

Environmental and/or social characteristics

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective : ___%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	<input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective : ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments



What environmental and/or social characteristics are promoted by this financial product?

The Mandate Direct Equity Strategies (Dividend Value and European Value) (also referred to as “this financial product”) integrates environmental, social and governance (ESG) factors in general into the investment decision-making process (ESG integration). It avoids harmful investments through business-conduct, norms-based and values-based exclusions (ESG Exclusions). The primary purpose of the ESG Exclusions strategies is to exclude investments that may have a negative impact on society and/or the environment. Companies may be excluded based on their revenue derived from controversial activities such as controversial and conventional weapons, thermal coal or tobacco production, or based on business conduct violating the UN Global Compact Principles.

It does not use a reference benchmark for the purpose of attaining the environmental and social characteristics.

¹ This document applies to all Direct Equity Strategies (Dividend Value and European Value) mandate types, risk profiles, reference currencies and the chosen investment strategy.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

Credit Suisse² uses third-party ESG scores as well as an in-house classification approach to better assess ESG considerations throughout the investment process.

The following indicator is taken into consideration to measure the attainment of the environmental and social characteristics of the Direct Equity Strategies (Dividend Value and European Value):

ESG integration:

- Aiming to achieve a higher ESG score than its individual Strategic Asset Allocation.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

This question does not apply for this financial product. For better comparison to other financial products documentation this question was not removed.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This question does not apply for this financial product. For better comparison to other financial products documentation this question was not removed.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes | No

Principal Adverse Impacts (“PAI”) on sustainability factors are considered by this financial product through the application of the PAI Framework which is detailed in the product website.

Information on PAIs on sustainability factors of this financial product will be provided in the periodic disclosure report.



What investment strategy does this financial product follow?

The different investment strategies of the Direct Equity Strategies (Dividend Value and European Value) are mainly based on differing investment styles and/or regional boundaries to meet the client’s individual preference. The integration of ESG criteria in the selection and construction process of all Direct Equity Strategies (Dividend Value and European Value) is applied by the same standards. The investment managers are continuously monitoring ESG factors as an integral part of the management of the

² The terms “Credit Suisse”, “CS” or “the Bank” used in this document refer to the legal entity identifier, unless defined otherwise.

Direct Equity Strategies (Dividend Value and European Value) using internal as well as external research and data providers in order to assess investment opportunities and existing investments alike

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

A minimum of 80% of investments must meet the below conditions. Investments that do not meet the conditions are not permitted.

- Norms-based exclusions, excluding companies that violate international treaties on controversial weapons, such as
 - The Convention on Cluster Munitions
 - The Chemical Weapons Convention
 - The Biological Weapons Convention
 - The Treaty on the Non-Proliferation of Nuclear Weapons
- Values-based exclusions, excluding companies whose activities have a negative impact on society and/or the environment. Exclusion thresholds¹ are based on the specific exposure level (typically 5% for producers). Industries covered include:
 - Tobacco, gambling³, adult entertainment
 - Thermal Coal (>20%). Apart from thermal coal, the framework does not systematically exclude fossil fuels, as climate transition will require a varied energy mix over the next few decades.
 - Manufacturers of conventional weapons, civil firearms, and nuclear weapons support systems.
- Business conduct exclusions, severe cases of controversial business conduct, and particularly of conduct violating the principles of the United Nations Global Compact Principles (UNGC).

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

This question does not apply for this financial product. For better comparison to other financial products documentation this question was not removed.

What is the policy to assess good governance practices of the investee companies?

The methodology to assess good governance of investee companies includes the consideration of business conduct exclusions.

The Bank identifies and assesses controversial business conduct based on data from a number of external ESG data providers, news flow and in-house research. Cases are analyzed according to a systematic approach with pre-defined indicators, to identify companies in possible breach of such business conduct practices. Companies found to (1) systematically violate international business conduct practices, (2) where the breaches are particularly severe, or (3) where management is not open to implementing the necessary reforms, are closely monitored and if needed excluded from the investment universe.

The good governance practice may not be assessed for investments in securities issued by sovereigns or supranational entities.



What is the asset allocation planned for this financial product?

This financial product invests at least 80% of its total net assets in companies that qualify as aligned with E/S characteristics (#1 Aligned with E/S characteristics).

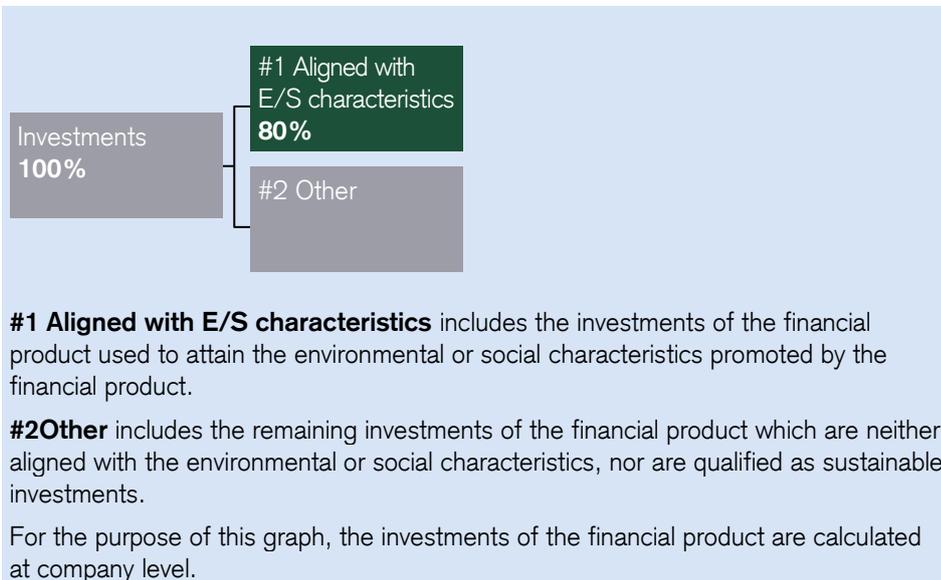
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

³ Exposure to gambling in sustainable strategies is permitted under certain safeguards.

Taxonomy-aligned activities are expressed as a share of:

- **Turnover** reflecting the share of revenue from green activities of investee companies
- **Capital expenditure (CapEx)** showing the green investments made by investee companies, e.g., for a transition to a green economy
- **Operational expenditure (OpEx)** reflecting green operational activities of investee companies.



How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

This question does not apply for this financial product. For better comparison to other financial products documentation this question was not removed.

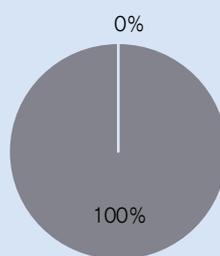


To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

This financial product does not define a minimum share for sustainable investments aligned with the EU Taxonomy.

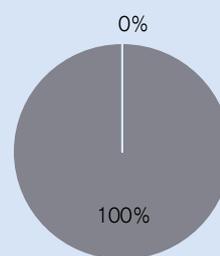
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds⁴, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-aligned of investments including sovereign bonds⁴



■ Taxonomy aligned ■ Other investments

2. Taxonomy-aligned of investments excluding sovereign bonds⁴



■ Taxonomy aligned ■ Other investments

For the purpose of these graphs, the percentage of investments is calculated at economic activity level.

⁴ For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

What is the minimum share of investments in transitional and enabling activities?

As this financial product does not commit to make any sustainable investments aligned with the EU Taxonomy, the minimum share of investments in transitional and enabling economic activities is 0%.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

This financial product promotes environmental and social characteristics but does not commit to making any sustainable investment. As a consequence, the financial investment does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.



What is the minimum share of socially sustainable investments?

This question does not apply for this financial product. For better comparison to other financial products documentation this question was not removed.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments may fall under “#2 Other” if insufficient ESG-related data is available. This applies in particular to asset classes for which ESG factors are not yet covered by external data providers.

Other investments may fall under “#2 Other” such as derivatives, structured products, any hedging instruments where underlying assets cannot be evaluated, generally any liquidity management tools, cash and other investments generally not contributing to the environmental and social characteristics of this financial product held for diversification purposes.

None of the investments included under “#2 Other” have any minimum environmental or social safeguards.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

This financial product does not have a specific index designated as a reference benchmark to determine whether it is aligned with the environmental and social characteristics that it promotes.



Where can I find more product specific information online?

More product-specific information can be found on the website:

[Sustainability-related Disclosures - Credit Suisse \(credit-suisse.com\)](https://www.credit-suisse.com/sustainability-related-disclosures)