CREDIT SUISSE

TCFD Report 2021

TCFD

3
Introduction

4
Governance

10
Strategy

29
Risk Management

36
Metrics & Targets

55
Conclusion & Next Steps

Task Force on Climate-related Financial Disclosures

Reflecting the financial sector's commitment to addressing climate change, the Financial Stability Board (FSB) established the industry-led Task Force on Climate-related Financial Disclosures (TCFD) in December 2015 to propose a set of recommendations for consistent disclosures that will help financial market participants understand their climate-related risks. The TCFD aimed to promote more informed investment, credit and insurance underwriting decisions, foster an early assessment of these risks, and facilitate market discipline.

Credit Suisse publicly expressed its support for the TCFD recommendations in 2017. We established a climate change program in 2018 to address the TCFD recommendations. Over time, we continued to expand our climate change program, which was integrated with the Group-wide Climate Risk Strategy program.

In 2021, the Climate Risk Strategy Program delivered across a number of key areas:

1. We published our climate disclosures for the first time following the structure provided by TCFD recommendations. These were included in the 2020 Sustainability Report and summarized in a dedicated TCFD extract. These included quantitative metrics alongside explanations of the frameworks and overall Credit Suisse climate strategy. We will continue to evolve our disclosures, incorporating more granular data and portfolio views as they become available.

2. We voluntarily undertook the work prescribed by the Bank of England Climate Biannual Exploratory Scenario (CBES) to assist in evolving a leading climate risk management framework and in preparation for compliance with the PRA supervisory statement 3/19 to identify, manage and disclose climate-related financial risks by year-end 2021. This scenario primarily targeted the PRA requirement, but the narrative is broader allowing for it to be leveraged for other legal entities if required.

3. An internal Global Climate Change Policy was published in mid-2021, reflecting Credit Suisse's commitment to the Paris Climate agreement, with the objective of limiting global warning to 1.5°C. The policy provides an overview of the firm's initiatives towards the achievement of net zero emissions from firm's operations, supply chain and financing activities by no later than 2050, with intermediate emissions targets to be set for 2030.

In October 2021, TCFD published further guidance which will be incorporated progressively where data allow.

Credit Suisse continued its TCFD implementation efforts through 2021, following the recommendations across the four TCFD categories of Governance, Strategy, Risk Management, and Metrics and Targets. In 2021, for the first time, PwC has provided limited assurance on our TCFD indicators in the metrics and targets section.

Governance

Efforts taken by Credit Suisse to implement climate-related recommendations

As a global financial institution, we recognize the important role that we play in combating climate change through support of the transition to a low-carbon and climate-resilient global economy. To achieve this, we believe global financial flows should be in line with the Paris Agreement objective to limit the rise in global temperature to within 2°C above pre-industrial levels, with the aim to achieve a rise of no more than 1.5°C.

Credit Suisse pursues a three-pronged approach in addressing climate change and climate-related risks.

- First, we are working with our clients to support their transition to low-carbon and climate-resilient business models, and integrating climate change into our risk management models as part of our Climate Risk Strategy Program.
- Second, we are focusing on delivering sustainable finance solutions that help our clients achieve their goals and contribute to the realization of the UN Sustainable Development Goals (SDGs).
- Third, we are working on further reducing the carbon footprint of our own operations and supply chain.

As we seek to achieve our net zero ambition, we have made significant progress in reducing both lending exposure and emissions associated with our financing activities in the oil, gas and coal sectors. During 2021, we drove our lending exposure to coal down by 39%, with estimated emission reductions in oil, gas and coal upstream and downstream sectors of 41%. Our preliminary progress, as detailed in this chapter, is an endorsement of our strategy that puts the support of client transitions at its center and is an example of our climate commitments being translated into action, as we seek to build a more sustainable future.

The Board's monitoring and supervision of climate-related risks & opportunities

The Board of Directors determines Credit Suisse's strategy towards climate-related matters

The Board of Directors is responsible for the overall strategic direction, supervision and control of the Group. The Board has six standing committees, each with its own charter: the Governance and Nominations Committee, the Audit Committee, the Compensation Committee, the Conduct and Financial Crime Control Committee, the Risk Committee and the Digital Transformation and Technology Committee, established at the beginning of 2022. In addition, the Board has an advisory committee, the Sustainability Advisory Committee.

In addition to the broader restructuring of the Group announced during 2021, we have also reorganized our sustainability function. We have appointed Emma Crystal as our Chief Sustainability Officer, effective April 1, 2022, reporting directly to our CEO. The Global Sustainability department (led by the Chief Sustainability Officer) harnesses the full strength of our long-established Sustainability Strategy, Advisory and Finance (SSAF) group. SSAF supports the creation of a cohesive and dedicated sustainability offering across the bank. Our Chief Sustainability Officer is responsible for formulating our sustainability strategy and overseeing the divisions to ensure implementation. Our strategy includes delivering sustainable solutions, enabling client transitions, engaging

with thought leadership, driving our own transition and adapting our culture and engagement. As part of this our Chief Sustainability Officer oversees the implementation of our Net Zero commitments.

Governance of sustainability is exercised through the established governance bodies of the Group, as well as a number of specially focused boards and committees. The Sustainability Governance Framework chart illustrates the main corporate bodies at Board, Executive Board and senior management level that are involved in maintaining a robust sustainability governance at Credit Suisse, which are described in further detail below.

Board of Directors

The **Board of Directors** approves the Group strategy, including the sustainability strategy, and is responsible for monitoring its execution. The Board receives status

Sustainability Governance Framework

updates on the progress of the Group's sustainability strategy throughout the year and is actively engaged with the Executive Board on ESG matters. During 2021, the Board conducted an in-depth review of the Group strategy. Delivering sustainable products and solutions was fully endorsed as a key component of the strategies of each of the business divisions and recognized as an important driver of future growth for the bank and our clients. As part of the strategic review, the board reaffirmed our commitment to the sustainability agenda and the importance of sustainability activities in each of the global business divisions. This positions the sustainability agenda to be fully embedded into the day-to-day management and operations of each of the divisions. Culture was a key focus topic for the Board during 2021, in particular enhancing the risk culture and fostering a culture of accountability and responsibility.

The background, skills and experience of our Board members are diverse and broad and include holding or having held top management positions at financial services and other companies in Switzerland and abroad, as well as leading positions in government, academia and international organizations. The Board is composed of individuals with wide-ranging professional expertise in key areas including finance and financial management, risk management, audit and compliance, digitalization, technology and cyber security, ESG and regulatory affairs, and human resources and incentive structures. Further, Board members are well informed about ESG topics as a result of their experience serving as non-executive directors and prior executive roles in listed companies with well-established corporate governance structures.

Role of the Specialized Board committee in assisting the Board on Directors on climate change related matters

Board Committees
Sustainability, culture and conduct-related topics are within the oversight scope of and are routinely addressed at meetings of the Board committees.

The **Sustainability Advisory Committee**, established in February 2021 and chaired by Board Sustainability Leader Iris Bohnet, assists the Board, in an advisory capacity, in fulfilling its oversight duties in respect of the development and execution of the Group's sustainability strategy and ambitions, and monitoring and assessing the effectiveness of the respective sustainability programs and initiatives. Responsibilities include endorsing the sustainability strategy and ambitions and ensuring actions are being taken to accomplish them, advising on sustainability metrics and tracking and monitoring progress, and supporting the engagement with key internal and external stakeholders, including clients, employees, investors, ESG rating agencies, NGOs, policymakers, regulators and representatives of the business community and society. Activities of the Sustainability Advisory Committee during 2021 included the review and validation of the key pillars of the Credit Suisse sustainability strategy in the context of the Group-wide strategy review, receiving updates on the bank's progress with respect to ESG products, services and advisory, the Diversity & Inclusion strategy and climate-related and sustainability risks, as well as holding a targeted session on greenwashing risk.

The **Compensation Committee** is responsible for proposing the compensation structure and plans for the Executive Board and the broader employee population, as well as determining the respective variable compensation amounts, based on an assessment of both financial and non-financial performance, for approval by the Board. For

the Executive Board, ESG factors form a substantial part of the non-financial performance assessment of the individual Executive Board members. A major focus of the Compensation Committee during 2021 was the review and revision of the Executive Board compensation design for 2022 and beyond, which now incorporates more clearly defined ESG metrics as the main drivers of the non-financial performance. The Compensation Committee is also responsible for assessing the potential impact on compensation from significant events that have exposed the bank to undue risk, financial loss and/or reputational damage.

The **Risk Committee** is responsible for the oversight of the enterprise-wide risk management and practices, the promotion of a sound risk culture with clear accountability and ownership, the review of key risks and the assessment of the effectiveness and efficiency of the Group's risk function. As part of carrying out these responsibilities, the Risk Committee reviews the bank's risk appetite and risk management approach with respect to climate-related and sustainability risks, as well as reputational risk. During 2021, the Risk Committee conducted a review of climate-related and sustainability risks, which included a discussion on the steps taken by management to further integrate sustainability considerations into risk assessment processes, and an update on the development of energy transition frameworks for corporate clients in industries impacted most by climate change, progress against our existing commitments, and associated restrictions on certain business activities in carbon-intensive sectors. The Risk Committee furthermore approved the strengthening of Credit Suisse's policy restrictions related to thermal coal mining and thermal coal power which was announced in November 2021.

Role of Management in assessing and managing climate-related risks and opportunities

Sustainability remains a core component of our strategy. With this in mind, our organizational structure is designed to ensure that ESG standards are embedded across regions and divisions in our client-based solutions as well as in our own operations as a company.

The Executive Board Risk Management Committee: The Executive Board Risk Management Committee is primarily responsible for steering and monitoring the development and execution of the Group's risk strategy, approving risk appetite across all risk types for the Group and its divisions, as well as reviewing the aggregate and highest risk exposures, major risk concentrations and key non-financial risks. As such, it monitors the execution of the overall Climate Change Strategy, jointly with legal entity board of directors' risk committees where relevant.

The Executive Board Risk Management Committee is co-chaired by the Group CEO, CRO and CCO.

ESG Disclosure and Reporting Steering Committee: Recognizing the ever-increasing need for ESG related disclosures, the ESG Disclosure and Reporting Steering Committee was established in the second half of 2021 to seek to ensure the appropriate levels of control and governance are in place for our diversity, climate and other sustainability disclosures. It is co-chaired by the Group CFO alongside our Chief Sustainability Officer.

Climate risk governance and organization

The **Climate Risk Strategy Steering Committee**, established in 2019, provides overarching governance and guidance for Credit Suisse's Climate Risk Strategy program and is mandated to develop comprehensive strategies to address climate-related risks. The Climate Risk Strategy Steering Committee has senior management representation, including a subset of Executive Board members from across business divisions, General Counsel, Risk, and Sustainability reporting to the Executive Board Risk Management Committee. The Executive Board Risk Management Committee is closely linked with climate-related responsibility as it oversees the Group-wide implementation of and compliance with the Group's sustainability and reputational risk policy commitments and serves as a decision-making body for environmental and social issues.

Furthermore, a **Sustainability (Climate) Risk Executive Leadership Committee (ELC)** chaired by the Global Chief Credit Officer is in place to provide oversight on the implementation of the Group's strategy with respect to managing sustainability and climate-related risks. This committee reports to the Executive Board Risk Management Committee.

A dedicated Climate Risk team was established in 2020 with the mandate to set risk appetite and strategic trajectories in order to protect the bank's portfolio from climate-related risks, across physical and transition risks. The Global Head of Reputational, Sustainability and Climate Risk brings extensive risk management experience from both wealth management and investment banking, and regularly represents Credit Suisse in industry roundtables and conference events. Reporting directly to the Global Chief Credit Officer ensures that Climate Risk Strategy is embedded in the broader risk management governance.

Climate risk governance

Strategy

General classification of climate-related risks and opportunities

We recognize climate change as one of the most significant risks facing our planet. Climate risk is central to our sustainability agenda at Credit Suisse, as we look to limit the impacts that result from the transitional or physical effects of climate change. We continue to work on the measures required to address climate change, in support of a transition towards lower-carbon operations and products.

Identification of short, medium and long-term climate risks and opportunities by Credit Suisse

Summary of main climate-related risks identified by Credit Suisse

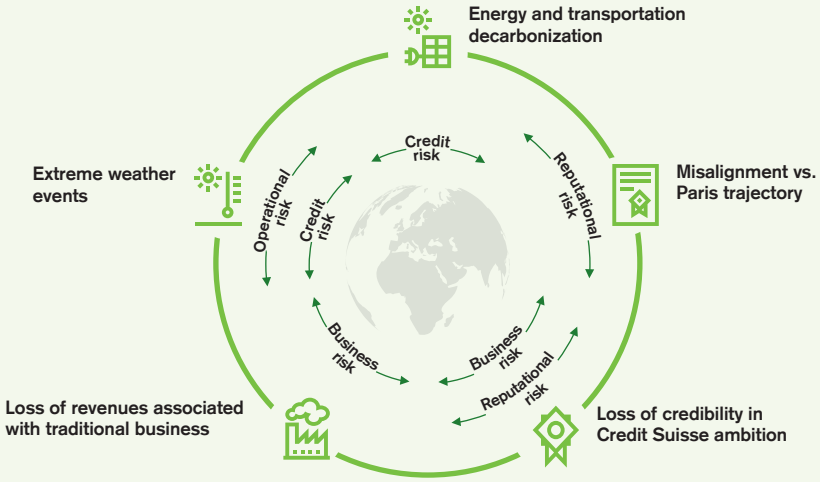
The overarching aim of the Risk Appetite Framework (RAF) is to understand the financial risks stemming from climate change and how they will affect our business model. This is achieved by assessing climate-related risks in our portfolio, both physical and transition risks, and highlighting areas for further development. This includes next steps to improve the risk identification, measurement, monitoring and reporting of these risks going forward.

As part of the process, we receive input from our legal entity and divisional teams from our UK-based entities, where climate risk was first applied within the RAF. Having tested this risk management approach, we are starting to deploy it to different legal entities as well as the global portfolio, with appropriate jurisdiction specific amendments.

An enterprise view has been adopted, in which we have identified key risks associated with climate change (refer to chart on climate risk manifestation) and considered these risks against different time spans over the short, medium and longer term. This identification process includes a climate assessment of the various risk types (market risk, credit risk, liquidity risk, business risk, reputational risk and operational risk) and different products within the bank portfolio. Based on this assessment, remediation plans are put into place in an effort to resolve any weaknesses highlighted in our current framework.

We reported these risks in 2020 and plan to continue to enhance the identification and assessment of these risks through a more quantitative and comprehensive analysis across our businesses throughout 2022, in line with the Basel Committee on Banking Supervision principles.

Climate-related risk manifestations



Energy and transportation decarbonization: Global policies (e.g., cross-border carbon tax) and/or technological breakthroughs might accelerate the transition towards greener energy sources and products. This could trigger a wave of defaults and reallocation of capital.
Manifestation: Credit risk, market risk, liquidity risk

Misalignment vs. Paris trajectory: Industry-wide trajectories, common metrics and pathways for financial institutions are currently being set. Credit Suisse actively promotes transition, but also depends on clients to engage, commit and deliver on commitments towards "net zero" in a collaborative effort.
Manifestation: Reputational risk

Loss of credibility in Credit Suisse ambition: We are committed to play a leading role in sustainability and we are striving to achieve that position, with significant management focus. The journey towards leadership will entail significant efforts on multiple fronts with potential execution risk and includes external dependencies.
Manifestation: Reputational risk, business risk

Loss of revenues associated with traditional business: Based on our risk management framework, transactions with clients that do not have a credible transition plan, may be rejected. This may result in loss of revenues associated with such transactions and assets under management if clients decide to move assets away. At the other end of the spectrum, a slow pivoting towards "green" may alienate clients who strongly support the transition, and thereby also lead to a loss of AuM.
Manifestation: Business risk

Extreme weather events: More frequent and severe weather events might lead to credit risk implications related to the financed portfolios as well as operational risks related to buildings and infrastructure owned by Credit Suisse as well as overall business continuity.
Manifestation: Credit risk, operational risk, market risk

TCFD Opportunities

#	Type	Climate-Related Opportunity	Horizon*
1	Markets	Financing: Equity issuance (e.g., through sustainable capital markets transactions, private placements, or SPACs) aligned with the Credit Suisse Sustainable Activities Framework as well as M&A sell-side and buy-side advisory to support the transition of our clients to reach a stronger ESG performance.	ST-LT
2	Markets	Financing: Issue green debt financing instruments (private or public debt, structured notes) to fund projects or assets that mitigate climate change by reducing emissions, protect ecosystems, or otherwise have a positive environmental impact.	ST-LT
3	Markets	Financing: Lending to fund green or climate-related projects (e.g., renewable energy infrastructure, low-carbon public transportation) or technologies that are expected to play an important role in decarbonizing the economy ("green loans") or offering sustainability-linked loans whose pricing is based on the borrower's ESG score or overall sustainability achievements.	ST-LT
4	Markets	Financing: Evaluate new property investments also from an ESG perspective with respect to the impact on a property's current and potential future value as it relates to energy efficiency, public transport connectivity, use of sustainable materials, tenant well-being, and community engagement.	ST-LT
5	Products and Services	Investing: Actively exercise the bank's rights as shareholder in companies or on behalf of clients by voting at shareholder meetings and actively engaging with investee companies in order to preserve long-term shareholder value, enhance long-term returns, and influence companies' ESG performance.	ST-LT
6	Products and Services	Investing: Integrate environmental, social, and governance (ESG) criteria along the investment process consequently and broad-based with the objective to achieve an improved risk-return profile in clients investment portfolios and make portfolios more resilient against financial market shocks resulting from climate risks.	ST-LT
7	Products and Services	Investing: Develop investment strategies premised on the view that a rapid shift in public sentiment and policy-making regarding the climate may lead to a large variation in the fortunes of companies that stand to gain from the resulting transition, and those that will lose.	ST-LT
8	Products and Services	Investing: Expand the product offering to investment strategies that are aligned with the Credit Suisse Sustainable Investment Framework, which allows clients to make a positive impact on society and environment without sacrificing returns.	ST-LT
9	Products and Services	Advise: Provide financial advice and develop financing strategies that enable existing and prospective clients to move towards a low-carbon economy and reach a stronger ESG performance.	ST-LT
10	Products and Services	Advise: Provide investment advice to enable existing and prospective clients to better understand and manage their exposure to climate risks and enhance their resilience to both physical and transition risk.	ST-LT
11	Products and Services	Advise: Capture client ESG interests and preferences in an ESG profile as basis of our integrated advisory process.	ST-LT
12	Products and Services	Reporting: Provide ESG reporting at portfolio level as part of our ESG integrated advisory process to identify climate related risks and opportunities that can lead to switch proposals.	ST-LT
13	Resource Efficiency	Office efficiency: Improve energy efficiency of current office space and capture cost-savings from optimization programs and investments in energy efficient technologies and energy storage.	ST-LT
14	Resource Efficiency	Office space optimization: Optimize office occupancy rate by rationalizing down office space in a hybrid working model that is flexible to allow for increased levels of home working.	ST-LT
15	Resource Efficiency	Office lease: Develop sustainability criteria for office selection and green leasing policies for landlord-controlled spaces to create incentives for efficiency gains.	ST-LT
16	Resource Efficiency	Data center efficiency: Improve utilization and energy efficiency of in-house data centers and capture cost-savings from optimization programs and investments in energy efficient technologies and energy storage.	ST-LT
17	Resource Efficiency	Data center optimization: Source third-party suppliers and cloud providers with improved energy and carbon performance aligned with industry best practice.	ST-LT
18	Energy Source	Renewable electricity supply: Source 100% of electricity from renewable sources for all data centers and office space.	MT
19	Energy Source	Transition heating to zero carbon: Replace fossil fuel heating with efficient electrical systems using air source or ground source heat pumps powered by renewable electricity.	MT-LT
20	Energy Source	Onsite and offsite generation: Onsite and offsite generation for office buildings and parking lots (e.g., solar panels).	MT-LT
21	Energy Source	Vehicles: Shift leased, owned and third-party fleets to low carbon vehicles, install onsite charging infrastructure for electric vehicles and introduce employee schemes for electric vehicles or low carbon alternatives.	MT-LT
22	Resilience	Procurement: Engage suppliers across our supply chain to improve carbon performance and introduce low carbon policies.	ST-LT
23	Resilience	Sourcing: Increase supply of renewable energy to offices and data centers and use electrical storage where possible.	MT-LT
24	Resilience	Employee engagement: Encourage employees to take climate actions in office, expand employee training and benefit programs that enable employees to calculate their own carbon footprint, and reduce carbon emissions through a range of actions that include renewable energy, electric vehicles, and more efficient modes of travel.	MT-LT
25	Resilience	Data and management information: Develop management information dashboards structured on climate-impact data, to enable decision making processes.	MT-LT

*ST = Short-term, MT = Medium-term, LT = Long-term

We believe that climate transition opportunities are substantial in the short term, and will increase prominence even further in the medium-long term. In addition, we expect the potential financial impact of these opportunities could be as follows:

- Increased revenues from financing or investments in low-carbon industries
- Better competitive position to reflect shifting stakeholder demand
- Increased portfolio diversification of financial assets
- Increased revenue through growth in financing activities to support the energy transition
- Increased revenue through demand for lower emission products or services
- Increased revenue through new solutions

We believe that the opportunities in resource efficiency, energy source, and resilience have the potential to deliver financial and business benefit through:

- Cost savings from energy efficiency gains and reduced purchase of carbon removals to achieve net zero
- Improved business continuity through reducing risk of power outages in operations and in the supply chain
- Reduced future costs of meeting new carbon regulations and potential carbon taxes
- Improved competitive position through delivering better carbon reduction performance relative to peers
- Talent retention and acquisition as Credit Suisse 'walks the talk' in reducing its own carbon footprint, and demonstrating its performance as a sustainability leader
- Market-leading branding & reputation through achieving carbon reduction targets across financing, operations and supply chain

Effect of climate-related risks and opportunities on Credit Suisse's businesses, strategy and financial planning

Credit Suisse's overall strategy to incorporate climate-related risks and opportunities in Group wide strategy

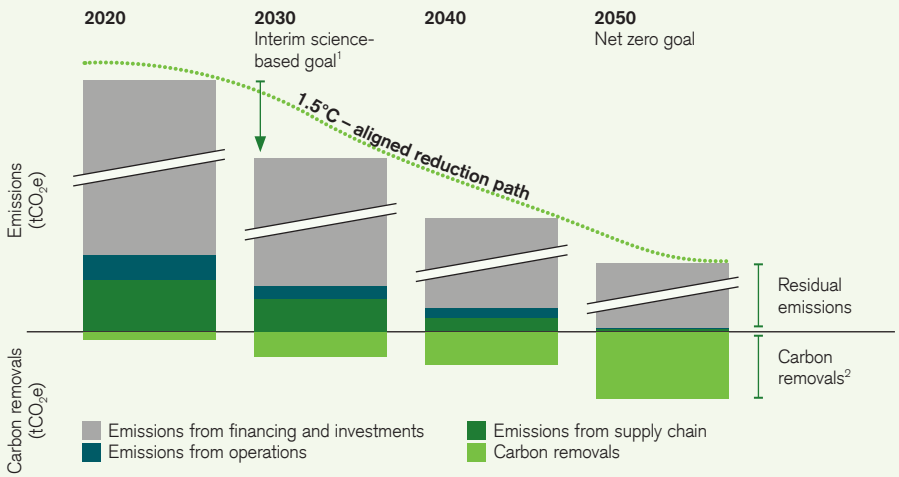
Based on the Paris Agreement, and the subsequent Glasgow Climate Pact agreed at the 26th Conference of the Parties (COP26), many countries have committed to implement transition plans that lower their greenhouse gas (GHG) emissions. We support this commitment and, during 2021, demonstrated our support by joining the Sustainable Markets Initiative (SMI) and Net Zero Banking Alliance (NZBA). The latter was launched in April 2021 and is part of the UN Race to Zero, with the aim of reinforcing and supporting the implementation of decarbonization strategies, with a focus on those sectors with the highest levels of emissions.

In December 2020, Credit Suisse announced its 2050 net zero emission ambition and committed to develop interim 2030 science-based carbon reduction goals for key sectors. The first of these sector climate strategies was set in 2021, with the remainder expected by the end of 2022. In doing so, we have sought to align to the draft technical guidelines of the Science Based Targets initiative (SBTi) and the NZBA. We contributed to setting standards for the industry, including our decision to align our portfolio to an ambitious below 1.5°C, rather than 2°C, goal. As final guidance emerges, we expect to continue to shape our roadmap to achieve our net zero ambitions.

In 2021, Credit Suisse articulated its framework and approach to tackle climate change in our internal Global Climate Change Policy. This policy outlines our commitment to align our business strategy with the Paris Agreement and provides a robust framework for managing climate change, leveraging both our Client Energy Transition Frameworks (CETF) and Sector Policies and Guidelines. Our time-bound commitment on thermal-coal related activities and our position on coal financing are both presented in this policy.

Overall trajectory

Emissions (tCO_2e) illustrative



[1] In development

[2] Carbon removals are the tonnes of CO_2 removed from the atmosphere through nature-based projects or solutions (e.g. trees or ecosystem renewal) or the installation of direct air-capture technologies

Our progress in 2021 – towards net zero

Achievement of net zero requires more than commitments. It requires thoughtful planning, strategies and, foremost, action. As part of our ambition to achieve net zero across our operations, supply chain and financing activities by 2050, we have initiated the work required to measure our total emissions. Our ambition to achieve net

zero will be underpinned by interim 2030 science-based goals across our financing activities, operations and supply chain.

To underpin our net zero ambition in relation to financing activities, we are developing interim 2030 science-based goals for each key sector and defining the corresponding transition strategies that are required to enable these goals. We work with all our business divisions and across client portfolios to develop our sector transition strategies which consist of the following three strategic levers:

- **Reduction:** Conducting in-depth assessment of our client portfolios against the bank's CETF and sector policy restrictions to identify clients that do not meet these requirements and with whom we will not be engaging in future work

- **Engagement:** Understanding the carbon emission reduction commitments that our existing clients have made and developing an approach to engage with our clients to support them to transition to net zero

- **Growth:** Working with our front-line teams, product specialists and clients to identify new areas of sustainable growth and new business opportunities with low carbon intensity.

To underpin our net zero ambition in relation to operational activities we will be developing strategies to reduce carbon emissions across data centers, facilities, office buildings, operations, and the supply chain. For further information on our operational carbon performance (↗ see the Reducing our operational footprint section).

To deliver against our net zero commitment, we plan to significantly reduce our emissions by 2050 in line with the 1.5°C trajectory, with residual emissions offset through procurement of sufficient and verifiable carbon removals, as illustrated in the graph.

Addressing oil, gas and coal financing

We recognize the importance of a managed transition for the oil, gas and coal sector given its high level of emissions. For this reason, we have chosen to set this as our first Paris-aligned sector reduction trajectory and we have measured our current financed emissions to formulate science-based reduction goals for 2030 and 2050. In 2021, we began the implementation of our transition strategy to reduce our financed emissions from oil, gas and coal upstream and downstream financing. We have made significant progress and our preliminary numbers suggest we will achieve a year-on-year reduction of 41% for our financed emissions for this sector.

To set a Paris-aligned reduction trajectory for the oil, gas and coal sector, we assessed several target-setting methodologies and elected to apply the one developed by the Network for Greening the Financial System (NGFS). NGFS is a network of more than 100 members, including central banks and financial supervisors, that aims to accelerate the scaling up of green finance by sharing best practices and tools. We have chosen this methodology, and specifically the NGFS 1.5°C Divergent Net Zero scenario, because it:

1. Sets more ambitious interim targets in comparison to alternative methodologies.
2. Is widely used by central banks and is recognized as a credible approach for financed emission trajectories.
3. Has high regional granularity in comparison to alternative methodologies.
4. Has limited reliance on carbon removal as goals are mainly achieved via improvements in the energy mix.

The chosen reduction trajectory combines oil and gas, alongside coal, in order to provide an encompassing view of emissions associated with fossil fuel upstream and downstream. It also helps to capture absolute emissions related to companies that are active in these sectors, without the need to introduce complex allocation

Our approach to fossil fuels financing

We include Scope 3 emissions for this sector, which include the emissions related to the burning of the fossil fuel as part of their lifecycle. For this sector, the core emission is not related to "how clean the extraction activity is" but rather to "how much fossil fuel is ultimately burned."

We use an absolute target for reduction, recognizing that the world economy needs to gradually reduce its overall use of fossil fuels to achieve Net Zero by 2050. This is in line with the decarbonization pathways developed by International Energy Agency (IEA) and Network for Greening the Financial System (NGFS).

We focus on those transactions where Credit Suisse has directly provided financing (e.g. loans) as opposed to those transactions where Credit Suisse has supported the raising of capital (e.g. underwriting). It can be technically challenging to combine two different activities under one metric in a consistent manner. To address this, we opted for a simple and transparent approach. Underwriting transactions are currently in scope of our Client Energy Transition Framework, and we plan to develop a transparent methodology to report the emissions associated with this activity, in line with industry standards.

mechanisms or create volatility by reclassifying clients as they potentially change their production mix.

To calculate our financed emissions, we have applied best practice methodology that is in line with the Partnership for Carbon Accounting Financials (PCAF) – a global partnership of financial institutions that work together to develop and implement a harmonized approach for assessing and disclosing financed emissions. Our 2020 financed emissions baseline, 2030 and 2050 science-based reduction goals and 2021 preliminary reductions include our clients' scope 1 and 2 emissions, as well as scope 3 category 11 emissions (use of sold goods).

The baseline for our financed emissions from the oil, gas and coal sector amounted to 37.1 million tCO_2e as of December 31, 2020. In 2021, for the first time, PricewaterhouseCoopers AG (PwC) provided limited assurance on our 2021 financed emissions calculations.

These financed emissions are heavily driven by coal companies, which make up over 64% of the financed emissions. The calculation of our baseline year has used our clients' confirmed emissions production output and their 2020 drawn exposures with Credit Suisse. The choice of "absolute emissions" based on "drawn exposures," allows for a transparent reporting of net zero emissions according to industry standards. The 2021 emission figures should be considered as estimates as they rely on a combination of lending exposure as of year-end 2021 and client data (emission and financials) as of year-end 2020.

We have set a 49% reduction goal by 2030 for the oil, gas and coal upstream and downstream sector, in line with the NGFS 1.5°C trajectory path given its limited reliance on carbon offsets versus other trajectories. This reduction target would take our financed emissions from the sector down to 18.9 million tCO_2e in 2030. The trajectory analysis was supported by data covering the whole corporate lending portfolio for this sector, excluding capital markets and trading. Supporting data included emissions data for Scope 1, 2 and 3 for upstream and downstream clients. Our financed emissions are based on drawn exposures as specified by the PCAF methodology and may fluctuate with clients' drawn exposures. We will continue to monitor this as we strive to reach the 49% reduction goal by 2030.

2021 was the first year we implemented our transition strategy for the oil, gas and coal sector, and as shown, we anticipate a 41% preliminary reduction against the 2020 baseline financed emissions. Our transition strategy has resulted in:

- A reduction of 39% in potential exposure to coal mining companies on a year-on-year basis, from USD 1,049 million as of December 2020 to USD 640 million as of December 2021.
- A reduction of 25% in potential lending exposure to oil and gas companies on a year-on-year basis, from USD 13,073 million as of December 2020 to USD 9,837 million as of December 2021.
- A reduction in absolute financed emissions (including Scope 3 category 11, based on drawn exposures) related to the oil, gas and coal upstream and downstream sectors from 37.1 million tCO_2e per year to a preliminary reduction to 21.9 million tCO_2e per year for 2021.

Our 2021 anticipated reduction of 41% is significantly ahead of the approximately 5% carbon reduction trajectory implied by the NGFS 1.5°C trajectory path. This achievement has been driven by our transition strategy described in our Sustainability Report 2020, which included:

- The introduction of CETFs for the oil, gas and coal sector to progressively phase out exposure to clients rated as "Unaware," who generally do not have transition plans. The progress made in decreasing exposure to "Unaware" clients, for the phase one sectors (oil, gas and coal as well as power generation from fossil fuels) was significant in 2021, with a decrease of USD 1,024 million exposure from USD 2,560 million as of December 2020 to USD 1,536 million as of December 2021. We expect exposure to "Unaware" clients in phase one sectors to trend towards zero in subsequent years.
- The introduction of restrictions in 2020 related to thermal coal mining and coal-power businesses, mainly affecting companies with more than 25% of revenue

Preliminary progress and commitments relating to oil, gas and coal

41%
preliminary emissions reduction achieved in 2021

Commitments

49%
emissions reduction goal for **2030**

97%
emissions reduction goal for **2050**

Aligned to **NGFS 1.5°C** reduction trajectory

Using **PCAF and SBTi** guidelines

Financed emissions calculation methodology

Credit Suisse has applied the Partnership for Carbon Accounting Financials (PCAF) methodology to calculate our share of financed emissions across our clients in the oil, gas and coal sector. Our share of emissions is determined by the amount of lending we provide to each client as a proportion of their total company value.

$$\text{Credit Suisse Financed Emissions} = \sum \frac{\text{Drawn exposure}^1}{\text{Company value}^2} \times \text{Company Emissions}^3$$

1. Drawn exposure is calculated as the outstanding balance of lending as of year-end with each client. This is aligned to best practice guidance from PCAF and SBTi.
2. Company Value is the full value of each client calculated as Enterprise value including cash (EVIC) for public companies. If EVIC is not available (e.g.: for private companies) we have used book value of total assets (debt plus equity).
3. Company emissions are the emissions of each client and includes scope1, 2 and scope 3 category 11 emissions which are the emissions from the use of sold products. This data has been collected from available sources including CDP and individual company reports. If emissions are not reported by companies, then we have estimated their emissions using production data and IPCC emissions factors per fuel type.

Oil, gas & coal financed emissions

	2020 Baseline	2021 Actuals
Drawn exposures USD million	**3,563**	**2,624**
Financed carbon emissions		**2021 Preliminary**
Scope 1 emissions $mtCO_2e$	1.6	1.4
Scope 2 emissions $mtCO_2e$	0.3	0.2
Scope 3 emissions $mtCO_2e$	35.2	20.3
Total financed emissions $mtCO_2e$	**37.1**	**21.9**
Percentage Reduction (2021 preliminary vs 2020)		41%

from these activities. Restrictions were strengthened at the end of 2021, now also encompassing new clients with a revenue share of 5% coming from these activities and clients developing new greenfield coal mines or new coal-fired power plants.

- Other factors include the escalation to the bank's Sustainability Risk team, of transactions posing significant ESG risks with more criteria applied on top of restrictions announced publicly, considering specific circumstances and expert-based views.

We note that emissions figures at portfolio level depend on several factors, including the number of drawn facilities from committed lines, allocation of emissions to financing companies based on enterprise values, and the volume of production of fossil fuel based on overall market demand. Furthermore, figures provided for 2021 rely on emissions and financial data from 2020 matched with Credit Suisse exposure as of 2021. We will refresh our preliminary numbers once 2021 emissions and financial data becomes available. The full reports of our clients' 2021 production output and corresponding emissions numbers will only become available in September 2022 so we will confirm our actual 2021 financed emissions in our 2022 Sustainability Report.

Beyond the oil, gas and coal sector, we will continue to introduce Paris-aligned reduction trajectories on a sector-by-sector basis, aligning to 1.5°C pathways and as much as possible to industry standards set by NGFS or the IEA. We will also consider expanding emission reporting to other activities such as underwriting and investments in an incremental fashion.

Our strategic priorities to assist clients in their transition to a sustainable future

As part of our strategy, we have developed sector-specific CETFs. The frameworks consist of the identification of priority sectors/industries and a methodology to categorize clients that operate in these sectors according to their energy transition readiness (categorizations span: "Unaware," "Aware," "Strategic," "Aligned" and "Green"). With this approach, inspired by the Transition Pathway Initiative, which set up a similar blueprint, we aim to actively encourage clients to transition along the CETF scales over time and to support them through financing and advisory services. At the same time, we aim to manage Credit Suisse's business and reputational risk exposure by assessing clients against the relevant CETFs before transacting with them. Financing for clients with the lowest categorization in terms of transition readiness, i.e., of "Unaware" clients, will be phased out over time. At the end of December 2021, we rolled out CETFs for priority sectors, including oil and gas, coal mining, utilities/power generation (fossil fuel-based), shipping, aviation and commodity trade finance (fossil fuel-related). Work is underway to extend coverage to additional sectors.

To categorize clients, a sector-by-sector set of criteria was established, leveraging quantitative key performance indicators, third-party assessments/ratings and qualitative assessments based on climate-related questions.

Questions that are relevant for the CETF assessment may reflect those illustrated on this page.

These questions allow Credit Suisse to engage in critical sustainability discussions with clients, opening the door to financing of potential solutions towards transition.

Client categorizations are centrally assigned by the Sustainability Risk team. In general, the following expectations need to be fulfilled for a client to be categorized as "Aware":

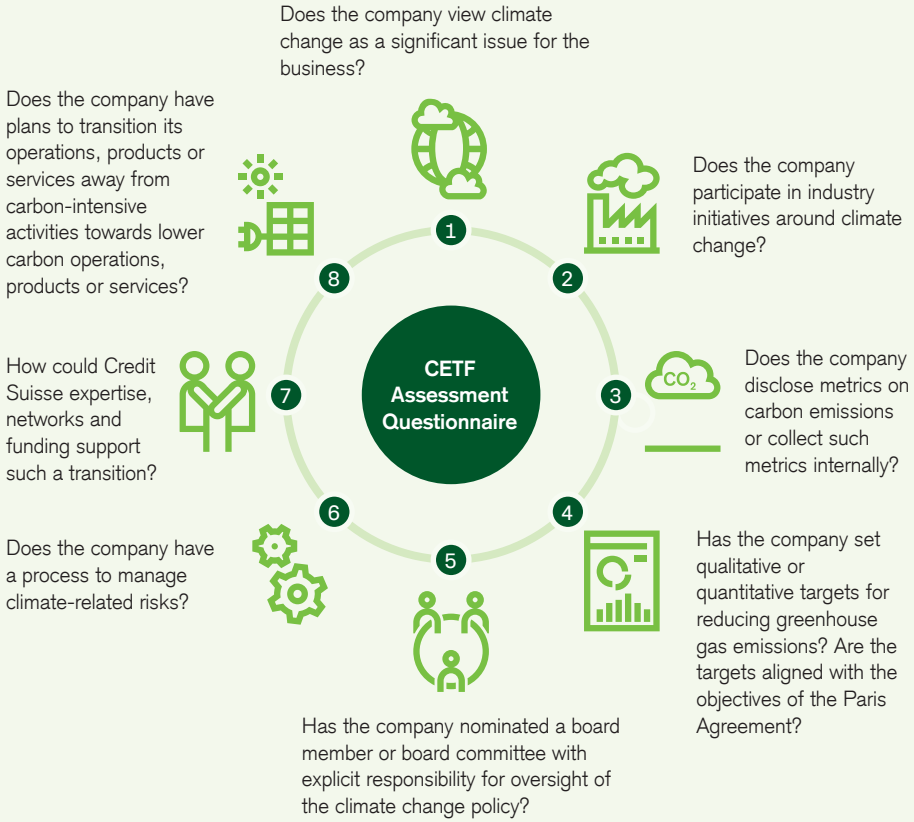
1. Client acknowledges climate change as a relevant risk and/or business issue.
2. Client identifies climate risks and opportunities.
3. Client discloses metrics on carbon emissions.
4. Client sets qualitative/quantitative emissions reduction targets.
5. Client participates in industry initiatives.

On a regular basis, sector-specific criteria are reviewed and potentially updated to ensure alignment with the latest sector developments.

Summary of our sector specific policies and restrictions on business activities

Certain industries are particularly sensitive from a social or environmental perspective (including impacts on the climate). To assess potential transactions with clients or prospects 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 United Nations (UN), the World Bank or the International Finance Corporation (IFC). 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

Client engagement: transition readiness



recognized standards on the environment and human rights; measures to assess and reduce the environmental impact of operations, including on the climate and on biodiversity and ecosystems; the protection of the health and safety of company employees, contractors and surrounding communities; and respect for the human rights of the local population, with particular attention on project-related impacts on indigenous peoples.

Our risk management framework incorporates an assessment of whether a transaction or client relationship under review is in line with our sector policies and relevant industry standards and good practice. The sector policies and guidelines also form an important component of our Group-wide Climate Risk Strategy program.

Credit Suisse introduced in 2021 an internal global climate change policy that addresses Credit Suisse's broader long-term climate change strategy, reflecting its commitment to the Paris Climate agreement as well as the approach to the transition and physical risks arising from a changing climate.

Our sector policies and guidelines are subject to a regular review to take account of the latest developments and new challenges in the relevant areas. In step with the stated sustainability ambitions of Credit Suisse, we expect to introduce further restrictions over time.

Our policies and guidelines describe business activities and operations that Credit Suisse will not finance. Following is the detail on our continuous journey toward funding-related restrictions to various sectors:

Sector Policy Developments

2019

- Credit Suisse will not provide any form of financing specifically related to the development of new coal-fired power plants.

2020

Credit Suisse will not provide lending or capital markets underwriting for:

- any company that derives more than 25% of revenues from thermal coal extraction (unless supporting energy transition)
- Credit Suisse will not provide lending or capital markets underwriting for any company that derives more than 25% of revenues from coal power generation (unless supporting energy transition)

No financing related to offshore and onshore oil and gas projects in the Arctic region.

2021

Thermal coal mining and coal-fired power

Effective 2022: Credit Suisse will not provide lending or capital markets underwriting for:

- new clients deriving more than 5% of revenues from thermal coal extraction or coal-fired power generation (unless supporting energy transition)
- companies developing new greenfield thermal coal mines after 2021 (unless supporting energy transition)
- companies developing new coal-fired power plants or capacity expansions after 2021 (unless supporting energy transition)

Credit Suisse will gradually reduce its credit exposure and lending, bond and equity underwriting to companies deriving revenues from thermal coal extraction and coal-fired power generation from now until 2030.

Effective 2025: Credit Suisse will not provide lending or capital markets underwriting for:

- any company that derives more than 15% of revenues from thermal coal extraction (unless supporting energy transition)
- any company that derives more than 15% of revenues from coal power generation (unless supporting energy transition)

Effective 2030: Credit Suisse will have no remaining credit exposure and will not provide lending or capital markets underwriting for any company that derives more than 5% of revenues from both thermal coal extraction and coal-power combined (unless supporting energy transition).

Supporting the energy transition

Companies engaged in these industries may require capital to transition away from coal mining and coal-fired power. Exceptions may be made for transactions meeting the following criteria:

- For coal mining: Lending or capital markets underwriting are only permitted where the client has a credible transition strategy to diversify away from thermal coal and where, in addition, the transaction proceeds make a material contribution to this transition.
- For coal-fired power generation: Lending or capital markets underwriting is only permitted:
  - where the client can demonstrate a decreasing share of coal in its power generation portfolio consistent with our Client Energy Transition Framework (CETF), or
  - where the client has a credible transition strategy to a lower carbon business model and where, in addition, the transaction proceeds make a material contribution to this transition.

More information is available in the sector policies and guidelines section of our risk management section on our website credit-suisse.com/riskmanagement

Credit Suisse has made strong commitments for green and renewables sector

Sustainable Investments

Growing public awareness of the economic impacts of the climate crisis, biodiversity loss and the wide-scale disruption caused by the COVID-19 pandemic has accelerated interest in sustainable investing worldwide. Pension funds and other institutional investors often consider ESG-related risks and returns, and we have seen an especially strong rise in demand from private clients – particularly high-net-worth individuals, next generation investors and charitable foundations. These different client segments are seeking ways to combine the achievement of financial returns with the generation of a positive social and/or environmental impact, whether the client's primary focus is purpose or profit.

Our sustainable product offering is based on our Credit Suisse Sustainable Investment Framework, which outlines our investment approach across the sustainable investment strategies of exclusion, integration and sustainable thematic and impact-aligned investing strategies. This framework has been developed by our specialists, who have deep expertise in sustainability and portfolio management. Our goal in creating the Credit Suisse Sustainable Investment Framework is not to prescribe our values for our clients or the industry. Instead, our aim is to "say what we do and do what we say." This is why our framework does not simply focus on how we apply ESG criteria across our exclusions, integration and thematic/impact investment portfolios, but also outlines how we create transparency for our clients through classification and reporting.

In the Credit Suisse Sustainable Investment Framework, we combine knowledge from well-established external and independent data providers (e.g. Sustainalytics and MSCI) with our own research to form a proprietary methodology as part of our effort to deliver a high quality sustainable offering for our clients. Our standards are regularly reviewed and adjusted as new data and insights become available.

Our framework outlines three primary approaches to sustainable investing:

1. **Exclusions:** The primary purpose of these strategies is to provide clients with investments that do not cause harm or that align with their values.

2. **ESG integration:** These strategies integrate important ESG factors into investment processes with the goal of delivering superior risk-adjusted returns.

3. **Sustainable thematic and impact:** The purpose of these strategies is to mobilize capital into companies that offer solutions to society's challenges. Within this category, there are two sub-categories:

   - Sustainable thematic: In recent decades, sectors such as education, healthcare and clean energy have grown strongly, and fund managers have set up funds to invest in these companies, in both public and private markets.

   - Impact investing: Impact investing is the subset of sustainable investing that seeks to deliver measurable impact. We have endorsed the Operating Principles for Impact Management, an initiative led by the International Finance Corporation (IFC) setting out key principles that define best-practice impact management for investors. Credit Suisse believes that transparency and a common understanding of standards in impact investing are crucial to developing this market, and we were a founding signatory of the Impact Principles, from April 2019. We publish an annual Disclosure Statement on how we implement the Principles which is accessible on our website. This statement is also externally verified.

Credit Suisse Sustainable Investment Framework

Sustainable solutions are using at least one or even several tools to classify and manage investment strategies accordingly:

ESG reporting

Transparency on portfolio exposure to ESG related risks, opportunities and impact.

Active ownership (voting and engagement)

Active ownership has the potential to transform our role from a capital allocator to an agent of change. Through corporate engagement and voting, we exert our influence and help corporate transitions towards more sustainable pathways.

Exclusions Avoiding harmful investments	**ESG integration** Better informed investment decisions through integration of ESG insights	**Sustainable thematic and impact**
▪ Systematic avoidance of exposure to controversial areas or unethical behaviors ▪ Norms-based exclusions ▪ Values-based exclusions ▪ Exclusions based on business conduct (United Nations Global Compact breaches)	▪ Consideration of financially significant ESG risks and opportunities ▪ Based on industry-specific sustainability expertise ▪ Reflects the Credit Suisse house view on ESG topics ▪ ESG integration in investment processes in combination with financial analysis ▪ Approach adapted to asset class, product features and investment objectives	**Sustainable thematic** ▪ Participation in sustainable growth themes ▪ Firms with positive contribution to the SDGs ▪ Mostly liquid strategies **Impact investing** ▪ Products that fully comply with the IFC definition of impact investing: Measurable positive social or environmental impact, alongside financial returns ▪ Investor contribution to the impact of the enterprises via financing growth or active ownership ▪ Mostly illiquid strategies

ESG = Environmental (E), Social (S) and (Corporate) Governance (G); IFC = International Finance Corporation
For further information about the ESG investment criteria, please visit www.credit-suisse.com/sustainability.

More information is provided on our website under "Agreements & Memberships."

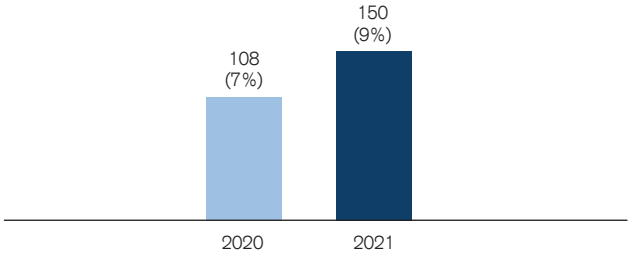
We believe that each of these approaches adds value in its own right and may be suitable for different types of investors with different types of investment goals.

Growth of Sustainable AuM

At the end of 2021, Credit Suisse's sustainable assets under management (AuM) was CHF 150 billion (up 39% year on year), of which CHF 19 billion was thematic and impact investment AuM. This includes only AuM balances from managed solutions that to date have been mapped to a sustainability rating of 2 and higher, based on our internal ESG framework scale (0-5). **The majority of this growth has been achieved through progress on our framework implementation and product classification.** The other relevant drivers include the launch of new sustainable funds, net sales of existing sustainable funds and positive market performance.

More information is provided in our "The Credit Suisse Sustainable Investment Framework."

Sustainable AuM
in CHF bn
(% share of total AuM)



While corporates are increasingly feeling the pressure from all stakeholders to commit to sustainability in all its forms, this also creates significant opportunities. Sustainability demands from clients, shareholders and regulators are disrupting all industries. The transition to a more sustainable society requires capital, and it is our goal to partner with our clients to help them fulfil their sustainability ambitions.

As well as transitioning towards environmentally friendly business models, businesses must be more inclusive to achieve true sustainability. It is our desire and responsibility to harness the power of finance to address pressing social and environmental issues and create a future that is fair, inclusive and sustainable for all.

In 2020, we made a public commitment to provide at least CHF 300 billion of sustainable finance by 2030. To establish a credible and multi-dimensional framework underscoring our ambition, we have created our bespoke Sustainable Activities Framework (SAF) which defines the methodology governing activities that qualify as sustainable and aims to provide transparency, rigor and accountability when assessing whether individual transactions should qualify towards our commitment. The SAF has been developed in partnership with leading internal and external subject matter experts and has been externally verified, as well as receiving endorsement from the Climate Bonds Initiative.

We hold ourselves to a robust standard of accountability when tracking our progress towards our sustainable finance commitments. It is fundamental that our sustainable growth and progress should be clear and transparent to all our stakeholders. Given the rapidly changing nature of the sustainable finance landscape, we anticipate the SAF will evolve in tandem with market developments, and we will aim to align with industry best practice. Our goal is to maintain a robust and credible framework that defines green, transition and social finance activities and to encourage our clients to consider these factors when engaging with us. These categories and their underlying criteria were developed in partnership with a leading consulting firm and industry experts, as part of our efforts to align with industry best-practice guidelines, including those listed below.

Our SAF is:

- Grounded in industry best practice and widely accepted classifications and guidelines, such as the EU Taxonomy for Sustainable Activities, International Capital

Sustainable Activities Framework – Use of proceeds

General use of proceeds		Specific use of proceeds
Sustainability linked products	**Financing sustainable companies***	**Financing sustainable activities***
▪ Consideration of alignment of predetermined Sustainability Performance Targets (SPTs) and/or Key Performance Indicators (KPIs) to issuer's improvements in sustainability	▪ Applicable for companies that generate at least 80% of their revenue from sustainable activities or clearly demonstrate strategic alignment with sustainable activities	▪ Proceeds used to support sustainable activities
	▪ Sustainable activities defined under the SAF are classified as either Green, Transition or Social ▪ If social activities are targeted, additional criteria relating to the underlying beneficiaries must be satisfied	
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-party opinions where appropriate ▪ Measurement and reporting of progress towards sustainable activities required		

* 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 are met alongside additional specific assessment

Markets Association (ICMA) Green and Social Bond Principles and Climate Bonds Initiative (CBI) taxonomy

- Wide-ranging, covering green, transition and social finance activities, with specific reference to themes such as biodiversity
- Aligned with other Credit Suisse sustainability frameworks and the UN SDGs
- Externally verified with third-party opinion
- Governed by internal controls, including a transaction-by-transaction review before inclusion towards our commitment of providing at least CHF 300 billion of sustainable finance by 2030.

With the aim of leading our clients' transition towards a more sustainable future, our SAF has been developed to cover two types of transactions – general use and specific use of proceeds – as per the table on the previous page.

Our progress towards our CHF 300 billion commitment to sustainable finance
Detailed methodologies and criteria exist for qualifying transactions under the SAF, with clearly defined triggers for exclusions in equity and debt capital markets transactions, structured financing and securitizations, mergers and acquisitions and lending. Transactions executed during 2020 and 2021 that have been reviewed and approved as of January 26, 2022 as qualifying for inclusion towards the overall sustainable finance commitment of CHF 300 billion by 2030 amount to CHF 60 billion in aggregate. In the section dedicated to sustainable finance, we detail some of our contributions.

More information about the framework is provided on our website under "The Credit Suisse Sustainable Activities Framework."

Sustainable capital markets

Credit Suisse has an established track record in the sustainable debt capital markets that we continue to build on, having supported the first-ever green bond issuance in 2008 from development funding institutions.
Credit Suisse has since played a crucial role in facilitating the evolution of the sustainable bond market on behalf of clients, leading and structuring a number of innovative and inaugural transactions.

In 2021, Credit Suisse was recognized as Investment Bank of the Year for Sustainable Bonds by The Banker, underlining our commitment to help clients globally transition to a more sustainable future.

Growth in sustainable bond issuance and leading innovative transactions
In the sustainable bond markets, issuance reached another record high in 2021, not only in the green bond markets but also in social bonds and other emerging categories.

Credit Suisse played a significant role in sustainable bond issuances in 2021, leading several landmark ESG offerings across various jurisdictions and structuring several inaugural financings. Selected transactions from last year include the following: structuring role for a US electricity company's inaugural sustainability bonds; green structuring advisor role for a US energy company's green senior unsecured notes; green bond framework advisor role for a Swiss real estate company's green bond; SLB structuring role for a UK airline's enhanced equipment trust certificate and joint-green structuring advisor role for an Indonesian energy company's green bond among dozens of joint-bookrunner roles on structurally, regionally and currency diverse issuances.

Pioneering frameworks for sustainable transition bonds

Credit Suisse has jointly developed a pioneering "Sustainable Transition Bond" concept framework with the Climate Bonds Initiative, aiming to develop a blueprint that will underpin a scalable and robust market. We seek to deliver confidence for investors, clarity for bankers and credibility for issuers.

As this market grows, investors want to be sure that the "transition" label is being used to identify activities that are having an impact, thus making a substantial contribution to reducing global emissions.

We hope this framework will ultimately lead to a more inclusive segment of the public bond markets – uniting investors looking for sustainable opportunities with a wider choice of products with applicable use of proceeds, and assisting issuers who have limited or no access to the green bond market to transition.

Accelerating renewable transition activities and other sustainable solutions

We have wide-ranging expertise across the renewables industry and are involved in sub-sectors such as solar, wind, geothermal, biomass, biofuels, fuel cells and energy efficiency. Selected transactions include the following. We continue to be a leading advisor in residential and commercial and industrial solar, including the IPO and follow-on offerings for Array Technologies, the IPO for Shoals Technologies and the IPO for FTC Solar, as well as a convertible senior notes issuance for Sunrun. We also advised Renewable Energy Group's on its green notes and follow-on offering.

We have advised on a number of energy transition SPACs and de-SPACs, including EVgo's business combination with Climate Change Crisis Real Impact Acquisition Corp and Stem's business combination with Star Peak Energy Transition Corp. Along with a focus on energy transition, Credit Suisse has worked on a number of environmental services and water infrastructure deals such as the IPO of Core & Main, and the Origin Materials business combination with Artius.

With food production being one of the biggest drivers of GHG emissions, Credit Suisse is supporting clients in the transformation of the global food market. In 2021, we advised on a number of food themes, notably growth funding for LiveKindly, the IPO of Oatly and convertible bonds for Beyond Meat. We also advised on the Benson Hill de-SPAC business combination with Star Peak Energy Transition. We are continuing to contribute to alternative food solutions focusing on the humane treatment of animals and sustainable farming practices.

Approximately USD 4.4 billion of tax equity has been committed to 30 renewable energy opportunities[1]

From the inception of the business in 2009, a total of approximately USD 4.4 billion of tax equity has been committed to 30 renewable energy opportunities as a result of the collaboration between our Strategic Transactions Group and our Debt Capital Markets Solutions team. Multiple transactions were closed in 2021, which included Credit Suisse's continued commitment to the community solar sector.

[1] represents Credit Suisse initial commitments since 2009. Tax equity transactions executed during 2020 and 2021 that have been reviewed and approved under SAF as of January 26, 2022 are included towards our progress against the CHF 300 billion commitment to sustainable finance.

Securitized Products and Asset Finance

Credit Suisse is a leader in sustainable securitization and asset finance. In this space, teams work with clients and investors in a number of asset classes covering energy transition, mobility, transportation and housing.

On the energy transition side, Credit Suisse led as many solar securitizations as every other bank combined. The

Securitized Products and Asset Finance team works closely with partners across the bank to be a thought leader for the firm's clients, reducing the cost of capital funding renewable power, electric vehicles and storage assets. For example, on the consumer asset-backed securities (ABS) side, Credit Suisse was structuring agent for Tesla Inc.'s first issuance of prime auto leases in the first quarter of 2021, representing the largest electric vehicle securitization completed to date for both Tesla and the market. We believe new transactions in the commercial and industrial solar and utility scale solar markets should continue this leadership into 2022. Credit Suisse also sponsored its own securitizations of solar loans for the first time in 2021, which included major rating agency assessments as part of this process.

In transportation finance, the bank led the first ever sustainable railcar transactions for Trinity Industries Leasing Company (Trinity). Trinity developed a green financing framework to govern the use of proceeds and eligible asset types for the deal, as transportation by rail is believed to be significantly more fuel efficient and to drastically reduce highway pollution and congestion compared to competing modes of transportation. Credit Suisse led green railcar financings in 2021 across three transactions, including the first deal in both the ABS market and the secured bank lending market.

Resilience of Credit Suisse's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Credit Suisse contributes to collective development of climate risk related methodologies

In 2021, Credit Suisse contributed to a pilot exercise, the Climate Risk Stress Test (CRST) conducted by the Hong Kong Monetary Authority (HKMA). The scope of the analysis was the Lombard collateral portfolio of Credit Suisse Hong Kong Limited. Given that Lombard lending is a short-term form of borrowing, the analysis focused on short risk horizons. In particular, we estimated the potential impact of instantaneous shocks to security prices that could result from either the announcement of restrictive policies on traditional businesses, leading to accelerated transition (portfolio-level transition risk), or from catastrophic physical risk events (portfolio-level physical risk). In addition, the analysis considered possible direct financial and operational impacts of severe weather events affecting the bank's Hong Kong operations (direct physical risk).

As part of this exercise, we developed a methodology for the calculation of security-level price shocks representing a Climate Minsky Moment scenario, i.e., a sudden, major collapse of asset values driven by a sharp adjustment of investors' expectations about future climate policies. The shocks are calibrated by referring to the economic projections described in the delayed-transition scenario produced by the NGFS and expanded to the full portfolio by leveraging a dataset of "transition readiness" scores available at the company level.

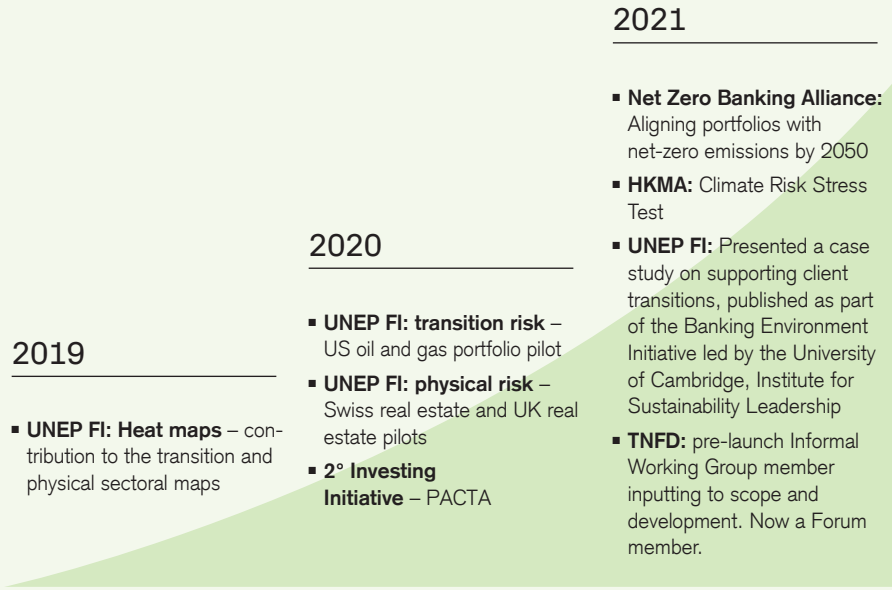
Our progress in 2021 – market initiatives

The following highlights demonstrate Credit Suisse's involvement in several market initiatives during 2021:

Science Based Targets initiative (SBTi)
SBTi is a partnership between CDP, an international non-profit representing institutional investors, the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), which defines and promotes best practice in emissions reductions and net zero targets in line with climate science. Guidance for banks is being further developed and SBTi is looking to banks, including Credit Suisse, to provide leadership and input into the final guidelines. SBTi also provides independent verification of targets. In December 2020, we announced our ambition to achieve net zero by 2050 and committed to underpin this ambition through developing interim 2030 science-based goals within two years. We confirmed the commitment to SBTi in February 2021, when Credit Suisse formally signed the "SBTi Business Ambition for 1.5°C commitment letter." We are one of more than 100 financial institutions underpinning our net zero commitment via the SBTi methodology. We expect to submit proposed emissions reduction commitments to the SBTi by December 2022.

Sustainable Markets Initiative (SMI) Financial Services Taskforce (FSTF)
Credit Suisse is a member of the **FSTF,** convened as part of His Royal Highness The Prince of Wales' **SMI.** The SMI looks to define a credible pathway to net zero and bolster engagement and accelerate transition to a net zero economy. The SMI joined forces with United Nations Environment Programme Finance Initiative (UNEP FI) in the founding of the NZBA in 2021. In 2021, Credit Suisse adopted the Terra Carta from SMI, a 17-page charter that puts sustainability at the heart of the private sector. Through participation in the SMI FSTF, we helped to develop the Net Zero Practitioner's Guide,

Industry-wide initiatives



which aims to support the banking industry to adopt a consistent and transparent approach to supporting clients' transition to net zero.

Net Zero Banking Alliance (NZBA)
In April 2021, Credit Suisse became a founding member of the UN-convened Net Zero Banking Alliance, which brings together 103 banks from 40 countries estimated to represent over 44% of global banking assets. NZBA members are committed to aligning their lending and investment portfolios with net zero emissions by 2050. The Alliance aims to reinforce, accelerate, and support the implementation of decarbonization strategies by providing an internationally coherent framework and guidelines in which to operate. We work closely with other NZBA members to help develop guidelines on best practice and will continue to engage as new guidance emerges.

Poseidon Principles
In 2020, Credit Suisse became a signatory to the Poseidon Principles, a global framework for assessing and disclosing the climate alignment of ship finance portfolios and promoting the decarbonization of international maritime transport. Credit Suisse is a member of both the Poseidon Principles Steering Committee and the Poseidon Principles Technical Committee and published the climate alignment of its financed fleet for the first time in December 2021.

Carbon Disclosure Project (CDP)
Our climate-related achievements are recognized by CDP, an international non-profit representing institutional investors. Its aim is to offer transparent guidance to investors on climate-related opportunities and risks for companies. Credit Suisse annually provides transparency to investors on our climate-related risks and opportunities through our response to the CDP Climate questionnaire. In 2021, Credit Suisse achieved a CDP "B" score, which places us in the "Management" category, acknowledging our efforts to take coordinated action on climate issues. Furthermore, in recognition of our engagement with suppliers on climate change, Credit Suisse was listed on the 2021 CDP Supplier Engagement Leaderboard.

United Nations Environment Programme – Finance Initiative (UNEP FI)
In 2021 we continued to strengthen our alliance with UNEP FI. To actively promote the development of good industry practice, we presented to UNEP FI a case study on the successful rollout of Client Energy Transition Frameworks (CETFs) for our clients, which was published as part of the paper "Leadership Strategies for Client Engagement" under the Banking Environment Initiative led by the University of Cambridge, Institute for Sustainability Leadership. Furthermore, we shared a methodology that we developed in the area of stress testing and scenario analysis for climate transition risk in short time frames, leading to market dislocation.

Risk Management

Credit Suisse's process of identification and assessment of Climate-related risks

Assessment of sustainability risks within the 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.

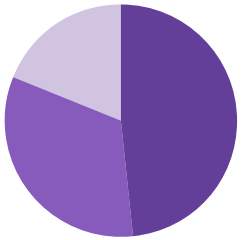
Reputational risk potentially arising from proposed business transactions and client activity is assessed in the bank-wide Reputational Risk Review Process (RRRP). The Group's global policy on reputational risk requires employees to be conservative when assessing potential reputational impact and, where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

As part of the RRRP, submissions are subject to review by senior managers who are independent from the business, and may be approved, approved with conditions, or rejected. Conditions are imposed for a number of reasons, including restrictions on the use of proceeds or requirements for enhanced monitoring of a particular issue relating to the client. Any conditions that are imposed as a condition of approval are assigned to a business owner and are systematically tracked to completion, including a four-eye review. Adherence with conditions is monitored to ensure timely completion, with any breaches potentially subject to disciplinary action.

During the course of 2021, the Executive Board Risk Management Committee assumed responsibility for overseeing the reputational risk process and delegates authority to the **Global and Divisional Client Risk Committees** for transaction level decision-making. A transaction, activity, relationship or submission to the RRRP may be escalated to the Divisional Client Risk Committee (DCRC), or in specific cases, to the Global Client Risk Committee (GCRC), with escalation criteria established to define the necessary governance:

- The DCRCs are jointly chaired by the Divisional Chief Risk Officer and Divisional Chief Compliance Officer and serve as a discussion and decision-making senior management forum for reputational risk, sustainability risk and compliance (including Financial Crime Compliance). They serve as an escalation point for high-risk and complex clients or transactions. The escalation

Reputational Risk Review Process cases in 2021



290
transactions assessed

49% approved
33% approved with conditions
19% rejected or not pursued

Percentages do not add up to 100% due to rounding

These statistics exclude potential cases that were not formally submitted into the review process because they were immediately identified as outside of Credit Suisse's reputational risk appetites, or that were terminated prior to a decision being taken. The cases approved with conditions gave rise to over 600 conditions recorded during 2021.

criteria assess both qualitative and quantitative factors of individual client cases.

- The GCRC assesses complex or cross-divisional client and transaction risks arising from reputational risk.

In 2021, in order to ensure that our reputational risk framework continues to advance, we introduced a new framework component to the overall reputational risk process. This component involves assessing the operating effectiveness of the reputational risk processes within each division, with the aim of identifying areas for improvement in the identification, management and monitoring of reputational risk across the bank.

Further information on this process is available at: credit-suisse.com/riskmanagement

Sustainability risk review

Our risk processes enable us to take account of the potential wider implications of our business activities and products and services, for example on the environment and society.

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. As such, responsible economic activity can be a significant driver for sustainable development. At the same time, we recognize that the activities of these companies can have a significant impact on the climate, biodiversity, water resources or local communities. We believe that working with our clients is essential to drive sustainable development. Our policies and guidelines describe the environmental and social standards we expect our clients to adhere to but also describe business activities and operations that Credit Suisse will not finance.

Environmental impacts can include air or water pollution, contribution to climate change, deforestation and degradation of ecosystems and loss of biodiversity. Impacts on people or societies can include damage to the health and safety of a client's workers and contractors, or of communities adjacent to a client's operations, undermining the livelihood of communities, as well as violation of the human rights of indigenous peoples.

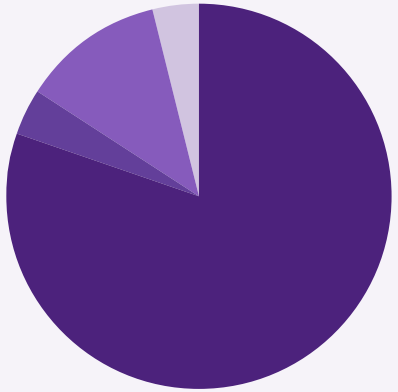
Environmental and social risks may also have financial impacts for clients. Clients may need to increase capital expenditure to meet new regulation or to meet consumer demand for more sustainable products. They may also face increased operational expenditure, for example, if the cost of natural resource use increases, or if a carbon price is introduced. They may benefit from new market opportunities and investments in improved resource efficiency. When incidents happen, clients may face sanctions from regulators, protests from local communities, lengthy legal disputes, and remediation costs. As governments introduce new policies to limit climate change and to protect natural resources, the materiality of

Governance

Executive Board Risk Management Committee	Acts as a governance and oversight function with respect to reputational and sustainability risk-related matters.
Global Client Risk Committee (GCRC)	Assesses clients and transactions escalated based on **significant risk criteria** derived from (1) attributes deemed worthy of escalation across Compliance, Reputational Risk and Sustainability (including Climate-related) Risk and (2) previous transactions escalated to senior management.
Divisional Client Risk Committees (DCRC)	Assesses clients and transactions escalated based on **moderate risk criteria** derived from (1) attributes deemed worthy of escalation across Compliance, Reputational Risk and Sustainability (including Climate-related) Risk and (2) previous transactions escalated to senior management.

Transactions assessed on the basis of potential environmental and social risk in 2021

976 transactions assessed



- 80.5% approved
- 3.8% approved with conditions
- 12.0% rejected or not pursued
- 3.7% pending[1]

These statistics include cases that were logged into the internal system where transactions assessed by Sustainability Risk specialists are recorded. For context, the large majority (i.e. 79%) of all 976 reviews conducted were deemed to carry low or low/medium risk in 2021. In 2020, 963 transactions were assessed with 82% of these deemed to carry low or low/medium risk.

[1] As of January 31, 2022.

these financial impacts is likely to increase. For a bank, such issues could materialize in the form of credit losses, the deterioration of clients' valuations and collateral, reputational damage and adverse impacts on relationships with shareholders and clients.

Guidance for banks on how to integrate such risks into their established risk management systems is evolving at a fast pace. During 2021, we implemented internal processes for our EU entities to meet the requirements expressed by the European Banking Authority's Guidelines on Loan Origination and Monitoring. We incorporated ESG factors into the credit review process and provided training for credit risk officers. We are also working to address the Monetary Authority of Singapore's Guidelines on Environmental Risk Management for Banks by June 2022. We also take into account the recommendations of OECD's Guidance on Due Diligence for Responsible Corporate Lending and Securities Underwriting. Dedicated efforts in line with local or product-specific regulations support our efforts to define and implement best practices in the sustainability assessment process with the aim of rolling them out to the whole Credit Suisse Group once they reach a mature and scalable state.

To assess risks to the environment, to people and to society, Credit Suisse pursues a risk-based approach. The current focus is on lending, capital markets and advisory transactions where Credit Suisse plays a significant role, as opposed to flow trading business, which is more dynamic in nature. Certain industry sectors, client operations or projects, countries of residence or operation, or financial services have been identified as carrying higher risks and are prioritized for due diligence. For transactions with potential sustainability risks, the internal specialist unit Sustainability Risk evaluates the nature of the transaction and our role in it as well as the identity and activities of the client (existing or new), reviews the regulatory and political context in which the client operates, and assesses the environmental and social aspects of the client's operations, including their commitment, capacity and track record for management of sustainability risks. The team assesses 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. The evaluation is based on information published or provided by the client but also includes information from specialized ESG rating agencies, research by independent organizations or an adverse news search.

Based on the outcome of this analysis, Sustainability Risk submits its assessment to the responsible business unit and/or enters it into the Reputational Risk Review system for evaluation. For project-related financing, we apply the Equator Principles to loans that are in scope.

Sustainability risk assessments by sector

Transactions assessed [1]	2021	2020 [2]
Metals and mining	149	171
Forestry and agribusiness	85	103
Oil and gas	197	207
Power generation and transmission	118	99
Chemicals	32	27
Defense	3	6
Infrastructure and transportation	73	69
Finance	81	78
Other [3]	238	203
Total	**976**	**963**

[1] Including Equator Principles (EP) transactions. Industry categorizations are assigned by Sustainability Risk specialists.
[2] Certain sectors for transactions have been reclassified.
[3] Includes sectors such as real estate, food and beverages and manufacturing.

For a comprehensive disclosure in accordance with EP requirements, see:
https://equator-principles.com/members-reporting/epfi-reporting-database

Integration of counterparties' transition risk into credit risk management

To assess the impact of transition risk on its portfolio and business, Credit Suisse has been developing comprehensive approaches and methodologies. One area of focus is corporate counterparties, with the objective of enabling counterparty transition risk to be assessed during the loan origination process and to facilitate ongoing credit risk monitoring.

Our approach to individual counterparties leverages a range of company, sector, climate and scenario long-term data including financial statements and reported emissions (counterparty and sector), temperature pathways and other economic variables and combines these with sector metrics to produce forecasts under varying climate scenarios.

Specific production data, along with scenario-based projections for demand, price and emissions (across technology, sector and regional dimensions) are all inputs utilized to estimate how the future financials of a counterparty could be affected through time by a range of alternative reference paths of systemic transition to a low-carbon economy.

The integration of counterparties' transition risk assessment into credit risk management focused mainly on EU and UK entities of Credit Suisse during 2021, with further methodology refinements and scope expansion planned during 2022.

Physical risk assessment across selected portfolios

We have developed a simulation-based approach for the estimation of portfolio-level flood risk associated with real estate collateral for our UK portfolio. This approach allows the calculation of portfolio-level risk metrics (such as aggregate devaluation/shortfall in collateral value at various confidence levels) by simulating future rainfall over a territory with increasing average intensities and the impact of the resulting surface-water floods on the properties in the portfolio. We are working to expand this approach to apply it to a wider real estate collateral portfolio across all Credit Suisse entities.

Credit Suisse's processes for management of climate-related risks

Respective content is covered within the Strategy and Risk management section of this document.

Assessment of sustainability risks within the Reputational Risk Review Process

1. Risk classification and responsibility

Potential environmental or social risks	Other potential risks
Internal specialist unit Sustainability Risk	Various specialist units

2. Assessment and recommendation

Aspects to be checked according to internal policies and guidelines

- Nature of transaction
- Identity and activities of potential and existing clients or prospects
- Regulatory and political context
- Environmental and social aspects of client operations
- Various risk-specific aspects

3. Review and decision

Decision by **Senior Business Representative and Senior Risk Representative** (Divisional Reputational Risk Approver)

or

Escalation to **Divisional Client Risk Committee** or **Global Client Risk Committee** based on defined criteria (approval/approval with conditions/rejection)

Credit Suisse's processes for identifying, assessing, managing climate-related risks and integration into overall risk management

Respective content is covered within the Strategy and Risk management section of this document.

Sustainability networks and initiatives

Credit Suisse actively participates in a number of sustainability networks and initiatives worldwide, including the following:

- 2030 Water Resources Group
- Carbon Disclosure Project (CDP)
- Climate Bonds Initiative
- ClimateAction100+
- Coalition for Private Investment in Conservation (CPIC)
- Equator Principles
- FAIRR Initiative
- Global Impact Investing Network (GIIN)
- Green Bond Principles
- International Corporate Governance Network (ICGN)
- Net-Zero Banking Alliance (NZBA)
- Oebu – Swiss Business Council for Sustainable Development
- Operating Principles for Impact Management
- Poseidon Principles
- Principles for Responsible Banking (PRB)
- Principles for Responsible Investment (PRI)
- Roundtable on Sustainable Palm Oil (RSPO)
- Science Based Targets Initiative (SBTi)
- Sustainable Markets Initiative's (SMI) Financial Services Task Force (FSTF)
- Sustainable Finance Geneva (SFG)
- Swiss Sustainable Finance (SSF)
- Task Force on Nature-related Financial Disclosures (TNFD)
- UN Environment Programme Finance Initiative (UNEP FI)
- UK Impact Investing Institute
- UN Global Compact
- Wolfsberg Group

Further information can be found online at:
credit-suisse.com/agreements

Metrics & Targets

Metrics employed by Credit Suisse to assess climate-related risks and opportunities in line with its strategy and risk management processes

Context for our ESG Disclosures

We would also draw our readers' attention to the evolving practices when it comes to ESG reporting. The disclosures contained within this report are inherently limited by the emerging science and market practices, the requirement to use estimates for certain figures, the dependency on management judgments in the absence of established methodologies and the reliance on third party and other data that may be immature in some instances. We strive to be transparent on these limitations to our disclosures throughout the report.

This is particularly relevant when it comes to our Climate Risk / TCFD related disclosures, where several judgments are applied. For example, our disclosure on Weighted Average Carbon Intensity (WACI) for the top 50 loans to upstream fossil fuel producers relies on the availability of external data on emissions, in terms of timeliness, coverage and accuracy. With reference to client emissions data, we source this from available sources or proxies based upon a preferred list of options approved by our internal governance committee (starting with CDP data as our preferred source but if this is not available, we will also look at other internal and external sources), due to the lack of granular industry standards.

Our WACI disclosure is also a good example of how some ESG disclosures, by their nature, require future restatements. Our WACI results are presented as preliminary 2021 results, as they are based on lending exposures as of December 2021 and emissions / financial client data as of December 2020. This discrepancy is inevitable given that emissions data is normally reported during the second half of the following year while financial data is reported with heterogeneous timelines across the portfolio. Our preliminary 2021 results will be updated to final 2021 results in our 2022 reporting cycle. This lag in data availability also impacts our Fossil Fuel Production Mix for the top 50 loans to upstream fossil fuel producers, where we again show preliminary 2021 results based on lending exposures as of December 2021 and fossil fuel production data as of December 2020.

When it comes to our Exposures to Carbon-related Assets and Climate-sensitive Sectors we use gross exposure for reporting (as opposed to exposure net of collateral and credit mitigation), given the focus of capturing how much financing Credit Suisse provides to carbon-related or climate sensitive businesses. In line with TCFD recommendations, our exposure data is captured via an internal risk management metric as opposed to an accounting metric.

Our Climate Risk disclosures are also impacted by the lack of granular industry standards to underpin methodologies. For instance, the Net Zero Trajectory for Oil, Gas and Coal metric is based on absolute emissions associated with lending exposure to clients operating in the in-scope sectors based on drawn amounts. Underwriting business and midstream companies' methodologies are not mature, although we recognize the importance of expanding this scope when possible and note our intention to cover additional businesses as we evolve our approach. Therefore, our results shared in this report should be viewed as preliminary 2021 results, and we anticipate that our final 2021 results, when presented in 2022 reporting, may be different.

In other instances, we are reliant on internal frameworks and judgments being applied. For instance, our Sustainable Activities Framework (SAF) is an internally created framework that governs our disclosures relating to our progress against our Sustainable Finance commitment. The application of the SAF requires expert qualitative assessment, on a transaction-by-transaction basis, on whether a particular transaction should count towards our commitment. As there is no external guidance or established peer practice, we have exercised our own judgment in the development of the methodology to account for these transactions. We have sought to be transparent in this regard, with the SAF externally published in the fourth quarter of 2021. Our Client Energy Transition Framework disclosures in our Climate Risk disclosures also involve the application of internally-defined criteria, which carries a degree of subjectivity.

In addition, our implementation of internal frameworks is an ongoing multi-year process. This may impact the completeness of some disclosures, including those relating to our Sustainable Assets under Management, where work is ongoing to classify not only new but also existing investments in line with this framework.

We are on a continuous journey to advance our ESG disclosures and we recognize that greater comparability insight in the future will further aid our readers' understanding.

In conclusion, while we are proud to present our 2021 progress in this report, we note that this should also be viewed as preliminary progress in some areas, as a result of the above-mentioned factors. We expect that certain disclosures, including our climate-related disclosures, are likely to be amended, updated, recalculated and restated in the future.

Our ambition to align our activities with the goals of the Paris Agreement

Aligning our activities to take account of physical and transitional risk

We have identified several key risks and opportunities originating from either the physical or the transitional effects of climate change. Physical risks can arise from climate and weather-related events (e.g. heatwaves, droughts, floods, storms and sea-level rise) and can potentially result in material financial losses, impairing asset values and the creditworthiness of borrowers. Transition risks can arise from the process of adjustment towards a low carbon economy through changes in climate policy, technological developments and disruptive business models, and shifting investor and consumer sentiment. Physical and transition climate risks can affect us as an organization either directly, through our physical assets, costs and operations, or indirectly, through our financial relationships with our clients.

The drivers and magnitude of the exposure to transition risk may vary significantly between different economic sectors (e.g. power generation compared to the automotive or healthcare sectors), hence the methodology includes sector-specific solutions. The initial phase of methodology development focused on counterparties in the oil, gas and coal sectors, followed by power generation and automotive.

As part of its comprehensive risk management of climate related risks for its UK entities, Credit Suisse has performed a client-by-client assessment of their transitional risks and an asset level assessment of their physical risks based on Bank of England scenarios.

See Strategy section for more details.

Reducing our operational footprint

Credit Suisse is committed to operating our business in an environmentally friendly manner, as outlined in this report. To reduce environmental impacts and lower costs, we implement a variety of measures through our environmental management system (EMS), which is certified globally across the company in accordance with the ISO 14001:2015 standard. Our EMS was most recently recertified in 2021 without receiving any corrective action requests. Credit Suisse Group Business Support Services defines and implements our operational real estate strategy and is responsible for the maintenance and development of the ISO 14001:2015-certified EMS and for the implementation of Credit Suisse's commitment to GHG neutrality in our operations. By systematically measuring, reporting, and evaluating energy and resource consumption, emissions, and waste, we set the foundation for, and are committed to, continuous improvements in our environmental performance. Relevant environmental data on design, materials, operational matters, energy efficiency and ergonomics are considered in the planning and construction of new premises and facilities. The COVID-19 pandemic continued to have profound impacts on our operations in 2021, as most employees worked remotely, therefore contributing to reductions in office energy consumption, resource consumption and business travel.

SDG Goal 7 AFFORDABLE AND CLEAN ENERGY

SDG Goal 13 CLIMATE ACTION

Note: More information on our environmental performance, methodology and assumptions can be found in our Environmental Operational Data Disclosure document.

Energy efficiency across our regions

In 2021, two additional Credit Suisse offices were awarded LEED Commercial Interior v4 certification—the 650 California Street office in San Francisco, California received silver certification and the 26, Ujeongguk-ro, Jongno-gu office in Seoul, South Korea received gold certification. Through use of LED lighting, occupancy sensors and daylighting controls, the San Francisco office demonstrated a lighting power reduction of approximately 32% and was awarded an innovation credit for providing for daylight in non-regularly occupied spaces. Through these same measures, the Seoul office demonstrated a lighting power reduction of approximately 25%. Over 92% of applicable equipment and appliances in each office is certified as ENERGY STAR.

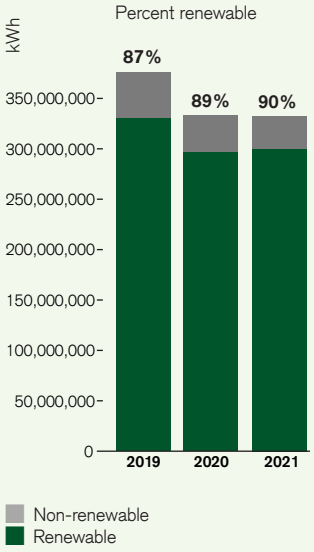
As part of our ongoing energy efficiency program in Switzerland, LED lighting was installed in several buildings in 2021. Additional energy efficiency projects implemented in 2021 included water pipe insulation, flow temperature optimization, removal of inefficient recirculating air-cooling units and inefficient pump replacement. These measures form an important part of our efforts to reduce energy and carbon emissions.

Driving energy efficiency in our operations

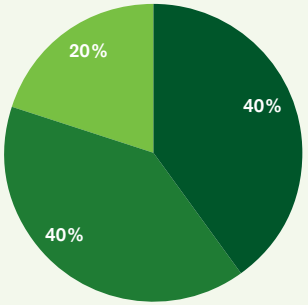
Energy consumption represents one of the most significant environmental impacts from our operations. It is therefore one of the focal points of our efforts. In 2021, Credit Suisse's facilities consumed approximately 1.5 million gigajoules of energy, including electricity, natural gas, heating and cooling and other fuels. We also consumed approximately 1,018 gigajoules of fuel from travel in our owned and leased vehicles.

We are committed to improving the energy efficiency of our operations and certifying 50% of our office space to a green building standard. We are part of the global RE100 initiative and are committed to sourcing 100% renewable electricity across our entire global operations by 2025. In 2021, 90% of the Group's electricity consumed globally was generated from certified renewable sources. Furthermore, the ISO 14001:2015-certified environmental management system, through which we currently manage our operational environmental risks globally, is planned to be updated during 2022 and 2023 to incorporate our new methodology for the collection and reporting of our greenhouse gas emissions to support our net zero by 2050 ambition.

Electricity consumption



2021 Carbon offsets purchased



Hydropower	33,600
Wind power	33,600
Reforestation/Afforestation	16,800
Total (tCO_2e)	**84,000**

Carbon offset portfolio 2021

Accreditation: 100% of all carbon credits purchased are approved by either the Gold Standard (GS) or the Verified Carbon Standard (VCS).

Type of carbon credits: 80% of carbon credits delivered carbon avoidance through wind or hydro power. 20% of carbon credits delivered carbon removal through reforestation and afforestation.

Geographic distribution: 40% of carbon credits are generated in Turkey; 40% are generated in China and 20% in Colombia.

Driving greenhouse gas emission reductions within our operations

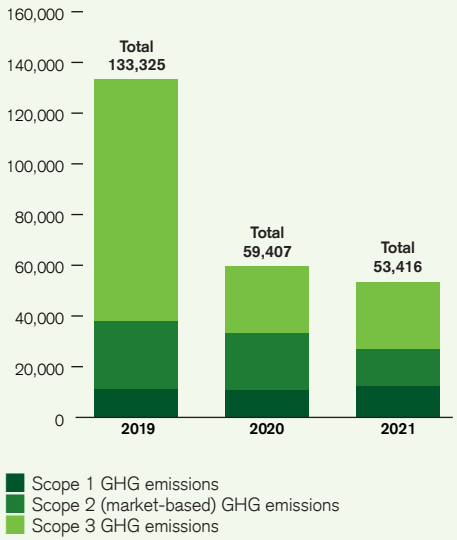
We generate direct GHG emissions (scope 1) through onsite fuel consumption in our facilities, fuel consumption in our owned and leased vehicles, and emissions from refrigeration equipment. We generate indirect emissions from purchased energy in our facilities (scope 2) and other indirect emissions through our supply chain (scope 3). We currently estimate scope 3 emissions associated with business travel, employee work-from-home activity, waste, paper, water, upstream fuel and energy-related activities (transmission and distribution losses). In future years, Credit Suisse plans to report additional categories of scope 3 emissions such as employee commuting and a wider range of purchased goods and services.

To more accurately identify our attributable emissions, we implemented methodology enhancements in 2021 and applied those changes to our previous 2019, 2020 and 2010 baseline inventories. As a result of this restatement our previously reported 2019 emissions rose from 127,300 tCO_2e scope 1, 2 (market-based) and 3 emissions to 133,325 tCO_2e and our previously reported 2020 emissions increased from 51,800 tCO_2e scope 1, 2 (market-based) and 3 emissions to 59,407 tCO_2e. There was no significant change to Credit Suisse's 2010 GHG inventory, which declined from 386,068 tCO_2e scope 1, 2 (market-based) and 3 emissions to 386,003 tCO_2e.

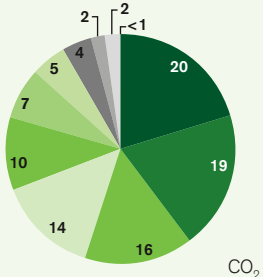
In 2021, Credit Suisse generated 53,416 tCO_2e of GHG emissions across scope 1, scope 2 (market-based) and included scope 3 emissions. We have reduced our operational carbon emissions by 86% from our restated 2010 baseline year emissions. This achievement has been driven by implementing energy efficiency measures across our premises, increasing renewable energy supply, and reducing travel emissions. Some reductions in 2020 and 2021 result from decreased business travel and office occupancy owing to the COVID-19 pandemic.

Our operations have been carbon neutral since 2010 against our reported carbon emissions. Our priority is to reduce emissions by investments in energy efficiency programs and new technologies. Each year, we compensate for the balance of emissions that we cannot reduce by purchasing carbon credits to achieve a carbon neutral position. This strategy will evolve as Credit Suisse works to achieve net zero by 2050.

Greenhouse gas emissions 2019–2021
tCO_2e



Greenhouse gas emissions (market-based) 2021
in %



CO_2 equivalents in metric tons

Electricity (market-based)	10,727
Business travel	10,210
Natural gas	8,314
FERA	7,544
Work-from-home	5,508
Heating and cooling	3,689
Coolants and fire extinguishers	2,864
Waste	2,214
Other fuels	1,220
Paper	1,066
Water	60
Total	**53,416**

Four-pillar strategy

We pursue a four-pillar strategy to achieve carbon reductions across our global operations.

1. Optimize

We aim to optimize all our business activities to reduce carbon emissions.

2. Invest

We are investing in carbon reduction technologies across all our global premises.

3. Substitute

We substitute, using a combination of onsite renewables, green tariffs and Renewable Energy Certificates.

4. Compensate

To achieve carbon neutrality, we compensate the balance of our emissions through the purchase of carbon credits to fund projects that reduce or remove carbon emissions.

We aim to optimize all our business activities to reduce carbon emissions

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 for included emissions

Note: GHG emissions for 2019, 2020 and our 2010 baseline year were restated to account for methodology enhancements that were implemented in 2021. This resulted in an increase in our previously reported GHG emissions. The enhancements primarily focused on applying different market-based accounting methods and supply chain emission factors in accordance with the GHG Protocol. As we move towards setting science-based goals for our own operations, methodologies for assessment of emissions may evolve and result in future restatements. A more detailed explanation of the methodology enhancements is provided in the Environmental Operational Data Disclosure document.

Scope 1, 2 and 3 greenhouse gas emissions

Operational environmental performance data summary per year

Disclosure	Unit	GRI Indicator	2019	2020	2021
Energy					
Total energy consumed	**GJ**	**302-1**	**1,599,175**	**1,426,871**	**1,473,246**
Electricity	GJ	302-1	1,364,580	1,210,499	1,207,141
Natural gas	GJ	302-1	148,060	147,144	165,164
Other fuels (fuel oil, gasoline, diesel, propane)	GJ	302-1	16,598	15,906	18,357
Purchased heating, steam and cooling	GJ	302-1	69,937	53,322	82,584
Transportation					
Business travel (air, rail, ground)	km	N/A	437,303,184	55,005,728	52,374,242
Water					
Water withdrawn	m^3	303-3	869,827	494,767	404,677
Waste					
Waste generated	tons	306-3	6,530	4,428	6,506
Waste diverted	%	306-4	44%	41%	44%
Paper					
Paper consumption	tons	301-1	1,866	1,167	1,160

2021 GHG emissions per region

Disclosure	Unit	GRI Indicator	Switzerland [1]	Europe / Middle East	Americas	Asia Pacific	Global [2]
Scope 1 GHG emissions	**tCO_2e**	**305-1**	**8,333**	**2,054**	**815**	**1,269**	**12,471**
Scope 2 (market-based) GHG emissions	tCO_2e	305-2	2,179	4,720	2,667	4,850	14,416
Scope 2 (location-based) GHG emissions	tCO_2e	305-2	4,416	25,406	24,965	25,216	80,003
Scope 3 GHG emissions	**tCO_2e**	**305-3**	**9,146**	**4,309**	**7,506**	**5,568**	**26,529**
GHG emissions intensity (market-based) per FTE	tCO_2e/ FTE	305-4	0.93	0.80	1.03	0.56	0.80

[1] GHG emissions for Switzerland include the GHG emissions of Credit Suisse (Schweiz) AG
[2] GHG emissions pertain to Credit Suisse (Group) AG and therefore include the emissions of Credit Suisse AG

GHG emissions per year

Disclosure	Unit	GRI Indicator	2019	2020	2021
GHG emissions					
Total scope 1 emissions	**tCO_2e**	**305-1**	**11,214**	**10,773**	**12,471**
Natural gas	tCO_2e	305-1	7,453	7,407	8,314
Other fuels	tCO_2e	305-1	1,059	960	1,220
Transportation fuels	tCO_2e	305-1	111	160	73
Coolants and fire extinguishers	tCO_2e	305-1	2,591	2,246	2,864
Total scope 2 (location-based) emissions	**tCO_2e**	**305-2**	**91,286**	**78,537**	**80,003**
Purchased electricity	tCO_2e	305-2	88,765	77,237	76,314
Purchased heating and cooling	tCO_2e	305-2	2,521	1,300	3,689
Total scope 2 (market-based) emissions	**tCO_2e**	**305-2**	**26,588**	**22,168**	**14,416**
Purchased electricity	tCO_2e	305-2	24,067	20,868	10,727
Purchased heating and cooling	tCO_2e	305-2	2,521	1,300	3,689
Total scope 3 emissions	**tCO_2e**	**305-3**	**95,523**	**26,466**	**26,529**
Category 1 Purchased goods and services (paper, water)	tCO_2e	305-3	4,068	2,854	1,126
Category 3 Fuel and energy-related emissions	tCO_2e	305-3	8,805	7,240	7,544
Category 5 Waste generated in operations	tCO_2e	305-3	2,426	1,622	2,214
Category 6 Business travel	tCO_2e	305-3	80,224	10,253	10,137
Category 7 Employee work-from-home	tCO_2e	305-3	/	4,497	5,508
Total scope 1, 2 (location-based), 3 emissions	**tCO_2e**	**N/A**	**198,023**	**115,776**	**119,003**
Total Scope 1, 2 (market-based), 3 emissions	**tCO_2e**	**N/A**	**133,325**	**59,407**	**53,416**
Verified carbon offsets purchased	tCO_2e	N/A	(140,000)	(80,000)	(84,000)
GHG emissions intensity (market-based)					
Per full-time equivalent (FTE) employee	tCO_2e/FTE	305-4	2.25	0.98	0.80
Per square meter	tCO_2e/m2	305-4	0.083	0.042	0.038
Per revenue	tCO_2e/million CHF	305-4	5.93	2.65	2.35

Note: The FTE numbers used to normalize GHG emissions include Credit Suisse employees and contractors to provide a more representative number of individuals using Credit Suisse facilities. GHG emissions for 2019, 2020 and our 2010 baseline year were restated to account for methodology enhancements that were implemented in 2021. This resulted in an increase in our previously reported GHG emissions. The enhancements primarily focused on applying different market-based accounting methods and supply chain emission factors in accordance with the GHG Protocol. As we move towards setting science-based goals for our own operations, methodologies for assessment of emissions may evolve and result in future restatements. Further information, including a more detailed explanation of the methodology enhancements, is provided in the Environmental Operational Data Disclosure document. Due to rounding, the sum of some numbers may yield slightly different results.

TCFD Metrics

Credit Suisse Group AG
Exposures to Carbon-Related and Climate-Sensitive Sectors

Purpose: To provide transparency on financing to carbon-related[1] and climate-sensitive sectors.

Coverage: Credit Suisse's lending exposure is USD 458.2 billion. The exposure view is based on the internal metric "Potential Exposure" not reflecting collateral and other credit risk mitigation. The Mortgage portfolio includes private lending.

Direction: Credit Suisse works with clients to support their transition to low-carbon and climate-resilient business models. During 2021, we saw a significant reduction for the Oil, Gas and Coal Mining sectors, driven by Credit Suisse's business strategy and in part as a result of the application of the Client Energy Transition Frameworks and sectoral restrictions. The quantum of reduction on a yearly basis will depend on factors such as market drivers, developing science, client engagement and credit risk considerations.

Exposures to Key Sectors

	Sector	2021 year-end [USD mn]	2020 year-end [USD mn]	YoY [USD mn]	YoY [%]
Carbon-related	Oil & Gas	9,837	13,073	-3,236	-25%
	Metals and Mining (Coal)	640	1,049	-409	-39%
	Power Generation (Fossil Fuels)	7,861	7,279	582	8%
Climate sensitive	Agriculture	968	645	323	50%
	Industrials – Cement or Concrete	853	620	233	38%
	Industrials – Chemicals	12,795	12,998	-203	-2%
	Industrials – Machinery and Equipment Manufacturing	9,450	9,799	-349	-4%
	Industrials – Textiles & Clothing	627	401	226	56%
	Metals and Mining (ex. Coal)	4,302	4,865	-563	-12%
	Non-power generating utilities – sewage, waste management	600	441	159	36%
	Transportation	23,078	23,615	-537	-2%
	Commodity Trade Finance [4]	8,570	8,212	358	4%
	Mortgage Related Lending [5]	157,996	164,736	-6,740	-4%
Other Lending – Non-Climate Sensitive [6]		220,636	225,147	-4,511	-2%
Total [7]		**458,213**	**472,879**	**-14,666**	**-3%**

Key Takeaways

Credit Suisse's total potential exposure to carbon-related sectors dropped to 4% from 4.5% of the total exposure[2] 2020. Exposure to Coal Mining sector dropped by 39% and for the Oil and Gas the exposure decreased by 25%. The increase for Power Generation (fossil fuel) is mainly driven by transactions for clients which have been classified as "Strategic" and "Aware" under the Client Energy Transition Framework. Corporate lending to climate-sensitive sectors is approximately 17.4% (vs 17.6% in 2020) of the total exposure, excluding mortgage-related lending, or 51.8% (vs 52.4% in 2020), including mortgage related lending.

Restrictions: Following the approval and external announcement of a time-bound commitment on coal mining and coal power, the following new restrictions became effective from January 1, 2022. These focus on no lending or capital markets underwriting to (unless supporting energy transition)[3]:

- new clients deriving > 5% of their revenues from thermal coal extraction
- companies developing new greenfield thermal coal mines after 2021
- new clients deriving > 5% of their revenues from coal power generation
- companies developing new coal-fired power plants or capacity expansions after 2021

Technical Corner

- The focus is to capture how much financing Credit Suisse provides to carbon-related or climate-sensitive businesses. We use the potential exposure metric which takes into account both drawn and committed components.
- Potential exposure data is captured via an internal risk management metric as opposed to an accounting metric; this choice is in line with TCFD recommendations.
- Other lending includes potential exposure to sectors, which are not generally classified as climate sensitive (e.g. financial institutions), as well as consumer lending.
- Carbon-related and climate-sensitive sectors are allocated based on client industry codes used in internal credit risk management processes (NAIC/NOGA) and the sector selection is based on an internal assessment.
- The climate sensitivity of mortgages from a transition risk perspective depends on their current energy performance and potential for improvement. The figure reported is on an aggregate basis, which does not take into account these aspects. Our classification approach is expected to evolve over time as data collection and risk management practices evolve.

[1] Carbon-related sectors are: Oil & Gas, Metals and Mining (Coal), Power Generation (Fossil Fuels). [2] Direct lending [3] Refer to p. 25 of the Sustainability Report for more details [4] Including wholesale of solid, liquid and gaseous fuels and related products, also agriculture and metals products. Commodity trade finance business includes, amongst others, activities which can be considered carbon-related. We are considering possible approaches to allocating these activities accordingly for the purpose of future disclosures. [5] The full mortgage portfolio is considered – this includes a portion of energy-efficient buildings e.g. properties adhering to Minergie standards. [6] A small portion of the mortgage portfolio is booked under Other Lending (less than 2% of the total exposure) [7] Asset Finance exposures are not included in the metric.

Credit Suisse Group AG
Client Energy Transition Framework (CETF)
Client Characterization[1]

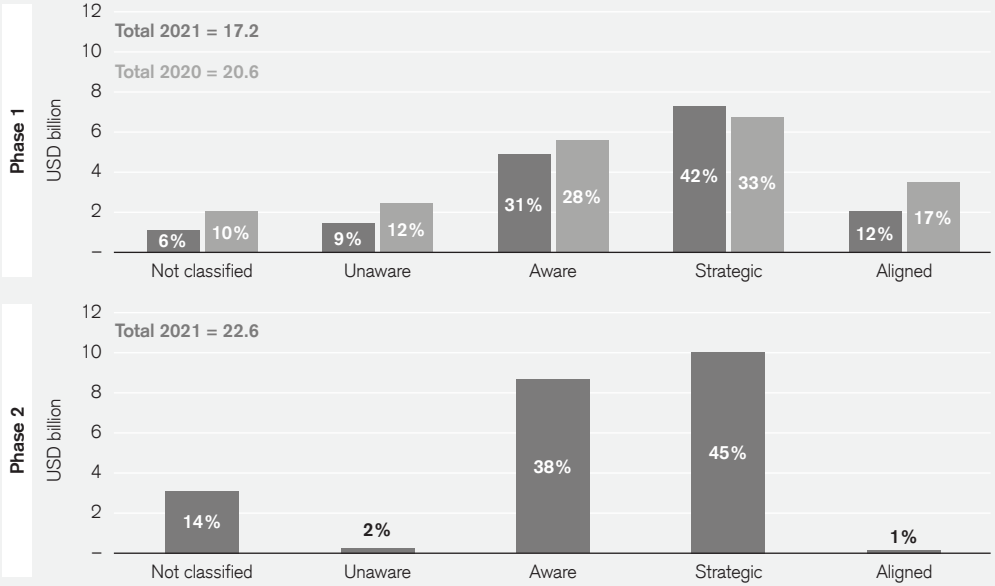
Purpose: To support the transition of our clients toward Paris alignment.

Coverage: CETF covers Oil & Gas, Coal Mining and Utilities/Power Generation (fossil fuel-related) clients with a USD 17.2 billion lending portfolio (Phase 1 sectors). During 2021 we have also extended coverage to additional priority sectors (Phase 2 sectors): Shipping, Aviation and Commodity Trade Finance (fossil fuel-related) covering a USD 22.6 billion lending portfolio. Internal criteria, including the determination of clients with significant business activities in the Phase 1 and Phase 2 sectors based on a revenue-based threshold, are applied in order to define in-scope clients. As an example, companies with pure downstream operations (such as operating petrol stations) are out of scope for Oil & Gas and renewables companies are out of scope for Utilities/Power Generation (fossil fuel-related). USD 1.1 billion exposure for Phase 1 sectors and USD 2.0 billion exposure for Phase 2 sectors are out of scope.

Direction: Financing to clients with the lowest categorization in terms of transition readiness, i.e., to "Unaware" clients, will be phased out over time. Furthermore, we expect an increasing number of clients to move from "Aware" to other categories, as they progress in their transition planning.

The main goal of Client Energy Transition Framework (CETF) is to encourage our clients to transition to low-carbon activities[2].

Client Characterization



Key Takeaways

- Over the course of 2021, coverage of Phase 1 CETF categorizations could be extended to 94% of exposure in the Oil & Gas, Coal Mining and Utilities/Power Generation (fossil fuel-related) sectors – 6% of exposure remains to be classified.
- In line with our phase-out strategy we have successfully reduced the proportion of "Unaware" exposure from 12% in 2020 to 9% in 2021 for Phase 1 sectors.
- For Phase 1 sectors a significant portion of "Aligned" exposure was reclassified to "Strategic." This was driven by a more conservative interpretation of the classification criteria in Power Generation in line with the evolving industry standards.
- Furthermore, sector-specific CETFs have been rolled out to Phase 2 Shipping, Aviation and Commodity Trade Finance (fossil fuel-related) sectors. Phase 2 CETF categorizations could be assessed for 86% of exposure – 14% of exposure remains to be classified.
- For Phase 2 sectors there is currently a 2% exposure classified as "Unaware." This percentage is reflective of our successful phase-out strategy which has already progressed over the course of the year.
- Over 2,300 employees were trained on sustainability risk in specific industry sectors, or on the application of the CETF for in-scope sectors.

Technical Corner

- The client selection for the CETF metric is based on client industry codes used in internal credit risk management processes (NAIC/NOGA) consistent with client allocation used for reporting of "Exposure to Carbon-Related and Climate-Sensitive Sectors." See TCFD Metrics – Credit Suisse Group AG "Exposures to Carbon-Related and Climate-Sensitive Sectors."
- Out-of-scope client exposure is not shown (USD 1.1 billion exposure for Phase 1 sectors and USD 2.0 billion exposure for Phase 2 -sectors).
- The results are computed based on the potential exposure metric that takes into account both drawn and committed components in line with reporting of "Exposure to Carbon-Related and Climate-Sensitive Sectors." See TCFD Metrics – Credit Suisse Group AG "Exposures to Carbon-Related and Climate-Sensitive Sectors."
- We use an exposure weighted measure to show the portfolio split across CETF categories.
- Note – the internal CETF framework could classify additional companies whose primary business and sectoral NAIC/NOGA code is not allocated to carbon-related and climate-sensitive sectors (e.g. conglomerates with diversified business areas). This exposure is not shown.

[1] Unaware – Little to no evidence of steps towards transition; Aware – Identifies and manages risks; Strategic – Transition strategy in place; Aligned – Overall business is aligned to the Paris Agreement [2] Please refer to "Our progress in 2021 – internal initiatives – Client Energy Transition Frameworks' in the Sustainability Report and 'Our strategic priorities to assist clients in their transition to a sustainable future' in the 2021 TCFD Report for more detail

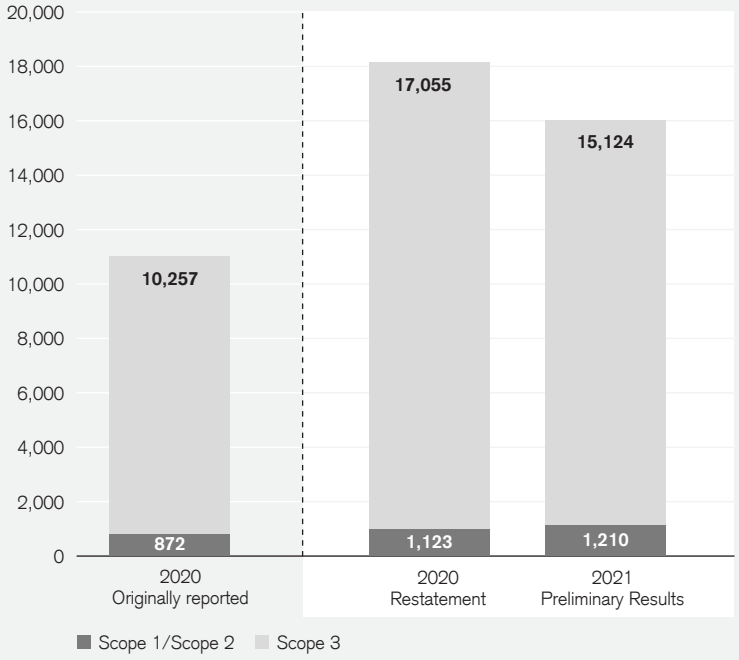
Credit Suisse Group AG
Top 50 Loans to Upstream Fossil Fuel Producers
Weighted Average Carbon Intensity[1] (WACI)

Purpose: To support the transition towards lower carbon emissions and net zero 2050 by pivoting financing towards lower-carbon fuels.

Coverage: Top 50 lending financing, ranked by exposure gross of credit mitigation (USD 4.8 billion – down from prior year of USD 6 billion), out of 174 counterparties (USD 10.5 billion) in the Oil & Gas and Coal sectors (incl. downstream). The calculation coverage is 49 out of 50 clients for 2021 preliminary results[2], which means that we have a full set of data for 49 clients.

Direction: We expect the WACI metric to decrease as we progressively reduce coal-related financing. This direction is consistent with our commitment to develop science-based targets in 2021 and 2022 for achieving net zero emissions from our operations, supply chain and financing activities no later than 2050, with intermediate emissions targets to be set for 2030. The Client Energy Transition Framework also supports the direction toward low-carbon financing.

Weighted Average Carbon Intensity
tCO_2e per USD 1 mn



Scope 1 covers direct emissions

Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed

Scope 3 emissions refers to scope 3 category 11 i.e. use of sold products"[2]

Key Takeaways

The metric shows the amount of CO_2 tons attributable to USD 1 million of revenues of companies financed by Credit Suisse in the sub-sector of upstream fossil fuel producers.

The WACI metrics decreased by 10% year-on-year. This difference is driven by the relative decrease of coal-related financing as part of the overall financing of fossil fuel production mix (see next metric for details).

This intensity metric builds on the TCFD recommendations. It applies an exposure-based weighted average across the top 50 names to provide a portfolio-level perspective.

We have decided to include scope 3 emissions covering the use of fossil fuel produced, which is key for this sub-sector, in order to drive our financing toward less carbon intensive products.

Comparability is limited across peer banks, as WACI has not been widely disclosed to date.

Technical Corner

Data definition and data collection are critical elements for the metric. The WACI metric leverages efforts implemented within the Net Zero program, which includes precise definition and order of the data used for the emissions calculations and proxy.

As a result of efforts made in 2021, the data coverage has increased to nearly 100% of the in-scope exposure. This is a significant improvement compared to the 79% coverage reported within TCFD 2020 report.

Scope 3 emissions, where not available, have been estimated applying conversion factors on production volume, following the Intergovernmental Panel on Climate Change (IPCC) approach.

Restatement Details

We restated the WACI metric which was published in the 2020 report. The data collection process is the main driver behind the restatement. The process has been aligned with the Net Zero framework. As a result of the restatement, the overall WACI figure for 2020 increased by 7,049 tCO_2/USD 1 million. The increase was driven by updated revenues data, which accounted for 60% of the impact, increased data coverage and updated emissions data. Due to limited available data, the 2020 report was predominantly based on the 2019 figures. This was also updated as part of the restatement. Due to significance of the restatement for this metric we show the originally reported figures on the visual chart. We do not do this for other TCFD metrics where restatements have been less fundamental.

[1] $\sum\left(\frac{\text{Exposure}}{\text{Total Top 50 Exposures}} \times \frac{\text{Total Emissions Scope 1\&2\&3 } CO_2e}{\text{Company Revenues}}\right)$

[2] The preliminary results are based on the 2020 emissions and financial data inputs, where available, and are expected to be updated in the following reporting cycle as the 2021 information becomes available.

[3] End use scope 3 emissions refer to the scope 1 and scope 2 emissions of end users. End users include both consumers and business customers that use final products; e.g. emissions related to the electricity production based on the produced coal.

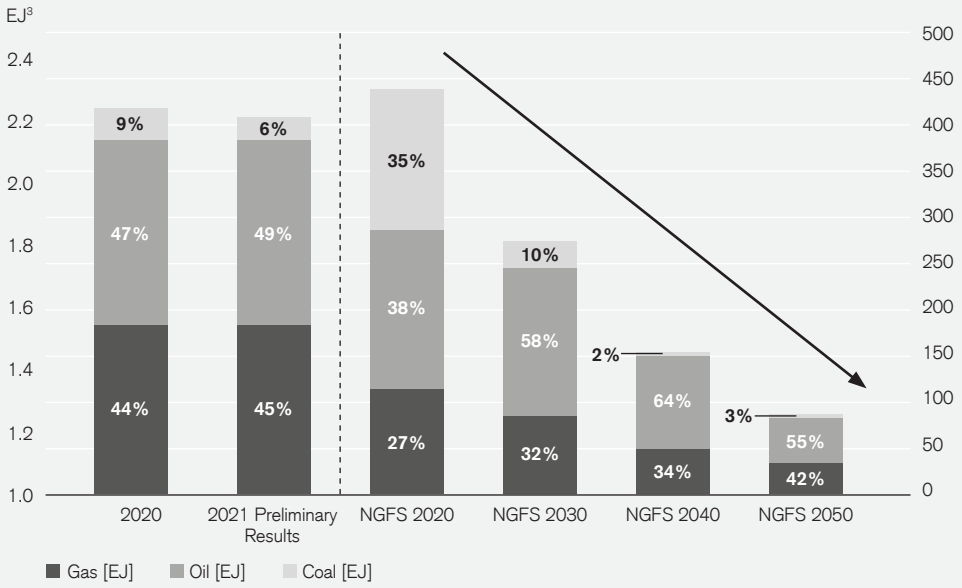
Credit Suisse Group AG
Top 50 Loans to Upstream Fossil Fuel Producers
Fossil Fuel Production Mix

Purpose: To support transition toward lower carbon emissions and net zero 2050 by pivoting financing toward lower-carbon fuels. We leverage the Network for Greening the Financial System (NGFS) Divergent Net Zero[1] scenario, which also provides a reference to the absolute reduction of emissions required, alongside the changes in the fossil fuel mix.

Coverage: Top 50 lending financing, ranked by exposure gross of credit mitigation (USD 4.8 billion – down from prior year of USD 6 billion), out of 174 counterparties (USD 10.5 billion) in the Oil & Gas and Coal sectors. The calculation coverage is 49 out of 50 clients for 2021 preliminary results[2], which means that we have a full set of data for 49 clients.

Direction: Our Fossil Fuel Production Mix is ahead of the NGFS mix trajectory to reduce coal-related financing. Although this is an encouraging starting point, we recognize that absolute volumes will also need to decrease significantly to reach a "net zero" alignment. Communicated targets toward "net zero" and coal limiting policies will support the alignment to the NGFS benchmark.

Production Mix



Key Takeaways

Credit Suisse's mix of fossil fuel financed in relation to top 50 loans in this sub-sector is ahead of the overall alignment trajectory set by NGFS.

NGFS scenarios require absolute amounts of financing to fossil fuel production to decrease from a total of 464 EJ[3] in 2020 to 94 EJ in 2050 in order to align to the Paris agreement.

The overall performance demonstrates a 3% reduction of coal in Credit Suisse's fossil fuel production mix. The 6% of the total energy coal-related output is below the 2030 NGFS target. It further demonstrates our commitments to Net Zero.

Constraints on both absolute financing and composition mix will be key to effectively drive the transition.

Technical Corner

The NGFS orderly transition scenario has been replaced by NGFS Divergent Net Zero as a reference trajectory toward Paris alignment. The NGFS Divergent Net Zero scenario became available during 2021, and better reflects Credit Suisse's ambition to protect the planet from 1.5°C of warming.

Each chart assumes 100% of the fossil fuel mix and for the NGFS Divergent Net Zero scenario it starts at 464 EJ in 2020 (right-hand axis). This is an anchor to show relative reductions through the years to 2050.

Restatement Details

We restated the Fossil Fuel Production Mix metric which was published in the 2020 report. The restatement led to a decrease in the overall production output by 0.3 EJ from 2.6 EJ to 2.3 EJ. This was driven by the updated production data and the use of 2020 input vs 2019 data as well as comprehensive data coverage.

The overall mix for 2020 was restated too, with Oil representing 47% down from 53%; while the Gas portion increased to 44%. The Coal percentage increased by 2% to 9% of the total mix. The data collection process is the main driver behind the restatement. The process was aligned with the Net Zero framework.

Due to limited available data, the 2020 report was predominantly based on the 2019 figures. This was updated as part of the restatement.

[1] See Network for Greening the Financial System, NGFS Climate Scenarios for central banks and supervisors, June 2020 [2] The preliminary results are based on the 2020 emissions and financial data inputs, where available, and are expected to be updated in the following reporting cycle as the 2021 information becomes available [3] EJ – Exajoule, which equals 10^{18} Joules

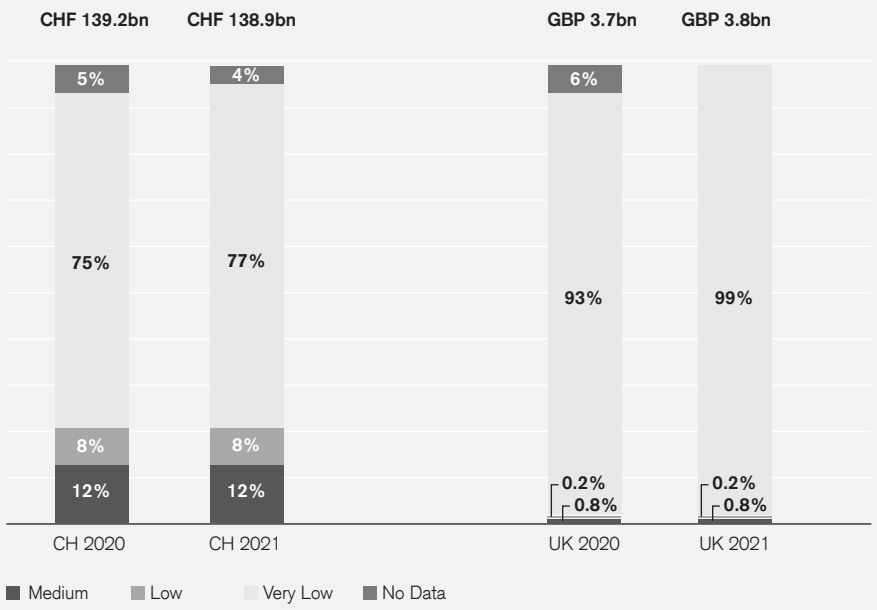
Credit Suisse Group AG
Flooding Risk – Real Estate Financing
Switzerland and UK Real Estate

Purpose: In line with SASB recommendations, we believe that disclosure of climate change in the lending analysis will allow shareholders to determine which mortgage finance firms are best positioned to protect value in light of environmental risks.

Coverage: Swiss and UK real estate financed portfolio. Swiss: 183k properties with total exposure of CHF 138.9 billion. UK: 361 properties with total exposure of GBP 3.8 billion. The data improvements for the Swiss-based properties resulted in 96% of the properties analysis being performed at the geolocation level. Such granularity demonstrates a significant improvement to the previous year.

Direction: Largely dependent on how flooding risk probability maps evolve as physical risk becomes more prominent on a warming planet. Significant improvements in the data granularity year-on-year allow for more accurate reporting. The 2021 European floods could potentially affect the regional flooding maps on which the analysis relies.

Flooding Risk – Switzerland and UK Real Estate



Key Takeaways

Credit Suisse's financed mortgages are expected to be largely protected from flooding risk as a result of their geographical location in Switzerland and UK.

In Switzerland, 12% of property exposures are in the Medium zone (a chance of a flooding once in 31-100 years), driven by the topography of the country.

The majority of the UK mortgages relate to properties in Central London, where a strong flooding protection system is in place; as a result, Credit Suisse's financed real estate displays lower flooding risk than UK real estate in general.

The UK portfolio has improved the data coverage and, as a result ,the portion of the Very Low increased to 98%. The Swiss portfolio was stable year on year with a small increase in Very Low category.

According to the Notre Dame Global Adaptation Initiative (2019), Switzerland and UK have low vulnerability to physical risk; they are the 2nd and 8th safest countries in the world, respectively.

Technical Corner

Mortgages financed by Credit Suisse have been linked to externally developed Flooding risk maps.

In 2021 we introduced a new methodology to link the Swiss mortgage data geolocations with governmental building and street registries.

As a result, the 2020 results were restated.

Limitations: recent 2021 flood risks are not covered in governmental maps.

Restatement Details – Swiss Mortgage Portfolio

We restated the Flooding Risk metric which was published in the 2020 report. The total exposure classified as Medium and Low has increased to 12% and 8% from 7% and 4%, respectively. This relates to the Swiss portfolio only. The Very Low exposure has decreased from 88% to 75%. The No Data portion has increased from 0.2% to 5%, given that proxy to post code area is not allowed under the enhanced methodology.

The restatement is a result of a methodology improvement. The street and postcode view has been replaced by a single property level data, which is assigned to respective cantonal maps, providing additional granularity.

Risk of Flood categories:

High – each year, there is a chance of flooding greater than 1 in 30 (3.3%)
Medium – each year, chance of flooding between 1 in 31 (3.3%) and 1 in 100 (1%)
Low – each year, chance of flooding between 1 in 101 (1%) and 1 in 1000 (0.1%)
Very Low – each year, chance of flooding of less than 1 in 1001 (0.1%)

Credit Suisse Group AG
Net Zero Trajectory – Oil, Gas and Coal

Purpose: To provide a framework for setting and managing 1.5°C Paris-aligned targets for the oil, gas and coal sector.

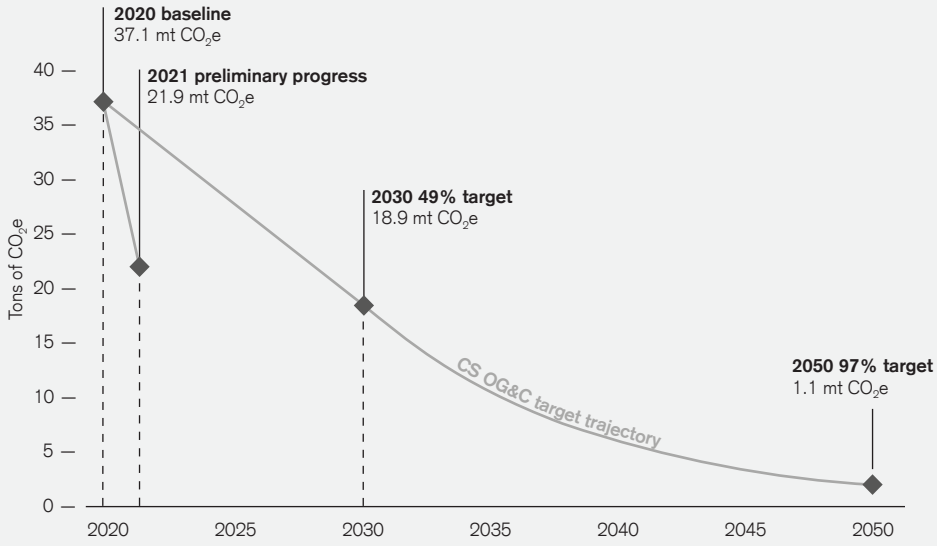
Coverage: The trajectory analysis was supported by data covering the corporate lending portfolio for this sector, excluding capital markets and trading. The coverage differs from the one presented in WACI and overall exposures to carbon related sectors, given that only drawn exposures are taken into account for Net Zero accounting and the midstream businesses are out of scope. For the Net Zero metric, Credit Suisse's corporate lending exposure for Oil, Gas and Coal amounted to a total of USD 3.6 billion and USD 2.6 billion for 2020 and 2021, respectively. Figures provided for 2021 rely on emissions and financial data from 2020 matched with Credit Suisse exposure as of 2021. We will refresh and update the results once 2021 emissions and financial data becomes available.

Direction: To underpin our net zero ambition in relation to financing activities, we are developing interim 2030 science-based goals for each key sector.

Recognising the importance of a managed transition for oil, gas and coal, we have chosen to define our 1st Paris-aligned reduction trajectory for this sector using the NGFS 1.5°C Divergent Net Zero scenario that is widely used by central banks and recognized as a credible approach for financed emission trajectories.

As illustrated in the graph, we have set a 49% reduction target to be achieved by 2030 and a 97% reduction target to be achieved by 2050[1].

Net Zero Trajectory



Key Takeaways

Net Zero is gaining momentum in the finance industry, with most of Credit Suisse's peers developing Net Zero strategies for 2050 and leaders committing to Science-Based Targets for 2030. In December 2020, we set an ambition to achieve Net Zero by 2050 and committed to develop 2030 science-based reduction goals within two years. The baseline for our financed emissions from the oil, gas and coal sector amounted to 37.1 million tCO_2e as of December 31, 2020. These financed emissions are heavily driven by coal companies, which make up over 64% of the financed emissions. The transition strategy for the oil, gas and coal sector has resulted in an estimated reduction in financed emissions by 41% reaching 21.9 million tCO_2e in 2021. This is predominantly driven by a 26% reduction in the balance sheet exposure to the in-scope clients.

This preliminary progress has been driven by our transition strategy described in our Sustainability Report 2020, which included:

- Introduction of CETFs for the oil, gas and coal sector
- The introduction of restrictions in 2020 related to thermal coal mining and coal-power businesses
- Planned non-renewals of non-strategic clients
- Existing client climate commitments

We note that net zero figures at portfolio level depend on several factors, including the number of drawn facilities from committed lines, allocation of emissions to financing companies based on enterprise values, and the volume of production of fossil fuel based on overall market demand. This could lead to volatility in the trajectory toward the 2030 target.

Technical Corner

Asset classes in scope:

- Includes corporate lending.
- Excludes capital markets and trading[2], however, balance sheet hold positions are included.

Key design choices:

- The NGFS Divergent Net Zero scenario chosen as the most credible 1.5°C target scenario with an ambitious interim target.
- Includes scope 1, 2 and scope 3 category 11 emissions of our clients.
- Includes upstream (extraction) and downstream (refinery) clients and no mid-stream clients.
- Coal includes clients with more than 5% revenues relating to Coal, where Oil & Gas includes clients with more than 25% revenue relating to O&G.
- 2021 results are considered as preliminary as they assume population and exposures updates as of 2021, while emission and financial data are based on 2020 data. We will update the figure once 2021 data becomes available.

The overall coverage of climate data used for the trajectory analysis reached 100% for 2020 and nearly 100% for 2021.

[1] The target has not yet been submitted to the Science Based Targets initiative. It is planned to be included for submission to the Science Based Targets initiative alongside other sectors. [2] Capital Markets are currently excluded from the trajectory. This choice helps to make the metric more understandable by reducing volatility. We are considering alternative methods to manage exposure to capital market activities as part of further developments.

Credit Suisse Group AG
Poseidon Principles 2021 Disclosure

Purpose: The Poseidon Principles ("PP") are a framework for assessing and disclosing, on an annual basis, the climate alignment of in-scope ship finance portfolios (individual vessels weighted by their loan exposure with the reporting financial institution) to International Maritime Organization's (IMO) ambition for GHG emissions from shipping to reduce by at least 50% by 2050 (against 2008 levels).

Coverage: First public disclosure of Credit Suisse´s climate alignment (based on 2020 data) took place through the PP organization on December 20th, 2021 alongside with 22 reporting co-signatories.[1] The reported portfolio comprises of in-scope vessels financed by Credit Suisse with individual vessel emissions assessed based on client data in accordance with the Poseidon Principles´ Technical Guidance ("Portfolio").

Direction: Credit Suisse has a focus on modern, energy efficient tonnage operated by first class shipowners. We aim to ensure that, notwithstanding fluctuations (largely due to vessel operational reasons), our financed portfolio remains as closely aligned as possible to the decarbonization trajectory as we support our clients in their transition to sustainable business models.

The Client Energy Transition Framework also supports the direction toward low-carbon financing and sustainability in the shipping industry. While operations have the most material effect, other factors in the framework, such as client engagement in technology and chartering strategies can have a positive effect on PP alignment.

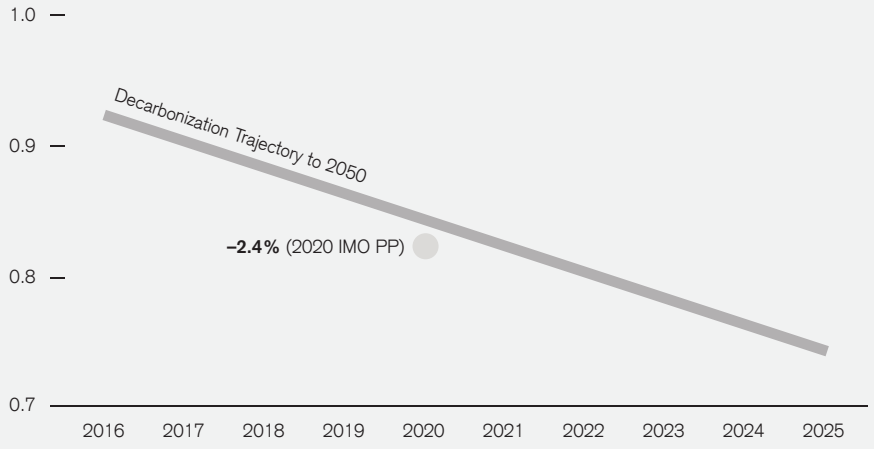
Key Takeaways

The figure for 2020 shows our Portfolio to be 2.4% below the PP trajectory. It is vital to note that the result in future years will be influenced by external factors such as vessel operations, market trends and the availability of new technology.

Technical Corner

- PP rely on the Annual Efficiency Ratio ("AER") as carbon intensity metric [gCO_2/dwt-nm], calculated from each vessel's fuel consumption, distance travelled and deadweight tonnage. The AER is compared against the trajectory value of the corresponding type/size category to determine the vessel's alignment. Calculating AER based on actual fuel consumption provides an annual factual statement on carbon footprint of a vessel, but is necessarily backwards looking.
- High client response level due to increasing market awareness of PP and sustainability-related matters.
- Adjustment of the trajectory is likely in future years to reflect latest scientific and regulatory developments.
- Absence of low-carbon alternatives: moving the portfolio below the trajectory on a long term basis will depend upon the maritime industry's readiness to embrace further improvements in energy efficiency and the large scale deployment of low carbon technologies and fuels.

Portfolio Climate Alignment Δ



[1] Poseidon Principles' 2020 annual disclosure reporting is published under: Poseidon-Principles-Annual-Disclosure-Report-2021.pdf

Credit Suisse AG
Exposures to Carbon-Related and Climate-Sensitive Sectors

Purpose: To provide transparency on financing to carbon-related[1] and climate-sensitive sectors.

Coverage: Credit Suisse AG's lending exposure USD 205 billion. The exposure view is based on the internal metric "Potential Exposure", not reflecting collateral and other credit risk mitigation. The mortgage portfolio includes private lending.

Direction: Credit Suisse works with clients to support their transition to low-carbon and climate-resilient business models. The quantum of reduction on a yearly basis will depend on factors such as market drivers, developing science, client engagement and credit risk considerations.

Exposures to Key Sectors

	Sector	2021 year-end [USD mn]
Carbon-related	Oil & Gas	9,250
	Metals and Mining (Coal)	629
	Power Generation (Fossil Fuels)	7,000
Climate sensitive	Agriculture	790
	Industrials – Cement or Concrete	359
	Industrials – Chemicals	7,589
	Industrials – Machinery and Equipment Manufacturing	4,381
	Industrials – Textiles & Clothing	401
	Metals and Mining (ex. Coal)	2,967
	Non-power generating utilities – sewage, waste management	424
	Transportation	18,302
	Commodity Trade Finance[4]	35
	Mortgage Related Lending[5]	4,202
Other Lending – Non-Climate Sensitive[6]		148,637
Total[7]		**204,965**

Key Takeaways

Credit Suisse AG's total exposure to carbon-related sectors is just over 8% of the total lending[2] of USD 205 billion. This compares to 4% reported at the Credit Suisse Group level. Corporate lending to climate-sensitive sectors is approximately 25.4% (vs. 17.4% for the Group) of the total exposure, excluding mortgage-related lending.

Restrictions: Following the approval and external announcement of a time-bound commitment on coal mining and coal power, the following new restrictions became effective from January 1, 2022. These focus on no lending or capital markets underwriting to (unless supporting energy transition)[3]:

- new clients deriving > 5% of their revenues from thermal coal extraction
- companies developing new greenfield thermal coal mines after 2021
- new clients deriving > 5% of their revenues from coal power generation
- companies developing new coal-fired power plants or capacity expansions after 2021

Technical Corner

- The focus is to capture how much financing Credit Suisse provides to carbon-related or climate sensitive businesses. We use the potential exposure metric which takes into account both drawn and committed components.
- Exposure data is captured via an internal risk management metric as opposed to an accounting metric; this choice is in line with TCFD recommendations.
- Other lending includes exposure to sectors, which are not generally classified as climate sensitive (e.g. financial institutions), as well as consumer lending.
- Carbon-related and climate-sensitive sectors are allocated based on client industry codes used in internal credit risk management processes (NAIC/NOGA).
- The climate sensitivity of mortgages from a transition risk perspective depends on their current energy performance and potential for improvement. The figure reported is on an aggregate basis, which does not take into account these aspects. Our classification approach is expected to evolve over time as data collection and risk management practices evolve.

[1] Carbon-related sectors are: Oil & Gas, Metals and Mining (Coal), Power Generation (Fossil Fuels). [2] Direct lending [3] Refer to p. 25 of the Sustainability Report for more details [4] Including wholesale of solid, liquid and gaseous fuels and related products, also agriculture and metals products. Commodity trade finance business includes, among others, activities which can be considered carbon-related. We are considering possible approaches to allocating these activities accordingly for the purpose of future disclosures. [5] The full mortgage portfolio is considered – this includes a portion of energy-efficient buildings e.g. properties adhering to Minergie standards. [6] A small portion of the mortgage portfolio is booked under Other Lending [7] Asset Finance exposures are not included in the metric.

Credit Suisse AG
Client Energy Transition Framework (CETF)
Client Characterization[1]

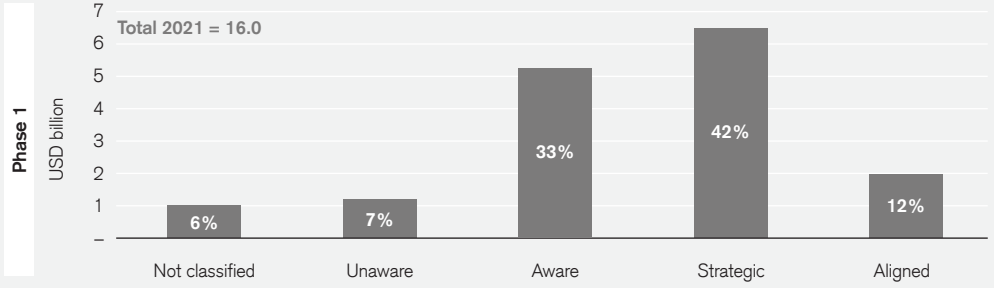
Purpose: To support the transition of our clients toward Paris alignment.

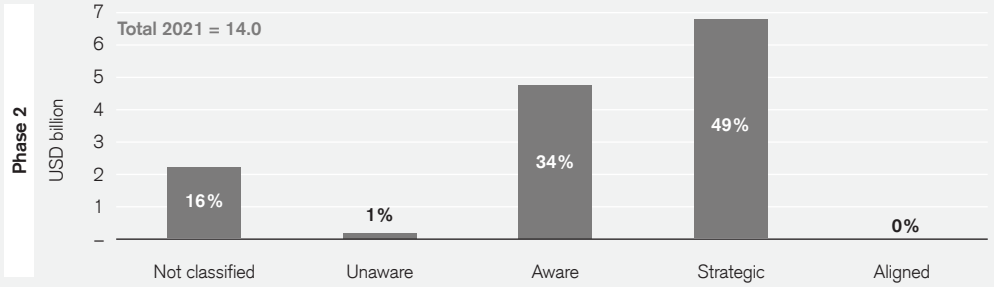
Coverage: For Credit Suisse AG, CETF covers Oil & Gas, Coal Mining and Utilities/Power Generation (fossil fuel-related) clients with a USD 16.0 billion lending portfolio (Phase 1 sectors). During 2021 we have also extended coverage to additional priority sectors (Phase 2 sectors): Shipping, Aviation and Commodity Trade Finance (fossil fuel-related) covering a USD 14.0 billion lending portfolio. Internal criteria, including the determination of clients with significant business activities in the Phase 1 and Phase 2 sectors based on a revenue-based threshold, are applied in order to define in-scope clients. As an example, companies with pure downstream operations (such as operating petrol stations) are out of scope for Oil & Gas and renewables companies are out of scope for Utilities/ Power Generation (fossil fuel-related). USD 0.6 billion exposure for Phase 1 sectors and USD 0.2 billion exposure for Phase 2 sectors are out of scope.

Direction: Financing to clients with the lowest categorization in terms of transition readiness, i.e., to "Unaware" clients, will be phased out over time. Furthermore, we expect an increasing number of clients to move from "Aware" to other categories, as they progress in their transition planning.

The main goal of the Client Energy Transition Framework (CETF) is to encourage our clients to transition to low-carbon activities[2].

Client Characterization





Key Takeaways

- Most of the group-level exposure to companies in the Oil & Gas, Coal Mining and Utilities/Power Generation (fossil fuel-related) sectors is booked in Credit Suisse AG. CETF categorizations could be assessed for 94% of exposure in Phase 1 sectors – 6% of exposure remains to be classified.
- For Phase 1 sectors there is currently a 7% exposure classified as "Unaware." This percentage is reflective of our successful phase-out strategy which has already progressed over the course of the year.
- Furthermore, sector specific CETFs have been rolled out to Phase 2 Shipping, Aviation and Commodity Trade Finance (fossil fuel-related) sectors. Phase 2 CETF categorizations could be assessed for 84% of exposure – 16% of exposure remains to be classified.
- For Phase 2 sectors there is currently a 1% exposure classified as "Unaware." This percentage is reflective of our successful phase-out strategy which has already progressed over the course of the year.

Technical Corner

- The client selection for the CETF metric is based on client industry codes used in internal credit risk management processes (NAIC/NOGA) consistent with client allocation used for reporting of "Exposure to Carbon-Related and Climate-Sensitive Sectors." See TCFD Metrics – Credit Suisse AG "Exposures to Carbon-Related and Climate-Sensitive Sectors."
- Out-of-scope client exposure is not shown (USD 0.6 billion exposure for Phase 1 sectors and USD 0.2 billion exposure for Phase 2 sectors).
- The results are computed based on the potential exposure metric that takes into account both drawn and committed components in line with reporting of "Exposure to Carbon-Related and Climate-Sensitive Sectors." See TCFD Metrics – Credit Suisse AG "Exposures to Carbon-Related and Climate-Sensitive Sectors."
- We use an exposure-weighted measure to show the portfolio split across CETF categories.
- Note – the internal CETF framework could classify additional companies whose primary business and sectoral NAIC/NOGA code is not allocated to carbon-related and climate-sensitive sectors (e.g. conglomerates with diversified business areas). This exposure is not shown.

[1] Unaware – Little to no evidence of steps towards transition; Aware – Identifies and manages risks; Strategic – Transition strategy in place; Aligned – Overall business is aligned to the Paris Agreement [2] Please refer to "Our progress in 2021 – internal initiatives – Client Energy Transition Frameworks' in the Sustainability Report and 'Our strategic priorities to assist clients in their transition to a sustainable future' in the 2021 TCFD Report for more detail

Credit Suisse AG
Top 50 Loans to Upstream Fossil Fuel Producers
Weighted Average Carbon Intensity[1] (WACI)

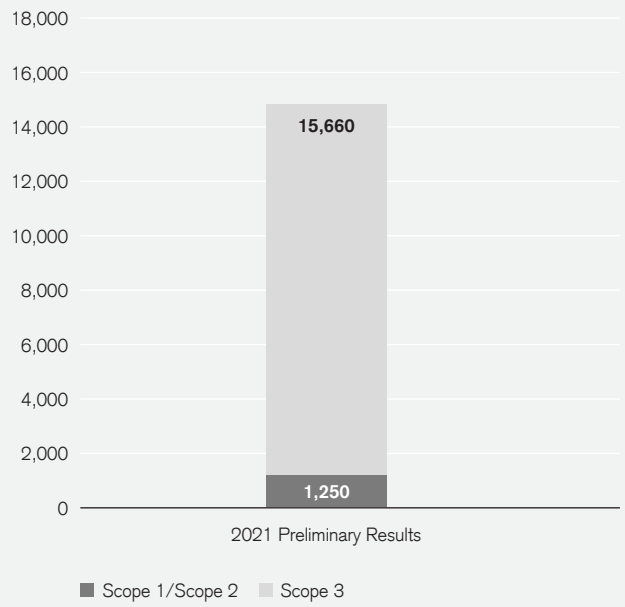
Purpose: To support transition towards lower carbon emissions and net zero 2050 by pivoting financing towards lower-carbon fuels.

Coverage: Top 50 lending financing, ranked by exposure gross of credit mitigation (USD 4.6 billion), out of 138 counterparties (USD 9.9 billion) in the Oil & Gas and Coal sectors. The calculation coverage is 49 out of 50 clients for 2021 preliminary results[2], which means that we have a full set of data for 49 clients.

Direction: We expect the WACI metric to decrease as we progressively reduce coal-related financing. This direction is consistent with our commitment to develop science-based targets in 2021 and 2022 for achieving net zero emissions from our operations, supply chain and financing activities no later than 2050, with intermediate emissions targets to be set for 2030. The Client Energy Transition Framework also supports the direction toward low-carbon financing.

Weighted Average Carbon Intensity

tCO_2e per USD 1 mn



Scope 1 covers direct emissions

Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed

Scope 3 emissions refers to scope 3 category 11 i.e. use of sold products[3]

Key Takeaways

The metric shows the amount of CO_2 tons attributable to USD 1 million of revenues of companies financed by Credit Suisse in the sub-sector of upstream fossil fuel producers.

This intensity metric builds on the TCFD recommendations. It applies an exposure-based weighted average across the top 50 names to provide a portfolio-level perspective.

The overall performance is in line with the CS Group, with the total 16,334 tons of CO_2e vs. 16,910 tons of CO_2e for the Credit Suisse AG and the Group, respectively. This is in line with the expectations as the exposures are similar, with only USD 0.2 billion difference.

We have decided to include Scope 3 emissions covering the use of fossil fuel produced, which is key for this sub-sector, in order to drive our financing toward less carbon-intensive products.

Comparability is limited across peer banks, as WACI has not been widely disclosed to date.

Technical Corner

Data definition and data collection are critical elements for the metric. The WACI metric leverages efforts implemented within the Net Zero program, which includes the precise definition and order of the data used for the emissions calculations and proxy.

Scope 3 emissions, where not available, have been estimated applying conversion factors on production volume, following the Intergovernmental Panel on Climate Change (IPCC) approach.

[1] $\sum\left(\frac{\text{Exposure}}{\text{Total Top 50 Exposures}} \times \frac{\text{Total Emissions Scope 1\&2\&3 } CO_2e}{\text{Company Revenues}}\right)$

[2] The preliminary results are based on the 2020 emissions and financial data inputs, where available, and are expected to be updated in the following reporting cycle as the 2021 information becomes available.

[3] End-use scope 3 emissions refer to the scope 1 and scope 2 emissions of end users. End users include both consumers and business customers that use final products; e.g. emissions related to the electricity production based on the produced coal.

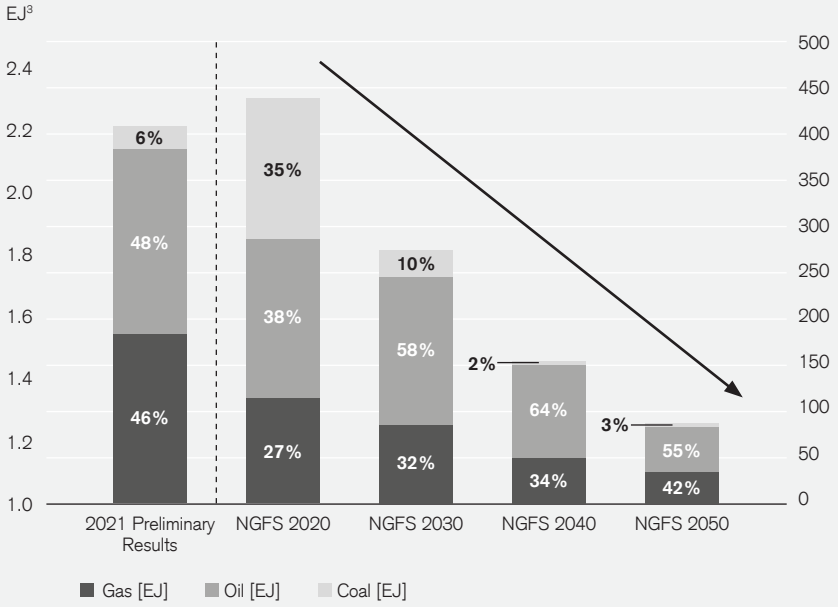
Credit Suisse AG
Top 50 Loans to Upstream Fossil Fuel Producers
Fossil Fuel Production Mix

Purpose: To support transition toward lower carbon emissions and net zero 2050 by pivoting financing toward lower-carbon fuels. We leverage the Network for Greening the Financial System (NGFS) Divergent Net Zero[1] scenario, which also provides a reference to the absolute reduction of emissions required, alongside the changes in the fossil fuel mix.

Coverage: Top 50 lending financing, ranked by exposure gross of credit mitigation (USD 4.6 billion) out of 138 counterparties (USD 9.9 billion) in the Oil & Gas and Coal sectors. The calculation coverage is 49 out of 50 clients for 2021 preliminary results[2], which means that we have a full set of data for 49 clients.

Direction: Our Fossil Fuel Production Mix is ahead of the NGFS mix trajectory to reduce coal-related financing. Although this is an encouraging starting point, we recognize that absolute volumes will also need to decrease significantly to reach a "net zero" alignment. Communicated targets toward "net zero" and coal limiting policies will support the alignment to the NGFS benchmark.

Production Mix



Key Takeaways

Credit Suisse's mix of fossil fuel financed in relation to top 50 loans in this sub-sector is ahead of the overall alignment trajectory set by NGFS.

NGFS scenarios require absolute amounts of financing to fossil fuel production to decrease from a total of 464 EJ[3] in 2020 to 94 EJ in 2050 in order to align to the Paris agreement.

The 6% of the total energy coal-related output is below the 2030 NGFS target. It further demonstrates our commitments to Net Zero.

Constraints on both absolute financing and composition mix will be key to effectively drive the transition.

Technical Corner

The NGFS Divergent Net Zero scenario became available during 2021; it reflects Credit Suisse's ambition to protect the planet from 1.5°C of warming.

Each chart assumes 100% of the fossil fuel mix and for NGFS Divergent Net Zero scenario it starts at 464 EJ in 2020 (right-hand axis). This is an anchor to show relative reductions through the years to 2050.

[1] See Network for Greening the Financial System, NGFS Climate Scenarios for central banks and supervisors, June 2020 [2] The preliminary results are based on the 2020 emissions and financial data inputs, where available, and are expected to be updated in the following reporting cycle as the 2021 information becomes available [3] EJ – Exajoule, which equals 10^{18} Joules

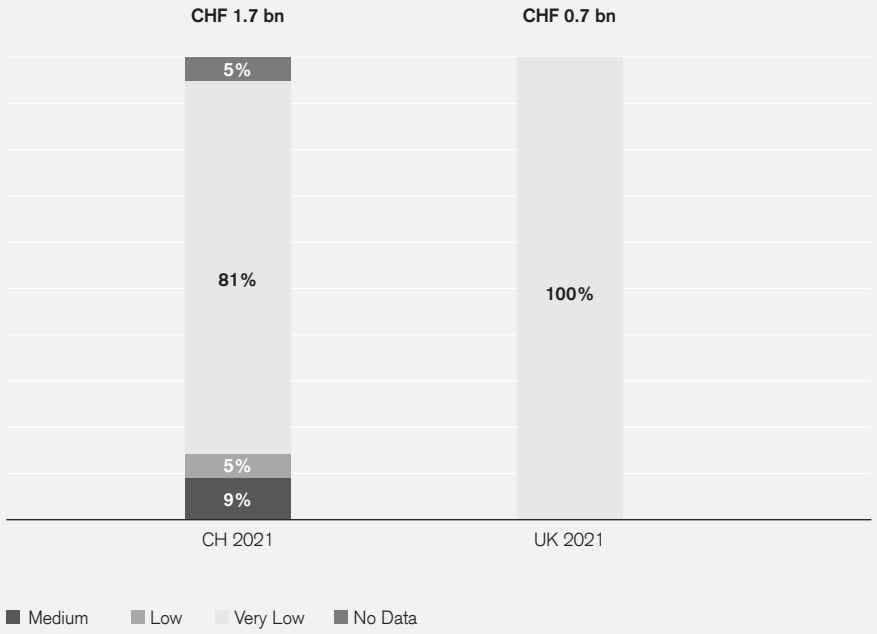
Credit Suisse AG
Flooding Risk – Real Estate Financing
Switzerland and UK Real Estate

Purpose: In line with SASB recommendations, we believe that disclosure of climate change in the lending analysis will allow shareholders to determine which mortgage finance firms are best positioned to protect value in light of environmental risks.

Coverage: Swiss and UK real estate financed portfolio. Swiss: 1.2k properties with total exposure of CHF 1.7 billion. UK: 32 properties with total exposure of CHF 0.7 billion.

Direction: Largely dependent on how flooding risk probability maps evolve as physical risk becomes more prominent on a warming planet. The 2021 European floods could potentially affect the regional flooding maps on which the analysis relies.

Flooding Risk – Switzerland and UK Real Estate



Key Takeaways

Credit Suisse AG financed mortgages are expected to be largely protected from flooding risk, as a result of their geographical location in Switzerland and UK.

The Swiss portfolio for the Credit Suisse AG performs better than the Credit Suisse Group, with Medium Risk exposure 9% vs 12% and Low Risk 5% vs 8%. The entire UK portfolio is considered Very Low Risk.

The majority of the UK mortgages relate to properties in Central London, where a strong flooding protection system is in place; as a result, Credit Suisse AG financed real estate displays lower flooding risk than UK real estate in general.

According to the Notre Dame Global Adaptation Initiative (2019), Switzerland and UK have low vulnerability to physical risk; they are the 2nd and 8th safest countries in the world, respectively.

Technical Corner

Mortgages financed by Credit Suisse have been linked to externally developed Flooding Risk maps.

Limitations: recent 2021 flood risks are not covered in governmental maps.

Risk of Flood categories:

High – each year, there is a chance of flooding greater than 1 in 30 (3.3%)
Medium – each year, chance of flooding between 1 in 31 (3.3%) and 1 in 100 (1%)
Low – each year, chance of flooding between 1 in 101 (1%) and 1 in 1000 (0.1%)
Very Low – each year, chance of flooding of less than 1 in 1001 (0.1%)

Credit Suisse (Schweiz) AG
Exposure to Carbon-Related and Climate-Sensitive Sectors

Purpose: To provide transparency on financing to carbon-related[1] and climate-sensitive sectors.

Coverage: Credit Suisse (Schweiz) AG's lending exposure is USD 226.6 billion. The exposure view is based on the internal metric "Potential Exposure", not reflecting collateral and other credit risk mitigation. The mortgage portfolio includes private lending.

Direction: Credit Suisse works with clients to support their transition to low-carbon and climate-resilient business models. The quantum of reduction on a yearly basis will depend on factors such as market drivers, developing science, client engagement and credit risk considerations.

Exposures to Key Sectors

	Sector	2021 year-end [USD mn]
Carbon-related	Oil & Gas	354
	Metals and Mining (Coal)	-
	Power Generation (Fossil Fuels)	179
Climate sensitive	Industrials – Chemicals	3,765
	Industrials – Machinery and Equipment Manufacturing	4,332
	Metals and Mining (ex. Coal)	1,241
	Transportation	4,038
	Commodity Trade Finance [4]	8,535
	Other Climate Sensitive Sectors [5]	972
	Mortgage Related Lending [6]	150,893
Other Lending – Non-Climate Sensitive [7]		52,244
Total [8]		**226,554**

[1] Carbon-related sectors are: Oil & Gas, Metals and Mining (Coal), Power Generation (Fossil Fuels). [2] Direct lending [3] Refer to p. 25 of the Sustainability Report for more details [4] Including wholesale of solid, liquid and gaseous fuels and related products, also agriculture and metals products. Commodity trade finance business includes, amongst others, activities which can be considered carbon-related. We are considering possible approaches to allocating these activities accordingly for the purpose of future disclosures. [5] Industrials – Cement or Concrete, Agriculture, Industrials – Textiles & Clothing, Non-power generating utilities – sewage, waste management [6] The full mortgage portfolio is considered – this includes a portion of energy-efficient buildings e.g. properties adhering to Minergie standards. [7] A small portion of the mortgage portfolio is booked under Other Lending [8] Asset Finance exposures are not included in the metric

Key Takeaways

Credit Suisse (Schweiz) AG's total exposure to carbon-related sectors is just over 0.2% of the total lending[2]. This is lower than the to 4% reported at the Credit Suisse Group level. Corporate lending to climate-sensitive sectors is approximately 10.3% (vs 17.4% for the Group) of the total exposure, excluding mortgage-related lending.

Other Metrics

The total scope across Phase 1 and Phase 2 sectors for the Client Energy Transition Framework (CETF) that is accounted by the Credit Suisse (Schweiz) AG is USD 8.6 billion out of USD 39.8 billion for the Credit Suisse Group AG. See TCFD Metrics – Credit Suisse (Schweiz) AG "Client Energy Transition Framework (CETF)." Less than 5% of clients are rated as Unaware as per the CETF metric.
The total scope of Swiss-based properties subject to flooding risk assessment is USD 138.9 billion and nearly 100% is accounted by the Credit Suisse CH AG. Please refer to TCFD Metrics – Credit Suisse Group AG "Flooding Risk – Real Estate Financing."

Restrictions: Following the approval and external announcement of a time-bound commitment on coal mining and coal power, the following new restrictions became effective from January 1, 2022. These focus on no lending or capital markets underwriting to (unless supporting energy transition)[3]:

- new clients deriving > 5% of their revenues from thermal coal extraction
- companies developing new greenfield thermal coal mines after 2021
- new clients deriving > 5% of their revenues from coal power generation
- companies developing new coal-fired power plants or capacity expansions after 2021

Technical Corner

- The focus is to capture how much financing Credit Suisse provides to carbon-related or climate sensitive businesses. We use the potential exposure metric which takes into account both drawn and committed components.
- Potential exposure data is captured via an internal risk management metric as opposed to an accounting metric; this choice is in line with TCFD recommendations.
- Other lending includes potential exposure to sectors, which are not generally classified as climate sensitive (e.g. financial institutions), as well as consumer lending.
- Carbon-related and climate-sensitive sectors are allocated based on client industry codes used in internal credit risk management processes (NAIC/NOGA) and the sector selection is based on an internal assessment.
- The climate sensitivity of mortgages from a transition risk perspective depends on their current energy performance and potential for improvement. The figure reported is on an aggregate basis, which does not take into account these aspects. Our classification approach is expected to evolve over time as data collection and risk management practices evolve.

Conclusion & Next Steps

Strengthening of our capabilities, refinement of methodologies

We continue to work on strengthening our capabilities to meet our ambitions, and to deploy and improve the systems and metrics that allow us to consistently measure and monitor our portfolios and our alignment against our climate commitments. We aim to continue to adopt industry-wide standards wherever possible in order to allow for comparability across industry peers and process efficiency as much as possible.

Our Client Energy Transition Frameworks have been expanded to cover six carbon-intensive sectors, with additional sectors planned for roll-out in 2022. We will dedicate our further efforts in 2022 to reassess criteria to improve coverage and accuracy, whether through enhanced data gathering or through improved modelling techniques, as well as to liaise with other market stakeholders to define and deliver comparable standards and outputs.

We intend to accelerate our drive in the delivery of net zero trajectories on a sector-by-sector basis, by establishing processes and controls, in an effort to ensure that our metrics will meaningfully drive portfolios towards decarbonization.

We will focus on emerging regulations for our legal entity and branches as we seek to ensure that our climate risk management frameworks remain compliant with requirements and increasingly provide insights to inform business strategy and risk management decisions.

We will also continue to work with our clients and provide them with detailed information on our CETF to support them with their transition, while providing the requisite data we need to accurately assess our own overall portfolio transition.

Through our active involvement in climate-related industry initiatives and forums, we plan to continue to contribute to the development and refinement of good industry practice, encouraging knowledge sharing, and continuing to build resilience across the financial sector.

Assurance | Report

Independent Limited Assurance Report on Credit Suisse Group's Climate-Related Reporting 2021

To the Audit Committee of Credit Suisse Group AG, Zurich

We have been engaged to perform assurance procedures to provide limited assurance on the consolidated TCFD reporting of Credit Suisse Group AG and its subsidiaries (the 'Group') for the year ended 31 December 2021.

Scope and subject matter

Subject to our limited assurance engagement were the following climate-related indicators ('2021 Climate-Related Indicators') in the TCFD Report 2021 of the Group:

a) "Sustainable AuM" ('Sustainable Investment Indicators') and "Our progress towards our CHF 300 billion commitment to sustainable finance" ('Sustainable Finance Indicator') on pages 22 and 24 in the Strategy chapter.

b) "Transactions assessed on the basis of potential environmental and social risk in 2021" and "Sustainability risk assessments by sector" ('Risk Management Indicators') on pages 32 and 33 in the Risk Management chapter.

c) "Electricity consumption", "2021 Carbon offsets purchased", "Greenhouse gas emissions 2021" and "Scope 1, 2 and 3 greenhouse gas emissions" ('Operational Indicators') on pages 39 to 41 in the Metrics & Targets chapter.

d) The following Group indicators in the Metric & Targets chapter on pages 42 to 48 ('TCFD Indicators'):

   i. Exposures to Carbon-Related and Climate-Sensitive Sectors: Exposures to Key Sectors, 2021 year-end figures

   ii. Client Energy Transition Framework (CETF): Charts of Client Characterization, 2021 figures for Phase 1 and Phase 2

   iii. Weighted Average Carbon Intensity (WACI): Weighted Average Carbon Intensity in tCO_2e per USD 1 mn, 2021 Preliminary Results

   iv. Fossil Fuel Production Mix: Production Mix chart, 2021 Preliminary Results

   v. Flooding Risk – Real Estate Financing (Switzerland and UK Real Estate): Chart of exposure of real estate portfolio to risk of flood categories, CH 2021 and UK 2021 figures

   vi. Net Zero Trajectory - Oil, Gas and Coal: 2021 preliminary progress in mt CO_2e

   vii. Poseidon Principles 2021 Disclosure: 2020 IMO PP

In previous years, the Risk Management Indicators and the Operational Indicators were assessed by another assurance provider. We do not comment on, nor conclude on, any comparative prior year figures or any prospective information.

Criteria

The 2021 Climate-Related Indicators were prepared by the ESG Disclosure & Reporting Steering Committee ('ESG D&R Committee') based on the following criteria ('the Criteria'):

The criteria developed by the Group for the Sustainable Investment Indicators and the Sustainable Finance Indicator are described in the respective chapter of the TCFD Report 2021 and further in the Credit Suisse Sustainable Investment Framework, respectively the Credit Suisse Sustainable Activities Framework.

The Risk Management Indicators and Operational Indicators are described in the respective chapter of the TCFD Report 2021 or the Environmental Operational Data Disclosure Document and are based on the GRI Sustainability Reporting Standards published by the Global Reporting Initiative (GRI) and the Greenhouse Gas Protocol Corporate Standard (adapted criteria).

The basis of preparation of the TCFD Indicators is outlined in the respective disclosures of the TCFD Report 2021.

The Sustainable Investment Framework, the Sustainable Activities Framework and the Environmental Operational Data Disclosure Document are published on the Group's website as linked in the respective chapter of the TCFD Report 2021.

Inherent limitations

The accuracy and completeness of 2021 Climate-Related Indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data and non-exhaustive related definitions. Our assurance report should therefore be read in connection with the Criteria. Further, the greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

ESG D&R Committee responsibility

The ESG D&R Committee of Credit Suisse Group AG is responsible for the Criteria and its selection as well as for the preparation and presentation of the 2021 Climate-Related Indicators in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of such internal control as determined necessary to enable the preparation of the 2021 Climate-Related Indicators that are free from

PricewaterhouseCoopers AG, Birchstrasse 160, Postfach, CH-8050 Zürich, Switzerland
Telefon: +41 58 792 44 00, Telefax: +41 58 792 44 10, www.pwc.ch

PricewaterhouseCoopers AG is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

material misstatement, whether due to fraud or error as well as adequate record keeping and overall responsibility for the TCFD Report 2021.

Our independence and quality controls

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) that are relevant to our audit of the financial statements and other assurance engagements in Switzerland. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers AG applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the 2021 Climate-Related Indicators. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised*), "Assurance Engagements other than Audits or Reviews of Historical Financial Information"*, and with ISAE 3410, *"Assurance Engagements on Greenhouse Gas Statements"*, issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the 2021 Climate-Related Indicators were prepared, in all material aspects, in accordance with the Criteria.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) and ISAE 3410 involves assessing the suitability in the circumstances of the Group's use of the Criteria as the basis for the preparation of the 2021 Climate-Related Indicators, assessing the risks of material misstatement of the 2021 Climate-Related Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the 2021 Climate-Related Indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures selected depend on the assurance practitioner's judgement.

Summary of the work performed

Our limited assurance procedures included, but were not limited to the following work:

- Inspecting relevant policies and other documentation related to the preparation of the 2021 Climate-Related Indicators and observing their application
- Interviewing representatives at Group level responsible for the data collection and reporting as well as other relevant stakeholders in the reporting process
- Performing tests on a sample basis of evidence supporting the 2021 Climate-Related Indicators concerning completeness, accuracy, adequacy and consistency
- Reperformance of relevant calculations
- Analytical procedures
- Reconciliation of data sources with financial reporting data and other underlying records
- Sample based testing of the Sustainable Investment Framework and Sustainable Activities Framework application.
- Performance of virtual site visits of facilities in Princeton, London, Zurich and Hong Kong to obtain evidence for the operational environmental impact of the group.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion

Based on the procedures we performed, and evidence obtained, nothing has come to our attention that causes us to believe that the 2021 Climate-Related Indicators in the TCFD Report 2021 of the Group as described in the scope and subject matter section are not prepared, in all material respects, in accordance with the Criteria.

Intended users and purpose of the report

Our report has been prepared for, and only for, the Audit Committee of Credit Suisse Group AG and solely for the purpose of reporting to them on the 2021 Climate-Related Indicators in the TCFD Report 2021 and no other purpose. We will not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion might be used, or to any other person to whom our report will be shown or into whose hands it might come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only, together with the TCFD Report 2021 and the Criteria to enable the ESG D&R Committee to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the 2021 Climate-Related Indicators in the TCFD Report 2021 of the Group without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the ESG D&R Committee of Credit Suisse Group AG for our work or this report.

PricewaterhouseCoopers AG

Christophe Bourgoin Raphael Rutishauser

Zurich, 10 March 2022

'The maintenance and integrity of the Group's website is the responsibility of Group management; the work carried out by the assurance providers does not involve consideration of the maintenance and integrity of the Group's website and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported 2021 Climate-Related Indicators or the Criteria since they were presented on the Group's website at the report date.'

Disclaimer/inquiries

For the purposes of this document, unless the context otherwise requires, the terms “Credit Suisse Group,” “Credit Suisse,” the “Group,” the “firm” the “bank”, the “organization”, “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 these terms are used to refer to both when the subject is the same or substantially similar.

Cautionary statement regarding forward-looking information

This document 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 and that the ongoing COVID-19 pandemic creates significantly greater uncertainty about forward-looking statements in addition to the factors that generally affect our business.

These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility, increases in inflation and interest rate fluctuations or developments affecting interest rate levels;
- the ongoing significant negative consequences of the Archegos and supply chain finance funds matters and our ability to successfully resolve these matters;
- our ability to improve our risk management procedures and policies and hedging strategies;
- 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 negative impacts of COVID-19 on the global economy and financial markets and the risk of continued slow economic recovery or downturn in the EU, the US or other developed countries or in emerging markets in 2022 and beyond;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact;
- potential risks and uncertainties relating to the severity of impacts from COVID-19 and the duration of the pandemic, including potential material adverse effects on our business, financial condition and results of operations;

- 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;
- the effects of currency fluctuations, including the related impact on our business, financial condition and results of operations due to moves in foreign exchange rates;
- geopolitical and diplomatic tensions, instabilities and conflicts, including war, civil unrest, terrorist activity, sanctions or other geopolitical events or escalations of hostilities
- political, social and environmental developments, including 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 cyber attacks, information or security breaches or technology failures on our reputation, business or operations, the risk of which is increased while large portions of our employees work remotely;
- 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 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 protect 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 2021.

Important information about this publication

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.

Information referenced in this document, whether via website links or otherwise, is not incorporated into this document. This document may provide the addresses of, or contain hyperlinks to, third-party websites.
Credit Suisse has not reviewed such linked sites and takes no responsibility for the content contained therein. Any addresses or hyperlinks within this document (including addresses or hyperlinks to Credit Suisse's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through this document or Credit Suisse's website shall be at your own risk. Third parties mentioned in this document are not affiliated with Credit Suisse, unless otherwise disclosed. Any mention of the third parties should in no way be considered to be a solicitation or endorsement by Credit Suisse on behalf of the third parties named.

For more comprehensive information about our results and operations, including risks that could adversely affect our results of operations and financial condition, please refer to our annual reports and quarterly reports available at www.credit-suisse.com.

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 (including macroeconomic and other challenges and uncertainties, for example, resulting from the COVID-19 pandemic), 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.

In particular, the terms "Estimate", "Illustrative", "Ambition", "Objective", "Outlook", "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, 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 the COVID-19 pandemic, political uncertainty, changes in tax policies, scientific or technological developments, evolving sustainability strategies, changes in the nature or scope of our operations, 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, goals, commitments, aspirations or any other forward-looking statements. For these reasons, we caution you not to place undue reliance upon any forward-looking statements.

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.

Inclusion of information in this document is not an indication that the subject or information is material to our business or operating results or material to investors or that such information is required to be disclosed in our filings with the Securities and Exchange Commission (SEC). Materiality, as used in this document, is distinct from, and should not be confused with, such term as defined for SEC reporting purposes and the information included in, and any issues identified as material for purposes of, this document may not be considered material for SEC reporting purposes.

This document has been prepared solely for purposes of illustration and discussion. Under no circumstances should the information contained herein be used or considered as an offer to sell, or solicitation of an offer to buy, any security. In addition, there is currently no single, globally recognized set of accepted definitions in assessing whether activities are “green” or “sustainable.” Without limiting any of the statements contained herein, we make no representation or warranty as to whether any security constitutes a green or sustainable security or conforms to investor expectations or objectives for green or sustainable investing. For information on characteristics of a security, use of proceeds, a description of applicable project(s) and/or any other relevant information, please reference the offering documents for such security.

Credit Suisse is subject to the Basel framework, as implemented in Switzerland, as well as Swiss legislation and regulations for systemically important banks, 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.

Investors and others should note that we announce important company information (including quarterly earnings releases and financial reports as well as our annual sustainability report) to the investing public using press releases, SEC and Swiss ad hoc filings, our website and public conference calls and webcasts. We also routinely use our Twitter account @creditsuisse (https://twitter.com/creditsuisse), our LinkedIn account (https://www.linkedin.com/company/credit-suisse/), our Instagram accounts (https://www.instagram.com/creditsuisse_careers/ and https://www.instagram.com/creditsuisse_ch/), our Facebook account (https://www.facebook.com/creditsuisse/) and other social media channels as additional means to disclose public information, including to excerpt key messages from our public disclosures. We may share or retweet such messages through certain of our regional accounts, including through Twitter at @csschweiz (https://twitter.com/csschweiz) and @csapac (https://twitter.com/csapac). Investors and others should take care to consider such abbreviated messages in the context of the disclosures from which they are excerpted. The information we post on these social media accounts is not a part of this document.

Certain material in this document has been prepared by Credit Suisse on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. 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.

Inquiries

Credit Suisse Corporate Communications
Tel. +41 844 33 88 44
media.relations@credit-suisse.com
responsibility.corporate@credit-suisse.com

Concept & Design
SOURCE Associates AG, www.source.ch

Realization & Online Concept/Design
Management Digital Data AG, www.mdd.ch
Konoma GmbH, www.konoma.ch

Photography
Picture sources: Credit Suisse