and governance (ESG) criteria, working in partnership with IAF. Credit Suisse also actively supports clean and renewable energy businesses and was involved in over 130 transactions in this field with a value of more than USD 100 billion between 2010 and the end of 2019.

Beyond our banking activities, Credit Suisse helps to address challenges facing young people and communities through our multifaceted social commitments. Working with selected partner organizations, we support initiatives that generate a positive economic and social impact in the areas of financial education and financial inclusion. In addition to funding, these partners benefit from the skills and expertise of our employees, who can devote up to four days per year to volunteering to support social projects. Last year, more than 19,000 of our employees spent over 191,500 hours volunteering to help charitable causes. Further highlights in 2019 included the 60th anniversary of the Credit Suisse Americas Foundation, which has invested over USD 100 million to help build capacity in non-profit organizations since its inception. We also launched a USD 1 million three-year partnership with the non-profit career pathways organization HERE to HERE to support a youth apprenticeship program in New York based on the Swiss model.

Continued dialogue and the sharing of knowledge and ideas are essential to the success of all these efforts. Such conversations are more important than ever in today's rapidly evolving world, with the new opportunities but also the new challenges this change brings for banks and their stakeholders. As we move into the second quarter of 2020, we are witnessing the spread of the coronavirus disease COVID-19 and the significant disruption it is causing to the global economy and society at large. In times like these, we believe that effective cooperation and communication remain key to finding joint solutions and to building strong and lasting relationships – especially with our clients, employees and shareholders.

This Corporate Responsibility Report is designed to be an integral part of our ongoing dialogue with our stakeholders. We therefore welcome any comments or suggestions you may have.

Best regards

Urs Rohner
Chairman of the Board of Directors

Thomas Gottstein
Chief Executive Officer

March 2020

Our understanding of Corporate Responsibility

Corporate Responsibility at Credit Suisse
For Credit Suisse, corporate responsibility is about creating sustainable value for our clients, shareholders, employees and other stakeholders. We strive to comply with the values and standards set out in our Code of Conduct and our Conduct and Ethics Standards in every aspect of our work – including in our relationship with stakeholders. We do so based on our broad understanding of our duties as a financial services provider and employer and as an integral part of the economy and society. Our approach also reflects our commitment to protecting the environment.

Our primary focus as a global bank is on running our business responsibly and successfully. We are aware of the high standards expected of us. We endeavor to engage in an open dialogue with our various stakeholders in order to identify their needs and interests, to develop appropriate solutions and to take account of key challenges when evolving our strategy. We believe that this dialogue and our responsible approach to business are key factors determining our long-term success. They also help to promote an understanding of the important role we play in the economy and society.

→ credit-suisse.com/responsibility

Structure of the report
The Corporate Responsibility Report is structured along the following four areas: our responsibility in banking, our role in the economy and society, our role as an employer, and our responsibility for the environment. Our reporting on corporate responsibility reflects the GRI Standards for sustainability reporting (core option). It also provides information on the progress we have made in implementing the Ten Principles of the United Nations (UN) Global Compact and contains examples of how we can contribute to the realization of the UN Sustainable Development Goals (SDGs). Further information and our disclosure according to the GRI Standards are available online at:

→ credit-suisse.com/gri

Our understanding of Corporate Responsibility

Responsibility in banking

- **Trust and expertise**
- **Risk management and sustainability**
- **Sustainable and impact investment products and services**

Our main responsibility is to ensure that we run our company successfully on a long-term basis for the benefit of our clients, shareholders, employees and society as a whole. We believe competence, client focus, compliance, diligence and responsible conduct are key to the success of our business. This includes taking account of social and environmental aspects when conducting our activities.

Responsibility in the economy and society

- **Our role in the economy and society**
- **Our social commitments**
- **Sponsorship**

As a global bank, we see ourselves as an integral part of the economy and society. We therefore aim to run our business in a way that creates value for all our stakeholders. Through our role as a financial intermediary, we support entrepreneurship and economic growth, and we make an economic contribution as an employer, taxpayer and contractual partner. We also support various humanitarian and charitable organizations and projects as well as cultural and sporting events.

Credit Suisse Code of Conduct

Responsibility as an employer

- **Credit Suisse as an employer**
- **Diversity and inclusion**

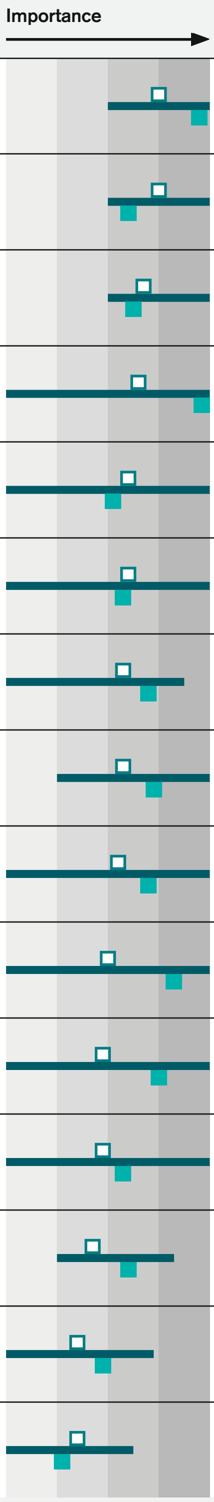
Qualified and motivated employees are a vital success factor. We want to be an employer of choice worldwide and therefore offer our people progressive working conditions and varied career opportunities in a multicultural environment in our efforts to attract the best talent.

Responsibility for the environment

- **Climate and biodiversity**
- **Environmental management**

We are committed to conducting our business with a long-term view to supporting environmental sustainability. We believe important pillars of this approach include our support for the transition to a low-carbon and climate-resilient economy as well as the protection of biodiversity. We therefore strive to promote the efficient use of resources and address sustainability issues when managing risks.

Credit Suisse materiality assessment



	Material issues	*	Definition and scope of terms	See pages
1	**Culture of compliance and conduct**	↑	Compliance with laws and regulations / prevention of money laundering and terrorist financing / anti-corruption / combating financial market crime (e.g. fraud, anti-competitive practices) / sanctions compliance / tax compliance / corporate culture	12–16 17–22 44–46
2	**Climate change**	↑	Reducing the carbon footprint of own operations / greenhouse gas neutrality / managing climate risks / facilitating transition to a low-carbon and climate-resilient economy through product offering / climate-related disclosure	17–22 54–60
3	**Environmental and social risk management**	↑	Environmental management system / assessment of sustainability risks in transactions / policies for sensitive industries / impacts on ecosystems and landscapes (incl. biodiversity, agriculture and forestry) / responsible supply chain management	17–22 54–60
4	**Company performance and strategy**	→	Business strategy / financial results / share price / dividends / capital, liquidity and funding position / stability of the company / operational risk (incl. business continuity management, technology risks) / cost efficiency / cost reductions	12–16 30–34
5	**Incentives and compensation policy**	→	Responsible approach to compensation / executive compensation / criteria for incentives / deferral, claw-backs	50
6	**Responsible investments**	↑	Sustainable products and services / impact investing (incl. microfinance, conservation finance) / integration of environmental, social and governance (ESG) criteria in products and services / Principles for Responsible Investment (PRI)	23–27
7	**Financial and political system stability**	→	Systemic risk / capital and liquidity / total loss-absorbing capacity (TLAC) / legal entity structure / resolvability / political and economic stability / negative interest rates	12–16 30–34
8	**Digitalization / fintech**	↑	Blockchain / fintech / digital transformation / big data, automation	14, 16 37
9	**Consumer and investor protection**	→	Suitability and appropriateness / data security / privacy / transparency of fees	12–16
10	**Quality and range of services and advice**	→	Advisory process, relationship managers / range and quality of products and services / expertise (e. g. research, advisory) / performance and pricing of products and services / technology	12–16 23–27 44–46
11	**Corporate governance**	→	Operational structure / governance framework / management team / voting rights	12–16
12	**Human resources and talent management**	→	Diversity and inclusion / non-discrimination / training and skills management / attracting and retaining talent / health and safety / work-life balance / employees over 50 years of age	44–49
13	**Human rights**	↑	Fair working conditions; no child labor, no forced labor / human rights aspects in supply chain and business relations / indigenous peoples' rights / positive contribution to the realization of human rights	20, 22
14	**Contribution to the economy**	→	Purchasing, sourcing / tax contribution / lending to small and medium-sized enterprises (SMEs) and start-ups	30–34
15	**Social commitments**	↑	Philanthropy / supporting social and humanitarian projects / employee engagement, incl. skills-based volunteering / "militia" system of politics in our Swiss home market	35–41

□ Relevance to stakeholders (average)
■ Impact on Credit Suisse
▬ Range of stakeholder views

* Expected future importance for Credit Suisse (based on stakeholder survey)
↑ Increasing importance
→ No change

Detailed information on Credit Suisse Group's financial performance, corporate governance and compensation practices can be found in the Annual Report 2019.

Principles for Responsible Banking

In 2019, Credit Suisse became a founding signatory to the Principles for Responsible Banking (PRB) of the UN Environment Programme Finance Initiative (UNEP FI). This global framework was formally launched at the annual United Nations General Assembly in New York City in September 2019. The PRB were developed by 30 banks from around the world in partnership with UNEP FI. The PRB call for the alignment of the banking sector with the UN SDGs and the objectives of the Paris Agreement and represent a comprehensive framework for the integration of sustainability across all areas of banking. Signatories commit, among other things, to align their business strategy to contribute to individuals' needs and society's goals, and to set targets to continuously increase the positive impacts of their activities, products and services. By end-2019, more than 140 banks had signed up to the PRB. Credit Suisse is currently working on implementing the PRB and will provide information on its progress for the first time as part of our corporate responsibility reporting for the financial year 2020.

Credit Suisse materiality assessment

Our corporate responsibility reporting activities focus on topics that are relevant to our business and our stakeholders. We regularly undertake a materiality assessment in order to identify critical economic, environmental and social issues that may either have a significant impact on the company's business performance or substantively influence the assessments and decisions of our stakeholders. We believe that this helps us recognize new trends and evolve our strategy accordingly as well as align our reporting with the interests and needs of our business and our stakeholders.

The materiality assessment is based on our ongoing dialogue with stakeholders across all parts of our organization. We strive to ensure that the list of material issues identified in the past remains relevant and that important new topics are addressed.

In 2019, we once again approached a large number and broad range of external and internal stakeholders in all regions where we operate. We reached out to these stakeholders and asked for their perspective through a structured survey, comprising both quantitative and qualitative elements. The results of this survey were subsequently combined with a dedicated media review and information from our monitoring tools. We also considered the views of internal experts who participate in an ongoing dialogue with relevant stakeholder groups. As part of the assessment, we analyzed the expected future importance of the material issues for our stakeholders to help us anticipate emerging business issues.

Throughout this process, we took into account the perspectives of clients, investors and analysts, policymakers, non-governmental organizations (NGOs), employees and other stakeholders. The 2019 materiality assessment is the result of this analysis and reflects average values of perceived importance.

The greatest increase in relative importance compared to the previous year was attributed to the issues of climate change and responsible investments. New topics mentioned during the assessment – in addition to the 15 most material issues identified in previous years – included transparency, the accessibility of financial services as well as the alignment of our business with international sustainability frameworks.

Credit Suisse and the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) adopted by the United Nations in 2015 form a core element of the UN Agenda 2030 for Sustainable Development. As the SDGs are based on a participatory process, responsibility for achieving them is shared among states, the private sector, the scientific community and civil society. Credit Suisse contributes to the realization of the SDGs in various ways, including in our role as a financial intermediary and employer. Further examples include our sustainable, impact and SDG-oriented thematic investment products and services as well as our global initiatives in education and financial inclusion (see pages 23 – 27 and 35 – 37). At the same time, our focus on sustainability risk management can help us to reduce potential negative impacts that certain business activities might have on the realization of the SDGs (see pages 20 – 26).

→ credit-suisse.com/sdg

In the context of the materiality assessment survey, we also asked respondents about their perception of Credit Suisse's most significant impacts on the economy, the environment and society, using the Sustainable Development Goals (SDGs) as our point of reference. Among the 17 SDGs

Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9) and Climate Action (SDG 13) were mentioned most frequently.

The materiality assessment is also available online at:
→ credit-suisse.com/materialityassessment

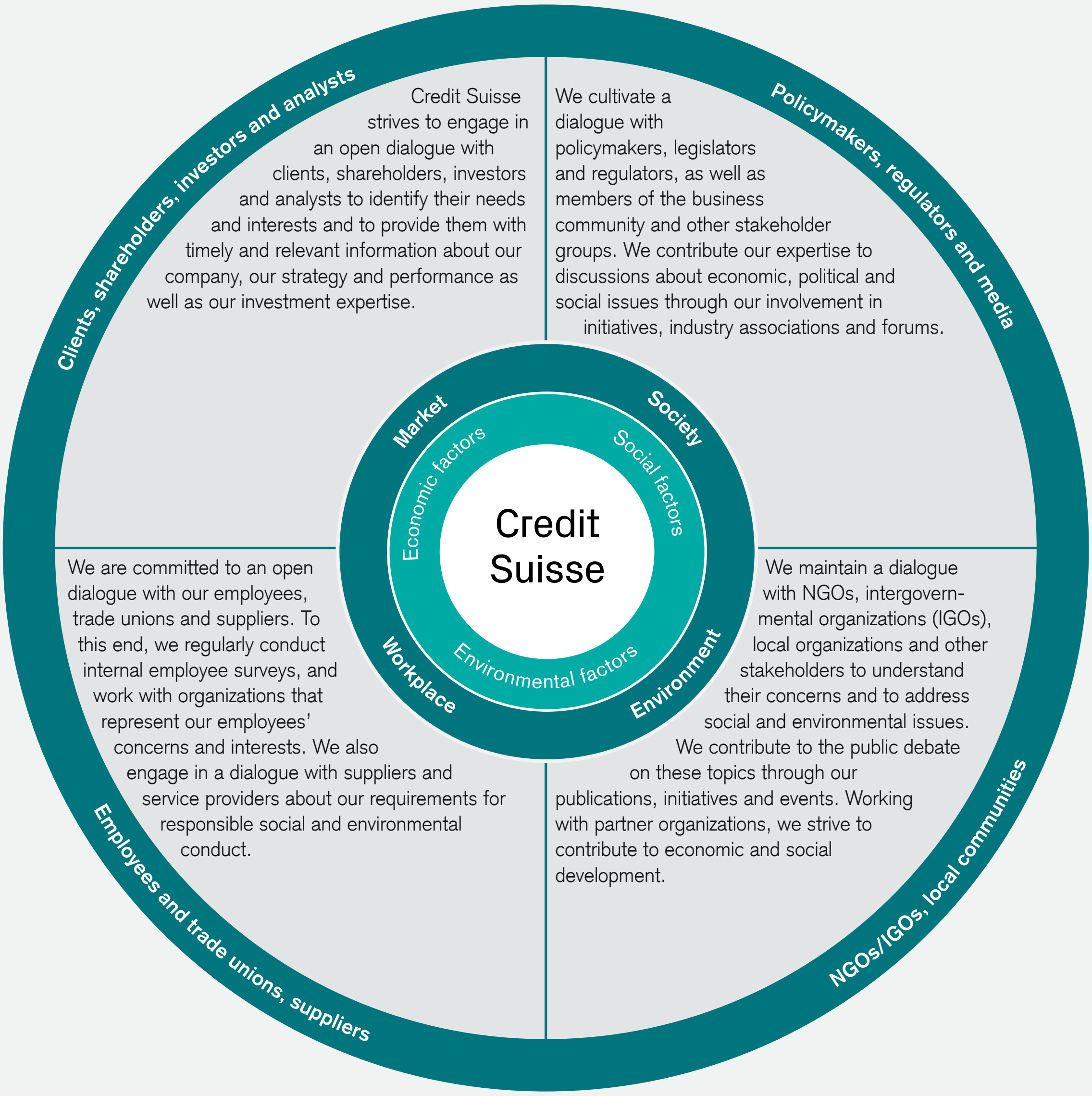
Engaging with stakeholders

Our business works on the basis of trust: Our long-term success depends to a significant extent on our ability to inspire confidence in our stakeholders. In the current challenging regulatory environment and in view of the developments in the area of financial market policy, it is essential that we take steps to safeguard and maintain trust in our company. We therefore regularly engage in dialogue with clients, shareholders, investors and employees as well as regulators and policymakers, NGOs and other stakeholders. This dialogue – combined with the insights we gain through our participation in initiatives, industry associations and forums, as well as the findings of surveys – strengthens our understanding of the different, and sometimes conflicting, perspectives of our stakeholders. This helps us to identify their interests and expectations at an early stage, to offer our own perspective and to contribute to the development of solutions in response to current challenges wherever possible. At the same time, this exchange allows us to further develop our understanding of our corporate responsibilities.

Further information

Information about our engagement with stakeholders, as well as our range of publications designed to contribute to the public conversation, can be found online at:
→ credit-suisse.com/responsibility/dialogue

Our stakeholders



Responsibility in banking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Trust and expertise

We strive to conduct our business responsibly and professionally – offering high-quality financial solutions and expert advice to our clients around the globe.

Credit Suisse is committed to operating professionally and with integrity to gain and maintain the trust of our stakeholders. Our strategy is to be a leading wealth manager with strong investment banking capabilities. We want to capture the opportunities available to us as a provider of integrated solutions that address the private wealth and business needs of ultra-high-net-worth (UHNW) individuals and successful entrepreneurs around the globe.

Our regionalized approach allows us to stay close to our clients while capturing global synergies. It also drives agile decision-making and promotes greater accountability and a more effective control framework, particularly in the areas of compliance and risk management. Based on our strategy and organizational set-up, we believe that Credit Suisse is well positioned to create value for our shareholders, clients and employees, as well as other stakeholders.

2019 was Credit Suisse's first full year of operating under our new model following the completion of a deep three-year restructuring program. Through the disciplined execution of our strategy, we have not only grown our wealth management franchise and right-sized our more market-dependent activities but have also made the bank more resilient by reducing risks, lowering fixed costs and strengthening our capital base.

In 2019, Credit Suisse reported pre-tax income of CHF 4.7 billion, including certain significant items, a 40% increase compared to the previous year. Net income attributable to shareholders totaled CHF 3.4 billion in 2019, up 69% compared to 2018.

We generated quality, profitable growth in our Wealth Management-related businesses in Swiss Universal Bank, International Wealth Management and Wealth Management & Connected within Asia Pacific in 2019, despite the headwinds created by negative interest rates. Following the completion of the restructuring, our right-sized and de-risked Global Markets business delivered a strong performance in 2019 with higher revenues and lower costs, creating positive operating leverage.

Overall, Credit Suisse attracted CHF 79.3 billion of net new assets in 2019. This brings our total net asset inflows since 2016 to CHF 198 billion, reflecting the trust that clients place in our bank. At the end of 2019, assets under management reached CHF 1.5 trillion.

Capital strength is an important aspect that clients consider in their choice of financial partner. Credit Suisse has significantly strengthened its capital position in recent years and reported a CET1 ratio of 12.7% and a Tier 1 leverage ratio of 5.5% at the end of 2019. We also successfully completed the 2019 share buyback program approved by the Board of Directors of Credit Suisse Group AG, repurchasing CHF 1 billion of shares by the end of the year, and we paid CHF 695 million of dividends, bringing our total 2019 distribution to shareholders to CHF 1.7 billion.

Credit Suisse's cost base has been transformed as a result of the restructuring program and we have remained disciplined on costs, enabling us to once again drive positive operating leverage in 2019. We have also made significant progress in strengthening risk management, controls and our compliance framework to ensure that the bank can focus on supporting and delivering high-quality financial solutions to clients around the globe and on achieving sustainable, compliant and profitable growth.

Detailed information on our strategy and financial performance is provided in Credit Suisse's Annual Report 2019.

Adapting to the new regulatory landscape

The global implementation of extensive regulatory reforms continued in 2019 with the aim of further reinforcing the stability and integrity of the global financial system. Reforms in prudential regulation are intended to make banks less likely to fail as well as easier to resolve if the point of non-viability is reached. The effect of these reforms is that banks have generally increased capital, augmented liquidity, improved governance and controls, and adapted their legal entity structures to help ensure resolvability.

At Credit Suisse, we consider it important to actively help shape new regulatory standards. For example, we have been working consistently with regulators, international standard-setting bodies and the finance industry for a number of years to help address legislation and regulations for systemically important banks. We have also adjusted our legal entity structure over the years in this context. In addition, we maintain resolution plans that demonstrate our resolvability. Credit Suisse has built up its total loss-absorbing capacity in line with stringent Swiss regulations. This includes the issuance of so-called bail-in instruments (gone-concern capital), which could be used by the authorities to stabilize the bank and support the execution of our resolution plans, which include the stabilization and financial restructuring of large parts of the Group, the continuation of Credit Suisse (Schweiz) AG, and the wind-down of certain trading businesses. As of December 31, 2019, Credit Suisse reported CHF 41,138 million of gone-concern capital on a look-through basis.

As regulators shift their attention to supervision and enforcement, we continue to focus our efforts on investor protection and market transparency. In 2019, Credit Suisse International successfully submitted its benchmark administrator application to ensure continuity in the provision of its benchmark in compliance with the EU Benchmark Regulation, which introduces new rules aimed at ensuring benchmarks are robust and reliable and at minimizing conflicts of interest in benchmark-setting processes. Credit Suisse also continued enhancing its monitoring of benchmark usage for EU supervised entities as the two-year transition period impacting usage of the EU non-critical benchmark came to an end on December 31, 2019.

Individual accountability as a regulatory principle is now a focus in many countries (e.g. in the UK with The Senior Managers and Certification Regime – FCA). Credit Suisse continues to focus on effective governance and on cultivating a strong conduct culture. We also continue to invest in the development and implementation of robust anti-money laundering (AML) and know-your-customer (KYC) rules and controls in order to enhance transparency and help identify and prevent financial crime.

Data privacy regulations continue to develop globally, with new locations progressing towards implementation. In response, Credit Suisse continues to extend and strengthen its data protection framework to ensure continued compliance.

Credit Suisse also strives to adopt and comply with industry best practices. Continuing the effort initiated in 2017 and 2018, UK entities of Credit Suisse renewed their attestation of compliance with the Financial Markets Standards Board (FMSB) conduct standards, including a new attestation to the Risk Management Transaction conduct standard.

Finally, the establishment of an effective Swiss Emergency Plan as part of the Recovery and Resolution Planning agenda has been a major focus for Credit Suisse. By law, Credit Suisse was required by end-2019 to develop and submit to the Swiss Financial Market Supervisory Authority FINMA (FINMA) a Swiss Emergency Plan designed to maintain systemically relevant functions in the event of threatened insolvency. The Swiss Emergency Plan of Credit Suisse was deemed effective by FINMA. In parallel, FINMA and Credit Suisse, in line with the guidance of the Financial Stability Board, are working to establish an internationally coordinated global resolution plan by 2022. In this context, FINMA also commended the substantial progress made by Credit Suisse globally. According to FINMA, Credit Suisse has taken important preparatory steps required to implement this resolution plan if necessary and has made considerable progress in terms of its global resolvability. In particular, FINMA views the requirements as fulfilled with regard to the separation of complex structures. In other areas, particularly the provision of the necessary liquidity in the event of resolution, the regulatory and implementation work is still in progress. As further standards develop, Credit Suisse expects to continue investing into improvements with respect to resolvability over the next couple of years.

Financial integrity

Compliance operates as an independent Executive Board-level function, underscoring the high level of importance that Credit Suisse assigns to this topic. The function's mandate is to oversee compliance matters for Credit Suisse, and it includes being a proactive, independent function that partners with the businesses by continuously challenging and supporting them to effectively manage compliance risk.

The Internal Audit department forms an integral part of corporate governance at Credit Suisse by regularly and independently assessing the risk exposure of our various business activities, taking into account industry trends, strategic and organizational decisions, best practice and regulatory matters. Internal Audit uses a systematic and disciplined approach that is designed to provide independent and objective assurance with the goal of adding value by enhancing the effectiveness of Credit Suisse's risk management, control and governance processes. Internal Audit regularly benchmarks its methods and tools against those of its peers.

Recognizing the critical role of employees in helping to preserve financial integrity, we aim for the highest standards of personal accountability and ethical conduct from each member of our workforce. Credit Suisse employees at all levels of the organization, as well as the members of the Board of Directors, are obligated to adhere to our Code of Conduct. To ensure we are continuously informed of the latest regulations and industry standards, our employees are required to participate in an annual targeted and tailored training curriculum. It includes, but is not limited to, developments in the finance industry and internal best practices for continued compliant growth. Since the launch of our six Conduct and Ethics (C&E) Standards in 2017, Credit Suisse has focused on confirming that the C&E Standards are firmly embedded in our processes throughout the bank. The six C&E Standards – Client Focus, Meritocracy, Stakeholder Management, Accountability, Partner and Transparency – set the values and conduct expectations for employees. C&E is a core part of everything we do – from recruitment to performance management and our disciplinary process. Through comprehensive, top-down, consistent communications, we have sought to create awareness across the bank regarding C&E.

Further information:
→ see p. 44

Credit Suisse has a company-wide Business Continuity Management (BCM) Program in place to support the maintenance of critical business processes in the event of a major internal or external incident. The aim of the BCM Program is to exercise a duty of care to employees, protect client and company assets and minimize the financial, regulatory, reputational and strategic impact of such incidents. In the case of a specific crisis event, Group-wide business continuity management response measures are triggered and overseen by the Executive Board. Such an event could include, for example, a sovereign crisis, large single name default, cyber or other operational incident and global macro or market event, as well as a public health crisis, such as the outbreak of the coronavirus disease COVID-19.

Capturing the potential of digitalization

Digitalization is fundamentally altering the finance industry and is therefore an important topic for Credit Suisse. In particular, the evolving digital landscape is one of several factors transforming the way clients interact with their bank. We believe that the development of innovative digital concepts is key to ensure we can continue to offer clients excellent products and services in the future via the channels they prefer. At the same time, we recognize the potential of digital solutions to drive cost efficiencies across our organization and to support labor-intensive processes. For example, the digital onboarding of new clients and updating of client data have resulted in significant time savings – allowing client-facing employees to dedicate more time to interacting with and serving the needs of clients and business partners.

Going forward, we expect that the use of digital technology will help the Group to further increase efficiency, strengthen client loyalty, simplify global access to our offering, and address reputational and conduct risks at an early stage. One of our most important initiatives in this context is the establishment of our Labs. In these design, process re-engineering and analytics centers, we have developed numerous Compliance applications that actively contribute to mitigating employee and client risk. In 2019, we expanded the Labs to aid Risk, Internal Audit and International Wealth Management in executing high-priority deliverables such as the re-engineering of credit processes, and credit and market risk analytics.

We believe that protecting the integrity of the financial system is a core responsibility of banks. At Credit Suisse, we are committed to complying with all applicable financial crime laws and regulations in the jurisdictions in which we operate. We have established global policies and procedures in an effort to achieve more robust and consistent standards of compliance, including in relation to politically exposed persons (PEP), the prevention of money laundering and terrorist financing, bribery and corruption, as well as the adherence to applicable economic and trade sanctions laws. In an effort to avoid direct and indirect involvement in such practices, we are committed to only doing business with clients and third parties who meet and adhere to our standards. We have a wide range of policies, procedures and internal controls, with requirements such as the evaluation of third parties who conduct business for or on behalf of Credit Suisse and dedicated controls for our employees related to gifts and entertainment, employment opportunities, and charitable contributions. Credit Suisse maintains active participation in the Wolfsberg Group, a reflection of our continued commitment to understand the latest financial crime risks and controls, while also staying abreast of important regulatory and market developments. We expect threats related to the global financial system to grow and change, and we are actively developing and implementing risk management capabilities to combat financial crime. In addition, employees must ensure that transactions that may affect the reputation of Credit Suisse undergo our bank-wide standardized Reputational Risk Review Process. Employees are required to regularly complete mandatory online training courses on topics ranging from the prevention of money laundering, terrorist financing and corruption to compliance with economic sanctions.

Further information:
→ see p. 45–46

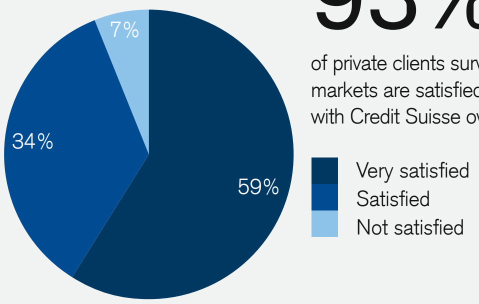
Credit Suisse manages improper employee behavior and employee breaches through global disciplinary and escalation processes across three lines of defense. Our disciplinary process provides a structure that is designed to confirm that the bank's standards of professional conduct (including our C&E Standards and Code of Conduct), policies and procedures (including on the prevention of money laundering, terrorist financing and bribery and corruption), and external laws, rules, regulations, standards and principles are adhered to and enforced on an ongoing basis, subject to local differences. Our Conduct and Ethics Boards provide an independent review of disciplinary matters and, where necessary, participate in or challenge disciplinary recommendations that may impact employee compensation and promotion opportunities. Additionally, employees have a responsibility to report concerns of potential legal, regulatory or ethical misconduct in a timely manner – in the first instance to their line managers or to Compliance. Employees worldwide also have the option of calling our Integrity Hotline or using our secure web-based solution, where they can report such issues anonymously, where permitted by local law.

Commitment to client tax compliance

In 2017, Credit Suisse publicly announced its commitment to a zero-tolerance approach towards tax evasion by clients. To address the regulatory and reputational risks associated with undeclared assets held by private clients, our global client tax compliance policy mandates that we do not accept or manage client assets if we know or become aware of information that would support a suspicion of tax non-compliance.

Spotlight on client satisfaction

The Credit Suisse Global Service Monitor Program measures client satisfaction and benchmarks it against the client satisfaction metrics of some of our peers. Feedback from existing clients provides insights into how we can improve our service and advice. The results of our most recent survey, which was conducted in selected markets[1] in 2018, revealed consistently strong levels of satisfaction among our clients – with a total of 93% of private clients surveyed indicating that they were satisfied or very satisfied with Credit Suisse overall.



93%

of private clients surveyed in selected markets are satisfied or very satisfied with Credit Suisse overall.

[1] Private Clients Switzerland, Private Banking Asia Pacific, and Private Banking onshore Italy clients within International Wealth

Credit Suisse participates in, and complies with, the requirements of the Automatic Exchange of Information and the US Foreign Account Tax Compliance Act – measures designed and introduced by governments to combat tax evasion and to facilitate tax transparency. Almost a decade after its signing, the 2009 Protocol to Amend the Double Tax Treaty between the Swiss Confederation and the United States of America was ratified by the US Senate in 2019. This key milestone paves the way for US tax authorities to request information regarding certain groups of accounts booked in Switzerland and reported under FATCA. Credit Suisse has taken action to be fully prepared and compliant with the requirements of such requests.

High-quality service and advice

When providing advice to our clients regarding one or more transactions involving financial instruments, we assess the suitability and appropriateness of such transactions. This suitability and appropriateness assessment ensures that our clients have the necessary knowledge and experience to understand the relevant product characteristics and associated risks and to make sure that our advice is in line with their investment objectives. When executing orders on behalf of our clients, we assess the appropriateness of such transactions and communicate potential mismatches. The Credit Suisse advisory process helps us to understand our clients' needs and plans, their financial circumstances, as well as their risk ability and risk tolerance. The advisory process incorporates sophisticated analytical tools that can

– among other capabilities – identify counterparty concentration risks and simulate potential returns based on different scenarios, providing an objective basis for client investment decisions. Credit Suisse has been committed to strengthening investor protection for a number of years and has invested in related systems, processes and employee training – including a mandatory certification program for relationship managers. Credit Suisse is fully dedicated to complying with the continuously evolving regulatory demands. The Federal Financial Services Act (FinSA), as well as its implementing ordinance the Financial Services Ordinance (FinSO), entered into effect on January 1, 2020. Most of the provisions have a transition period of two years and need to be applied as of January 1, 2022. The FinSA regulates the provision of financial services in Switzerland, including to Swiss clients from abroad on a cross-border basis, as well as the offering of financial instruments, and the admission to trading of financial instruments, in Switzerland. The FinSA is part of a larger legislative effort to create uniform competitive conditions for financial service providers, improve investor protection and bring Swiss legislation in line with new or emerging international standards.

This chapter addresses the following issues:

1 Culture of compliance and conduct
4 Company performance and strategy
7 Financial and political system stability
8 Digitalization / fintech
9 Consumer and investor protection
10 Quality and range of services and advice
11 Corporate governance

Further information:

→ see p. 7
→ credit-suisse.com/responsibility/banking

Challenge and response

Challenge: The changing behavior of clients – especially digitally savvy individuals – and a significant increase in the number of smartphone banks and other fintech firms entering the financial sector are creating challenges for long-established financial institutions. How is Credit Suisse adapting to these changes to ensure it remains an attractive financial partner for clients across all age groups?

Response: At Credit Suisse, we recognize that advancing digitalization and the widespread use of smartphone technology have fundamentally altered client expectations and behavior in many areas of daily life – from the way people purchase goods and access information to their interaction with service providers, including banks.

In response to these changes, we are implementing a number of digital, client-centric initiatives across different areas in order to expand our range of digital products and services along the client lifecycle and adapt the way we deliver them to clients. For example, in Switzerland we launched our new Direct Banking business area within the Swiss Universal Bank in August 2019. Direct Banking focuses on retail and small commercial clients who mainly use core banking products and services. Our aim is to provide a digital, needs-oriented offering that gives them even faster and easier access to banking services – at any time, in any place – combined with access to personal advice.

As a bank for the digital age, we make substantial investments in creating digital solutions for areas with a strong advisory focus to meet the needs of wealthy clients, entrepreneurs, companies and institutional clients. In Switzerland, Credit Suisse has a dedicated Digitalization & Products business area that is responsible for the design, development and implementation of the bank's digital offering across all client segments.

Importantly, we continue to offer a range of personal touchpoints, from telephone advisory to personal advice in our regional branch network. By optimally combining new digital solutions with personal advice, we want to ensure Credit Suisse's continued attractiveness as a banking partner in the future, allowing our clients to interact with us via their preferred channels.

Risk management and sustainability

A responsible approach to business is essential to achieving long-term success. We expect our employees to act professionally, with integrity and in compliance with applicable laws, regulations, due diligence requirements and industry standards. Sustainability issues are taken into account as an integral part of our risk review process.

We strive to operate responsibly and to exercise a high degree of risk awareness in all our business activities. As part of this commitment, all our employees globally and the members of our Board of Directors are obligated to adhere to Credit Suisse's Code of Conduct. In addition, our Conduct and Ethics Standards are designed to ensure that people throughout Credit Suisse share the same understanding and expectations in terms of our culture and conduct. Appropriate risk-taking, ensuring sustainability and acting responsibly towards society are key elements of these standards.

Sustainability as an integral part of our business
Managing sustainability and reputational issues has become increasingly important, as many companies face growing economic, environmental and societal challenges. Our Statement on Sustainability defines the objectives and principles underpinning our approach to environmental and social issues in our business activities. It refers to international agreements that Credit Suisse has voluntarily pledged to uphold, such as the UN Global Compact with its Ten Principles in the areas of human rights, labor standards, environmental protection and anti-corruption efforts. In addition to these existing commitments, we introduced a Group-wide Climate Risk Strategy program in 2019 (see pages 19-20). More information on our sustainability commitments is available at:
→ credit-suisse.com/sustainabilitycommitments

Reputational Risk Review Process
Credit Suisse uses a wide range of risk management practices to address the diverse risks that could arise from our business activities. Reputational risk is among the key categories of risk considered in that process. Potential reputational risks may arise from various sources, including, but not limited to, the nature or purpose of a proposed transaction or service, the identity or activities of a potential client, the regulatory or political context in which the business will be transacted, and any potentially controversial environmental or social impacts of a transaction.

Reputational risk potentially arising from proposed business transactions and client activity is assessed in the bank-wide Reputational Risk Review Process. The Group's global policy on reputational risk requires employees to be conservative when assessing potential reputational impact and, where certain indicators give rise to potential reputational risk, the relevant business proposal or service must undergo the Reputational Risk Review Process.

In line with the expectations expressed in the OECD Guidelines for Multinational Enterprises, environmental and social risks are some of the aspects considered in that process. For example, companies operating in sensitive industries frequently play a key economic role in the global supply of energy and commodities. They may also be major employers in economically weak regions. At the same time, we recognize that the activities of these companies can, in some cases, have a significant impact on the climate, biodiversity, water resources or local communities.

To assess environmental and social risks, our internal specialist unit, Sustainability Affairs, evaluates whether the client's activities are consistent with the relevant industry standards and whether the potential transaction is compatible with Credit Suisse's policies and guidelines for sensitive sectors. Based on the outcome of this analysis, Sustainability Affairs submits its assessment to the responsible business unit and/or enters it into the Reputational Risk Review system for evaluation by a Reputational Risk Approver, who is a senior manager independent from the area of business in question, or by the respective Reputational Risk Committee. They have the authority to approve, reject or impose conditions on our participation in a transaction or the establishment of a client relationship. In cases of particularly complex or cross-divisional transactions, the decision may be referred to the Position & Client Risk (PCR) cycle of the Capital Allocation & Risk Management Committee (CARMC), which assumed the responsibilities of the former Reputational Risk Sustainability Committee (RRSC) in 2020. The PCR cycle of CARMC, chaired by the Group's Chief Risk Officer, is the most senior governing body responsible for the oversight and active discussion of reputational risks and sustainability issues (including climate change). The Risk Committee and Audit Committee jointly assist the Board in fulfilling its reputational risk oversight responsibilities by reviewing and approving the Group's risk appetite framework as well as assessing the adequacy of the management of reputational risks. More information on this process is available at:

→ credit-suisse.com/riskmanagement

Assessment of sustainability risks within the Reputational Risk Review Process

Sector policies and guidelines

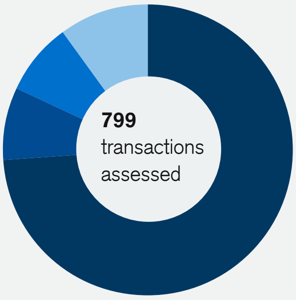
Certain industries are particularly sensitive from a social or environmental perspective. To assess potential transactions with clients in these industries, we have defined specific policies and guidelines that are globally applicable, taking account of standards developed by international organizations such as the UN and the World Bank. These policies and guidelines cover the sectors oil and gas, mining, power generation, and forestry and agribusiness, which includes pulp and paper as well as palm oil production. They address a range of topics such as: compliance with industry-specific, internationally recognized standards on the environment and human rights; measures to assess and reduce the environmental impact of operations, including on the climate; the protection of the health and safety of company employees and surrounding communities; and respect for the human rights of the local population (see page 20). The sector policies and guidelines also form an important component of our Group-wide Climate Risk Strategy program (see pages 19-20).

Our policies and guidelines also describe business activities and operations that Credit Suisse will not finance. For example, we announced in 2019 that we would no longer provide any form of financing specifically related to the development of new coal-fired power plants. This restriction was introduced in addition to the bank's existing policy of not providing any form of financing that is specifically related to the development of new greenfield thermal coal mines. These commitments also apply to cases where the majority of the use of proceeds is intended for the development of a new coal-fired power plant or a new greenfield thermal coal mine, respectively.

Our sector policies and guidelines are regularly reviewed and updated to take account of the latest developments and new challenges in the relevant areas. For example, in 2019, we integrated the concept of Free, Prior and Informed Consent (FPIC) into our policies on oil and gas, mining, and forestry and agribusiness in order to better respect the rights of indigenous peoples who may be affected by project-related transactions. A summary of our sector policies and guidelines is available at:

→ credit-suisse.com/sectorpolicies

Transactions assessed on the basis of potential environmental and social risks in 2019



These statistics exclude potential transactions that were not formally reviewed as part of the risk review process because they were immediately identified by the relationship manager as being non-compliant with the Group's requirements and guidelines.

[1] As of January 31, 2020.

Sustainability risk assessments by sector in 2019

Transactions assessed [1]	2019	2018
Metals and mining	157	190
Forestry and agribusiness	85	84
Oil and gas	125	242
Power generation and transmission	105	89
Chemicals	20	32
Defense	13	22
Infrastructure and transportation	64	53
Finance	53	35
Other	177	195
Total	799	942

[1] Including Equator Principles (EP) transactions.

In the context of sustainability risk management, Credit Suisse has applied the Equator Principles (EP) since 2003. This framework for the management of environmental and social risks is based on standards defined by the International Finance Corporation (IFC) and is applied by around 100 financial institutions for specific types of finance for industrial and infrastructure projects. The Equator Principles were updated in 2019, following an EP Association process involving extensive dialogue with a wide variety of stakeholders – including the EP Financial Institutions (EPFIs), EPFI clients, industry bodies and NGOs. As a result, the Equator Principles' scope of application has been expanded to capture more project-related transactions. Amendments and new commitments have also been made with regard to human rights, climate change, indigenous peoples and biodiversity. Credit Suisse played an active role in the update process and was involved in the management of the Equator Principles Association.

Recognizing the importance of environmental sustainability and sustainable land use, we are also a member of the Roundtable on Sustainable Palm Oil (RSPO) in the "Banks and Investors" sector. The RSPO is the leading certification standard for palm oil and promotes the cultivation and use of sustainable palm oil products through global standards and the engagement of stakeholder groups throughout the supply chain. Consequently, our Forestry and Agribusiness Policy includes requirements regarding RSPO membership and RSPO certification that we expect our clients to observe.

In January 2020, Credit Suisse signed the Poseidon Principles. This global framework for responsible ship finance promotes the integration of climate considerations into lending decisions, with the aim of enhancing the role of maritime finance in addressing global environmental issues and advancing the decarbonization of the international shipping sector.

For a comprehensive disclosure in accordance with EP requirements, see:

→ credit-suisse.com/riskmanagement

Climate Risk Strategy program

Credit Suisse acknowledges that financial flows also need to be brought in line with the objectives of the Paris Agreement and is continuing to expand its own role in supporting the transition to a low-carbon and climate-resilient economy. In 2019, we introduced a Group-wide Climate Risk Strategy program based on a three-pronged approach. First, we aim to work with our clients to support their transition to low-carbon and climate-resilient business models and to further integrate climate change into our risk management models. Second, we endeavor to focus on delivering sustainable finance solutions that help our clients achieve their goals and contribute to the realization of the UN Sustainable Development Goals (SDGs). Credit Suisse would like to be the partner of choice when it comes to supporting clients with capital and advice in their transition to funding investments in new, efficient technologies and production processes as well as low-carbon products and services (see pages 23-27). Third, we aim to further reduce the carbon footprint of our own operations (see pages 54-60).

As part of the Group-wide Climate Risk Strategy program, we have identified initial priority segments which have a greater potential for adverse climate and associated socio-economic impacts. These include oil and gas, thermal/metallurgical coal mining, utilities/power generation, ship finance and manufacturing (including cement, steel, chemicals, and automotive). For each of these sectors, we are formulating specific client strategies and assessing the readiness and progress of our clients to transition to low-carbon and climate-resilient business activities. We plan to engage with these clients to understand their transition strategy, including capital expenditure plans and timeframes.

The Group-wide Climate Risk Strategy program also consolidates our ongoing work to adopt the recommendations of the Task Force on Climate-related Financial Disclosures (see box on page 21).

Respecting human rights
We strive to assume our responsibilities in the area of human rights in accordance with the International Bill of Human Rights, the corresponding principles on human and labor rights set out in the UN Global Compact as well as the eight fundamental conventions of the International Labour Organization. We take account of these principles in our own policies and business activities. Our Statement on Human Rights describes the basis of our responsibility to respect human rights and the approaches and processes we use to implement it. Equally, we expect our business partners to recognize and uphold human rights.

We also take into account the UN "Protect, Respect and Remedy" framework and the UN Guiding Principles on Business and Human Rights. To promote a better understanding of what the Guiding Principles mean for the banking sector, Credit Suisse co-initiated the Thun Group together with other banks in 2011. Since its inception, the Thun Group has worked on providing guidance for the practical implementation of the Guiding Principles in the development or structuring of banking products and services. At the 2019 meeting of the Thun Group, representatives from banks, governments, academia, civil society and other actors discussed topics such as the OECD projects on responsible business conduct, effective human rights due diligence and performance measurement and actions to combat modern slavery and human trafficking.

We consider human rights issues in our risk management processes and recognize our responsibilities as an employer. Furthermore, our Modern Slavery and Human Trafficking Transparency Statement sets out the steps that Credit Suisse is taking to prevent the occurrence of modern slavery and human trafficking in our business operations and within our supply chain. More information on the topic of human rights, including our Modern Slavery and Human Trafficking Transparency Statement, can be found at:

→ credit-suisse.com/humanrights

Further information:

→ see p. 22

Dialogue, knowledge-sharing and training
As Credit Suisse continues to develop its sustainability risk management practices, we engage in dialogue with a range of stakeholders. This includes our ongoing exchange with NGOs and other actors in the conversation on sustainability risk management and climate change topics (see pages 54-55), as well as our active participation in industry initiatives such as the Equator Principles, the Thun Group, and the Paris Agreement Capital Transition Assessment (PACTA) project. We also served as a member of the multi-stakeholder advisory group established by the OECD, which aims to develop best practice guidance for human rights and environmental due diligence based on the provisions of the OECD Guidelines for Multinational Enterprises. The advisory group supported the development of the OECD Due Diligence Guidance for Responsible Corporate Lending and Securities Underwriting published in October 2019. The paper provides recommendations for banks on how they can identify, respond to, and publicly communicate on environmental and social risks associated with products and services provided to their clients.

In 2019, we also discussed regulatory developments, climate risks and opportunities, and challenges presented by the use of artificial intelligence at a meeting in London between banks and representatives of civil society. In Singapore, we successfully held our 9th annual roundtable on environmental and social risk management practices in investment banking, with participants from 12 different banks. Furthermore, Credit Suisse presented its approach to human rights due diligence at the UN Global Compact European business and human rights peer learning meeting, hosted by the International Labour Organization (ILO) in Turin, Italy. To ensure that the expertise required to address environmental and human rights risks is firmly embedded within Credit Suisse, we provided around 540 employees in client-facing roles, control functions or relevant specialist units with training in sustainability risk management in 2019.

This chapter addresses the following issues:

1 Culture of compliance and conduct
2 Climate change
3 Environmental and social risk management
13 Human rights

→ credit-suisse.com/responsibility/banking

Further information:

→ see p. 7

Implementing the recommendations of the Task Force on Climate-related Financial Disclosures

In 2017, the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) published its final report with recommendations for the voluntary reporting on material risks and opportunities arising from climate change. The implementation of the TCFD recommendations by companies is expected to take several years but is likely to result in more informed investment, credit and insurance underwriting decisions. Credit Suisse publicly expressed its support for the TCFD recommendations in 2017. Within the regulatory framework established by the Paris Agreement, we expect our TCFD adoption efforts to provide us with further guidance for the transition toward a world that is progressively less dependent on fossil fuels. Credit Suisse continued its TCFD implementation efforts in 2019, following the four TCFD categories of Governance, Strategy, Risk Management, and Metrics and Targets.

Governance
The Credit Suisse program team has worked to formalize climate-related governance and definitions in key policies and our risk taxonomy, and to define the principles for climate risk management. Climate change-related responsibilities are included in the Board's Risk Committee charter. At the Executive Board level, the Position & Client Risk (PCR) cycle of the Capital Allocation & Risk Management Committee (CARMC) assumes responsibility for the overall climate change strategy and is mandated to ensure that the capabilities for the management of relevant long-term risk trends, including climate change, are put in place.

Strategy
We have identified several key risks and opportunities, originating from either the physical or transitional effects of climate change. We aim to leverage existing risk management processes and capabilities for the management of climate risk exposures by mapping the underlying climate risks to existing risk types such as credit risk, market risk, non-financial risk, business risk or reputational risk. As methodologies for assessing climate risk evolve, we are developing consistent climate-related metrics that we believe are useful for risk management purposes. The Group has enhanced its internal reports and is developing further climate risk-related scenario analysis in addition to the 2°C and 4°C scenarios introduced in 2018. By offering green finance solutions to our clients and supporting clean and renewable energy businesses we are also engaged in a range of activities that may support the transition to a lower-carbon and more climate-resilient economy (see pages 26-27).

Risk management
Climate-related risks are embedded in our Group-wide risk taxonomy. These risks – alongside other environmental and social risks – are considered within the Group-wide, standardized Reputational Risk Review Process (see pages 17-19). Moreover, we established a Group-wide Climate Risk Strategy program in 2019 (see pages 19-20) and are working with other banks to develop methodologies to measure the alignment of credit portfolios with the objectives of the Paris Agreement (see page 65). Direct physical risks of climate change are identified and assessed through the business continuity management process alongside other physical risks such as natural disasters.

Metrics and targets
We manage and disclose greenhouse gas emissions (scope 1, 2, 3) from our in-house operations based on an ISO 14001-certified environmental management system (see page 59). We also provide information on our green finance activities such as sustainability-related debt financing products and our clean and renewable energy businesses (see pages 26-27). Furthermore, we have developed a range of internal analytics on our own exposures to climate-impacted sectors such as coal mining, oil and gas and power generation.

Information on Credit Suisse's TCFD implementation efforts can also be found in our 2019 Annual Report.

Supplier Code of Conduct and Third Party Risk Management (TPRM)

Credit Suisse works with numerous suppliers and service providers from a broad range of sectors. We expect these partners to address risks responsibly and to conduct their business in a socially and environmentally responsible manner. Our Supplier Code of Conduct aims to ensure that our external business partners respect human rights, labor rights, employment laws and environmental regulations. To manage financial, operational and reputational risks and to meet the increasing regulatory requirements governing business relationships with third parties, Credit Suisse introduced the Third Party Risk Management (TPRM) framework in 2016. Through TPRM, we assess potential environmental, social and labor law-related risks, among others, in connection with third parties. The framework also allows Credit Suisse to regularly monitor these relationships, to raise and track issues and, if necessary, to demand actions for improvement from suppliers and service providers. More information is available at:

→ credit-suisse.com/suppliers

Challenge and response

Challenge: International human rights frameworks primarily address states and state institutions. However, the role of businesses in respecting human rights continues to be discussed on a national and international level. The UN Guiding Principles on Business and Human Rights are an important point of reference in this area and marked a milestone in the clarification of corporate responsibility for human rights when they were introduced in 2011. What is Credit Suisse's approach to potential human rights issues in its business activities and client relationships?

Response: We strive to assume our responsibilities in the area of human rights in accordance with the International Bill of Human Rights and the eight fundamental conventions of the International Labour Organization. We are a participant in the UN Global Compact and an active member of the Thun Group that focuses on the integration of the UN Guiding Principles on Business and Human Rights into the policies and practices of banking institutions. Our Statement on Human Rights describes the basis of our responsibility to respect human rights and the approaches and processes we use to address this responsibility. Equally, we expect our business partners to recognize and uphold human rights, as stated in our Supplier Code of Conduct.

Credit Suisse's most direct link to human rights issues is in our working relationship with our employees, and this is consequently the area in which we can exercise the greatest influence. In addition, the provision of certain financial services may be linked to negative human rights impacts. While companies operating in sensitive sectors frequently play a key economic role in the global supply of energy and commodities and as an employer, the activities of these companies can, in some cases, have a significant impact on local or indigenous communities. Credit Suisse therefore examines aspects of client relationships or transactions that are sensitive from a human rights perspective using our Reputational Risk Review Process. This process is supported by sector policies and guidelines that include aspects such as the protection of the health and safety of company employees and surrounding communities as well as a commitment to respect the human rights of local populations.

In 2019, Credit Suisse and the Society for Threatened Peoples (STP) concluded a mediation process facilitated by the National Contact Point of Switzerland (Swiss NCP) for the OECD Guidelines for Multinational Enterprises, which was focused on due diligence and the rights of indigenous peoples. As a result, we updated our policies on oil and gas, mining and forestry and agribusiness by including the concept of Free, Prior and Informed Consent (FPIC) with respect to project-related transactions as part of our expectations towards our clients. Also, Credit Suisse played an active role in the update of the Equator Principles (see page 19), where new commitments have been made in relation to human rights and indigenous peoples, among other areas.

Sustainable, thematic and impact investing products and services

Client demand for sustainable and impact investment opportunities has grown significantly in recent years. At Credit Suisse, we strive to create and facilitate investment products and services that generate environmental and social benefits as well as financial returns.

The growing need to combine prosperity with environmental, social and governance (ESG) considerations has already started transforming patterns of consumption, the political and regulatory landscape for businesses and the world of investing. Consumers, clients and investors are essentially calling on companies to take greater account of long-term externalities and to help preserve natural capital and finite resources. As a result, businesses across all sectors are seeking to create more sustainable business models that address the risks and leverage the potential of this transformation.

The transition to a sustainable world is an investment opportunity
Due to their central function in the economy and society, financial institutions have a transformative role to play in the transition to a more sustainable world. The changing investment landscape presents new challenges and opportunities. It also reflects the long-term social trends that Credit Suisse has identified as global "Supertrends": angry societies; infrastructure; technology at the service of humans; the silver economy; millennials' values; and climate change.

Credit Suisse has been a pioneer in the area of sustainable and impact investing for more than 17 years. Today, we continue to contribute substantially to the development of this market, as well as integrating broader societal trends into our products and services. Credit Suisse views finance not as an end in itself but rather as a means to realize ambitious objectives, and we strive to lead the way in supporting clients as they adapt their business models and join the transition to a more sustainable economic system. We collaborate with entrepreneurs who build businesses that generate positive impacts. We want to build a business model and financial offering that preserve social and natural capital for future generations, with the aim of being a net positive impact bank. We also want our clients to benefit from this transition. We are therefore working with companies that have adapted their business models to take account of ESG factors and related externalities, and we are engaging with them to further develop these models.

Sustainable investments have more than doubled in volume over the last five years, with the volume of Sustainable Development Goals (SDG)-oriented thematic and impact investments increasing at an even faster pace. We have seen an especially strong rise in demand from institutional investors. In addition, private clients – particularly high-net-worth individuals, next-generation investors and millennials – are increasingly expressing their desire to use their capital to have a positive impact on the world. At the same time, charitable foundations are looking for ways to align their investments with their mission. These different client segments are all seeking ways to combine the achievement of financial returns with the generation of positive social and/or environmental impacts – whether the client's primary focus is purpose or profit.

Providing sustainable finance solutions is one of the three pillars of Credit Suisse's Climate Risk Strategy program, which was launched in 2019 (see pages 19-20). We also aim to support the realization of the UN Sustainable Development Goals (SDGs) through our sustainable and impact investing activities. In addition, we are a founding signatory to the Principles for Responsible Banking of the UN Environment Programme Finance Initiative (see page 8) and a signatory to the UN-backed Principles for Responsible Investment (PRI) – a voluntary, investor-led framework that promotes a better understanding of the implications of sustainability for investing and the incorporation of ESG information into investment decisions.

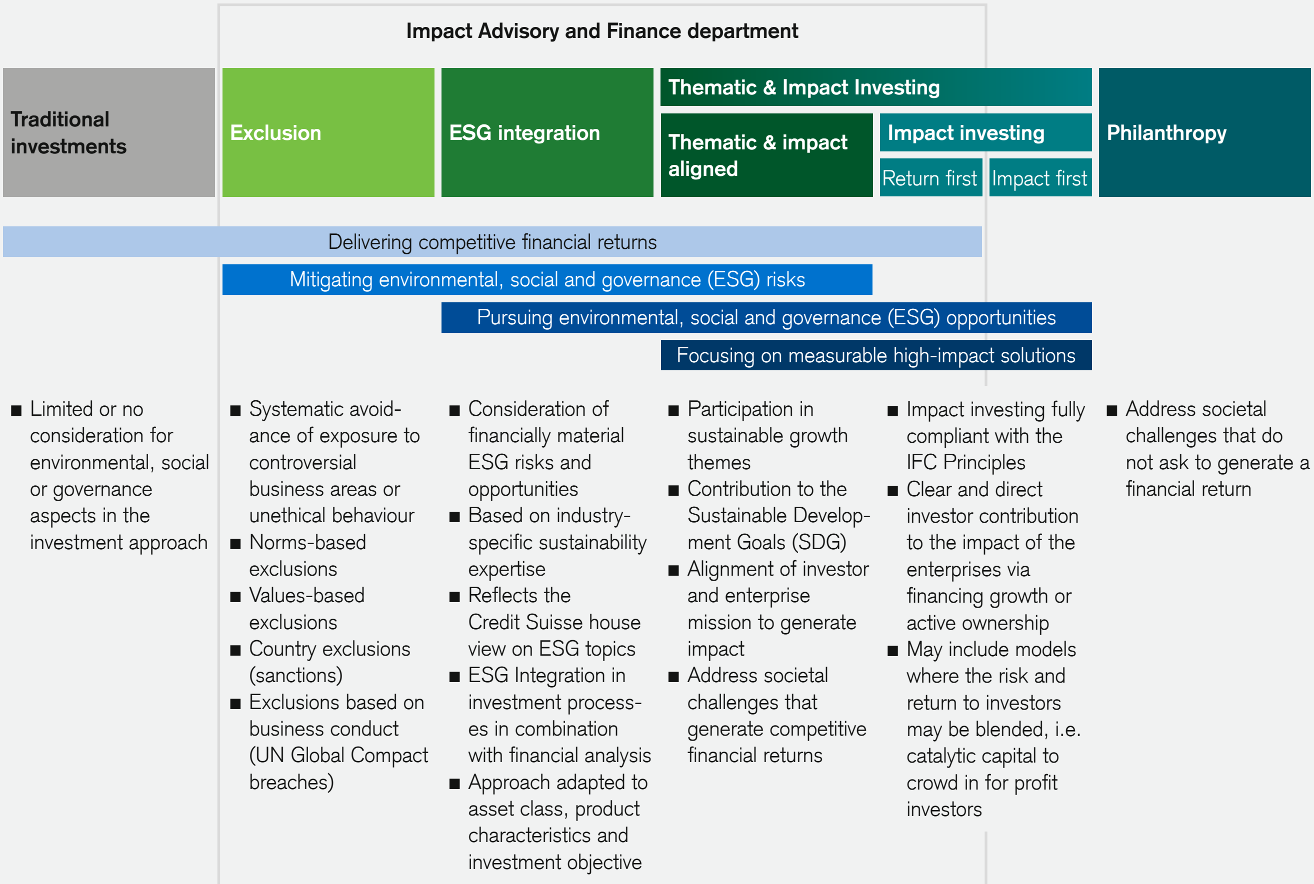
Impact Advisory and Finance
Our Impact Advisory and Finance (IAF) department reports directly to the CEO and combines all of Credit Suisse's investment activities in sustainable investing around the globe within one organization, while defining the firm's sustainability

strategy relating to these efforts. The IAF department aims to facilitate investable projects and initiatives that have a positive economic and social impact while focusing primarily on generating a financial return for clients. Its mandate is to define, guide and coordinate all of the Group's activities in this sector for the benefit of institutional, corporate and wealth management clients. Its remit covers sustainable as well as SDG-oriented thematic and impact investments where the focus is on generating a financial return.

Sustainable investing

Credit Suisse's sustainable investment offering comprises portfolio solutions and products across a range of asset classes, including equities, fixed income, real estate, alternative investments, SDG-oriented thematic investments and index solutions. We offer sustainable single and multi-asset solutions across different regions, constantly seeking to broaden our offering and align these solutions more closely with the applicable SDGs. We design solutions that aim to generate market rate or higher returns, by adding ESG factors to allow for better-informed investment decisions, while also reflecting our clients' personal values and taking into account long-term externalities of their portfolios for people and the planet. We also provide clients with strategic advice and portfolio ESG screening as well as investment advice based on sustainability criteria. In addition, we produce individual sustainability portfolio reports and organize events with clients and other stakeholders on the topic of sustainable investment.

Definitions
IAF on the spectrum



Credit Suisse's sustainable investment strategy considers ESG aspects in addition to traditional financial criteria. For single securities, we use a multi-strategy framework that allows our clients to translate their personal values into investment decisions. This framework was created by a group of Credit Suisse specialists with expertise in the fields of sustainability, portfolio management and asset management, as well as by the office of the Chief Investment Officer and the IAF department. This group also regularly reviews the framework and suggests recommendations to align our approach with the latest industry developments. Credit Suisse Asset Management has started to systematically reposition its products according to ESG criteria, working in partnership with the IAF department.

Assets invested according to sustainability criteria at Credit Suisse grew to over CHF 44 billion as of end-2019.

SDG-oriented thematic and impact investing

SDG-oriented thematic and impact investing encompasses investments in sustainability themes and in enterprises that seek to make a positive social and/or environmental impact in addition to generating a financial return. These strategies offer clients exposure to fast-growing sectors such as electric vehicles, education and water. A growing number of investors are using the SDGs as a reference point to align investments and impact goals and are working with investee companies to measure the impact of their products and services. For example, Credit Suisse participated in the launch of a responsible consumer fund in 2019. The fund aims to invest in businesses that are responsive to changing consumption patterns and pursue business models that generate sustainable products and services.

Impact investing is the subset of strategies that can demonstrate the contribution that investors in particular can make to the impact of enterprises. These investments are typically part of private market strategies that see investors directly finance the growth of impactful companies and aim to deliver measurable improvements in the sustainability performance of the underlying investments.

Credit Suisse focuses on impact investments that demonstrate the intention to deliver impact based on a clear strategy of change and that are able to measure such impact in a tangible way.

Key factors that set impact investing apart from other sustainable investment practices include:

- the **intentionality** of social and environmental impact;
- the **strategy** to reach such impact;
- the **investor's contribution** to the impact (also referred to as "additionality");
- the **measurement** of impact outcomes.

Due to the lack of a common standard defining such impact, the International Finance Corporation (IFC) introduced the Operating Principles for Impact Management in 2019. The Principles establish a framework for impact investing focused on ensuring that impact considerations are purposefully integrated throughout the investment lifecycle. Credit Suisse believes that transparency and a common understanding of standards in impact investing are crucial to developing this market, and we decided to be a part of this initiative as a founding signatory.

Impact investing activities at Credit Suisse include investments in small and medium-sized businesses with a social or environmental mission and the development of financial products, such as those designed to support smallholder farmers and high-potential students in developing countries. We also act as the impact advisor to the Asia Impact Investment Fund I L.P. (AIIF I), which invests in fast-growing businesses that address social challenges across Asia. In 2019, AIIF I invested in two healthcare companies in Southeast Asia and a microfinance institution in Indonesia that provides access to microloans for local women entrepreneurs. One example is Halodoc, an Indonesian company which aims to simplify access to healthcare services through its platform by integrating online and offline components of the healthcare ecosystem.

In 2019, we partnered with a leading healthcare private equity investor in Asia in an effort to bring affordable, quality healthcare to those at the bottom of the economic pyramid in Southeast Asia. The investments are focused on large, scalable businesses that address mass-market demand at affordable prices and aim to deliver positive investment returns while also having a social impact.

At end-2019, Credit Suisse's SDG-oriented thematic and impact investing business included more than CHF 8 billion of assets under management, of which over USD 4 billion are in the area of impact investing.

Green and Sustainable Transition Bonds

Credit Suisse supports the Green Bond Principles and is a partner to the Climate Bonds Initiative (CBI). In September 2019, we launched a "Sustainable Transition Bonds" initiative in collaboration with the CBI to develop a new concept framework. The framework aims to ultimately lead to a more inclusive segment of the public bond markets that helps facilitate, accelerate and support corporate transition pathways.

From 2013 to the end of 2019, we supported the issuance of over USD 30 billion of sustainability-related debt financing products such as green bonds, sustainability bonds, climate action bonds and bonds linked to the SDGs as well as green certificates of deposits and commercial paper. We are also active in the sustainability lending market and during 2019 we participated in a total of over USD 20 billion worth of sustainability-linked loans. Given the growing interest from responsible and sustainability-driven investors in short-term money markets, Credit Suisse in 2019 also issued green Yankee certificates of deposit in order to finance or refinance a portfolio of eligible green assets, while providing investors with a debt instrument in the green finance space.

Further information:
→ see p. 27

Access to finance

We structure investments that are designed to provide economically disadvantaged people – especially those in developing countries – with access to financial services. By providing these essential services, we believe that we can help unlock inclusive growth. We offer a number of products that address this – for example, our six higher education solutions are designed to provide funding to talented students from frontier markets to get loans for advanced education, the majority of whom have no alternative source of funding.

In the area of financial inclusion, our investment activities benefited around 1.5 million people in 2019. We are a member of the European Microfinance Platform, a network of about 130 organizations, and have a seat on its board. We are also part of the Swiss Capacity Building Facility, a public-private partnership between the Swiss financial sector and the Swiss Agency for Development Collaboration (SDC). Our Financial Inclusion Initiative (FII) helps to drive market development and innovation in this sector. The initiative aims to strengthen the ability of financial services providers to serve the increasingly diverse financial needs of people at the base of the income pyramid. To this end, we support the development of new products and services focusing on themes such as education, agriculture and gender diversity. We also make the expertise of our employees available to our financial inclusion and impact and SDG-oriented thematic investing partners through several volunteering programs (see page 36), and we invest in early-stage innovation and financial technology (fintech) through our partnership with Accion's financial technology accelerator Venture Lab.

Nature conservation finance

We are continuing our activities in the area of nature conservation finance, a fast-growing environmental finance market focusing on the generation of long-term and diversified sources of revenue that can play a major role in ensuring biodiversity conservation and the health of natural ecosystems. In 2019, we held the sixth Annual Conservation Finance Investor Conference in New York City that brought together leading conservation experts, philanthropists and investors to showcase innovative financial solutions and structures in this severely underinvested space. In the marine conservation space, Credit Suisse structured and placed the Low Carbon Blue Economy Note after acting as sole manager of a five-year note issued by the World Bank as part of its Sustainable Development Bond program. The note is part of ongoing efforts to raise awareness for the vital role fresh and saltwater resources play for people, livelihoods, and the planet, in alignment with SDG 14 (Life Below Water).

Credit Suisse's participation in industry organizations

Credit Suisse is involved in organizations such as Swiss Sustainable Finance (SSF) and Sustainable Finance Geneva, which aim to strengthen Switzerland's position in the global marketplace for sustainable finance by informing, educating and catalyzing growth. One of their goals is to build bridges between the finance industry and international organizations to leverage capacities and maximize impact. Furthermore, we contribute to the dialogue on developments in the sustainable investment space. For example, Credit Suisse is a member of the Global Impact Investment Network (GIIN), which seeks to accelerate the industry's development through focused leadership and collective action, and by facilitating knowledge exchange, highlighting innovative investment approaches, building the evidence base for the industry, and producing tools and resources.

Renewable energy, advisory, capital markets and project finance

Our Investment Banking & Capital Markets division serves clients through a range of products and services, including advisory services related to mergers and acquisitions, restructurings and spin-offs, as well as debt and equity underwriting of public offerings and private placements. We have wide-ranging expertise across the area of renewables such as solar, wind, geothermal, biomass, biofuels, fuel cells and energy efficiency.

Credit Suisse has strong renewable energy transaction and capital markets experience. In 2019, Credit Suisse advised Sempra Energy on the USD 1.1 billion sale of its US wind portfolio. Credit Suisse also served as a joint bookrunner for Sunnova on its USD 170 million IPO, Enphase Energy on its USD 132 million convertible senior note offering, Tesla on its USD 2.7 billion follow-on and convertible senior note offering, and Clearway Energy on its USD 600 million high yield green bond.

Credit Suisse is market leader in solar securitizations and tax equity financing. In 2019, Credit Suisse served as structuring agent and bookrunner on two solar securitizations for Sunrun, totaling USD 575 million, as well as Sunnova's USD 168 million solar securitization. In total, throughout 2019, Credit Suisse participated in transactions with a total volume of over USD 918 million of asset-backed securities issuance related to distributed generation solar assets. In addition, we put in place over USD 700 million in solar asset-backed warehouse capacity.

Over the past decade, a total of around USD 4.2 billion of tax equity has been committed to 26 renewable energy opportunities as a result of the collaboration between our Strategic Transactions Group and our Debt Capital Markets Solutions team. A milestone transaction in 2019 was the launch of a residential solar fund with Sunrun that finances residential solar panels across the US with a total capacity of 165 megawatts.

Capital for sustainable businesses

More broadly, Credit Suisse is focused on accelerating capital for innovation and sustainable solutions across traditional industries. In 2019, Credit Suisse served as the joint bookrunner on the Beyond Meat IPO, one of the fastest-growing food companies in the US offering a portfolio of revolutionary plant-based meats. This transaction reflects the substantial investor demand for sustainable products and business models.

Research
Throughout 2019, we conducted sustainability-related research across our divisions. Investment Strategy & Research within Investment Solutions and Products – a division in International Wealth Management – published several research updates on sustainability topics. For example, in 2019, research into the evolution of sustainable investments from a niche market into a core area of interest for asset owners looked into the sustainability issues considered most important by specialists from a broad range of sectors, including finance, energy, technology and real estate.

The Credit Suisse Research Institute (CSRI) is Credit Suisse's in-house think-tank. It studies long-term economic developments that have a global impact within and beyond the financial services sector or may do so in the future. The CSRI publishes original research on topics ranging from economics and monetary policy to gender equality and consumer behavior.

In the area of investment research, we publish global economic assessments and market outlooks in a range of reports. In 2019, we revised one of our core research publications for clients, which examined the role of corporate governance in family-owned companies. Previously, we also conducted assessments of the important role gender diversity plays in corporate performance and published the findings in our study entitled "The CS Gender 3000 in 2019 – The changing face of companies".

Credit Suisse also addresses ESG topics through thematic research. For example, the ESG Research report "Sustainable Investment Strategies" analyzed ten themes that represent broad exposure to the SDGs – including renewable energy, education and infrastructure – and the publication "The ABCs of ESG" provided an overview of the increasing focus on ESG and why it looks set to dominate investors' agendas in the years ahead.

Credit Suisse Global Markets Equity Research has developed a method to calculate the probabilities of achieving implied returns in infrastructure investments. In our Global Markets division, Credit Suisse HOLT®, a team focused on corporate performance and the valuation of listed companies, offers a governance framework that systematically scores over 4,000 incentive plans based on their alignment with wealth-creating principles and pay-for-performance best practices. The team also offers a product allowing investors to quantify the impact of natural resource usage (carbon, water, etc.) on the economic performance of companies and its subsequent impact on the valuation of a stock or portfolio of stocks. Most recently, the team has developed a HOLT Business Sustainability Scorecard combining financial and ESG metrics to measure whether or not a company is focused on long-term value creation.

This chapter addresses the following issues:
6 Responsible investments
10 Quality and range of services and advice

→ credit-suisse.com/responsibility/banking

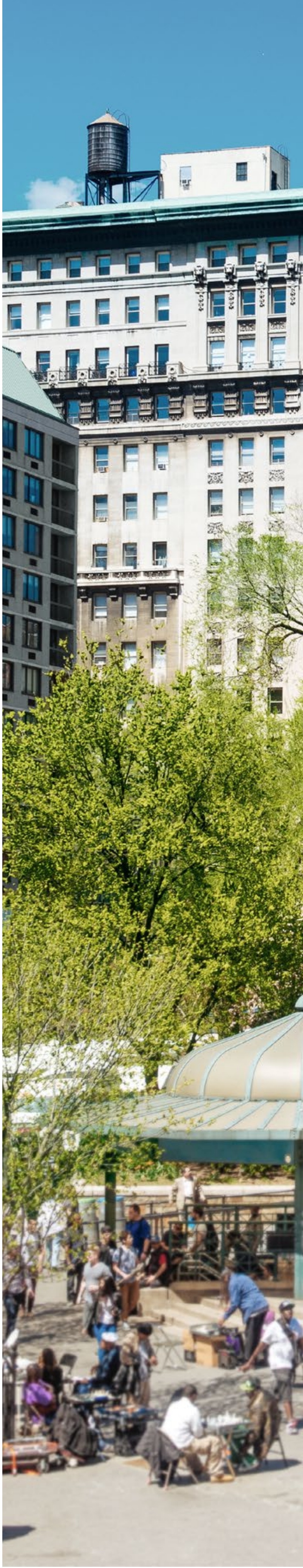
Further information:
→ see p. 7

Challenge and response

Challenge: There is a clear need to access new sources of energy, raw materials, and clean technologies to make more balanced and sustainable use of the world's natural resources. Investments that support environmentally sustainable development – a sector known as green finance – are thus growing in importance and scale. How does Credit Suisse contribute to green finance?

Response: Our green finance solutions cover a wide range of asset classes and are designed to support the transition to a low-carbon and climate-resilient economy, drawing on the expertise of various specialist departments. Our offering in the area of wealth management, for example, comprises a number of funds focused on sustainability, green bond investments and sustainable real estate as well as products and services in conservation finance. In investment banking, we provide advice for buyside and sellside clients in mergers and acquisitions, project and corporate finance, as well as debt and equity underwriting of public offerings and private placements. Credit Suisse actively supports clean and renewable energy businesses and, by the end of 2019, had been involved in over 130 transactions in this field with a value of more than USD 100 billion since 2010. We also supported clients on a number of green bond issuances in 2019. In our Global Markets division, Credit Suisse's HOLT offers a product allowing investors to quantify the impact of natural resource usage on the economic performance of companies. Credit Suisse Global Real Estate has a proactive strategy to significantly reduce energy use and related carbon emissions through a partnership with Siemens Switzerland AG (see page 55). Finally, Credit Suisse Energy Infrastructure Partners, an investment manager specialized in investments in the European energy sector, focuses on direct investments in the capital-intensive elements of the value chain, such as energy transmission, generation, storage and efficiency.

Responsibility in the economy and society



Our role in the economy and society

We want to create value for our clients and shareholders by conducting our business responsibly and sustainably. Through our diverse activities, we also aim to support the efficient functioning of the economy and to play a constructive role in society.

Our primary function as a global bank is to be a reliable and professional partner to our clients around the world, offering them a range of financial products and services to meet their individual needs. In this context, Credit Suisse also performs functions that are viewed as systemically relevant, including deposit-taking and lending. We play an important role as a financial intermediary, bringing together borrowers and lenders of capital globally – from companies and public sector bodies to private individuals and institutions. We supply businesses with the capital resources they need to expand their activities and finance innovation, thus helping to drive economic growth and job creation. By assuming market and credit risks, banks make an important contribution to the efficient functioning of the economic system. Effective risk management is a significant part of this process. In the credit business, for example, we analyze, measure and monitor credit risk exposures and charge appropriate interest rates on loans. Our capital policy is intended to ensure that we are capable of absorbing potential credit losses in a variety of stress scenarios. In early 2020, the global economy faced the challenge of how to respond to the rapid spread of the coronavirus disease COVID-19. As a bank, we have put in place various response measures in order to ensure continuity of our business operations and protect the health and safety of our employees and their families.

Supporting economic growth and partnering with entrepreneurs

The importance of banks for the continued development and growth of the economy is demonstrated by our activities in our Swiss home market. As the "Bank for Entrepreneurs", we offer a broad range of products for corporate clients of all sizes and for institutional clients, as well as private individuals in Switzerland. We give them access to our wide-ranging expertise in the areas of private, corporate and investment banking. This interdisciplinary approach allows us to act as a strategic partner, supporting entrepreneurs and their companies, as well as multinational companies domiciled in Switzerland, throughout their lifecycle.

Today, Credit Suisse works with a large number of entrepreneurs to help meet their wide-ranging daily needs. In addition to products satisfying their core financial needs, we also offer tailored solutions for complex financial matters – from forward-looking pension planning to sophisticated corporate succession planning and financing. In this context, we are committed to offering entrepreneurs the best possible support in the complex management of private and business assets. Our advisory approach addresses both the private and operational financial interests of entrepreneurs and thus offers holistic solutions from a single source.

Serving more than 100,000 companies or around 1 in 3 businesses in Switzerland, Credit Suisse is a highly trusted financial partner to Swiss corporate clients. They mainly comprise small and medium-sized enterprises (SMEs) that generally have no direct access to the capital markets and are therefore often reliant on bank loans to fund working capital and/or investments. One of our goals is to support these companies with a fair, competitive and risk-adjusted lending policy. We are committed to providing our Swiss corporate clients with needs-oriented advice and the best possible support, and we advise them on strategic decisions to help them run their businesses effectively. At the end of 2019, Credit Suisse had over CHF 163 billion of loans outstanding in Switzerland, including mortgages and loans to private companies, the public sector and private clients.

An integral part of the economy and society

We make a direct contribution to the economy and society in a variety of ways, including in our capacity as a taxpayer. Over the past five years, Credit Suisse has paid an annual average of CHF 0.4 billion in corporate income tax worldwide. Credit Suisse is subject to further taxes unrelated to income, which totaled around CHF 0.3 billion in 2019 alone.

We also contribute as a client and contractual partner. Credit Suisse purchased about CHF 5.0 billion of goods, services and licenses from suppliers around the globe in

2019. Suppliers are required to meet strict standards in areas such as business ethics and integrity, employee health and safety, and environmental protection, as defined in Credit Suisse's Supplier Code of Conduct. The establishment of reliable relationships with these external partners helps to ensure the quality and value of the products and services we source. In addition, our Third Party Risk Management (TPRM) framework is embedded in day-to-day sourcing and vendor management processes to assess risks when conducting business with suppliers. Credit Suisse also plays an important role as an employer, offering progressive working conditions, competitive compensation and interesting career opportunities across a range of businesses to 47,860 employees in around 50 countries worldwide. A total of 16,140 members of our global workforce are based in Switzerland – making us one of the largest employers in our home market.

Risk capital for growth and innovation

Credit Suisse Entrepreneur Capital AG was founded in May 2010 as a 100% subsidiary of Credit Suisse (Schweiz) AG. It provides venture and growth capital to small and medium-sized enterprises as well as entrepreneurs in order to foster entrepreneurship and to help strengthen Switzerland's position as a center of innovation. Recent success stories include investments in the innovative travel booking technology firm Nezasa AG and Schulthess Maschinen AG, a leading Swiss manufacturer of washing machines and tumble dryers. In the area of fintech, an investment was made in AlgoTrader AG, which has created an innovative algorithmic trading software system.

By the end of 2019, Credit Suisse Entrepreneur Capital AG had provided CHF 142 million of capital to 58 companies – helping to create and preserve jobs in Switzerland.

More information is available at:
→ credit-suisse.com/entrepreneurcapital

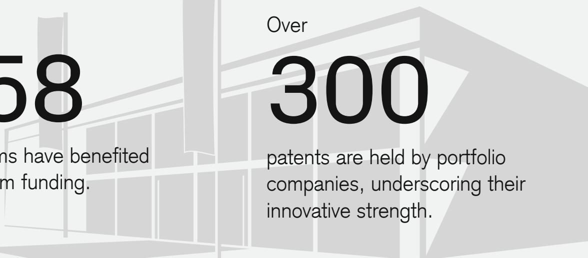
Credit Suisse Entrepreneur Capital AG:
Key figures for 2010–2019

Number of financing requests considered:

3,589

Total sum invested since 2010: CHF

142 million



58

firms have benefited from funding.

Over

300

patents are held by portfolio companies, underscoring their innovative strength.

A total of

2,690

people have been employed by all the portfolio companies.

Maintaining a constructive dialogue

Credit Suisse considers it important to engage in discussions with various stakeholders – from clients, employees and investors to policymakers, legislators, regulators and representatives of the business community and society – in order to understand the issues that are important to them and to help find constructive solutions to current challenges. This exchange of views and ideas has grown increasingly important in recent years in view of international developments and discussions surrounding the role of the finance industry in the global economy. Reflecting our commitment to dialogue, we are a member of a number of industry associations, umbrella organizations and think-tanks where we discuss topics such as developments in financial market regulation and sustainable finance policy, among other things. In addition, in view of the scrutiny that banks, including Credit Suisse, face from climate activists, we are open to engaging in a constructive dialogue about their concerns.

More information about our membership of industry bodies is available at:
→ credit-suisse.com/network

Broader social commitments

Credit Suisse views itself as an integral part of society and engages in a range of social initiatives across different regions to promote social cohesion and stability. These commitments take various forms – from our collaboration with selected partner organizations to the volunteer work of Credit Suisse employees around the globe. Sponsorship, which has been an integral part of our corporate strategy and culture for more than four decades, is a further example of our social commitments. We sponsor activities that focus on the areas of sports and culture, with particular importance being assigned to the promotion of young talent. More information about our sponsorship commitments is available at:

→ credit-suisse.com/sponsoring

This chapter addresses the following issues:

4 Company performance and strategy
7 Financial and political system stability
14 Contribution to the economy
15 Social commitments

→ credit-suisse.com/responsibility/society

Further information:

→ see p. 7

Philanthropy

In the area of philanthropy, Credit Suisse works with clients to help them incorporate their personal values and objectives into their philanthropic engagements. We can create subfoundations for clients under one of Credit Suisse's umbrella charitable foundations – Accentus, Empiris and Symphasis in Switzerland or SymAsia in Singapore. Since they were established, the Swiss umbrella foundations have distributed a total of more than CHF 134 million to over 3,000 charitable initiatives worldwide, and in 2019 they carried out 200 projects in developing countries and in Switzerland. In Asia, SymAsia has received USD 125 million of donor-advised funds and has gifted around USD 88 million since it was established in 2010.

Supporting the political system in Switzerland and beyond

In our Swiss home market, we not only engage in an open dialogue with policymakers that involves the regular exchange of information and ideas but also actively support the functioning of the Swiss "militia" system of politics, where Swiss citizens assume roles in political bodies at federal, cantonal or community level alongside their regular professions. Consequently, most members of the Swiss Parliament are not professional politicians and parties do not receive state funding.

Credit Suisse helps to strengthen this system of politics by making financial contributions available to political parties at the federal level that request funding, irrespective of their political agenda and position. This financial support does not give rise to any obligations for the political parties that receive it. The only factor that influences the support given by Credit Suisse is the number of parliamentary mandates held by each party at the federal level and in the cantons: To be eligible, a party must have at least five seats in the Federal Assembly (Swiss Parliament). This transparent approach – based on objective criteria – enables Credit Suisse to make a politically neutral contribution to support the work of the parties in performing the functions of the state. Credit Suisse makes a maximum of CHF 1 million of financial support available each year for this purpose. This support is exclusive to Credit Suisse's home market.

In the European Union, Credit Suisse does not make any financial contributions to political candidates or parties. The bank constructively engages with EU policymakers on relevant financial services topics through legislative consultation processes and other channels. It discloses EU-related advocacy spend on an annual basis in the European Commission's transparency register and abides by the EU's Code of Conduct.

In the US, Credit Suisse does not itself make any direct financial contributions to candidates or political parties. However, like many other companies and organizations in the US, it offers employees the option of making their own voluntary private donations through a Political Action Committee (PAC). Employees can support candidates running for US Congress but not presidential candidates or specific political parties. These PAC donations take the form of a general contribution to the political system. The PAC then distributes the combined employee donations to members of relevant committees or districts, ensuring that the funds are shared evenly between Democratic and Republican candidates.

Holders of public office

In Switzerland, Credit Suisse offers working time arrangements to employees who hold an elected public office alongside their role at the bank. These employees can devote up to 20% of their working hours to a public role while receiving their full salary from the bank – irrespective of their party affiliation and views. Each year, Credit Suisse's Public Affairs and Policy department organizes a meeting for the more than 300 employees who hold an elected public office. This annual event enables them to learn more about current policy issues that may be relevant to their day-to-day work as well as to their activities as elected representatives. It also gives them an opportunity to engage in discussions with their colleagues and Credit Suisse's top management. In 2019, the event centered around the Swiss "militia" system of politics. After a welcome speech by Peter Derendinger, Chairman of the Board of Directors of Credit Suisse (Schweiz) AG, the event featured two keynote speeches and a panel discussion with subject matter experts and policymakers – giving participants an insight into different aspects of the Swiss approach to politics.

Challenge and response

Challenge: How does Credit Suisse contribute to the public conversation about economic, social and political topics and trends?

Response: Leveraging our in-house research capabilities and working with independent research institutions, we produce a broad spectrum of publications, reports, analyses and specialist articles on economic and socio-political topics. One example is the Global Wealth Report published by the Credit Suisse Research Institute, which provides comprehensive information on the development of global household wealth each year – attracting a high level of interest in the media and among diverse external stakeholders.

To keep our finger on the pulse of public opinion, we also produce a suite of Barometers in collaboration with an independent research institute that are based on representative surveys conducted in our home market of Switzerland and/or in selected countries around the globe. For example, the Credit Suisse Worry Barometer provides an insight into the main concerns of the Swiss population and gauges voters' views on current political and economic issues. In 2019, the survey found that retirement provision is the greatest concern for the Swiss electorate, followed by health care/health insurance. Published annually since 1976, the Worry Barometer also reveals interesting changes in public attitudes over time.

The survey is widely recognized as making an important contribution to the public conversation about socio-economic issues in Switzerland. The survey findings are discussed with thought leaders, key public figures and political exponents at various events and platforms and are regularly referenced in public discussions.

In 2019, we also conducted our second Progress Barometer – this time with an international focus – to measure the desire for progress among voters in 16 nations – focusing on economic, social and political themes ranging from e-mobility to work/life balance to development aid. The study, published at the start of 2020, revealed a negative correlation between the pressure for progress in a country and its degree of economic development. It also demonstrated that sustainability and equality are two issues where the desire for progress transcends borders. Meanwhile, the Credit Suisse Youth Barometer captures the views of young people across different regions of the world – providing the public with a valuable understanding of the lifestyle, problems and attitudes of the next generation.

More information on our publications is available at:
→ credit-suisse.com/gwr
→ credit-suisse.com/worrybarometer
→ credit-suisse.com/youthbarometer
→ credit-suisse.com/progressbarometer

Our social commitments

Credit Suisse, our clients and employees are committed to fostering inclusive growth by addressing socio-economic challenges. We work with selected partner organizations, providing funding and professional expertise to support social and humanitarian projects around the world.

Companies can only achieve long-term success if they operate in an economically stable and socially cohesive environment. To create a sustainable impact, we have established strategic partnerships that seek to contribute to the achievement of the United Nations' Sustainable Development Goals (SDGs) through our global and regional initiatives. We strive to make effective use of our social and financial capital to have a positive impact not only on society but also on employees and our core business.

Empowering people through financial inclusion, financial education and future skills
Together with our employees, we work with selected partner organizations to help strengthen communities and address social issues. We want to build a more inclusive future where all people can access the resources and develop the financial, entrepreneurial and other skills they need to thrive in the economy and society. We regard education and access to financial services as key drivers of growth and an effective means of empowering people to help themselves. In 2019, Credit Suisse announced the launch of a new theme for the bank's commitments to global education: Future Skills. Our Future Skills work will focus on programs that close the education and employment gap and give young people from all socio-economic backgrounds the opportunity to realize their full potential as adults – especially by securing employment (see box on page 37). We also have the opportunity to grow our impact beyond the funding of long-term partnerships through our most valuable asset – our employees. In addition to employee engagement, our social commitments therefore center around three themes: Financial Inclusion (enabling access to formal financial services), Financial Education and Future Skills, as well as capacity building of these sectors and the organizations within them.

Financial education

Education is a source of economic empowerment and drives social mobility. Financial education in particular teaches young people how to save and manage money and to think about basic business and entrepreneurship concepts. These skills are of key importance for young people around the world – especially girls and young women in low-income communities within developing countries who are at higher risk of being marginalized.

Since 2014, Credit Suisse has promoted financial education and life skills programs for girls through our Financial Education Initiative. Partners in our global Financial Education for Girls signature program are Aflatoun International, Plan International and Room to Read. As a global financial institution, we see first-hand the importance of financial skills in allowing people to actively participate in the economy and society. The Financial Education for Girls program aims to increase the financial knowledge of girls and to raise awareness of their social and economic rights – thus helping them to build a better future for themselves. The program is working to improve the financial education and life skills of over 100,000 adolescent girls in Brazil, China, India, Rwanda, Sri Lanka and Tanzania by 2021, and it is aligned with both the Financial Inclusion Initiative and our Future Skills program as well as Credit Suisse's core business.

Financial Education Initiative – selected figures 2014–2019

1,547	schools have benefited from our support.
127,900	adolescent girls worldwide have benefited from financial education and life skills classes.
3,760	teachers have been trained.

More information is available at:
→ credit-suisse.com/financialeducation

Our global skills-based volunteering programs

Through our skills-based volunteering programs, we offer our employees around the world numerous opportunities to use their expertise to build capacity among our partners and to simultaneously enhance their own skills and professional development. Our signature programs include the Global Citizens Program, Board Connect and Virtual Volunteering.

Global Citizens Program

The Global Citizens Program (GCP) is Credit Suisse's flagship international skills-based volunteering program. Designed to promote the transfer of skills and expertise between employees and social organizations, the GCP is building the capacity of our partners in the fields of financial inclusion and education. Assignments in this leadership development program last from one week to three months and have become an important component of the Group's learning and development offering. They focus on the implementation of best practices in various fields, from specific assignments in the area of financial services – such as risk management, credit assessments and client research – to more general organizational topics such as IT infrastructure and the improvement of HR or operational effectiveness. Since the GCP's launch in 2010, Credit Suisse employees have completed over 400 assignments in more than 50 countries across the globe.

More information is available at:
→ credit-suisse.com/responsibility/gcp

Board Connect

Our activities in the area of non-profit board service were launched in the US in 2009 and rolled out globally in 2015. In 2019, we continued these activities through our global Board Connect program, which provides training, placement support, networks and other resources for Credit Suisse employees who want to serve on non-profit boards. Not only does this form of employee volunteering add value to non-profit organizations (NPOs) and the community, but it also helps employees to improve their leadership, strategy and stakeholder management skills, enhancing their ability to work in different environments. In 2019, 760 employees participated in our program, and 513 of them received training.

Virtual Volunteering

Virtual Volunteering provides an opportunity for employees to use their expertise and enthusiasm to support our partner organizations without having to take extended leave from personal or professional commitments. The program, which was originally developed in 2011 in conjunction with Accion's Center for Financial Inclusion (CFI), now includes a number of our regional and global partners across different fields. The partner organizations benefit from the support of highly qualified Credit Suisse employees who have a wide variety of skills (e.g. in project management, writing or research). In return, participating employees gain the opportunity to work alongside leading experts and organizations around the world, to contribute to the end result, and to collaborate with colleagues from other divisions of the Group.

Future skills

In June 2019, Credit Suisse announced the launch of a new theme for the bank's commitments to education worldwide: Future Skills. Through Future Skills, we want to provide young people with the opportunity to reach their full potential as adults. By supporting access to education and skills, we are committed to ensuring that a young person's success is not dictated by their or their family's socio-economic status. Our Future Skills initiative is expected to enable programs that close the educational and employment gap. The definition of what future skills are will change over time, even during the course of one's career, so our goal is to prioritize education and skills that will enable young people to be life-long learners and seek to empower them. This means, for example, developing critical and creative thinking skills and instilling an entrepreneurial attitude towards grasping new opportunities.

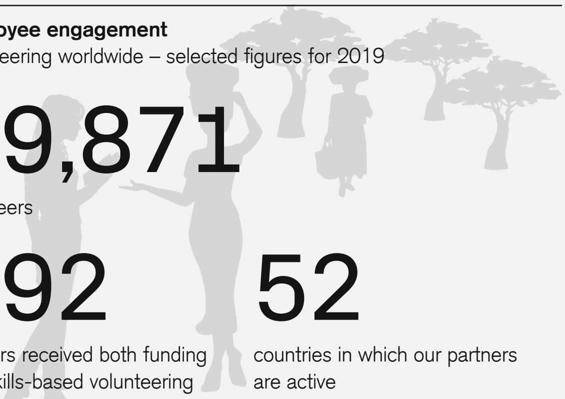
The Future Skills theme is a natural evolution of our longstanding commitment to education in the communities where we live and work. It is also a direct response to the challenges and concerns faced by young people in a fast-changing world. Over time, we hope to establish new partnerships with NGOs and social organizations to further develop the Future Skills theme. Where there is alignment, we will work with existing partners to develop the future skills capabilities within their mandate. In July 2019, Credit Suisse announced a USD 1 million, three-year commitment through its Credit Suisse Americas Foundation to HERE to HERE, a career pathways non-profit based in The Bronx, New York City. The partnership will support CareerWise New York, an employer-led, student-focused youth apprenticeship system based on a model widely used in Switzerland with the aim of improving the pathways from education to employment. We also continue our partnership with the KIPP Foundation in the US, l'Institut de l'Engagement in France, REACH in Asia Pacific, and Pro Juventute in Switzerland.

More information can be found at:

→ credit-suisse.com/futureskills

Employee engagement

Volunteering worldwide – selected figures for 2019



19,871

volunteers

192

partners received both funding and skills-based volunteering support.

52

countries in which our partners are active

Financial inclusion

Credit Suisse has been a leader in the field of financial inclusion and microfinance since 2004, pioneering new funds and products, as well as IPOs and bond issuances to finance microfinance institutions. In addition to capital, microfinance institutions and fintechs also need talent and know-how to be able to scale up their activities responsibly with diverse products and services. Our Financial Inclusion Initiative is designed to strengthen the capacity of these institutions so that they can serve the financial needs of clients at the base of the income pyramid as effectively as possible. Here, the focus is on developing financial products and services in areas such as financing for agriculture and smallholder farmers, the construction and improvement of homes, the provision of financial services tailored specifically to women as well as the funding of education. For example, in 2019 our partner Opportunity International (OI) reached the milestone of bringing affordable quality education to more than four million children across the globe – an effort that was heavily supported by Credit Suisse's early funding of OI's Education Finance team.

Selected figures for 2019

134	microfinance institutions and fintech start-ups have benefited from our support.
1,140	local employees of microfinance institutions have been trained.[1]
372,200	people have access to new or improved products and services.

Through its investments, our partner Accion Venture Lab generated an additional USD 130 million for financially inclusive fintechs.

Opportunity International's Education Finance team enabled over USD 279 million[2] in education loans for affordable quality education.

[1] Number of trainers trained through our programs
[2] Accumulated and outstanding in 2019

More information can be found at:

→ credit-suisse.com/financialinclusion

Employees: expertise, development, commitment
Within our three main themes, we particularly focus on building the capacity of our partners. Our employees are essential to this approach and to our broader commitment to society, and they dedicated over 191,500 hours of their time and expertise in 2019 through volunteering activities. As part of the bank's human capital strategy, we allow each employee to devote up to four days per year to support our global partners or social initiatives in the communities where we live and work. By leveraging the energy, skills and professional expertise of our employees, we drive social and business impact in the areas of financial inclusion, financial education and future skills. In 2019, we continued to place an emphasis on volunteering programs that promote the transfer of skills and knowledge between employees and partners. This enables our employees to use their expertise to make a difference and gives them the opportunity to enhance their own skills and professional development. In 2019, Credit Suisse employees around the world dedicated 60,378 hours to skills-based volunteering. These efforts also help to strengthen the Group's corporate culture and foster cross-team and cross-cultural collaboration. Internal surveys have shown that employee participation in volunteering programs results in higher levels of employee satisfaction at work.

Further information:
→ see p. 36

Increasing impact through our core business, clients and partners
Our Corporate Citizenship teams work closely with internal specialist units to provide philanthropic advice and services to our clients and develop impact investing products to further increase our combined social impact. Through impact investing, we give clients access to sustainable investments that are designed to generate a financial return while also producing a positive social and/or environmental impact – including in the areas of financial inclusion and education. Moreover, we are increasingly involving our clients in the development and delivery of volunteering, events and awareness-raising programs. In Switzerland, clients and employees have the option of supporting selected partner organizations through Micro-Donations, where payments made by credit or debit card can be rounded up by a pre-defined amount. This amount, or the interest earned on their bank account, is donated to selected aid organizations and charitable institutions among our partners.

This chapter addresses the following issues:
10 Quality and range of services and advice
15 Social commitments

Further information:
→ credit-suisse.com/responsibility/society
→ see p. 7

More information on our initiatives in the areas of financial inclusion, financial education, future skills and employee engagement is available at:
→ credit-suisse.com/responsibility/initiatives

Challenge and response

Challenge: The challenges and pressures facing young people are steadily growing in today's rapidly changing world. What contribution does Credit Suisse make through its social commitments to help young people embrace change and prepare for the world of tomorrow?

Response: In 2019, we conducted a broad review of our Corporate Citizenship strategy to ensure our commitment continues to address the most pressing issues in the communities where we live and work. Based on the findings of this review, we shifted our regional education commitments to focus on the topic of future skills. We are working with new and existing partners in this area and we announced our first cornerstone partnership in this field in the US in July 2019. CareerWise NY is a cross-industry and stakeholder effort led by non-profit HERE to HERE to test the potential of replicating the Swiss apprenticeship model in companies in New York City. The Credit Suisse Americas Foundation committed USD 1 million of funding to these efforts over the next three years and will also work with employees across the bank to implement apprenticeship placements. In 2020, we expect to announce other cornerstone partnerships across the regions.

Milestones and awards in 2019

In 2019, Credit Suisse celebrated a number of anniversaries, awards and milestones relating to our social commitments. For example, 2019 marked the 60th anniversary of the Credit Suisse Americas Foundation and a milestone in our commitment to empowering people and strengthening communities. The Foundation's mission centers around our belief that by contributing both time and money, we can maximize our impact in the community and on the causes we care about most. Over the years, this has expanded to include transformative philanthropic investments in education that have enabled thousands of young people from underserved communities to embark on a life of opportunity and upward mobility. Since its inception, the Foundation has helped build the capacity of non-profits through more than USD 120 million in funding. In addition, over the past 15 years, employees have devoted more than 656,800 hours of service to the community. Today, the Foundation is the cornerstone of Credit Suisse's commitment to Corporate Citizenship in the Americas region.

In 2019, we took final steps to establish the Credit Suisse APAC Foundation, which represents another milestone. The Foundation aims to pilot a pre-tax income funding model, with the first donations planned in 2020. The quality of our Corporate Citizenship programming in the region was also recognized for the second year in succession by Asian Private Banker as "Best Private Bank – Corporate Social Responsibility".

In Switzerland, we are evolving our approach in line with industry and technology trends. As a result, we have given employees the opportunity to support charities and to launch their own fundraising campaigns through the crowdfunding platform Copalana – Credit Suisse's new employee-designed portal to collect donations. In fall 2019, the Copalana crowdfunding platform was opened up to the public and it has since raised over CHF 1 million for charitable projects around the globe.

In May 2019, Credit Suisse received Room to Read's "Champion Award" in New York for its ongoing commitments to children's literacy and female empowerment. In October 2019, our partnership with Plan International UK was recognized by the Bond International Development Award for its accomplishments in financial education.

These milestones and awards demonstrate the value of the long-term partnerships we have established with charitable organizations around the globe, thus also contributing to the realization of the UN Sustainable Development Goals. In particular, this includes Goal 17, which states that growth and development can only be achieved through a strong commitment to global partnerships and international cooperation.

Selected projects 2019

Our regional teams are committed to promoting future skills, financial inclusion and financial education. Through these efforts, combined with employee engagement, we make a positive contribution towards overcoming challenges in the communities where we live and work.

Capacity building for our non-profit partners in Asia Pacific
Launched in 2016 in partnership with Empact, the Pro Bono School runs a series of workshops for social sector leaders to enhance their skills with the help of corporate volunteers. In 2018, we sponsored four workshops involving 25 social organizations in Singapore. More than 50 Credit Suisse employees supported the workshops as facilitators and co-trainers. Following the success of this program, we extended its reach by launching it in Hong Kong in 2019. Over 20 social organizations participated in three workshops focusing on budgeting, donor tracking and financial processes, supported by over 40 volunteers from our Singapore and Hong Kong offices.

Credit Suisse Americas Foundation commits to youth apprenticeship model
In July 2019, the Credit Suisse Americas Foundation announced a USD 1 million, three-year commitment to HERE to HERE, a non-profit based in The Bronx, New York City. The partnership supports CareerWise New York (CWNY), an employer-led, student-focused youth apprenticeship system based on a model widely used in Switzerland. Specifically, the donation helps cover CWNY's operations during the first three years and is complemented by the participation of Credit Suisse HR experts on the HERE to HERE Business Council. The contribution is part of the bank's Future Skills initiative, which enables young people, regardless of their socio-economic backgrounds, to access the skills and education they need to gain meaningful employment and fulfill their potential.

More examples

For a list of additional regional projects in 2019, see:
→ credit-suisse.com/responsibility/projects

Leveraging partnerships in the UK
In the UK, the Credit Suisse EMEA Foundation acts as the Pioneer Growth Partner to City Year UK (CYUK). The Foundation's grant supports teams of volunteers who serve as mentors, role models and near-peer tutors to pupils from disadvantaged communities, in schools in the West Midlands region, Manchester and London. Its aim is to improve the attendance, behavior and academic attainment of children in CYUK partner schools and to enhance the skills and employability of these volunteers. The Foundation's grant supported the recruitment of 154 young mentors throughout the 2018/2019 academic year to serve across 21 schools. In 2019, CYUK delivered a six-day Basic Training Academy program for volunteers to prepare them for their time in school. Additional shorter Basic Training Academies took place to prepare new starters for their deployment in schools. At the end of the program, almost 100% of volunteers said the experience had helped them to build skills that they can apply professionally. The partnership with CYUK has been supported through a number of employee engagements and programs, such as Virtual Volunteering or GCP assignments, as well as through the Art Education program in collaboration with the National Gallery. In recognition of its success, the partnership was nominated for the Lord Mayor's Dragon Award.

Improving access to training and employment for young people in Switzerland
Our Corporate Citizenship activities in Switzerland have long focused on workforce readiness – a basic skill to ensure young people are prepared to enter the world of work. For example, the umbrella organization Check Your Chance – which Credit Suisse has supported since 2010 – and its member organizations have so far helped close to 25,000 young people in the transition from school to the workplace. Our employees have also been sharing their expertise and experience with pupils and young students in their role as volunteers through programs such as the Pro Juventute job interview training and mentoring programs in conjunction with the University of St. Gallen and Job Caddie. In 2019, more than 300 Credit Suisse employees volunteered 5,000 hours of their time for the benefit of 2,300 pupils and young students in future skills-focused programs. We also introduced the Credit Suisse Red Cross Youth Award in 2019 to incentivize and recognize the efforts of youth organizations of the Swiss Red Cross (SRC) in developing innovative projects with a sustainable impact. We will continue to expand our work with the SRC's Young Leaders Forum to encourage youth participation and engagement, to support Pro Juventute in building capacity and programs in the field of future skills, and to expand our partnership with ESST through its new organization wirtschaftsbildung.ch. In addition, the Credit Suisse Foundation's portfolio in Switzerland has been adapted and refocused on financial education and future skills.

Responsibility as an employer

Responsibility as an employer

Our ability to inspire trust and generate client satisfaction is a basic prerequisite for our long-term success. We can only achieve this if we have skilled, responsible and motivated employees.

The success of our company ultimately depends on the skills, experience and conduct of our employees. For our business to perform well, we must offer our clients best-in-class financial solutions and banking services. This goal can only be realized if we can attract and retain the most talented professionals in our role as an employer of choice.

At Credit Suisse, we offer exciting careers, progressive employment conditions and wide-ranging training and development opportunities. As a result, our employees benefit from attractive long-term career prospects in an international working environment, helping us to retain their knowledge and experience within the bank and to derive maximum benefit from it in the interests of our clients.

Conduct and Ethics Standards
With the introduction of a set of six Conduct and Ethics Standards across the bank in 2017, we have sought to ensure a common understanding and consistent expectations in respect of our culture and conduct. The Conduct and Ethics Standards are underpinned by a governance framework consisting of a Group Conduct and Ethics Board (CEB) chaired by two of the Group's Executive Board members, as well as dedicated divisional CEBs and a joint CEB for our Corporate Functions. Our Conduct and Ethics Standards are sponsored by the Board of Directors and the Executive Board of Credit Suisse, underscoring their strategic importance to the bank.

The Conduct and Ethics Standards are a core part of everything we do – from recruitment to performance management and our disciplinary process. 2019 saw a rotation in the Executive Board leadership for Conduct and Ethics with the appointment of the Chief Compliance and Regulatory Affairs Officer and Global Head of Human Resources to build on the existing strong foundation and further enhance and cement our bank-wide approach to Conduct and Ethics.

The Conduct and Ethics agenda remains a key priority under their leadership, with high importance being assigned to the recognition of positive behaviors and preventative training, as well as to ensuring appropriate governance and sanctions for negative conduct. In addition, "Local Culture Carriers" have been appointed in key hub locations, allowing us to complement the rollout of divisional and function-led initiatives by tailoring them to local practices and cultures.

A culture of performance and development
Our employees' performance objectives are aligned with the Group's strategy, which places clients at the center of all that we do. We measure our employees' performance based on their contribution to the achievement of our business goals and against our Conduct and Ethics Standards to ensure that the Group's expectations in respect of conduct and cultural behavior are reflected and embedded in our daily work. Our globally consistent performance management process enables line managers to assess the performance, behavior and development potential of employees throughout the year.

The setting of clear objectives at the beginning of the year, followed by mid-year and year-end reviews, allows line managers to perform a comprehensive individual performance evaluation in accordance with global process standards and guidelines. Line managers complete various training courses in which they learn how to support team members in achieving their professional objectives. Furthermore, the performance assessment process allows us to identify the potential of our employees in order to effectively manage our pool of talent and promote individual development.

We offer our employees market-driven and competitive rates of pay based on performance-related compensation structures. In doing so, we not only take account of employee interests but also consider our obligations towards our shareholders, as well as regulatory expectations. Our compensation plans are aligned with our strategic ambitions and developed in close consultation with shareholders and in accordance with regulatory requirements.

Leadership development
In 2019, we remained committed to investing in the global development of our leaders at all levels of the organization. We continued to run the Management Excellence Program (MEP) and we adjusted the Leadership Development curriculum to actively train and support the development of Credit Suisse leaders at various stages of their careers. All programs are based on the Conduct and Ethics Standards and our Credit Suisse-specific leadership model. In 2019, a total of 5,477 Credit Suisse managers participated in these programs. In the first quarter of 2019, we launched the New Managing Director Program, which is designed to introduce recently promoted Managing Directors to their new role. Furthermore, we enhanced the development program for the bank's senior leaders by rolling out our new Managing Director Masterclasses. These classes aim to strengthen the leadership capabilities and culture of our most senior leaders by providing an exclusive development platform with a first-class faculty.

We have continued to run the Senior Talent Program (STP), which is designed to further enhance the potential of our most talented senior leaders. The STP aims to develop the critical leadership capabilities required to operate at the most senior levels of the organization. To build a pipeline of future leaders, we also launched the Emerging Leaders Program (ELP), which is targeted at the most senior and talented Directors at Credit Suisse. The ELP provides the next generation of Credit Suisse leaders with key management skills, opportunities for self-awareness, and cross-functional business assignments. The STP and ELP programs both provide opportunities for Credit Suisse managers to learn about the challenges of the future, deepen their understanding of all our businesses and gain continuous exposure to the bank's most senior leaders. Additionally, the programs foster personal development based on feedback from various sources, including assessments, executive mentoring and coaching.

Talent development in 2019

74,200	participants in instructor-led courses
58,900	classroom-delivered training days
725	classroom leadership training sessions
19	hours of training per employee (average)
83%	level of satisfaction among course participants (average)
996,900	participants in e-learning courses

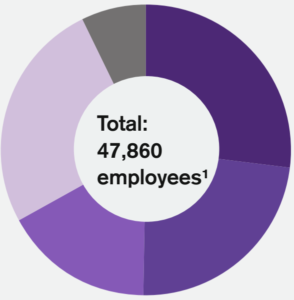
Client skills and compliance
Our training and development programs enable us to further improve the quality of our service and advisory offering and to continuously adapt our business to evolving market and client needs. We offer a wide range of training and development opportunities to support our employees' individual development journeys, from their first day at Credit Suisse and throughout their career. Our state-of-the-art learning interventions enable employees to increase their skills and knowledge about products, solutions and advisory offerings, as well as compliance and risk. Our Conduct and Ethics Standards are an integral part of our development programs.

Since 2017, client-facing employees have been required to complete the Swiss Association for Quality (SAQ) certification. This further increases cooperation between Swiss banks and institutions in the area of professional development. As of end-2019, around 2,100 client-facing Credit Suisse employees are SAQ-certified and around 600 candidates are currently working through the SAQ certification process.

Credit Suisse offers employees a wide range of training programs involving traditional classroom instruction, e-learning, video-based courses and online learning communities. Additionally, employees can complete short training programs on their mobile devices, enhancing the user experience. Each employee completed at least ten mandatory training modules in the course of the year, depending on his or her area of responsibility. In 2019, we launched over 70 new mandatory e-learning programs on regulatory topics such as financial crime, cyber security and information awareness, as well as compliance with our Conduct and Ethics Standards. Our client-facing employees complete courses on cross-border activities and on topics such as the transition away from the IBOR benchmark interest rates to Alternative Reference Rates. In addition, a new course on the identification and management of conflicts of interest was conducted to train all personnel on this topic, which is of critical importance for the bank.

Number of employees
Full-time equivalents as of December 31, 2019

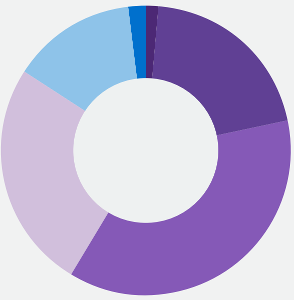
By division



12,350	Swiss Universal Bank
10,490	International Wealth Management
7,980	Asia Pacific
12,610	Global Markets
3,090	Investment Banking & Capital Markets

[1] Including 1,340 positions in the Corporate Center. Excluding fixed-term contracts.

Employee age structure



1.1%	< 20 years (apprentices)
18.6%	from 20 to 29 years
36.9%	from 30 to 39 years
26.2%	from 40 to 49 years
14.6%	from 50 to 59 years
2.6%	> 59 years

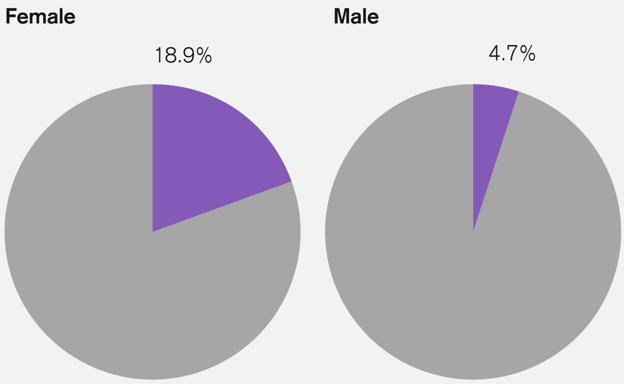
Employee turnover

2019:		2018:	
9.8%	voluntary turnover	11.4%	voluntary turnover
3.2%	involuntary turnover	5.0%	involuntary turnover

Employee facts and figures
as of December 31, 2019

47,860	employees with permanent contracts (full-time equivalents)
37%	proportion of female employees (full-time equivalents)
39%	proportion of female employees (number of employees)
22%	proportion of women in senior management positions (Managing Directors and Directors)

Part-time work



Part-time
Full-time

Proportion of women: Board of Directors/Executive Board

3 of 13	members of the Board of Directors
3 of 12	members of the Executive Board

Diversity and inclusion

The diversity of our workforce, including the different skills, mindsets, knowledge and experience of our employees, gives us a better understanding of our clients' expectations, cultural backgrounds and regional markets. Credit Suisse today employs people from 180 different countries. We are committed to providing and promoting equal opportunities, regardless of ethnicity, nationality, gender, sexual orientation, gender identity, religion, age, civil or marital status, pregnancy, disability, or any other characteristics protected by law. A refreshed mandatory e-learning course "Working with Respect" was rolled out in 2019.

Our internal experts work closely with our businesses across the globe to ensure that a diversity and inclusion framework is firmly embedded in our corporate culture. They partner with managers on the planning and implementation of initiatives to promote an inclusive working environment. We also consider it important to engage in a dialogue with external partners in the area of diversity and inclusion. In January 2019, Credit Suisse was once again awarded first place among participating institutions in the Diversity Index published by the Lucerne University of Applied Sciences and Arts. In 2019, AVTAR benchmarked Credit Suisse as one of the Top Ten Best Places to Work for Women and named the Bank as an "Exemplar of Inclusion". This underscores the Group's continuous commitment to diversity and inclusion in the workplace. Further information, including a list of the organizations, initiatives and events we supported in 2019, can be found at:

→ credit-suisse.com/responsibility/partnerships

In 2019, Credit Suisse welcomed its sixth cohort of Real Returns as part of our award-winning program for experienced professionals who are returning to work after an extended career break. Launched in the US and UK in 2014, the program has since expanded across the globe. It currently runs in Switzerland, India and the US, where our original New York offering has been extended to Raleigh, North Carolina. Real Returns gives the participating professionals the opportunity to return to the workplace through a tailored program of challenging project work, training, mentoring and new networking opportunities. The program runs for approximately 12 weeks. Since Real Returns was launched, a total of 360 professionals have taken part in 22 classes. Over 60% of participants subsequently obtained a permanent position at Credit Suisse. Credit Suisse runs the program in partnership with a number of organizations, including i-Relaunch, Women Returners and the University of St. Gallen.

Advancement of women

Recognizing the positive impact of gender diversity on the performance of teams and the business as a whole, we want to ensure appropriate female representation in management positions. We run special programs to foster the development of female professionals within and outside the organization. In February 2019, the Board of Directors approved the appointment of two more women to the Group Executive Board. These changes reflect the quality of the talent available at Credit Suisse and the diverse backgrounds and experiences of the bank's leaders. Moreover, Credit Suisse is a signatory to the Women in Finance Charter– a pledge to support the progression of women into senior roles across our UK legal entities. More information is available at:

→ credit-suisse.com/responsibility/mentoring

Internal mobility

At Credit Suisse, our commitment to internal mobility enables our employees to benefit from interesting and varied career paths. We focus on building transferable skills and encourage our employees to continue advancing in their careers by gaining expertise across businesses and locations. Through this culture of sharing, we create opportunities for them to expand their skills, knowledge and networks across the bank, and to also enhance connectivity and collaboration across business lines.

Our approach spans programs and tools including Internals First, a proactive outreach program for existing employees based on internal opportunities across the organization. We also have a range of job emailers that create transparency about open roles. In 2019, we ran an extensive program of career forums around the globe, providing insights into different business areas and career paths. Over 1,000 employees attended these forums.

Investing in Young Talent

We provide a wide range of attractive opportunities for young professionals and graduates who are interested in pursuing a career at Credit Suisse. Junior hires receive specific training, mentoring and career advice, thus facilitating their transition to full-time employment. Within our campus programs, we are also committed to promoting diversity across multiple areas, from social mobility to gender. These initiatives span the globe. In the UK, for example, our award-winning Steps to Success program is now in its seventh intake, offering university scholarship funding for students from underprivileged and underrepresented backgrounds. In the US, a similar program fosters freshman students from underrepresented backgrounds by providing information about careers in banking.

Internal mobility: key figures for 2019

3,728

employees moved into a different role internally.

912

employees were hired through Internals First – our internal recruitment initiative.

48%

of our leadership roles (Managing Directors and Directors) were filled internally.

Population of Young Talents and campus recruits in our Swiss home market in 2019

319	students in a Career Start Program
276	internships (from 12 weeks to six months)
570	Young Talents[1] (commercial and IT apprentices, HMS and Junior Bankers) out of which
74	high school graduates
464	commercial and IT apprentices[1]
32	HMS/WMS trainees
in total 1,165	young people in education benefited from a structured training program.[2]

[1] Including Neue Aargauer Bank.
[2] Including Career Starter Program, internships, Junior Bankers and apprenticeships.

In our Swiss home market, where Credit Suisse is one of the country's biggest employers, we offer opportunities to a large number of students and undergraduates who are interested in entering a career in banking. In 2019, Swiss business students named Credit Suisse as one of their top-three ideal employers. A total of 87% of all Career Start Program participants transferred to a junior position in 2019 after finishing their training and continued their career within the bank. In our efforts to promote gender diversity, we carried out various initiatives during the year, including the Hack'n'Lead, the first women-friendly hackathon.

Credit Suisse collaborates with leading universities around the world to source graduate talent. For instance, we deliver university courses in India, including Financial Risk Analytics and Business Management classes at BITS Pilani, as well as Financial Technology classes at colleges in Pune. In Switzerland, we offer a course on private banking at the University of Zurich and partner with the University of St. Gallen (HSG) in holding a seminar where students analyze current business challenges. In addition, we give lectures on various investment and private banking topics at several universities globally, showing students the range of opportunities available to them as they plan their careers. By harnessing technology and social media, we strive to ensure the visibility of our programs through webinars, Facebook Live chats and virtual career fairs in order to attract the most promising students and future professionals. We ran our first competition for university students involving real-time trading simulations when recruiting junior talent for our Global Markets division in 2019, as well as a Global IT Coding Challenge in which universities across the globe competed against each other.

We also take steps to develop and support our youngest employees. In Switzerland, Credit Suisse contributes to the dual education system and offers commercial and IT vocational training as well as high school programs.

In 2019, Credit Suisse launched its new Focus commercial apprenticeship program, which provides an educational basic training year. Additional initiatives allowed Young Talents to gain intercultural experiences by completing assignments or studying abroad in Wroclaw, Shanghai and London. We continue to invest in our apprentices after graduation: In 2019, 73% of the young people who successfully completed their training were offered a permanent position with the bank. Credit Suisse won the ICT Award in recognition of its efforts to attract young female applicants for its IT apprenticeships.

We continue to build our Diversity Internship Program aimed at offering internships to students from various academic backgrounds. Credit Suisse has long been committed to fostering young talent: In 2019, we celebrated the 10th anniversary of our Summer Internship Program, where students explore job opportunities before deciding on their future career path after graduation. Our programs cover 12 different job functions across all divisions and business areas.

Attractive working environment and flexible working

At Credit Suisse, we consider it important to offer our employees modern and flexible working models. Our office environment, which has been designed according to the Smart Working concept in many locations, allows employees to choose their workspace based on their needs at a specific point in time. Approximately 27,000 employees now work in Smart Working environments in our offices worldwide.

We consider employee health and safety to be of the utmost importance, and we have internal policies in place to help guarantee a safe office environment. Subject matter experts ensure that continuous safety improvements are made in line with local legal requirements. One example from 2019 is the introduction of a global Health & Safety Incident Reporting System, which considerably simplifies the evaluation of relevant statistics and thus supports the choice of appropriate accident prevention measures. In 2011, Credit Suisse became the first Swiss financial services provider to be awarded OHSAS 18001 certification (Occupational Health and Safety Assessment Series) for its operations in Switzerland. We successfully renewed this certification in 2018.

Corporate Health Management implements various measures in Switzerland to help employees strengthen their resilience in an increasingly challenging environment. In collaboration with various specialist units, we run cross-divisional national events aimed at maintaining and promoting employee health. In 2019, we continued our mindfulness campaign which had been launched the previous year. The campaign included various offers to help our employees maintain and improve their resilience in an increasingly challenging environment. We have also increased paternity leave for our employees in Switzerland from five days to twelve days as of January 1, 2019. Furthermore, in 2016, Credit Suisse in Switzerland was awarded the "Friendly Work Space" label by Health Promotion Switzerland (Gesundheitsförderung Schweiz), demonstrating the successful implementation of our corporate health management framework. In 2019, Credit Suisse was successfully recertified.

In consultation with various specialist units, we have developed several offerings that help our employees to combine their professional and private commitments as effectively as possible. To promote a dialogue that takes into account the collective interests of our employees, Credit Suisse has worked closely with organizations such as the European Works Council and the Credit Suisse Staff Council in Switzerland for many years. More information is available at:

→ credit-suisse.com/responsibility/flexibilityhealth

This chapter addresses the following issues:

1 Culture of compliance and conduct
5 Incentives and compensation policy
10 Quality and range of services and advice
12 Human resources and talent management

Further information:

→ credit-suisse.com/responsibility/employer

→ see p. 7

Challenge and response

The employment landscape is evolving rapidly due to the digitalization of work processes and demographic changes. What steps is Credit Suisse taking to support mature employees in Switzerland in the later stages of their careers?

At Credit Suisse, we are committed to helping employees realize their full potential at every stage of their career, including more mature professionals within our workforce who bring considerable skills and experience to their roles. We provide tailored support so that this group of employees can adjust their skill sets to changing market needs, adapt to new environments and remain employable in the labor market.

Our range of learning and development opportunities include:

- The VEP (Very Experienced Professionals) Network 45+: This Diversity and Inclusion employee network offers tailored learning events and workshops and facilitates a dialogue between generations. Topics range from the latest technology trends to advice on how to drive one's career forward and create "one's own brand".
- Workshops to teach presentation skills for interviews and provide advice on how to create a short profile on social media like LinkedIn.
- The Generational Mentoring program: In this reverse approach, seasoned employees engage in an exchange with their younger colleagues about how they handle their current work environment, which communication channels they prefer, and how they manage daily challenges.
- The external training program Skills 4.0 provided by the Challenge Your Potential (CYP) learning organization: This program focuses on developing the new skills and the mindset required for the digital age, including self-assessments and personal coaching.

Furthermore, we offer senior executives over the age of 50 and with at least ten years of service the opportunity to take a three-month sabbatical during which they receive 80% of their regular pay. We encourage these individuals to take a break from daily business in order to focus on their personal and professional development. We believe that fully committed employees with the right set of skills and a good grasp of technology over the entire employee lifecycle are key success factors for the bank.

Responsible approach to compensation

The objectives of the Group's compensation policy include attracting and retaining employees, and motivating them to achieve sustainable results with integrity and fairness. The key elements of the compensation framework for Group employees comprise fixed compensation (base salary, pension and other benefits) and variable incentive compensation, which is determined based on the Group's performance as well as individual performance evaluations. Variable incentive compensation is deferred for persons with a total compensation of CHF/USD 250,000 or higher, mainly in the form of share-based awards or Contingent Capital Awards (CCA). All deferred compensation awards contain provisions that enable the Group to reduce or cancel the awards prior to settlement under certain circumstances. For the Executive Board, variable incentive compensation comprises short-term incentive (STI) awards, which are linked to the achievement of predetermined performance objectives for the prior year, and long-term incentive (LTI) awards, which are based on future performance outcomes measured against predetermined performance targets over a period of three years. Maximum STI and LTI opportunity levels are determined for each Executive Board member and are each expressed as a multiple of base salary. At the end of the respective performance cycles, the maximum payout level for each award is capped at 100% of the opportunity level.

During 2019, we continued to engage with key shareholders and external stakeholders, both to listen to their views on our current compensation practices, and to understand any thoughts they had on areas of focus for the Compensation Committee in future years. In its annual review of the overall compensation framework at Credit Suisse, the Compensation Committee took into account the feedback received from external stakeholders, as well as considering market developments to assess whether current practices remain appropriately competitive. As a result of this review, it determined that the overall compensation framework continues to be appropriate.

In determining the Group's variable incentive compensation pool for 2019, the Compensation Committee took into consideration the Group's financial performance during the year as well as progress made against strategic objectives, relative performance, market position and market trends, as well as control, risk, compliance and ethical considerations. While the Group significantly increased its profitability in 2019, with income before taxes up by 40% year-on-year, the Compensation Committee's recommendation to the Board of Directors was not to increase the Group variable incentive compensation pool in order to re-balance the distribution of profits between shareholders and employees and to return more value to shareholders. The total variable incentive compensation awarded for 2019 was CHF 3.2 billion, 1% lower than the prior year.

In accordance with Swiss law, the Group will submit proposals on Board and Executive Board compensation for binding shareholder approval at the AGM in 2020. Comprehensive information on the Group, Executive Board and Board compensation can be found in the 2019 Compensation Report.

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Responsibility for the environment

Responsibility for the environment

We take environmental impacts into account when conducting our business by developing sustainable products and services and addressing sustainability issues when managing risk. The implementation of various operational measures helps us to improve our own environmental performance.

Credit Suisse is committed to developing and supporting measures that contribute to a more environmentally sustainable economy. We believe that these efforts are in the interests of both our organization and our clients and other stakeholders. Our approach is based on our Code of Conduct and our Statement on Sustainability, which explains how we aim to address environmental and social issues when performing our activities as a bank. The UN Global Compact and the UN Sustainable Development Goals (SDGs) are other important points of reference in this area.

Further information:
→ see p. 62–63

Addressing climate change
Climate change is a reality that must be addressed. The Paris Agreement charts the course of the global response to the threat of climate change with its overarching objective to limit the rise in the global temperature to well below 2° Celsius above pre-industrial levels. Based on the Paris Agreement, countries have committed to implement transition plans to lower their greenhouse gas emissions. As a global financial institution, we recognize our share of responsibilities in combating climate change by supporting the transition to a low-carbon and climate-resilient global economy. Our principles and our approach to climate protection are set out in our Statement on Climate Change, which describes how we intend to address climate-related risks, mobilize financial resources and reduce our own environmental footprint. Furthermore, Credit Suisse signed the UN Principles for Responsible Banking (PRB) in 2019, which call for the banking sector to align with the objectives of the UN Sustainable Development Goals and the Paris Agreement (see page 8).

In 2019, Credit Suisse introduced a Group-wide Climate Risk Strategy with a three-pronged approach: supporting our clients in their transition to low-carbon and climate-resilient business models; providing sustainable finance solutions; and reducing the carbon footprint of our own operations (see pages 19-20).

We also follow a sustainable investment approach for our real estate investment portfolio (see box on page 55), and we continue to integrate climate issues in our risk management processes. To assess whether projects or client activities may pose a major risk to the environment, the climate or biodiversity, we apply our Reputational Risk Review Process. Our sector policies and guidelines govern the responsible provision of financial services to clients and define the relevant environmental and social aspects that are to be considered when assessing individual transactions.

Further information:
→ see p. 17–22

We are working on addressing the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD), and we expect our TCFD adoption efforts to provide us with further guidance for the transition toward a world that progressively minimizes its dependency on fossil fuels (see box on page 21).

In 2019, Credit Suisse continued to participate in the dialogue about the development of strategies for sustainable, climate-friendly business practices. In Switzerland, for example, we have hosted the Lifefair Forum event series for a number of years. At the 2019 Lifefair events, experts from the business community, the political arena and NGOs engaged in discussions about sustainability-related topics such as smart climate action, and sustainable logistics and transportation.

Further information on climate-related topics and our Statement on Climate Change are available at:
→ www.credit-suisse.com/climate

Global Real Estate in Credit Suisse Asset Management

The International Energy Agency (IEA) estimates that buildings and the construction sector are responsible for just over one-third of global final energy consumption and nearly 40% of total direct and indirect CO_2 emissions. Improving the energy efficiency of buildings and taking account of various other sustainability considerations in real estate investment decisions are therefore important components of global efforts to tackle climate change.

We regard sustainability as an essential requirement in the management and development of the properties within our various real estate products. Global Real Estate in Credit Suisse Asset Management had over CHF 51 billion of assets under management at end-2019 and a portfolio of more than 1,300 properties across 14 countries. Global Real Estate's commitment to sustainable real estate is reflected by its investment solutions and its sustainable investment approach to the whole portfolio.

To establish a comparable standard for all new buildings, Global Real Estate relies on the Credit Suisse greenproperty quality seal that has been applied to more than 130 properties across the portfolio. Other industry standards such as LEED, BREEAM, DGNB or Minergie are also applied.

To complement this approach, and to assess the energy and CO_2 performance of its portfolio, all managed properties are monitored and controlled by the building technology company Siemens Switzerland AG with the aim of ensuring transparency across the lifecycle of each property. As a result of Global Real Estate's systematic approach, the portfolio's CO_2 emissions have been reduced by 17.5% globally since 2010.

To comprehensively assess its sustainability or Environmental, Social and Governance (ESG) performance, Global Real Estate has participated in the Global Real Estate Sustainability Benchmark (GRESB) since 2013. GRESB allows for the measurement of the ESG performance of each property portfolio, illustrates the potential for improvements, and benchmarks companies' performance against peer groups and across the industry. As of end-2019, more than 1,000 real estate companies representing USD 4.5 trillion of assets under management across 65 countries benchmarked their real estate assets through the GRESB platform to evaluate their sustainability performance. Institutional investors use ESG data and GRESB's analytical tools to improve the sustainability performance of their investment portfolios, engage with investment managers and prepare for increasingly rigorous ESG obligations.

Biodiversity and natural capital
At Credit Suisse, we view the protection of biodiversity as an integral part of our sustainability commitments, and we address this topic in a variety of ways. In our risk management processes, we have incorporated biodiversity-related aspects into our sector-specific policies and guidelines. For example, our policy requirements for the forestry and agribusiness sectors are aligned with relevant sustainability initiatives such as the Roundtable on Sustainable Palm Oil (RSPO) – of which we are a member – and the Forest Stewardship Council (FSC). To promote good forestry and agribusiness practices and to discourage net forest conversion, our policies also include restrictions on financing activities related to High Conservation Value Forests as well as provisions for the particular scrutiny of peatland operations and the prohibition of financial services for operations in protected areas such as UNESCO World Heritage sites.

We also engage with stakeholders on defining ways for the financial industry to contribute to preserving biodiversity and the world's natural habitats. For instance, we have acted as a technical advisor to the Zoological Society of London's Sustainability Policy Transparency Toolkit (SPOTT) for a number of years, and are part of the Technical Advisory Group for the palm oil and the timber and pulp sectors. SPOTT currently assesses over 200 commodity producers and traders on the public disclosure of their policies, operations and commitments to environmental, social and governance best practices. We also supported the expansion of the SPOTT platform to the natural rubber sector in 2019, and we continue to assist with SPOTT website design and content updates through employee "virtual volunteering" activities. Moreover, we provided support to the High Conservation Value Resource Network (HCVRN) secretariat for the development of a training strategy to improve the quality of High Conservation Value and High Carbon Stock Assessments in the palm oil sector.

Recognizing the need for capital in conserving ecosystems, we are active in the conservation finance space, which focuses on the creation of new, long-term and diversified sources of revenue that can play a role in ensuring terrestrial as well as marine biodiversity conservation and the health of natural ecosystems. We are expanding our product offering in this space. In 2019, Credit Suisse was also the sole manager of a Sustainable Development Bond issuance by the World Bank, focusing attention on the so-called "blue economy".

Finally, we have hosted the Credit Suisse Annual Conservation Finance Investor Conference in New York for seven years, providing a forum where specialists can discuss solutions for further developing the conservation finance sector.

More information is available at:
→ www.credit-suisse.com/biodiversity

Raising employee awareness of environmental issues

We give employees the opportunity to make a personal on-the-job contribution to environmental protection, and we inform them about environmental issues. In this context, around 3,500 employees worldwide had signed up to our regional Sustainability Networks as of end-2019. In addition, Credit Suisse once again took part in the symbolic Earth Hour climate campaign in 2019, with the lights at 43 Credit Suisse offices around the world being switched off for one hour on March 30, 2019. To increase awareness of environmental management as well as health and safety topics, we provided 17,600 hours of training to 17,200 participants together with various service providers in 2019. Credit Suisse participated in the "bike to work" campaign for the twelfth time in 2019, with 86 teams of employees in Switzerland cycling to work in May and June, covering a distance of over 136,000 kilometers – which is equivalent to circumnavigating the globe more than three times.

Environmental management

Credit Suisse strives to make more efficient use of natural resources and to reduce greenhouse gas emissions. We focus our efforts on energy management because energy consumption is among the areas in which our operations have the greatest direct impact on the environment. In order to reduce environmental impacts and lower costs, we continuously implement a variety of measures through our environmental management system.

In 2019, we continued to concentrate on improving energy efficiency and on reducing the consumption of electricity and fossil fuels. Through our energy efficiency program in Switzerland, for example, we were able to increase our energy efficiency by approximately 1.6 gigawatt hours (GWh).

We have a rigorous control framework in place to manage our environmental impact. A key component of this framework is our globally certified Environmental Management System (EMS), which has been implemented in accordance with the ISO 14001:2015 standard. In 2019, we successfully completed an EMS surveillance audit carried out by SGS, without any Corrective Action Requests (CARs). We also involve external service providers and suppliers in our continuous efforts to improve our environmental management measures where appropriate.

2025 environmental objectives

We continuously review our environmental strategy to ensure best practices are implemented into our daily management processes. We have strengthened our commitment to environmental management by introducing the following 2025 environmental objectives:

- Reduce total greenhouse gas emissions by 75% with regard to the aspects based on which emissions from our operational activities are reported, relative to 2010 levels
- Procure 100% renewable electricity, and commit to the RE100 initiative, through which we pledge to continuously increase the green power share of electricity consumed in our operations
- Increase the office space in our portfolio that is certified as "green" – according to labels such as the Credit Suisse greenproperty quality seal, LEED, BREEAM, DGNB or Minergie – to 50% of our total office space portfolio
- Improve our regional energy efficiency by 1.5% per year from 2020 through 2025
- Reduce single-use plastic and increase the share of products made from recycled and reusable materials
- Reduce the amount of paper used by 10% compared to 2018 and ensure 100% of paper purchases carry an appropriate environmental label
- Reduce water consumption by 10% per employee (full-time equivalent) compared to 2018

Reducing our environmental footprint

By systematically pursuing our four-pillar strategy to achieve greenhouse gas neutrality (see chart on page 58), we have reduced our annual net global greenhouse gas emissions by around 23% since 2017. This achievement is in part based on continued energy efficiency measures across our premises as well as investments to reduce energy consumption. These measures constitute pillars 1 and 2 of our strategy. Furthermore, as part of these efforts to substantially reduce our greenhouse gas emissions by increasing the share of climate-friendly energy sources, we purchased Renewable Energy Certificates (RECs) for selected Credit Suisse offices in Poland, Russia, the UK, the US, Mexico and Brazil, Hong Kong, India and Japan to increase the share of climate-friendly energy sources. In Switzerland, we have been able to set up electricity supply contracts that cover our entire electricity consumption with RECs from hydropower. As a result, 90% of our global electricity consumption in 2019 was from renewable sources. The purchase of RECs is the main component of pillar 3 of our strategy. Finally, the remainder of emissions is offset through Emissions Reduction Certificates (ERCs) (pillar 4 of the strategy). Through these combined efforts, we again achieved global greenhouse gas neutrality in 2019, a goal we first achieved in 2010.

Business travel continues to pose a challenge for Credit Suisse due to the global nature of our business. It is often essential to maintain direct contact with clients, which is why business air travel accounts for around 56% of our global greenhouse gas emissions. To reduce the number of flights taken, our relevant policy encourages employees to travel by train when covering shorter distances, and to use telephone and video conferencing whenever possible. Emissions from air travel, as all residual emissions from our operations, are offset through ERCs. In 2019, this amounted to around 70,800 metric tons of CO_2 equivalents.

We also reduced our environmental footprint through the use of certified paper produced from forests that are managed sustainably in line with, for example, the Forest Stewardship Council (FSC) criteria; this accounted for 78% of our global paper consumption in 2019. Furthermore, we were able to reduce our water consumption in Switzerland by approximately 2,700 m³ compared to 2018. Finally, flexible working models that enable our employees to work from home from time to time can also help to reduce local emissions from regional commuter traffic.

This chapter addresses the following issues:

2 Climate change
3 Environmental and social risk management
6 Responsible investments

→ credit-suisse.com/responsibility/environment

Further information:
→ see p. 7

Global greenhouse gas neutrality – our four-pillar strategy

Credit Suisse has been greenhouse gas neutral globally since 2010. To achieve this, we systematically pursue our four-pillar strategy based on operational efficiency improvements, energy-saving investments, the substitution of existing energy sources through climate-friendly energy and RECs, and finally by compensating for the remaining emissions through the purchase of ERCs. As a result of the various measures taken across the first three pillars of our strategy, our net global greenhouse gas emissions decreased by around 70% to 127,500 metric tons of CO_2 equivalents in 2019 compared to the year 2010.

Four-pillar strategy

1. Optimizing operations
Efficiency gains and reduction of energy consumption through the optimization of installations

2. Investments
Reduction of energy consumption through energy-saving investments

3. Substitution
Use of climate-friendly energy sources (2019: A total of 342 gigawatt hours or 90% of electricity consumed globally were generated using renewable resources)

4. Compensation
Purchase of Emissions Reduction Certificates (ERCs) (in 2019, 60% of ERCs met the Gold Standard)[1]

Reduction of own material and energy consumption

Reduction of greenhouse gas emissions each time energy is consumed

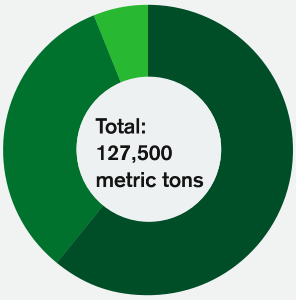
Reduction of own greenhouse gas emissions

Compensation of remaining greenhouse gas emissions

Greenhouse gas neutrality

[1] 60% of the ERCs in the 2019 portfolio met the Gold Standard. 40% of the ERCs are generated in Turkey; 20% are generated in China, India and Brazil, respectively. Due to the increased purchase of renewable power via RECs in 2019, greenhouse gas emissions offset through the purchase of ERCs could be reduced by a further approximate 70,000 metric tons of CO_2 equivalents.

Credit Suisse's greenhouse gas emissions in 2019



- 60% Business travel
- 34% Energy use of buildings
- 6% Paper, waste, water, extinguishing agent losses and coolant losses

Portfolio of purchased Emissions Reduction Certificates (ERCs) 2019[1]

- 40% Wind
- 20% Biomass/biogas power
- 20% Photovoltaic power
- 20% Geothermal power

Greenhouse gas emissions
Overview of scope 1–3 emissions
(rounded net figures; CO_2 equivalents in metric tons)

15,600	Directly through burning fuels and losses from coolants and fire extinguishers (scope 1)[2]
19,500	Indirectly from energy production (scope 2 market-based)[2]
142,400	Indirectly from energy production (scope 2 location-based)[2]
92,400	Indirectly through sources such as energy precombustion, business travel, paper, waste and water (scope 3)[2]

Global key performance indicators for environmental management[3]

	2019		2018[4]		2017[4]	
	Absolute	Per FTE[5]	Absolute	Per FTE[5]	Absolute	Per FTE[5]
Greenhouse gas emissions (CO_2 equivalents in metric tons)[6]	127,500	2.6	152,900	3.3	164,800	3.5
Energy (MWh)	462,900	9.5	489,400	10.6	510,500	10.8
Business travel (km)	437,400,000	9,000	420,600,000	9,100	418,900,000	8,850
Paper (t)	2,300	0.05	2,600	0.06	2,700	0.06
Water (m^3)	765,000	16	740,900	16	944,900	20
Waste (t)	6,300	0.13	7,700	0.17	12,700	0.27

1 60% of ERCs meet the Gold Standard.
2 For details of scope 1, scope 2 and scope 3 emissions, see environmental performance data for in-house operations at credit-suisse.com/crr
3 VfU standard 2018 (rounded figures) newly applied to data set 2019, as well as retrospectively applied to data sets 2017 and 2018.
4 Rounded figures; minor adjustments made to 2018 and 2017 data sets.
5 As of December 31 of the reporting year; employees (full-time equivalents).
6 Net greenhouse gas emissions (scope 2 market-based) prior to offsets made to achieve greenhouse gas neutrality.

Further information on environmental management and examples of measures taken globally and in all our regions are available at:

→ credit-suisse.com/environmentalmanagement

Detailed information on Credit Suisse's four-pillar strategy is available online at:

→ credit-suisse.com/4pillarstrategy

Challenge and response

Challenge: Tackling climate change is a major global challenge, receiving increasing attention from a wide range of stakeholders, including policymakers and regulators, investors, NGOs, climate activists, the media and the broader public. The year 2019 saw large-scale demonstrations demanding climate action around the world, some of which addressed the role of financial institutions. Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development is also an important component of the Paris Agreement, which entered into force in 2016. What steps is Credit Suisse taking to help address the challenge of climate change?

Response: Credit Suisse recognizes its share of responsibility in addressing the challenges of climate change, and we acknowledge that financial flows also need to be brought in line with the objectives of the Paris Agreement. We believe that our role as a financial intermediary is to act as a reliable partner in the transition to a low-carbon and climate-resilient economy. Our principles and our approach to climate protection are set out in our Statement on Climate Change, and we became a founding signatory to the Principles for Responsible Banking of the UN Environment Programme Finance Initiative (UNEP FI) in 2019 (see page 8).

In the same year, we introduced a Group-wide Climate Risk Strategy program, integrating our existing efforts as well as defining new measures (see pages 19-20). As a part of this strategy, we are working with our clients to support their transition to low-carbon and climate-resilient business models. We also continue to integrate climate change into our risk management process (see page 17-18). This includes evaluating factors such as a company's greenhouse gas footprint and its energy efficiency objectives, while some of our policies and guidelines require clients to have a plan in place to deal with climate change risks. In 2019, our sector policies and guidelines, which had previously excluded any form of financing for new greenfield thermal coal mines, were updated to also exclude any form of financing specifically related to the development of new coal-fired power plants (see page 18).

We continued our work on addressing the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) (see box on page 21). In that context, Credit Suisse participated in the Paris Agreement Capital Transition Assessment pilot project in 2019, working with other international banks to develop and test methodologies for measuring the alignment of corporate lending portfolios with the Paris Agreement. We are also participating in Phase II of the TCFD Banking pilot under UNEP FI, through which a systematic, repeatable and comprehensive approach to assess transition and physical risks in accordance with the TCFD recommendations is being developed. Credit Suisse is also continuously expanding its activities in the area of green finance (see page 27). In our own operations, we have been greenhouse gas neutral on the reported aspects since 2010 and have reduced our greenhouse gas emissions by 70% since 2010 (see pages 56-59).

Finally, Credit Suisse engages in an ongoing dialogue with NGOs and other actors in the conversation on climate change. The concerns expressed in that context are important. We take a variety of viewpoints on the nature, scope and pace of actions required into account when further developing our approach to addressing this challenge.

Reporting on Corporate Responsibility

Through our reporting on corporate responsibility, we inform our stakeholders openly and transparently about the ways in which we address economic, environmental and social challenges in our daily business activities, as well as about the principles that guide us in our work. These principles are set out in our Code of Conduct and in our Conduct and Ethics Standards. They apply to all our activities and to our relationship with our different stakeholders. Further guidance is provided by the Group-wide Statement on Sustainability.

See also:
→ credit-suisse.com/sustainabilitycommitments

Scope of the report

This report forms an integral part of our Annual Reporting Suite and focuses on the financial year 2019. It explains how our commitments and aspirations in the area of corporate responsibility are put into practice as a key component of our operations, and it provides an overview of our principal activities and milestones in 2019. It also documents the progress we have made in implementing the Ten Principles of the UN Global Compact, as well the measures we have put in place to contribute to the achievement of the Sustainable Development Goals.

The contents of the report, along with additional information about our efforts relating to corporate responsibility, are also available at:
→ credit-suisse.com/responsibility

GRI Sustainability Reporting Standards

Our reporting on corporate responsibility addresses the growing importance of non-financial reporting and the increasing stakeholder demand for relevant information in this area. The GRI Standards provide a framework for voluntary sustainability reporting, helping to increase transparency and comparability. In line with the GRI Standards, Credit Suisse regularly conducts a materiality assessment to better understand the views and interests of our stakeholders. This report focuses on issues classified as particularly important in the context of the materiality assessment.

Further information:
→ see p. 6–7

Credit Suisse's 2019 reporting documents on corporate responsibility reflect the GRI Standards for sustainability reporting (core option). Selected indicators in our GRI-based disclosure on corporate responsibility are externally assessed and independently assured by SGS. Our Corporate Responsibility Report 2019 will be submitted voluntarily to the SIX Swiss Exchange in accordance with the opting-in regulation for companies issuing sustainability reports.

Further details regarding our GRI indicators and the external review are available at:
→ credit-suisse.com/gri

Implementation of the Ten Principles of the UN Global Compact

Over 10,000 businesses from around 160 countries have pledged to uphold the principles relating to human rights, labor standards, environmental protection and anti-corruption efforts defined in the Ten Principles of the UN Global Compact. Credit Suisse has been a signatory to this leading international initiative since its inception in 2000, and we are an active member in the Global Compact Network Switzerland. Through our Corporate Responsibility Report, we communicate annually on the progress we have made in implementing the Ten Principles.

The Ten Principles of the UN Global Compact		Implementation at Credit Suisse	See pages
Human rights			
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	■ Participation in the Thun Group to promote a better understanding of the UN Guiding Principles on Business and Human Rights for the banking sector	20
		■ Statement on Human Rights	20
Principle 2	make sure that they are not complicit in human rights abuses.	■ Sustainability risk management	17–22
		■ Sector-specific policies and guidelines	18–19
Labor			
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	■ Credit Suisse Staff Council in Switzerland (internal employee representation)	49
		■ European Works Council	49
Principle 4	the elimination of all forms of forced and compulsory labor;	■ Credit Suisse Supplier Code of Conduct and Third Party Risk Management (TPRM) framework	22
		■ Modern Slavery and Human Trafficking Transparency Statement	20
Principle 5	the effective abolition of child labor; and	■ Sector-specific policies and guidelines	18–19
		■ Credit Suisse Supplier Code of Conduct and Third Party Risk Management (TPRM) framework	22
Principle 6	the elimination of discrimination in respect of employment and occupation.	■ Diversity and inclusion	46–47
Environment			
Principle 7	Businesses should support a precautionary approach to environmental challenges;	■ Group-wide Climate Risk Strategy program	19–20
		■ Statement on Climate Change	54
		■ Sustainability risk management	17–22
		■ Sector-specific policies and guidelines	18–19
		■ Signatory to the Principles for Responsible Banking (PRB)	8
		■ Signatory to the Principles for Responsible Investment (PRI)	23
		■ Addressing the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (FSB TCFD)	21
		■ Signatory to the Poseidon Principles	19
Principle 8	undertake initiatives to promote greater environmental responsibility; and	■ Global greenhouse gas neutrality since 2010	58
		■ ISO 14001-certified environmental management system	56
		■ Activities in the area of conservation finance	26
		■ Impact Advisory and Finance (IAF) department	23–24
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	■ Use of climate-friendly energy sources for our operations	57
		■ Green finance	27
		■ Renewable energy project financing	26
		■ Sustainable real estate	55
Anti-corruption			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	■ Member of the Wolfsberg Group	15
		■ Internal standards and training for employees	44–46
		■ Integrity Hotline	15

Our contribution to the realization of the Sustainable Development Goals

Sustainable development is a key aspect of our corporate responsibility. Since the introduction of the Sustainable Development Goals (SDGs) by the UN in 2015, we have been pursuing activities designed to contribute to the realization of the SDGs in our role as a global financial institution. In 2019, in the context of our materiality assessment survey, we again consulted with our stakeholders to learn about their perception of Credit Suisse's most significant impacts on the SDGs. Among the 17 SDGs, Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9) and Climate Action (SDG 13) were mentioned most frequently. These results confirm our previous priority areas. The following table provides an overview or our wide-ranging activities relating to selected objectives.

Objective	Our contribution	See pages
Goal 4: Quality education		
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	■ We promote access to education and help to improve the quality of education through our Global Education Initiative	35
	■ We run a financial education program for girls in Brazil, China, India, Rwanda, Sri Lanka and Tanzania	35
	■ We support regional education programs in collaboration with partner organizations	35, 40–41
Goal 5: Gender equality		
Achieve gender equality and empower all women and girls.	■ We foster diversity and inclusion within our organization	46–47
	■ We take measures to increase the proportion of women in management positions within our organization	47
	■ We promote access to financial services for women in developing countries and emerging markets through our financial inclusion activities and run a financial education program for girls	35–41
Goal 7: Affordable and clean energy		
Ensure access to affordable, reliable, sustainable and modern energy for all.	■ We provide renewable energy financing	26
	■ We use climate-friendly energy sources for our business premises and have buildings certified according to energy efficiency standards	55–57
	■ We run an ISO 14001-certified environmental management system	56
Goal 8: Decent work and economic growth		
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	■ We offer progressive working conditions for our employees	44–50
	■ We support economic growth and entrepreneurship through our role as a lender and financial intermediary	30–34
	■ We are an integral part of the economy and society in our role as an employer, client, contractual partner and taxpayer	30–34
	■ We help to strengthen local economies in developing countries and emerging markets through our activities in the area of financial inclusion	37–41
Goal 9: Industry, innovation and infrastructure		
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	■ We supply risk capital to support growth and innovation, including through Credit Suisse Entrepreneur Capital AG in Switzerland	31
	■ We help to strengthen local economies in developing countries and emerging markets through our activities in the area of financial inclusion	35–37
	■ We provide renewable energy financing	26
	■ We focus on sustainability risk management and have sector-specific policies and guidelines in place	17–22
Goal 11: Sustainable cities and communities		
Make cities and human settlements inclusive, safe, resilient and sustainable.	■ We invest in sustainable real estate	55
	■ We are committed to continuously improving the ESG performance (environmental, social and governance performance), energy efficiency and carbon footprint of our real estate investment portfolio	55
Goal 13: Climate action		
Take urgent action to combat climate change and its impacts.	■ We have a Group-wide Climate Risk Strategy program in place	19–20
	■ We focus on sustainability risk management and have sector-specific policies and guidelines in place	17–22
	■ We are addressing the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (FSB TCFD)	21
	■ We offer a range of green finance products and services for our clients	27
	■ We are greenhouse gas neutral across all our operations globally	58
	■ We are a signatory to the Poseidon Principles	19
Goal 15: Life on land		
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	■ We are active in the area of conservation finance	26
	■ We have an ongoing advisory role to the Zoological Society of London's Sustainability Policy Transparency Toolkit (SPOTT)	56
	■ We focus on sustainability risk management and have sector-specific policies and guidelines in place	17–22

Sustainability indices and ratings assigned to Credit Suisse in 2019

Indices	Brief description	Credit Suisse
Dow Jones Sustainability World Index (DJSI World)	Global best-in-class approach: The top 10% of the 2,500 largest companies in the S&P Global Broad Market Index[SM] that lead the field in terms of sustainability.	Credit Suisse has been a constituent of the Dow Jones Sustainability World Index since it was launched in 1999.
Dow Jones Sustainability Europe Index (DJSI Europe)	European best-in-class approach: The top 20% of the 600 largest European companies in the S&P Global Broad Market Index[SM] that lead the field in terms of sustainability.	Credit Suisse has been a constituent of the European Index of the Dow Jones Sustainability Indices since it was launched in 2001.
FTSE4Good Index	Companies that meet globally recognized corporate responsibility standards.	Credit Suisse has been a constituent of the FTSE4Good Index Series since it was launched in 2001.

Ratings	Brief description	Credit Suisse
CDP	CDP represents institutional investors with invested assets of over USD 100 trillion; its aim is to offer transparent guidance to investors on climate-related opportunities and risks for companies.	B (rating scale: D– to A)
MSCI ESG Rating	MSCI ESG Ratings assess a company's performance based on environmental, social and governance (ESG) themes, focusing on key ESG issues identified for the industry.	BBB (rating scale: AAA to CCC)
SAM Corporate Sustainability Assessment (CSA)	The SAM CSA analyzes the sustainability performance of over 4,500 listed companies every year based on environmental, social and governance (ESG) criteria.	Overall company score: 68 (rating scale: 1 to 100) (94th percentile); Economic dimension score: 56; Environmental dimension score: 88; Social dimension score: 79
Sustainalytics	The sustainability research carried out by Sustainalytics focuses on environmental, social and governance (ESG) criteria.	65 points (rating scale: 1 to 100) (70th percentile; rated 108 out of 353)

Sustainability networks and initiatives

Credit Suisse actively participates in a number of sustainability networks and initiatives worldwide.

- **Climate Bonds Initiative**
- **Equator Principles**
- **Green Bond Principles**
- **Oebu – Swiss Business Council for Sustainable Development**
- **Principles for Responsible Banking (PRB)**
- **Principles for Responsible Investment (PRI)**
- **Roundtable on Sustainable Palm Oil (RSPO)**
- **UN Environment Programme Finance Initiative (UNEP FI)**
- **UN Global Compact**

Further information can be found online at:

→ credit-suisse.com/agreements

Banking

Objectives 2019	Achievements 2019
■ Continue our efforts to drive a robust compliance culture throughout the bank through targeted measures that take account of the changing operating environment.	■ Through our Conduct and Financial Crime Control Committee, we continued to actively monitor and assess financial crime compliance risks and drive initiatives focused on vigilance within the context of combating financial crime. ■ We continued to focus on developing and enhancing our data and technology platforms that contribute to mitigating employee and client risk.
■ Take steps to address the implications of the UK's decision to leave the EU in order to minimize disruption to the business and to clients.	■ In order to provide continued services to EU clients and access to EU markets, we are leveraging our existing legal entity network and, where necessary, transferring our EU clients and EU venue-facing broker-dealer business to Group entities, including those incorporated in Spain, Credit Suisse Securities Sociedad de Valores S.A., and Germany, Credit Suisse (Deutschland) AG.
■ Focus on generating capital in order to return it to shareholders; our long-term objective is to distribute around 50% of profits to shareholders for 2019 and 2020.	■ We continued to generate capital and reported an increased common equity tier 1 (CET1) ratio of 12.7% at end-2019. We distributed CHF 1.7 billion of capital to our shareholders last year – including through the successful completion of our CHF 1 billion share buyback program for 2019. We commenced a similar program for 2020 and, prior to the spread of COVID-19, had expected to buy back at least CHF 1 billion of shares this year, subject to market and economic conditions. Having completed the initial share purchases under the 2020 program earlier this year, the Board of Directors will review its expectation for the balance of the program when there is greater certainty over the economic, financial and market outlook.
■ Develop methodologies and tools for the alignment of credit portfolios with the Paris Climate Agreement, working with other banks.	■ In 2019, we joined the Paris Agreement Capital Transition Assessment (PACTA) pilot project, recognizing that financial flows also need to be brought in line with the objectives set out in the Paris Agreement. Within that project, Credit Suisse is working with other international banks to develop and test methodologies for measuring the alignment of corporate lending portfolios with the Paris Agreement. We are also participating in Phase II of the Task Force on Climate-related Financial Disclosures (TCFD) Banking pilot under the United Nations Environment Programme, wherein a systematic, repeatable, and comprehensive approach to assess transition and physical risks in accordance with the TCFD recommendations is being developed.
■ Launch pilot phase to define internal climate risk terminology and measure certain sector exposures against defined climate scenarios.	■ We have identified several key risks and opportunities, originating from either the physical or transition effects of climate change. ■ Climate-related risks are embedded in our Group-wide risk taxonomy. They could manifest themselves through existing risk types such as credit risk, market risk, non-financial risk, business risk or reputational risk. ■ The Group has enhanced its internal reports and is developing further climate risk-related scenario analysis in addition to the 2°C and 4°C scenarios introduced in 2018.
■ Review and further develop Credit Suisse's sector policies and guidelines for sensitive industries.	In 2019, we made the following updates to our sector policies and guidelines for sensitive industries: ■ Update of the Power Sector Guidelines to exclude any form of financing specifically related to the development of new coal-fired power plants. ■ Inclusion of the concept of Free, Prior and Informed Consent (FPIC) in our policies on oil and gas, mining as well as forestry and agribusiness in order to better respect the rights of indigenous peoples that may be affected by project-related transactions.
■ Continue to engage with peers and industry groups for the development of environmental and social (E&S) due diligence approaches and the improvement of E&S disclosure.	■ We continued our active participation in industry initiatives such as the Equator Principles and the Thun Group. ■ Credit Suisse played an active role in the update process of the Equator Principles and in the ongoing management of the Equator Principles Association. ■ At the 2019 Thun Group meeting, Credit Suisse discussed topics such as the OECD Responsible Business Conduct guidelines, effective human rights due diligence and performance measurement and measures to combat modern slavery and human trafficking with representatives from banks, governments, academia, civil society and other actors. ■ We served as a member of the multi-stakeholder Advisory Group established by the OECD, which aims to develop best practice guidance for human rights and environmental due diligence based on the provisions of the OECD Guidelines for Multinational Enterprises. In 2018 and 2019, the advisory group worked to develop the OECD Due Diligence Guidance for Responsible Corporate Lending and Securities Underwriting, published in October 2019. ■ In Singapore, we held our ninth annual roundtable on environmental and social risk management practices in investment banking, with participants from 12 different banks.

Objectives 2020

- Achieve consistent growth and continued disciplined execution as we work towards achieving our return on tangible equity (RoTE) ambition of approximately 10% for 2020. However, the extent to which COVID-19 impacts our business, including with respect to our financial goals and related expectations and ambitions, is highly uncertain and cannot be predicted at this time.
- Continue to leverage existing risk management processes and capabilities for the management of climate risk.
- Further develop our Group-wide Climate Risk Strategy program, assessing the readiness of our clients to transition to low-carbon and climate-resilient business activities.
- Take steps to implement the UNEP FI Principles for Responsible Banking.

Economy and society

Objectives 2019	Achievements 2019
■ Continue to engage in an active dialogue with policymakers and regulators in order to ensure the competitiveness and resilience of the financial sector.	■ We continued our longstanding dialogue with regulators and policymakers on various policy matters in 2019. Key topics included regulatory cooperation to avoid fragmentation of global standards, introduction of the new Basel III regulations in Switzerland as well as financial institutions' share of responsibilities in combating climate change by supporting the transition to a low-carbon and climate-resilient global economy. We furthermore continued our engagement in various industry associations on both on a national and international level.
■ After the success of our global initiatives over the last decade and based on our long-running regional efforts, we want to build on our strengths and continuously adapt to changing needs within society. In 2019, we want to further develop our strategy and processes in the area of corporate citizenship in order to identify trends and issues at an early stage and to align our programs with them as effectively as possible. At the same time, we will strive to further optimize our internal resources.	■ In 2019, we thoroughly reviewed and updated our global Corporate Citizenship strategy, taking into consideration societal needs and developments in all the regions where we operate. Our newly introduced Future Skills program complements our two global initiatives in the areas of financial inclusion and financial education and is a natural evolution of our longstanding commitment to education in the communities where we live and work. It also helps us to even better leverage the resources at our disposal and to coherently showcase our programs and their impact in the different regions.

Objectives 2020

- Provide thought leadership on and advocate proportionate and effective financial market regulation. Continue to engage with policymakers, trade associations and regulators on sustainable finance policy topics, with a particular focus on the EU Action Plan on Sustainable Finance, Swiss sustainable finance developments (e.g. total revision of the CO_2 Act post 2020) and other global developments such as ESG disclosure requirements.
- Further develop and establish our Future Skills program by identifying and collaborating with innovative partner organizations who are trying new models, as well as linking the program to core HR activities and thought leadership in the area of workforce development where possible.

Employer

Objectives 2019	Achievements 2019
■ Strengthen systematic nurturing and development of diverse talent at Credit Suisse.	■ In 2019, we positioned Credit Suisse as an inclusive employer that attracts and develops diverse talent. We leveraged our messaging from the Employer Value Proposition to communicate our focus on Diversity & Inclusion and we strengthened targeted recruitment campaigns that focus on diverse groups, e.g. our Real Returns program and Campaign for Women. As a result, we were awarded first place in the Diversity Index Switzerland and have been named as one of the top ten best places to work for women. We were also recognized as an «Exemplar of Inclusion» in the 2019 AVTAR.
■ Continue to foster collaboration and development of our leaders.	■ In 2019, we increased investment in the systematic development of our key Senior Talent & Leaders. We expanded our Leadership Development curriculum with the launch of the New Managing Director Program and the MD Masterclasses. We also continued the Senior Talent Program for our most senior Managing Director talents and introduced a similar pipeline program – the Emerging Leaders Program – for our Director talents.

Objective 2020

- Foster a culture of lifelong learning, and facilitate personalized learning to enable the upskilling of the Credit Suisse workforce in the context of continuous changes in the working environment and digital transformation.

Environment

Objectives 2019	Achievements 2019
■ Continue support for sustainable soft commodities, including industry standards, peer collaboration, client advisory and disclosure.	■ We continued to be a member of the Roundtable on Sustainable Palm Oil (RSPO). ■ We continued to act as a technical advisor to the Zoological Society of London's Sustainability Policy Transparency Toolkit (SPOTT), and are part of the Technical Advisory Group for the palm oil and the timber and pulp sectors. We also supported the expansion of the SPOTT platform to the natural rubber sector.
■ Maintain and further develop our ISO 14001 environmental management system (EMS), including continuous improvements in our environmental performance.	■ We reviewed our ISO14001 documentation and related processes and updated and optimized them where necessary. In particular, we optimized the management and governance of all electronic information using a centralized document management system.
■ Ensure a successful global ISO 14001 surveillance audit under the direction of the certification company SGS.	■ We successfully passed the surveillance certification audits according to the ISO 14001:2015 Standard under the direction of the certification company SGS. Credit Suisse did not receive any Corrective Action Requests (CARs) in the 2019 audit.
■ Continue to increase the green power share of electricity consumed in our operations.	■ All electricity as well as all gas contracts in which Credit Suisse is a direct contractual partner and which were put out to tender and awarded in 2019 are 100% renewable and therefore in line with our new 2025 environmental objectives. By the end of 2019, our global electricity consumption drew from 90% renewable sources.
■ Further strengthen the strategy for managing the Group's operational footprint, including consideration of multi-year environmental objectives.	■ We have updated and improved our environmental objectives strategy for our operations, in accordance with our environmental management system, our internal policies and our public statements on sustainability and climate change. We have formulated a set of new environmental objectives that we seek to achieve by 2025.

Objectives 2020

- Continue our support for sustainable soft commodities, including industry standards, peer collaboration, client advisory and disclosure.
- Ensure a successful global ISO14001 surveillance audit under the direction of the certification company SGS.
- Roll out the implementation plan for the 2025 environmental objectives in all regions, and measure and report on related 2020 achievements. This includes a particular focus on:
  – Credit Suisse joining the global RE100 initiative and thereby striving to further increase the green power share of electricity consumed in our operations.
  – The goal of reducing single-use plastic items and increasing the share of products made from recycled and reusable materials; our goal is to implement a global roll-out at more than 15 major locations by end-2020.
- Carbon Trust Standard: Successful recertification for energy and waste management for our UK facilities.

Disclaimer/inquiries

Cautionary statement regarding forward-looking information

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

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

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

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

These factors include:

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

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

Important information about this publication
Information referenced in this Corporate Responsibility Report, whether via website links or otherwise, is not incorporated into this Corporate Responsibility Report.

Credit Suisse is subject to the Basel III framework, as implemented in Switzerland, as well as Swiss legislation and regulations for systemically important banks (Swiss requirements), which include capital, liquidity, leverage and large exposure requirements and rules for emergency plans designed to maintain systemically relevant functions in the event of threatened insolvency.

As of January 1, 2015, the Bank for International Settlements (BIS) leverage ratio framework, as issued by the Basel Committee on Banking Supervision, was implemented in Switzerland by FINMA.

Unless otherwise noted, leverage exposure is based on the BIS leverage ratio framework and consists of period-end balance sheet assets and prescribed regulatory adjustments. The BIS tier 1 leverage ratio and CET1 leverage ratio are calculated as BIS tier 1 capital and CET1 capital, respectively, divided by period-end leverage exposure.

We may not achieve all of the expected benefits of our strategic initiatives. Factors beyond our control, including but not limited to the market and economic conditions, changes in laws, rules or regulations and other challenges discussed in our public filings, could limit our ability to achieve some or all of the expected benefits of these initiatives.

References to Wealth Management mean Private Clients within Swiss Universal Bank, Private Banking within International Wealth Management, and Private Banking within Wealth Management & Connected in Asia Pacific or their combined results. References to Wealth Management-related businesses mean Swiss Universal Bank, International Wealth Management and Asia Pacific Wealth Management & Connected or their combined results.

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