

Summary of Credit Suisse's Sector Policies and Guidelines

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Introduction

To ensure its long-term success, Credit Suisse is committed to conducting its business in a sustainable and responsible manner. Credit Suisse has therefore established and is continuing to develop sector-specific policies and guidelines for sensitive industries.

Sustainability and the Credit Suisse Group Code of Conduct

The [Credit Suisse Group Code of Conduct](#) establishes the framework within which Credit Suisse and its employees are required to conduct business. The Code of Conduct defines twelve ethical values and professional standards that are viewed as critical for the bank's success, and one of those professional standards is sustainability. It is thus a requirement of the Code of Conduct that environmental and social issues be given due consideration in the management of our resources and infrastructure as well as in our business decisions, and that we abide by the principles set out in the agreements on sustainability that we have entered into, including the United Nations Global Compact and others.

Interface to Reputational Risk Review Process

It is Credit Suisse's policy to avoid any action that could pose an unacceptable level of risk to our reputation. It is therefore the responsibility of each employee to protect the bank's image.

Credit Suisse conducts a detailed [Reputational Risk Review Process](#) of any transaction that entails potential reputational risks. If a potential risk exists for environmental reasons or due to human rights issues, the analysis will be performed by the internal specialist unit Sustainability Affairs. As part of the analysis, it conducts in-depth reviews to determine whether potential clients adhere to the relevant industry standards and whether transactions are compatible with Credit Suisse's existing sector-specific policies and guidelines.

Purpose and Scope of Policies and Guidelines*

Credit Suisse recognizes the vital importance of various industry sectors, including some that may have significant impacts on the environment, for the global economy. Future economic growth will rely in part on those sectors to provide raw materials or to meet energy demands. Operations seeking to meet these demands, however, must at the same time operate in a sustainable manner, with respect for local communities and the environment.

Given the potential impacts that operations in those industry sectors may have, Credit Suisse seeks to promote responsible practices that protect the environment, ensure worker health and safety, and engage the public through consultation and disclosure.

The policies and guidelines summarized below set out environmental and social standards that we expect clients operating in certain sensitive sectors to comply with when conducting their activities. They help us strengthen our risk review process and ensure the same standards - which are based on criteria defined by international organizations such as the UN or the World Bank - are applied to potential transactions across the entire bank.

The policies and guidelines apply to all business activities of Credit Suisse relating directly to companies operating in those sectors, regardless of whether the company is in a direct contractual relationship with Credit Suisse or the object or target of a Credit Suisse client.

The policies and guidelines are issued by Sustainability Affairs and are developed in collaboration with key stakeholders including sector teams within our business divisions, and are subsequently approved by the Reputational Risk Sustainability Committee. We regularly review them to ensure that they are relevant and current.

The policies and guidelines are designed to guide our decision-making and help our clients understand how they can best respond to the social and environmental issues facing their industry and ensure the long-term sustainability of their business.

Any exceptions to the aforementioned policies and guidelines may only be granted on a case-by-case basis pursuant to our Reputational Risk Review Process.

Engagement and Feedback

Credit Suisse appreciates all comments and feedback on our approach to sector-specific policies and guidelines. Should you wish to provide feedback, please contact the Sustainability Affairs group at sustainability.affairs@credit-suisse.com.

* At Credit Suisse, the difference between policies and guidelines is that policies are more formal documents that, in general, provide higher-level guidance on broad issues and industry sectors, while guidelines seek to provide hands-on guidance to transaction teams on more narrow issues or industry sectors.

Summary of Oil and Gas Policy

Credit Suisse seeks to promote responsible oil and gas industry practices that protect the environment, ensure worker health and safety, and engage the public through consultation and disclosure.

For the purposes of this policy, oil and gas companies are companies or projects that are involved in exploration and production (i.e., extraction and primary processing) including drilling contractors, pipeline transport, refining of oil and/or gas, or site decommissioning and remediation of both production and refining sites.

Reputation of Client: Credit Suisse will only finance or advise reputable oil and gas companies with a record of responsible management of environmental and social issues relating to their operations. Assessments of an oil and gas company's reputation and management practices should be based on its ability to demonstrate that it has adequately addressed the following issues:

- Water contamination and use
- Air emissions
- Habitat depletion, fragmentation, and degradation
- Waste management
- Prevention, preparedness and response for oil spills and/or gas leaks
- Site decommissioning and remediation
- Worker and community health and safety
- Public involvement, consultation and disclosure

Where subcontractors are used for operations that have a significant impact on the above issues, the oil and gas company should be able to demonstrate that it has processes in place to ensure subcontractors comply with the oil and gas company's standards.

Credit Suisse expects compliance with the International Finance Corporation's ("IFC") Environmental, Health and Safety Guidelines for Onshore Oil and Gas Development and for Offshore Oil and Gas Development. Furthermore, Credit Suisse encourages oil and gas companies to adhere to the Extractive Industries Transparency Initiative ("EITI").

Sensitive Activities: Any transaction involving the following sensitive activities must complete the Reputational Risk Review Process and will require a higher level of scrutiny regarding specific issues:

- Oil sands
- Oil and gas shale development
- Arctic oil and gas exploration and development
- Transnational pipelines

Excluded Activities Involving Oil and Gas Companies:

i. Protected areas

Credit Suisse will not finance or provide advice on operations undertaken by oil and gas companies in the following areas:

- UNESCO World Heritage Sites (unless the activities pre-date the UNESCO designation)
- Wetlands on the Ramsar list (the Register of Wetlands of International Importance of the Ramsar Convention on Wetlands)
- Most protected areas (IUCN categories I, II, III and IV)
- Primary tropical moist forests, High Conservation Value Forests (HCVFs) or critical natural habitats, where the operation results in significant degradation or conversion (unless legacy assets are involved)

ii. Major resettlements

Credit Suisse will not finance or provide advice on operations undertaken by oil and gas companies that require resettlement of substantial numbers of people.

iii. Human rights

Credit Suisse will not finance or advise oil and gas companies against which there is credible evidence of involvement in human rights abuses such as, e.g., forced labor, employment of children or the use of violence against local communities and indigenous groups.

iv. Violation of local laws

Credit Suisse will not finance or advise oil and gas companies against which there is credible evidence of material violations of applicable laws and regulations.