

Green Economy Roundtable: Challenges, Opportunities and Priorities



CREDIT SUISSE AG, Public Policy – Sustainability Affairs
April 19, 2012

Sustainability: Why Bother?

Resource and cost savings

- Energy
- Paper, etc.



Risk management

- Legal and compliance requirements
- Reputation

Business opportunities

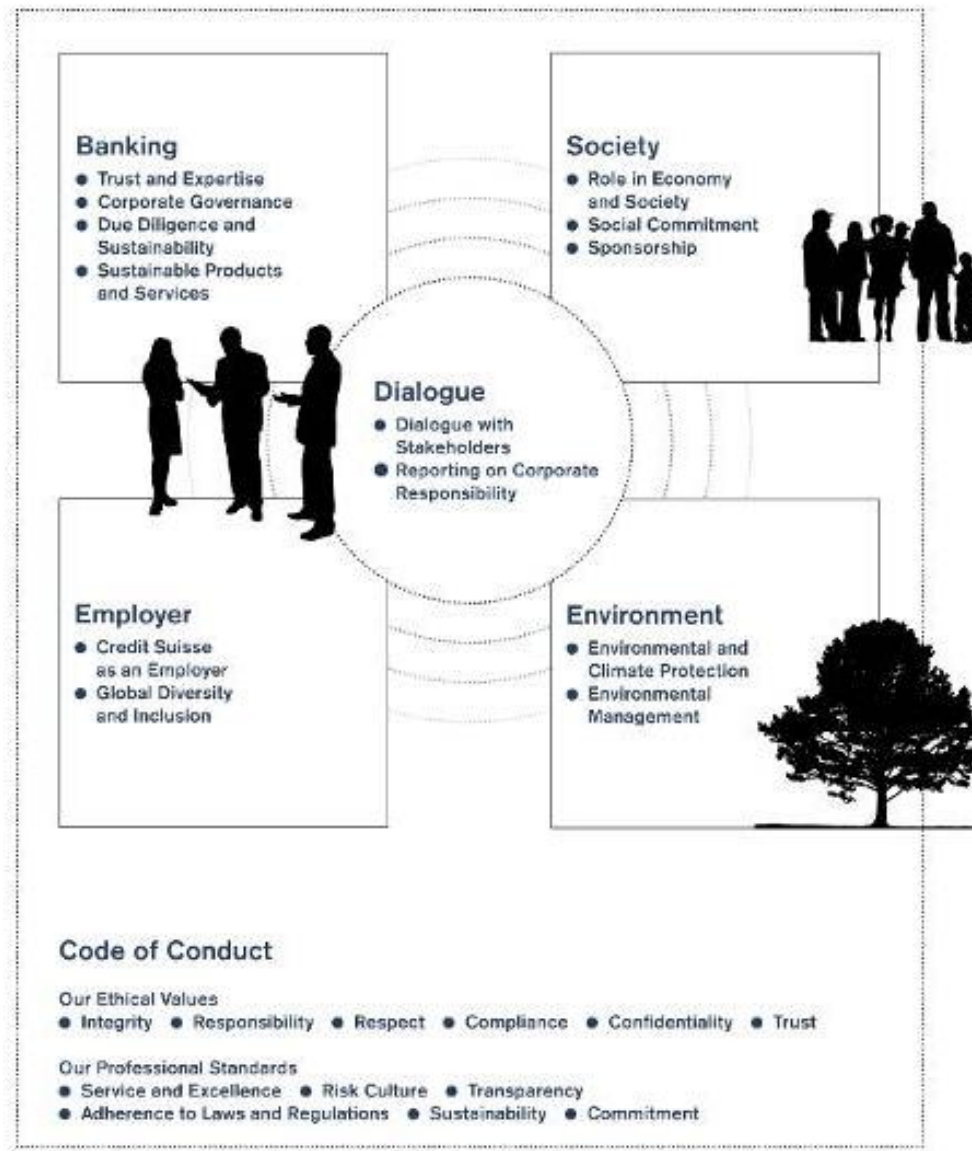
- Product / brand differential
- Increased market share



Stakeholder expectations

- Staff talent attraction / retention
- Institutional investors
- NGOs power and influence

The Credit Suisse Corporate Responsibility model



Demonstrating commitment...



External commitments

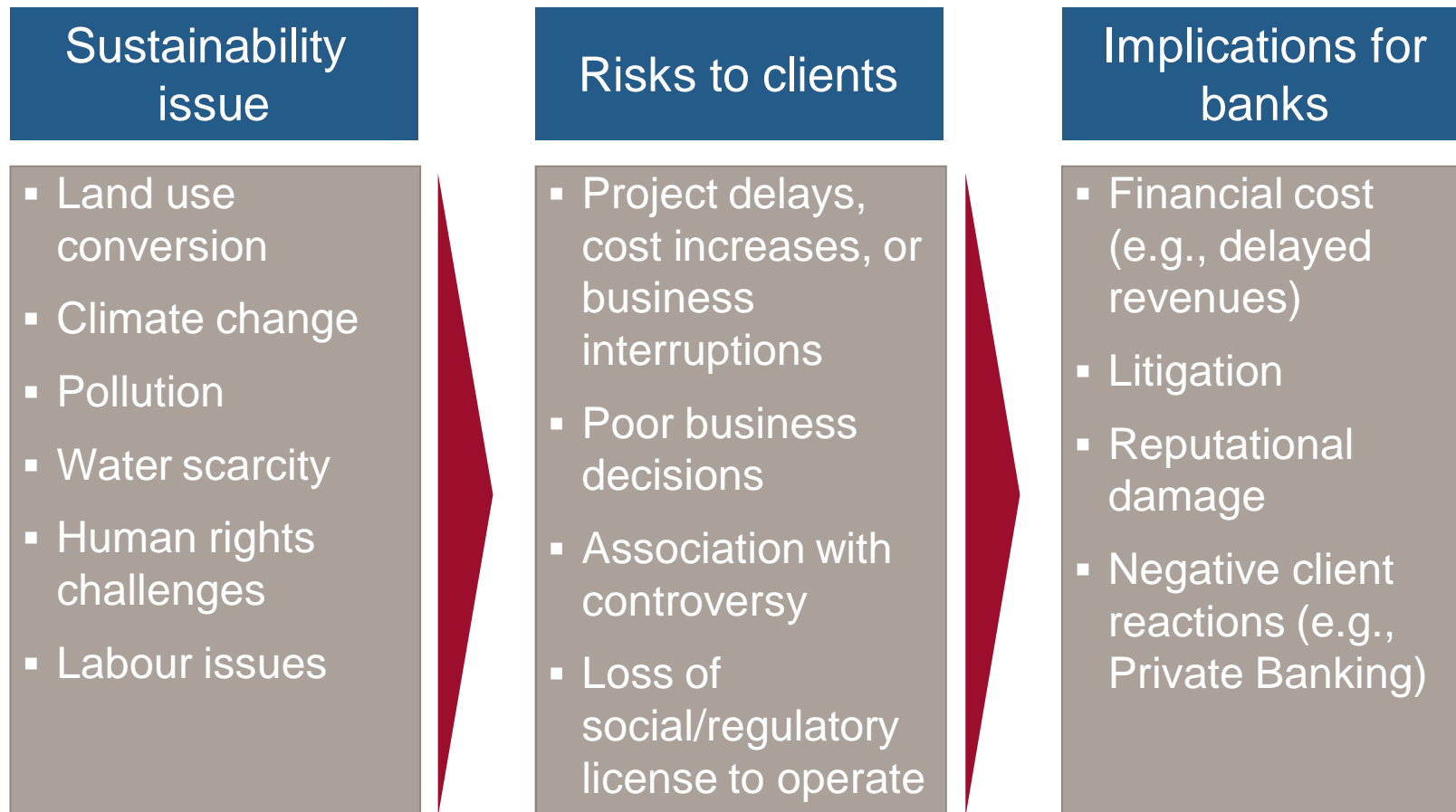
- UNEP Finance Initiative (since 1992)
- UN Global Compact (since 2000)
- Equator Principles (since 2003)
- Carbon Principles (since

Internal commitments

- Code of Conduct (since 2000)
- Sustainability Policy (since 2006, replacing Environmental Policy)
- Sustainability Management Policy
- Sector-specific policies and





...requires capacity (human, systems, procedures)

The implications of weak sustainability issue management



Sustainability Policies and Guidelines for key industries

- Internal Sustainability Policies / Guideline exist for:

Sector	Forestry & Agribusiness	Mining	Oil & Gas	Hydropower
				
Issues	<ul style="list-style-type: none"> Loss of high conservation value forest Loss of biodiversity Illegal logging Monoculture (palm oil, soy) Loss of home, shelter, subsistence for local communities 	<ul style="list-style-type: none"> Contamination of land and water Impacts on biodiversity Impacts on public health and safety, local cultures, community-based livelihoods Decommissioning and rehabilitation Poor governance/corruption 	<ul style="list-style-type: none"> Contamination of land, water, air Destruction of natural habitats, impacts on biodiversity Impacts on public health and safety, local cultures, community-based livelihoods Decommissioning and rehabilitation Poor governance/corruption 	<ul style="list-style-type: none"> Impact on riverine and surrounding terrestrial environments Destruction of natural habitats Impacts on biodiversity Impacts on cultural heritage Displacement or resettlement of people
Standards	<ul style="list-style-type: none"> IFC EHS Guidelines for Forest Harvesting / Pulp & Paper Mills FSC RSPO 	<ul style="list-style-type: none"> IFC EHS Guideline for Mining GRI Mining Sector Supplement Extractive Industries Transparency Initiative (EITI) 	<ul style="list-style-type: none"> IFC EHS Guidelines for Offshore / Onshore Oil and Gas Development Extractive Industries Transparency Initiative (EITI) 	<ul style="list-style-type: none"> IFC General EHS Guidelines, OP Safety of Dams World Commission on Dams (WCD) guidelines

Credit Suisse manages sustainability risks carefully



Sustainability risk is embedded into the bank's risk management system and sustainability decisions reach the highest levels of the bank

- Sensitive transactions and business relationships, including those with potential environmental or social risks, are assessed in the bank-wide RRRP
- Industry-specific policies and guidelines outline environmental and social issues as well as prohibited and sensitive activities
- The Reputational Risk Sustainability Committee (RRSC) determines the bank's sustainability strategy, ensures group-wide implementation of commitments and oversees the RRRP
- The Board of Directors Risk Committee reviews bank policies and provides direction, while the CEO serves as highest decision-making authority on sustainability issues

Sustainability is a business opportunity

Credit Suisse's vision is to become the world's most admired bank

Excellence	Professionalism	Responsibility and ethics
<ul style="list-style-type: none"><input type="checkbox"/> World-class products and client service<input type="checkbox"/> Excellent execution<input type="checkbox"/> Strong profits	<ul style="list-style-type: none"><input type="checkbox"/> Banking expertise<input type="checkbox"/> Good credit risk management<input type="checkbox"/> Legal and regulatory compliance	<ul style="list-style-type: none"><input type="checkbox"/> Integrity<input type="checkbox"/> Respect<input type="checkbox"/> Accountability<input type="checkbox"/> Sustainability



Credit Suisse sees sustainability as an opportunity – it is good for the environment, good for society, it's good for business.

Setting an example is not the main means of influencing others; it is the *only* means.
Albert Einstein

Sustainability Advisory Services

Training and Awareness



- General issue awareness
- Structured training on key industry issues delivered to client

Fostering dialogue with civil society



- Introductions to collaborative NGO groups / consultants on a case-by-case basis
- Enabling broad stakeholder dialogue

Strategy and Policy development



- Support on developing a general sustainability policy or industry / issue policies or guidelines as a key component of broader strategy development

Communications and Reporting



- Credit Suisse produces a number of internal and external communications on sustainability / corporate responsibility initiatives, and is able to share this expertise

NGO engagement delivers value

Credit Suisse currently has working relationships with WWF in all four of its regions

Americas

Focus on sustainable agriculture:

- Long-term collaborative project with WWF-US to develop new investment products for clients with an interest in sustainable agriculture

Asia Pacific

Focus on sustainable land use:

- High conservation value habitat mapping work
- Multiple employee seminars and volunteering activities

EMEA

Focus on employee awareness-raising:

- Employee-focused engagement on various topics including:
 - “2050: A World Powered by Renewable Energy”
 - Water Scarcity

Switzerland

Focus on role of banks in a low-carbon economy:

- Joint research project on the role of banks in the transition to a low-carbon and resource-constrained economy

