



# Sustainability at Credit Suisse



May, 2023

# Disclaimer

This material does not purport to contain all of the information that you may wish to consider. This material is not to be relied upon as such or used in substitution for the exercise of independent judgment.

## Cautionary statement regarding forward-looking statements

This document contains forward-looking statements that involve inherent risks and uncertainties, and we might not be able to achieve the predictions, forecasts, projections and other outcomes we describe or imply in forward-looking statements. A number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions we express in these forward-looking statements, including those we identify in "Risk factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2022 and in "Credit Suisse – Risk factors" and in the "Cautionary statement regarding forward-looking information" in our 1Q23 Earnings Release published on April 24, 2023 and submitted to the US Securities and Exchange Commission, and in other public filings and press releases. We do not intend to update these forward-looking statements.

In particular, the terms "Estimate", "Illustrative", "Ambition", "Objective", "Outlook", "Guidance", "Goal", "Commitment" and "Aspiration" are not intended to be viewed as targets or projections, nor are they considered to be Key Performance Indicators. All such estimates, illustrations, ambitions, objectives, outlooks, guidance, goals, commitments and aspirations, as well as any other forward-looking statements described as targets or projections, are subject to a large number of inherent risks, assumptions and uncertainties, many of which are completely outside of our control. These risks, assumptions and uncertainties include, but are not limited to, general market conditions, market volatility, increased inflation, interest rate volatility and levels, global and regional economic conditions, challenges and uncertainties resulting from Russia's invasion of Ukraine, political uncertainty, geopolitical conflicts, changes in tax policies, scientific or technological developments, evolving sustainability strategies, including changes in approach due to shifting market expectations and business trends, the need for concurrent actions and efforts by external parties and other actors that are outside of our control to achieve our sustainability-related goals and initiatives, changes in the nature or scope of our operations, including as a result of our recently announced strategy initiatives, changes in carbon markets, regulatory changes, changes in levels of client activity as a result of any of the foregoing and other factors. Accordingly, these statements, which speak only as of the date made, are not guarantees of future performance and should not be relied on for any purpose. We do not intend to update these estimates, illustrations, ambitions, objectives, outlooks, guidance, goals, commitments, aspirations, targets, projections or any other forward-looking statements. For these reasons, we caution you not to place undue reliance upon any forward-looking statements.

## ESG descriptions

There is currently no universal definition or exhaustive list defining issues or factors that are covered by the concept of "ESG" (Environmental, Social and Governance). If not otherwise indicated, ESG is used interchangeably with the terms "sustainable" and "sustainability". Unless indicated otherwise, the views expressed herein are based on Credit Suisse's own assumptions and interpretation of ESG concepts at the time of writing. Credit Suisse's views on ESG matters may evolve over time and are subject to change. Please also refer to the 2022 Sustainability Report for additional information. Additionally, achievement of our ESG goals and ambitions is highly dependent on the collective effort and actions of governments, other corporations, individuals, nonprofit organizations and other stakeholders. As global laws, guidelines and regulations in relation to the tracking and provision of certain data continue to evolve, such disclosures are subject to change, and you should not place undue reliance on this information. Unless required by applicable law, Credit Suisse is not obliged to provide updates on sustainability information.

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## We may not achieve the benefits of our strategic initiatives

We may not achieve all of the expected benefits of our strategic initiatives, such as in relation to the proposed transaction between Credit Suisse and UBS, our intended reshaping of the bank, cost reductions and strengthening and reallocating capital. Factors beyond our control, including but not limited to the market and economic conditions (including macroeconomic and other challenges and uncertainties, for example, resulting from Russia's invasion of Ukraine), the reaction by our clients, employees and others to our proposed initiatives, enhanced risks to our businesses during the contemplated transitions, changes in laws, rules or regulations and other challenges discussed in our public filings, such as reputational harm resulting from prior events or reactions to our strategic initiatives, could limit our ability to achieve some or all of the expected benefits of these initiatives. Our ability to implement our strategy objectives could also be impacted by timing risks, obtaining all required approvals and other factors.

## Estimates and assumptions

In preparing this document, management has made estimates and assumptions that affect the numbers presented. Actual results may differ. Annualized numbers do not take into account variations in operating results, seasonality and other factors and may not be indicative of actual, full-year results. Figures throughout this document may also be subject to rounding adjustments. All opinions and views constitute good faith judgments as of the date of writing without regard to the date on which the reader may receive or access the information. This information is subject to change at any time without notice and we do not intend to update this information.

## Sources

Certain material in this document has been prepared by Credit Suisse on the basis of publicly available information, internally developed data and the interpretation of various sources of information, including other third-party sources believed to be reliable. These sources of information may be limited in terms of accuracy, availability and timeliness. It is possible that the data from ESG data providers may also be incorrect, unavailable or incomplete. Credit Suisse has not sought to independently verify information obtained from public and third-party sources and makes no representations or warranties as to accuracy, completeness, reasonableness or reliability of such information.

The English language version of this document is the controlling version.

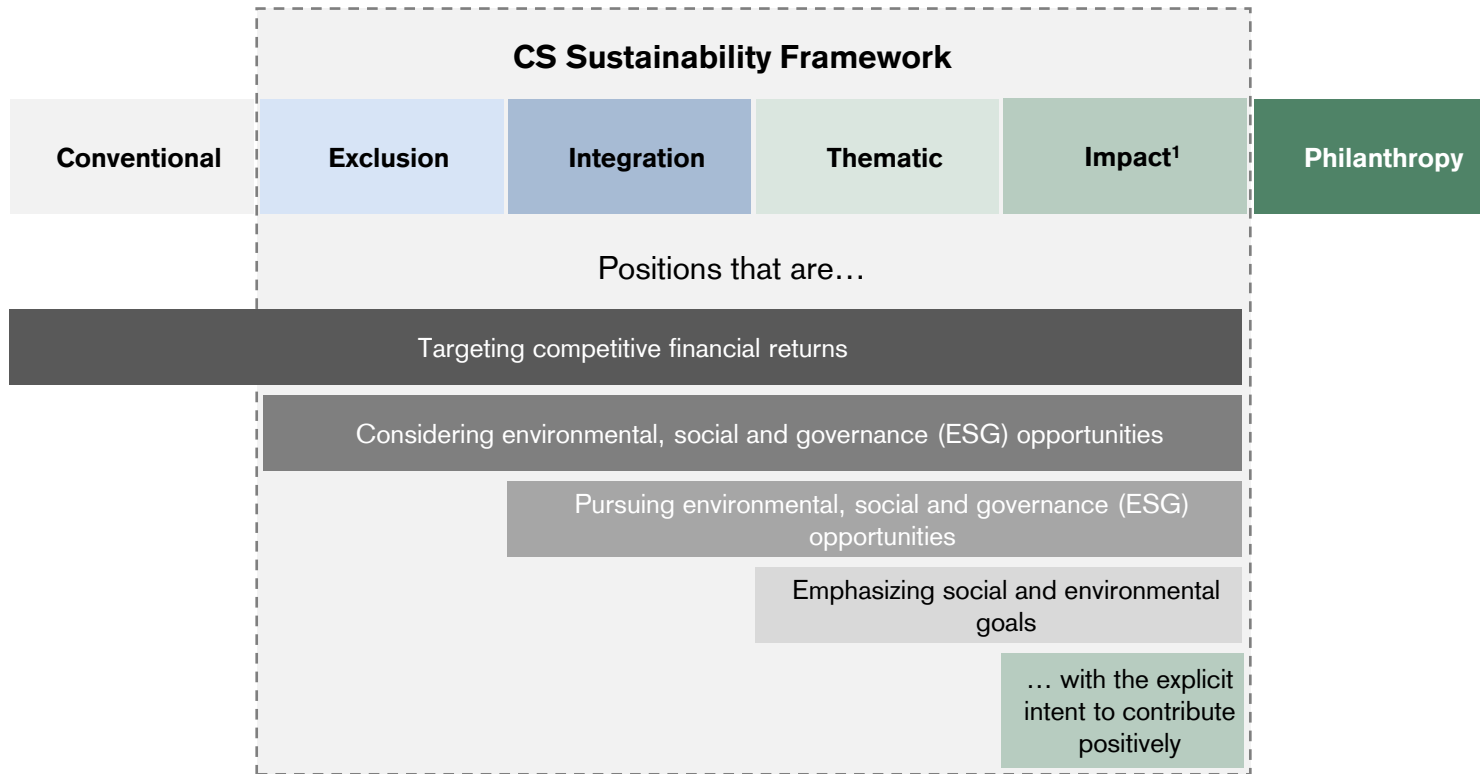
# Credit Suisse Sustainability Strategy



- 1. Delivering sustainable solutions**  
Provide sustainable investment solutions as part of our offering to clients
- 2. Enabling client transitions**  
Endeavour to provide at least CHF 300 bn in sustainable finance to support transition strategies by 2030
- 3. Engaging with thought leadership**  
Help solve some of society's problems through collaboration, stakeholder engagement, and thought leadership
- 4. Driving our own transition**  
Attempting to align our financing and investing with the Paris Agreement objective of limiting global warming to 1.5°C by developing and disclosing science-based goals
- 5. Adapting our culture & engagement**  
Reflect sustainability via enhanced governance, culture, and employee engagement

# 1. Sustainable Investments

## Credit Suisse Sustainable Investment Framework (SIF)



<sup>1</sup> Certain market definitions of Impact include a concessionary return sub-segment.

## Key progress & measurements

In 2020, we established our proprietary **Credit Suisse Sustainable Investment Framework (SIF)**. The SIF is utilized to classify investment solutions in an effort to seek consistency and set minimum standards across different asset classes, geographies, and regulatory regimes. Classification can also help match our clients' interests with relevant investment solutions

In 2022 AuM classified according to the SIF (Exclusion, Integration, Thematic, or Impact) decreased by 12% and **AuM penetration increased from 9.3% to 10.2%**. Significant drivers of the 12% decrease year-over-year were negative market conditions and FX, reclassification of products classified according to SIF, and net asset outflows

# 2. Sustainable Finance

## Credit Suisse Sustainable Activities Framework (SAF)

General use of proceeds		Specific use of proceeds
Sustainability linked products	Finance SAF aligned companies or Sovereigns <sup>1</sup>	Financing Sustainable Activities <sup>1</sup>
<ul style="list-style-type: none"> <li>Finance tied to sustainability improvement(s)</li> <li>Predetermined Sustainability Performance Targets (SPTs) and/or Key Performance Indicators (KPIs)</li> <li>KPIs to pursue sustainability themes and product structured to align with market principles</li> </ul>	<ul style="list-style-type: none"> <li>Applicable for companies that generate at least 80% of their revenues from Sustainable Activities or clearly demonstrate strategic alignment with Sustainable Activities</li> <li>Sustainable activities defined under the SAF are classified as either Green, Transition or Social</li> <li>If social activities are targeted, additional criteria relating to the underlying beneficiaries must be satisfied</li> </ul>	<ul style="list-style-type: none"> <li>Proceeds used to support Sustainable Activities</li> </ul>

### Alignment with at least one UN SDG and ongoing governance review, measurement and reporting

- Activities deemed in scope of the SAF must be aligned to at least one UN SDG
- Cross divisional review by SAF Committee to validate on a transaction by transaction level with escalation to senior internal committees and/or to industry-subject matter experts for second opinions where appropriate
- Measurement and reporting of progress towards sustainable finance target



## Key progress & measurements

In 2021, Credit Suisse launched the bespoke **Sustainable Activities Framework (“SAF”)**, which defines the methodology governing our financing and advisory activities that qualify for inclusion in our commitment. The SAF is grounded in industry best practice and widely accepted frameworks<sup>2</sup>

**Transactions executed between 2020 and 2022** that have been reviewed and approved as of January 20, 2023 as qualifying for inclusion towards the overall sustainable finance commitment of CHF 300 billion by 2030 **amount to CHF 91.6 bn in aggregate**

In 2022, Credit Suisse issued **two landmark transactions**: one focusing on **rhinoceros conservation**, and the other focusing on **debt sustainability and marine conservation**: Credit Suisse acted as sole conservation bond structurer and a joint bookrunner on the World Bank’s Wildlife Conservation Bond (WCB); and alongside CIBC FirstCaribbean, arranged and structured under The Nature Conservancy’s (TNC) “Blue Bonds for Ocean Conservation” program, a debt conversion transaction for Barbados

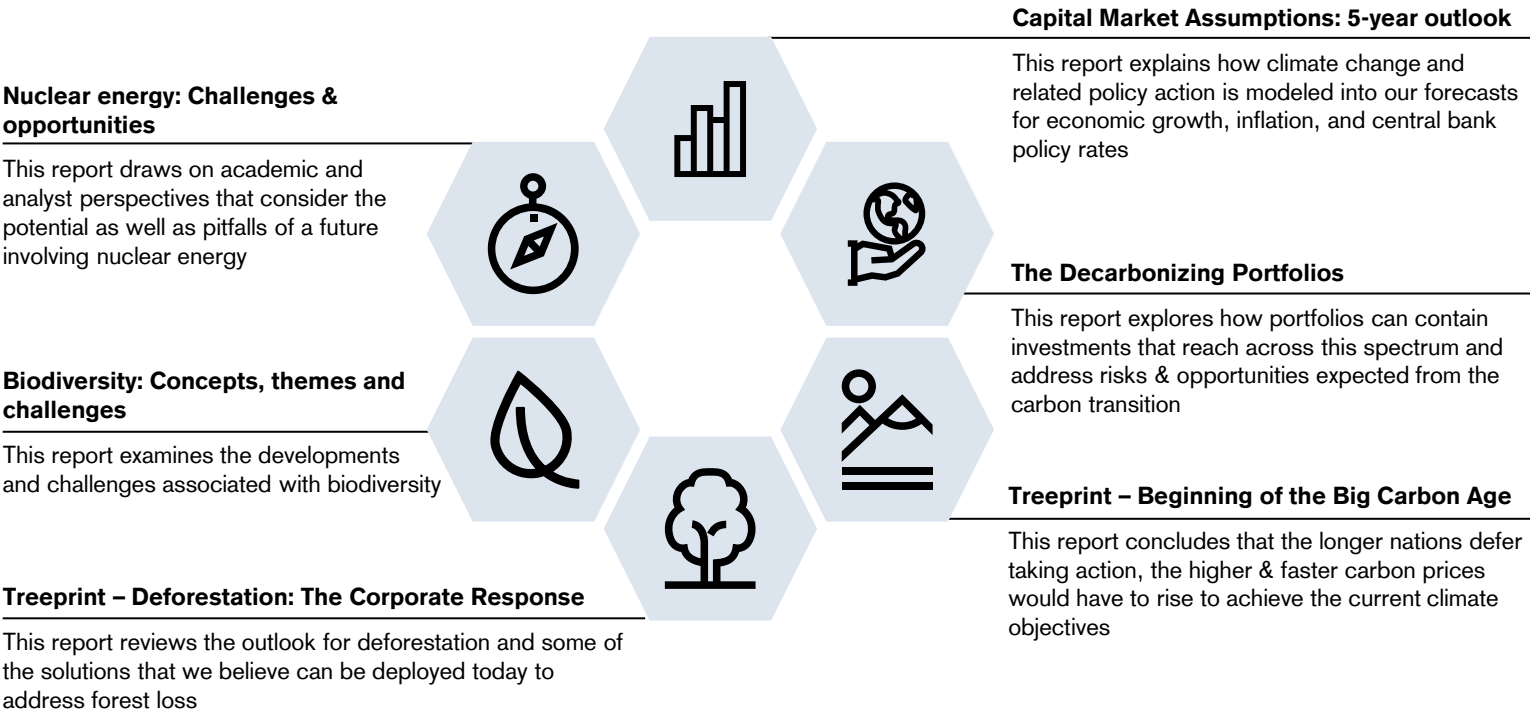
<sup>1</sup> It is possible for Sovereigns, State Owned Entity’s (SOEs) and development finance institutions (DFIs) to qualify within these two categories if the necessary criteria is met alongside additional specific assessment. Sovereigns: 1. Sovereign State or Nation, Central Government, Ministries and Central Banks 2. Autonomous or semi autonomous jurisdictions (e.g., states, provinces, municipalities) 3. State Owned Entities (SOE) entities where a government holds directly or indirectly an aggregated share of 50% or more or where a govt has controlling power by other means 4. Supra national institutions or banks (e.g., the EU or its agencies, EIB, ADB).



# 3. Thought leadership on sustainability

## Thought leadership addressing key transition themes

Select examples:



## Key highlights

In 2022, we launched the **Center for Sustainability (CfS)** as a pillar of the Credit Suisse Research Institute (CSRI), aiming at providing clients and stakeholders with agile access to insights on emerging sustainability topics. Its inaugural report discusses the role of nuclear energy; the second report examines biodiversity developments and challenges

In October 2022, we held our second dedicated **Credit Suisse Sustainability Week**, bringing together leading global voices to discuss sustainability topics, current challenges and opportunities, addressing key themes as energy & social transition, biodiversity, technology, innovation & consumer trends in the context of today's complex geopolitical environment

The **2nd Annual Carbon Negative Conference (CNC2.0)** in 2022, organized by our Equity Capital Markets & Investment Banking teams, brought together leading carbon negative companies and executives, with more than 75 CEOs and 350 investors in attendance

# 4. Net zero emission ambition and transition strategy

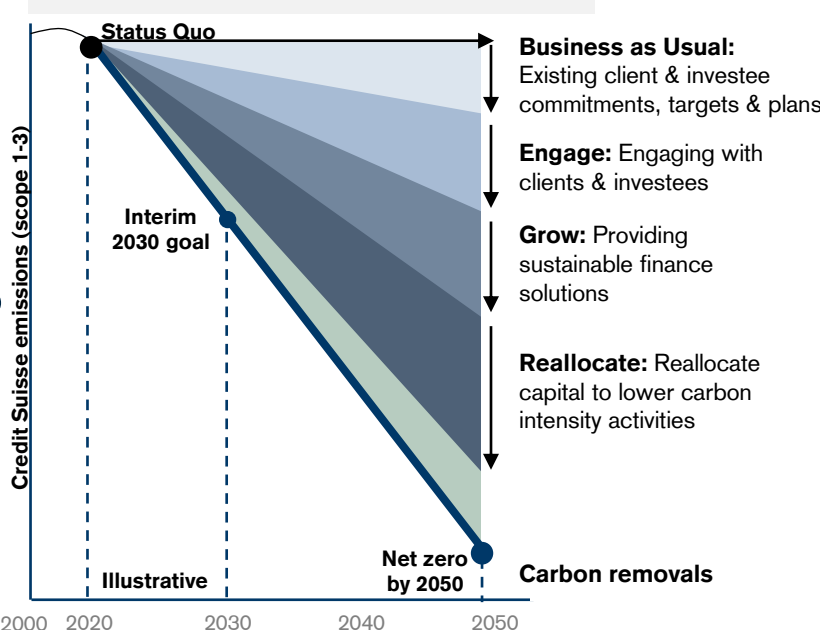
## Overview of goals and preliminary progress

	Target area	2030 emissions reduction goal <sup>1</sup>	Metric	Preliminary progress (alignment with goal trajectory) <sup>2,3,5</sup>
Scope 3 Corporate lending	Oil, Gas & Coal	49%	Absolute mtCO <sub>2</sub> e	Below
	Power Generation	64%	Intensity gCO <sub>2</sub> e/kWh	Below
	Commercial Real Estate (CRE)	35%	Intensity kgCO <sub>2</sub> e/m <sup>2</sup>	N/A <sup>4</sup>
	Iron & Steel	32%	Intensity tCO <sub>2</sub> e/t	Above
	Aluminum	31%	Intensity tCO <sub>2</sub> e/t	Below
	Automotive	51%	Intensity gCO <sub>2</sub> e/kWh	Above
	Shipping	Alignment to PP trajectory <sup>5</sup>	PP Intensity gCO <sub>2</sub> /dwt-nm	In-line
Scope 1 & 2 Investment	Credit Suisse Asset Management IS&S, part of CS Wealth Management	50%	Intensity tCO <sub>2</sub> e/CHFm invested	Below
	Enterprise	61%	Absolute tCO <sub>2</sub> e	N/A

To support transitioning our corporate lending portfolio to net zero, Credit Suisse has set interim 2030 goals to reduce our scope 3 emissions across six sectors. We developed our goals using the latest available guidance from the Partnership for Carbon Accounting Financials, Net-Zero Banking Alliance, Science Based Targets initiative and the Poseidon Principles

<sup>1</sup> Baseline years for goal areas: 2020 for oil, gas and coal; 2021 for all other lending goals; 2019 for investment and enterprise goals. <sup>2</sup> Lending and enterprise progress indicates current position of our portfolio vs. 1.5°C trajectory based on preliminary 2022 results. Investment progress is based on preliminary 2021 results. <sup>3</sup> "Below": 2% or more below goal trajectory; "Above": 2% or more above goal trajectory; "In-line": within +/- 2% of goal trajectory. For details, refer to TCFD metrics. <sup>4</sup> The extensive use of proxy data leads to a PCAF data quality score of 4 and the resulting metrics are not suitable to report on preliminary progress made in 2022 with sufficient confidence. We only report preliminary progress for 2022 for sectors where the PCAF score is 3 or below. <sup>5</sup> Shipping sector emissions and goals are currently not net zero 1.5°C aligned. They are aligned with the current Poseidon Principles (PP) methodology for assessing and disclosing the climate alignment of in-scope ship finance portfolios.

## Transition strategies underpinning science-based goals



Credit Suisse has defined three key transition strategy levers where we believe we can have an impact, and which should guide our strategies and actions to achieve our net zero goals – next to existing emissions reduction commitments by clients. These levers cover both our investment and our corporate lending activities

## Key progress & measurements

In 2018, we established the Credit Suisse climate change program to address TCFD recommendations. Our **TCFD report** provides a summary of our progress toward our climate ambitions

In December 2020, announced **2050 net zero emissions ambition** aligned to 1.5°C and committed to develop interim 2030 science-based emissions reduction goals for key sectors

We **set emissions reductions goals** and outlined initial progress for six sectors: oil, gas & coal, power generation, commercial real estate, iron & steel, aluminum, and automotive

In March 2022, Credit Suisse Asset Management joined the **Net Zero Asset Managers initiative (NZAMI)**

In April 2022, Credit Suisse **expanded our sector policies** to cover climate-sensitive sectors such as oil sands, deep-sea mining, Arctic oil & gas, and palm oil

In July 2022, Credit Suisse **extended our Client Energy Transition Framework (CETF)** to two additional sectors – agriculture and petrochemicals

In December 2022, Credit Suisse Asset Management and Investment Solutions & Sustainability (IS&S) **disclosed their Climate Action Plan**, including the announcement of 2030 interim goals

# 5. Culture and commitment for diversity & inclusion

## Values-based culture

Foundation	Consistent set of values, expectations & framework for our employees						
D&I strategy	Our strategy is to meet demand for transparency, commitment, and progress	<b>Representation &amp; development</b> <ul style="list-style-type: none"> <li>Building strong talent pipeline by increasing the representation and development of underrepresented talent across all levels</li> </ul>	<b>Inclusive culture</b> <ul style="list-style-type: none"> <li>Embedding an inclusive culture driven by leadership and supported by equitable systems and processes</li> </ul>	<b>Accountability</b> <ul style="list-style-type: none"> <li>Heightening accountability through meaningful objectives, transparent metrics, &amp; effective governance for lasting progress</li> </ul>			
Compensation	Executive Compensation linked to ESG-related objectives	The non-financial component of Executive Board annual awards includes the consideration of ESG-related factors, with a 30% weighting on risk and controls, values and culture, and sustainability to determine the total Executive Board variable compensation pool. The objectives in the sustainability category recognizes the Executive Board as a team is accountable for achieving the Group's sustainability-related goals					

## Key progress & measurements

**Diversity and inclusion:** We increased our Black Talent representation in the US and UK to 4.9%, from our June 2020 baseline of 3.5%, increased and our representation of women globally to 40.6%, from our October 2020 baseline of 39.0% progressing towards our 2024 targets in these areas

**Inclusive culture:** Since inception in 2020, more than 5,200 people managers have participated in interactive educational programs to build inclusive leadership and allyship competencies

**Young Talents:** We continue to invest in our Young Talents in Switzerland, supporting the Vocational Education System of our home market, with the hiring of 205 apprentices and high school graduates, bringing the total of Young Talents educated within Credit Suisse to 534 as at end 2022



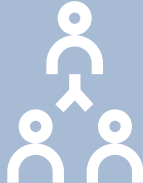
# Our forward-looking priorities

## Supporting the economy

- Credit Suisse aims to contribute to economic growth as a financial services provider playing an important role as a financial intermediary, bringing together borrowers and lenders of capital globally

## Enabling philanthropy

- Credit Suisse works with clients to help them incorporate their personal values and objectives into their philanthropic engagements



## Focus on clients

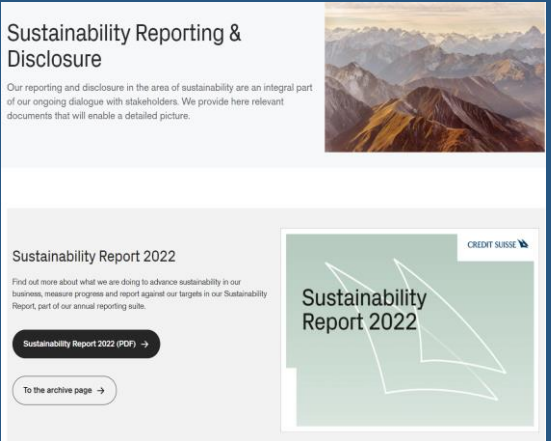
- Credit Suisse aims to support clients on their sustainability journey to transition to a more sustainable future in their investment portfolios and their businesses

## Dialogue with stakeholders and supporting society

- Credit Suisse actively participates in a number of sustainability networks and initiatives worldwide. These serve to implement industry standards, methods, or principles in the field of sustainability

# For further information, visit...

## Our websites on Reporting & Disclosures



**Sustainability Reporting & Disclosure**

Our reporting and disclosure in the area of sustainability are an integral part of our ongoing dialogue with stakeholders. We provide here relevant documents that will enable a detailed picture.

**Sustainability Report 2022**

Find out more about what we are doing to advance sustainability in our business, measure progress and report against our targets in our Sustainability Report, part of our annual reporting suite.

[Sustainability Report 2022 \(PDF\) ->](#)

[To the archive page ->](#)

**Sustainability Report 2022**

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**Sustainability Reporting & Disclosure**

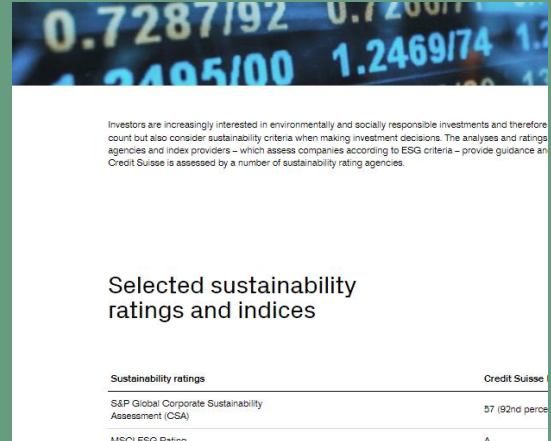


**Sector policies and guidelines**

Certain industries are particularly sensitive from a social or environmental perspective. They include oil and gas, mining, power, agribusiness, which covers pulp and paper as well as palm oil production. To assess potential transactions with clients in the specific global policies and guidelines, taking account of standards developed by international organizations such as the UN

These sector policies and guidelines cover topics including:

**Risk Management & Sustainability**



Investors are increasingly interested in environmentally and socially responsible investments and therefore count but also consider sustainability criteria when making investment decisions. The analyses and ratings agencies and index providers – which assess companies according to ESG criteria – provide guidance and Credit Suisse is assessed by a number of sustainability rating agencies.

**Selected sustainability ratings and indices**

Sustainability ratings	Credit Suisse
S&P Global Corporate Sustainability Assessment (CSA)	57 (92nd perc)
MSCI ESG Rating	A

**Sustainability Ratings**

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