CREDIT SUISSE: QUIT FOSSIL FUELS!

This briefing is one in a series published by **BankTrack**, an international NGO which tracks banks and campaigns to transform their impact on people and planet, and is part of our Climate and Energy campaign. Visit www.coalbanks.org for extensive data and coverage of the banking sector's global coal financing. For any additional information or feedback, contact BankTrack's Climate and Energy Campaign Coordinator Yann Louvel at: yann@banktrack.org

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RAMPANT FOSSIL FUEL FINANCING OUT OF CONTROL, RESPONSIBLE ACTION NOW NEEDED

Glaciers in the Swiss Alps are retreating fast. The Paris climate agreement is now well and truly in force. Yet neither of these realities appears to be registering at Credit Suisse as its full frontal assault on the climate, via extensive and heavy financing of fossil fuels, clearly demonstrates.

While they're having to throw fleece blankets over Swiss glaciers to restrict climate change-induced melting, the country's second biggest bank continues to throw its arms around the companies doing all the damage: it handed out over $20 billion in very hot money to the most extreme fossil fuel culprits in 2013-2015 (see graph).

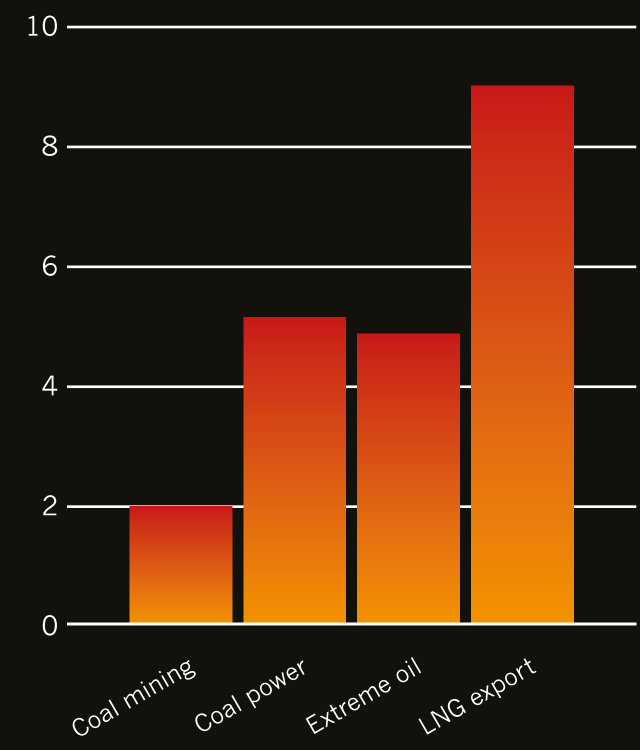
It's time for Credit Suisse to emphatically dial down its climate-damaging finance, but the glacial pace of change to date at the bank is not encouraging. Last year's AGM saw Credit Suisse catch up with a host of international banks when it finally moved to clean up a part of its coal act by closing down finance for some companies involved in mountaintop removal mining. However, this year's AGM needs to see some further policy catch-up as a result of recent lacklustre announcements and controversial investments.

Last month saw the release of a newly updated Mining Policy, bringing to an end the bank's support for new greenfield thermal coal mines. New guidelines for Power Generation also emerged, pledging no further financing of new coal power plants in high-income OECD countries – such investments in the rest of the world are now restricted to new ultra-supercritical coal plants.

These first integrated coal policy moves from Credit Suisse since the Paris climate summit some 15 months ago fail, however, on various counts. Unlike the restrictions recently introduced at eight other top European banks, Credit Suisse has left its door firmly open to coal power plant financing in the developing world. The implications for a country such as the Philippines are discussed overleaf, as too is a highly controversial coal mine project in Turkey which Credit Suisse may be looking to finance thanks to some small print in the new mining policy. Further cause for concern, and for immediate remedy: the revised policies fail to set exclusion criteria or finance reduction commitments for coal companies going forward.

As for Credit Suisse's intentions with oil and gas companies, it's open season – investment embarrassments such as the Dakota Access Pipeline look set to continue for the bank until responsible oil and gas portfolio restrictions are set in stone. Recent events suggest, though, that basic adherence to even its existing policies on human and indigenous rights can be brushed aside by Credit Suisse when big fossil fuel interests come calling.

CREDIT SUISSE FINANCING (IN $ BILLION, 2013-2015) TO COMPANIES ACTIVE IN:



All financing figures are taken from research published in the Fossil Fuel Finance Report Card 2016, see: www.ran.org/shorting_the_climate

CREDIT SUISSE VISITS ANCIENT TURKISH UNESCO SITE – ON A COAL FINANCE MISSION?

The Amasra coal mine and power station is an energy project on the Black Sea coast which has been planned for well over a decade next to the town of Amasra in Turkey's Bartın province. That the project – a proposed 1,320 MW 'ultra-supercritical' coal plant project to be supplied by millions of tonnes of hard coal from the nearby Amasra B coal mine – has progressed so slowly, and has had major difficulties in attracting financiers and partners to date, is largely down to huge opposition to the plans from local movements. There are currently two court cases against the project, brought by the Bartin Platformu which regularly organises demonstrations and protests.

With parts of the ancient town dating back 3,000 years and castle walls built by the Byzantines still standing, Amasra attracts 250,000 visitors every year and was added to UNESCO's temporary World Heritage List in 2013. Imagine such an extractive and polluting project being proposed for development adjacent to Lake Geneva and you start to get an idea of its preposterousness – not to mention the potential for damage.

Yet just one visitor to Amasra set alarm bells ringing among local campaigners in February this year when they were approached by a consultant working for Credit Suisse who was conducting due diligence for the project.

Credit Suisse's recently revised Mining Policy may have inserted a commitment to end financing for new greenfield thermal coal mines, but it also contains a loophole via which the bank could seek to justify support for the potential Amasra coal folly: 'an exemption to this provision [the new coal mine exclusion] applies to transactions that were already under review when this restriction was introduced in 2016.'

The Amasra coal project has all the makings of a full-blown dodgy deal. To avoid becoming a key target for a determined, widespread Turkish protest movement, and to banish any doubts about the rigour of its due diligence in this case, Credit Suisse must distance itself quickly from the nineteenth century coal activities still hanging over the ancient town of Amasra.

Members of the Bartin Platformu hold another demonstration, with the stunning Black Sea town of Amasra pictured

DAKOTA PIPELINE: CREDIT SUISSE POURS MORE OIL ON ITS REPUTATIONAL FIRE

Over the last nine months and in the company of many major international banks, Credit Suisse has found itself caught up in the huge international outcry over the financing of companies behind the Dakota Access Pipeline (DAPL) in the US. Only now that the oil pipeline has been completed and engagement with the DAPL companies has failed, by refusing to cut its ties – and even extending its support – to the same companies Credit Suisse is apparently determined to drag its name further through the mud.

The bank participated in numerous revolving credit facilities and term loans to the Energy Transfer family of companies involved in DAPL. Even though it was not part of the project finance for this carbon bomb and potential stranded asset, Credit Suisse stands out as a lead arranger and lender on numerous occasions before and after 2017. One of these loans was an $850 million Senior Secured Term Loan , the purpose of which was to finance company-internal ownership transfers and building reimbursements within Energy Transfer and its subsidiaries and infrastructure projects – including DAPL.

Thereafter, Credit Suisse acted as a financial advisor for the sale of a stake in DAPL, at the same time as peaceful protestors at Standing Rock were being sprayed with tear gas. Despite numerous meetings with NGOs and escalating violence against protesters at the Standing Rock camp, Credit Suisse has failed to take any action to respect either its own policies related to human and indigenous rights or the UN's Declaration on the Rights of Indigenous Peoples.

While a number of global banks have now publicly condemned the situation on the ground, divested, and kept their promises to stop dealing with companies related to DAPL, the ongoing bankrolling of DAPL companies by Credit Suisse stands in stunning contrast: the most recent loan arranged by the bank for Energy Transfer snuck out just a month ago. Even after meeting an Indigenous Women's' Divestment Delegation from Standing Rock earlier this month, the bank failed to promise anything concrete. Yet it was asked simply to respect its own policies.

The DAPL case and others, where Credit Suisse has egregiously violated its own internal guidelines and policies, point to continuous corporate governance and organisational failure within the bank.

TURN OFF THE COAL EXPANSION FINANCE TAP – IN THE PHILIPPINES AND BEYOND

New NGO research has uncovered $640 million in financing from Credit Suisse in the last three years for three companies planning new coal power plants in the Philippines: AES Corporation, KEPCO and San Miguel Corporation (SMG).

The Philippines, extremely vulnerable to climate change but with major renewable energy potential, has already become an iconic battlefront in the global campaign against new coal plants. One of many proposed new projects is the Limay coal plant – owned by SMG and involving major public health risks – which has already been facing mass protests.

Coal projects such as Limay point to one of the major weaknesses in Credit Suisse's latest coal policy revision: as it contains no criteria for scaling back support for companies involved in coal, is the bank prepared to keep on financing companies intent on new coal expansion, in complete contradiction to the Paris Agreement?

Credit Suisse has to stop financing companies eyeing deeply unpopular coal expansion in the Philippines or elsewhere, as well as companies generally which have more than 30% of their business tied to coal, or which mine or burn more than 20 million tons of coal per year.