Summary of Credit Suisse's Sector Policies and Guidelines

CONTENT

INTRODUCTION
SUMMARY OF FORESTRY AND AGRIBUSINESS POLICY
SUMMARY OF MINING POLICY
SUMMARY OF OIL AND GAS POLICY
SUMMARY OF CONTROVERSIAL WEAPONS POLICY
SUMMARY OF POWER GENERATION GUIDELINES (INCL. COAL-FIRED POWER, HYDROPOWER, NUCLEAR POWER)

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 industries that are particularly sensitive from a social or environmental perspective.

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 six ethical values and six 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 adhere to the principles set out in the agreements on sustainability that we have entered into, such as the United Nations Global Compact or the Equator Principles.

Bank-wide Risk Review Process

A prudent approach to risk-taking is essential to our activities as a bank. If there are grounds to believe that a potential transaction or client relationship could pose an unacceptable risk or is not compatible with our existing agreements or internal guidelines, Credit Suisse conducts a bank-wide, standardized Reputational Risk Review Process. Environmental and human rights-related risks are some of the risks considered in this process. If a transaction poses a significant potential risk of this nature, the internal specialist unit Sustainability Affairs evaluates whether the potential client's activities are consistent with the relevant industry standards and whether the transaction is compatible with Credit Suisse's policies and guidelines for sensitive sectors.

Purpose and Scope of Policies and Guidelines[1]

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 globally 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. The sector policies and guidelines are regularly reviewed and updated to reflect the latest developments and challenges.

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 welcomes 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.

[1] 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 business teams on more narrow issues or industry sectors.

Summary of Forestry and Agribusiness Policy

Credit Suisse seeks to promote good forestry and agribusiness practices and to discourage net forest conversion and the resulting increase in greenhouse gas emissions and biodiversity loss.

For the purposes of this policy, forestry and agribusiness companies are companies or projects that are involved in the extraction of resources from forests (including primary processing, e.g., saw, pulp, and paper mill operations) or the management of forests, operate plantations (e.g., oil palm, rubber, eucalyptus, teak) or relevant farming activities (e.g., corn, soy, sugar cane, cattle ranching) that may adversely affect natural forests, or involve the refining of palm oil and/or palm kernel oil, and/or the crushing of palm kernels.

Reputation of Client: Assessments of a forestry or agribusiness company's reputation and management practices should be based on its ability to demonstrate that it has adequately addressed the following issues:

- Habitat depletion, fragmentation, and degradation
- Water contamination and use
- Hazardous materials management
- Air emissions
- Worker and community health and safety
- Public involvement, consultation, and disclosure

Credit Suisse strongly encourages and in some cases requires forestry or agribusiness companies to adhere to the principles and criteria of an appropriate international sustainable certification scheme and to disclose progress against the scheme's criteria.

Sensitive Activities: Any transaction involving the following sensitive activities must be referred to Sustainability Affairs and may subsequently require escalation to the Reputational Risk Review Process:

- Activities in High Conservation Value Forests (HCVFs)*:* As a general rule, Credit Suisse will not finance or advise forestry or agribusiness companies with operations in HCVFs, or any primary tropical moist forests, or where there is credible evidence that the land was cleared of such forests after 2005, unless such operations are certified according to the Forest Stewardship Council (FSC) standard or equivalent certification standard in the case of forestry or the Roundtable on Sustainable Palm Oil (RSPO) in the case of palm oil or have made substantial and demonstrable progress towards such certification.
- Peatland operations*:* For transactions involving forestry or agribusiness activities impacting peatlands particular scrutiny will be applied to assess the legality of these operations and to ensure that best practices are applied for managing plantations on peat soils and for minimizing the release of greenhouse gases captured in peat.
- Activities outside of high-income OECD countries*:* All transactions involving forestry or agribusiness companies to be conducted outside of high-income OECD countries must be referred to Sustainability Affairs.
- Oil palm: For oil palm companies, Credit suisse requires its clients either at level of the parent company or at each of the relevant subsidiaries to a) be a member of the RSPO or formally commit to become a member, and b) have all operations certified according to the RSPO principles and criteria, or to commit to a time-bound plan to achieve full certification.

Excluded Activities Involving Forestry and Agribusiness Companies:

i. Protected areas
Credit Suisse will not finance or advise on operations undertaken by forestry or agribusiness 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), unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- IUCN protected areas in categories I, II, III and IV, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- Primary tropical moist forests, High Conservation Value Forests (HCVFs) and critical natural habitats, where the operation results in significant degradation or conversion (unless legacy assets are involved)

Furthermore, Credit Suisse will not finance or advise forestry or agribusiness companies that are knowingly involved in harvesting or trading tree species that are protected under Appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

ii. Illegal logging
Credit Suisse will not finance or advise forestry or agribusiness companies that are knowingly involved in, or knowingly purchase resources from, illegal logging operations or where there are credible doubts as to the legality of such logging operations.

iii. Uncontrolled and/or illegal use of fire
Credit Suisse will not finance or advise forestry or agribusiness companies that do not have an explicit policy against the uncontrolled and/or illegal use of fire in their forestry, plantation or extractive operations.

iv. Violation of local laws
Credit Suisse will not finance or advise forestry companies against which there is credible evidence of material violations of applicable laws and regulations.

v. Major resettlements

Credit Suisse will not finance or provide advice on operations undertaken by forestry or agribusiness companies that require resettlement of substantial numbers of people, unless it can be demonstrated that this is conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards.

vi. Human rights

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

Summary of Mining Policy

Credit Suisse seeks to promote responsible mining practices that protect the environment, ensure health and safety for workers and local communities, and engage the public through consultation and disclosure.

For the purposes of this policy, mining companies are companies or projects that are involved in the mining of raw metal ores or raw metals (e.g., bauxite, copper, iron), non-metal products (e.g., coal, uranium, limestone) or precious materials (e.g., diamonds, gold, platinum).

Reputation of Client: Assessments of a mining 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
- Habitat depletion, fragmentation and degradation
- Waste management
- Site decommissioning and remediation
- Worker and community health and safety
- Public involvement, consultation and disclosure

Where contractors are used for operations that have a significant impact on the above issues, the mining company should be able to demonstrate that it has processes in place to ensure that its first tier contractors comply with the mining company's standards.

In its assessment of clients, Credit Suisse values the application of or participation in the following best practice standards as positive factors: the International Finance Corporation's ("IFC") Environmental, Health, and Safety Guidelines for Mining and for Construction Materials Extraction, the Extractive Industries Transparency Initiative ("EITI"), the International Council of Mining and Metals, the Voluntary Principles on Security and Human Rights (for security services), and the International Cyanide Management Code (for gold mining).

Sensitive Activities: Any transaction involving the following sensitive activities must be referred to Sustainability Affairs and may subsequently require escalation to the Reputational Risk Review Process:

- Coal mining
- Uranium (or other radioactive materials) mining

Excluded Activities Involving Mining Companies:

i. Protected areas
Credit Suisse will not finance or provide advice on operations undertaken by mining 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), unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- IUCN protected areas in categories I, II, III and IV, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- Primary tropical moist forests, High Conservation Value Forests (HCVFs) and critical natural habitats, where the operation results in significant degradation or conversion (unless legacy assets are involved)

ii. Tailings disposal in riverine or shallow sea environments
Credit Suisse will not finance or provide advice on operations undertaken by mining companies that include the disposal of tailings in a river or shallow sea-water environment.

iii. Mountaintop mining (MTM)
Credit Suisse will not directly finance or provide advice on operations to extract coal or other resources where MTM practices are used. For general corporate purpose finance or advice involving clients that conduct MTM as a minor part of a broader set of operations, Credit Suisse evaluates the volume and trends in the client's MTM production and the nature of the transaction in determining conformance with this policy.

iv. Coal mining (thermal)
Credit Suisse will not provide any form of financing that is specifically related to the development of a new greenfield thermal coal mine, or where the majority of the use of proceeds is intended for a new greenfield thermal coal mine.

v. Diamond mining and trading
Credit Suisse will not finance or provide advice for the mining or trading of rough diamonds not certified under the Kimberley Process Certification Scheme.

vi. Major resettlements
Credit Suisse will not finance or provide advice on operations undertaken by mining companies that require resettlement of substantial numbers of people, unless it can be demonstrated that this is conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards.

vii. Human rights

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

viii. Violation of local laws

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

Summary of Oil and Gas Policy

Credit Suisse seeks to promote responsible oil and gas industry practices that protect the environment and the climate system, ensure worker health and safety, protect human rights, respect local communities, 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 and other service providers, storage and transport, including pipelines and ship transport, and refining of oil and/or gas.

Reputation of Client: Assessment of an oil and gas company's reputation and management practices is based on the company's ability to demonstrate that it has and/or is actively developing the capacity to adequately address 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 contractors 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 that its first tier contractors comply with the oil and gas company's standards.

In its assessment of clients, Credit Suisse values the application of or participation in the following best practice standards as positive factors: the World Bank Group / International Finance Corporation's ("IFC") Environmental, Health and Safety Guidelines for: Onshore Oil and Gas Development, Offshore Oil and Gas Development, Liquefied Natural Gas (LNG) Facilities, Natural Gas Processing, and Petroleum Refining; IFC Environmental & Social Performance Standards, the Extractive Industries Transparency Initiative ("EITI"), and the Voluntary Principles on Security and Human Rights (for security services).

Sensitive Activities: Any transaction involving the following sensitive activities must be referred to Sustainability Affairs and may subsequently require escalation to the Reputational Risk Review Process:

- Oil sands and oil shale development
- Shale gas and shale oil, including hydraulic fracturing
- 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, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- IUCN protected areas in categories I, II, III and IV, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- 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, unless it can be demonstrated that this is conducted in line with international best practices such as the World Bank / IFC Environmental & Social Performance Standards.

iii. Human rights
Credit Suisse will not finance or advise oil and gas companies against which there is credible evidence of involvement in grave 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.

Summary of Controversial Weapons Policy

Given the heightened sensitivity of certain types of weapons and the background of the international conventions on nuclear, biological and chemical weapons, anti-personnel mines and cluster munitions, which prevent the state parties from, among other things, using, producing and transferring such weapons or assisting anyone to engage in such activities, Credit Suisse has taken a firm position on the issue.

Excluded Business Activities with Companies Involved in Controversial Weapons:

Credit Suisse strictly complies with all applicable laws and regulations in the countries in which it conducts business. For the purpose of this Policy, the prohibitions of the Swiss Federal Act on War Material have been adopted for global application by Credit Suisse. As a result, Credit Suisse will not directly finance the development, manufacture and acquisition of nuclear, biological and chemical weapons, anti-personnel mines and cluster munitions.

As a general rule and in addition to compliance with the legal requirements outlined above:

- Credit Suisse will not enter into business relationships with producers of anti-personnel mines and cluster munitions and has terminated any existing business activities with such companies
- Credit Suisse will not hold securities of anti-personnel mines or cluster munitions producers in its proprietary trading book
- Credit Suisse will not include securities of anti-personnel mines and cluster munitions producers in its actively-managed retail and institutional funds and in discretionary mandates.

The above provisions apply regardless of whether the company is in a direct contractual relationship with Credit Suisse or the object or target of a Credit Suisse client (such as where Credit Suisse is financing an acquisition for a client).

Where Credit Suisse provides a research analysis on any such company, language shall be added to the research report stating the bank's position not to enter into business relationships with companies involved in the development, manufacture or acquisition of anti-personnel mines and cluster munitions.

Summary of Power Generation Guidelines (incl. Coal-fired power, Hydropower / Large Dams, Nuclear Power)

Credit Suisse acknowledges the importance of power generation to the economy and society but also recognizes the adverse environmental and community impacts that arise from some power plants and infrastructure. In providing financial services to the power sector, the Bank seeks to foster economic development while meeting its responsibility to society and future generations with respect to the environment, public health and safety, and mitigation of climate change.

The Power Generation Guidelines (the "Guidelines") provide parameters for Credit Suisse's responsible business activities involving coal-fired power, hydropower / large dams and nuclear power generation with emphasis on the environmental and social performance of power companies and projects.

With respect to general corporate purpose finance and advisory services, the Guidelines apply to power companies that own or operate coal-fired power, hydropower or nuclear power plants where any one of these technologies comprises 50% or more of the total installed and committed power generation capacity of the company and where the company holds a controlling stake in the assets.

For the purposes of these guidelines, power generation companies are coal-fired power, hydropower and nuclear power companies or projects that are involved in the construction of power plants, including greenfield development, expansion and upgrading, construction of associated infrastructure, such as transmission lines, acquisition or divestiture of power plants, operation of power plants; and with respect to nuclear power: nuclear fuel production , sourcing, trading and reprocessing, and transport, processing, storage or disposal of nuclear waste.

Reputation of Client: Assessment of a power generation company is based on its ability to demonstrate that it has and/or is actively developing the capacity to adequately address key environmental and social issues and whether any deficiencies may create reputational or other risks for the company and Credit Suisse.

Excluded Activities Involving Power Companies:
In line with its sector-specific policies and guidelines, Credit Suisse will not engage in business activities involving the following:

i. Protected areas
Credit Suisse will not finance or provide advice on operations undertaken by power 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, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- IUCN protected areas in categories I, II, III and IV, unless it can be demonstrated that these operations are conducted in conformity with international best practices such as the World Bank / IFC Environmental & Social Performance Standards and the applicable Environmental, Health and Safety Guidelines
- 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 power companies that require resettlement of substantial numbers of people, unless it can be demonstrated that this is conducted in line with international best practices such as the World Bank / IFC Environmental & Social Performance Standards.

iii. Human rights
Credit Suisse will not finance or advise power companies against which there is credible evidence of involvement in grave 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 power companies against which there is credible evidence of material violations of applicable laws and regulations.

Provisions regarding Coal-fired Power:
Coal-fired power will be in use for the foreseeable future despite the fact that coal is widely seen as having the greatest environmental impacts across its value chain as compared to other energy choices. Credit Suisse evaluates potential transactions in the coal-fired power sector in relation to the client's overall environmental and social performance but with particular emphasis on carbon emissions.

For a comprehensive assessment, useful asset-related documentation to be requested from the client may include: Social and Environmental Impact Assessments, Action Plans and/or Due Diligence reports; climate change alternatives analysis; carbon and efficiency performance reports; and public consultation plans.

In high-income OECD countries, Credit Suisse will not provide any form of financing that is specifically related to the development of a new coal-fired power plant, or where the majority of the use of proceeds is intended for a new coal-fired power plant, unless it applies carbon capture and storage technology (CCS).

In all other countries, Credit Suisse will not provide any form of financing that is specifically related to the development of a new coal-fired power plant, or where the majority of the use of proceeds is intended for a new coal-fired power plant, unless it employs ultra-supercritical steam generation technology.

Provisions regarding Hydropower / Large Dams

Some types of hydropower are generally considered to be sustainable and renewable sources of energy. However, large hydropower projects are often controversial and have significant environmental and social impacts. Hydropower projects can cause irreversible impacts on affected communities and trigger strong opposition by affected communities, the public, the media and civil society organizations. Significant impacts may affect the environment and the health, safety and culture of local communities.

Credit Suisse evaluates potential transactions in the hydropower sector in relation to corporate performance and new/existing plants, as appropriate. This evaluation includes a review of the commitment, capacity and performance of the client to comply with international best practices, in particular the International Hydropower Association's (IHA) Hydropower Sustainability Assessment Protocol as well as qualifications of the host country's regulatory authorities, site selection, and project design criteria for individual projects, among other factors.

For a comprehensive assessment, useful documentation to be requested from the client may include: Social and Environmental Impact Assessments, Action Plans and/or Due Diligence reports; land acquisition and resettlement plans; and public consultation plans, among other documents.

Provisions regarding Nuclear Power

The need to find low-carbon power generation options to address the risks of climate change has brought renewed interest in nuclear power. A significant number of countries – primarily in emerging markets – are looking to meet their energy requirements using nuclear power. On the other hand, a number of other countries in the developed world have halted the approval of new plants and the extension of existing ones.

Credit Suisse evaluates potential transactions in the nuclear power sector – in relation to both new and existing plants – 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.

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, a review of the NPP's host country position with respect to the signature and ratification of the following nuclear-related conventions and treaties should be conducted:

- 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 should be carried out on whether the applicable national regulations address the corresponding issues; this may require the input of a specialist external consultant. Clients should disclose membership in industry bodies set up to improve and share best practices (e.g., WANO, WINS, WNTI).

For a comprehensive assessment, the following documentation should be requested from the client: Social and Environmental Impact Assessments, Action Plans and Due Diligence reports; land acquisition and resettlement plans; and public consultation plans.