

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 Nuclear Power Guidelines

Credit Suisse provides a range of financial services to the power sector, and by doing so Credit Suisse seeks also to meet its responsibility to society and future generations in terms of the environment, public health, safety, and pollution.

Credit Suisse is aware of the importance of nuclear power and the complexities involved in its proper management. In providing services to the power sector, and as part of our commitment to responsible engagement and sustainable development, Credit Suisse will carefully evaluate potential transactions in the nuclear power sector – in relation to both new and existing Nuclear Power Plants (NPPs) – and other activities related to it. This evaluation includes a review of the capability and commitment of the client to comply with international best practices, qualifications of the host country's regulatory authorities, facilities' site selection criteria, plant design criteria, safety management, and the decommissioning program.

Credit Suisse will limit any involvement in the sector to transactions/projects that are in line with the latest regulatory, technological, and safety standards. Also, any involvement in such transactions will be subject to approval through Credit Suisse's Reputational Risk Review Process.

Clients in the nuclear power sector are expected to operate in accordance with all applicable national, regional, and international laws and regulations. Related to this, the NPP's host country is required to have ratified the following nuclear-related conventions and treaties:

- Convention on Nuclear Safety (IAEA, Vienna 1994);
- Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management (IAEA, Vienna 1997);
- Nuclear Non-Proliferation Treaty (UNO, New York 1968);
- Vienna Convention on Civil Liability for Nuclear Damage (IAEA, Vienna 1963), including the Paris Convention on Third Party Liability in the Field of Nuclear Energy of 29th July 1960 (OECD, Paris 1960), as amended by the Additional Protocol of January 28, 1964, and by the Protocol of November 16, 1982; and the Joint Protocol Relating to the Application of the Vienna Convention and the Paris Convention of September 21, 1988.

If any of these conventions or treaties are not ratified, an assessment has to be carried out on whether the applicable national regulations sufficiently address the corresponding issues.

Further, in line with its sector-specific policies and guidelines, Credit Suisse will not knowingly provide financial services to projects and activities in the nuclear power sector that are prohibited by host country legislation or international conventions relating to the protection of biodiversity resources and cultural heritage, including:

- UNESCO World Heritage Sites (unless the activities pre-date the UNESCO designation)
- UNESCO Biosphere Reserves
- 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 or other High Conservation Value Forests (HCVFs) or critical natural habitats, where the operation results in significant degradation or conversion (unless legacy assets are involved)

Activities Covered:

The Guidelines are applicable for all transactions related to client activities in the nuclear power sector as defined below:

- Development or building of new nuclear power plants
- Nuclear power generation
- Nuclear fuel production, trading, and reprocessing
- Transport, processing, storage, or disposal of nuclear waste

In countries where laws and regulations meeting international standards do not exist, or where law enforcement is weak or inconsistent, the application of these guidelines is of particular importance. Hence, while the guidelines apply to transactions in all jurisdictions, particular attention has to be paid to transactions where the client domicile or the location of the financed activity is situated in an emerging market or a developing country.