

# Corporate Responsibility Report 2011

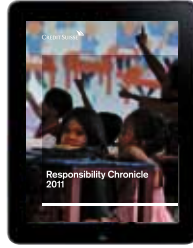
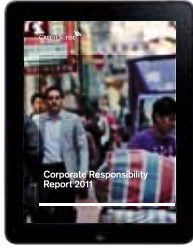
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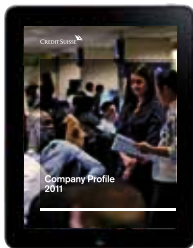
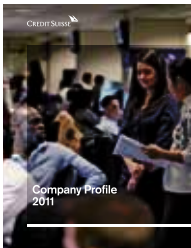
### Corporate Responsibility Report and Responsibility Chronicle

For a detailed presentation on how the bank assumes its diverse social and environmental responsibilities when conducting its business activities, refer to the Corporate Responsibility Report, available for the first time as an iPad version. This publication is complemented by our Responsibility Chronicle that adds a multimedia dimension to the publication by providing a selection of reports, videos and picture galleries that focus on our international projects and initiatives.

[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

**Cover:** Yves-Alain Sommerhalder, Head UHNWI Solutions for Private Banking Asia Pacific, pictured in the streets of Hong Kong.

**Back cover:** City view, Hong Kong



### Company Profile

For insights about the work of each of the bank's divisions, including Shared Services, and its regions, refer to the Company Profile. For the first time, this is also available as an iPad version, which includes additional photo and video material beyond what appears in the print version. A summary of the bank's financial performance during the year, the Business Review, is also included in the publication.



### Annual Report

For a detailed presentation of the Group's annual financial statements, company structure, corporate governance and compensation practices, treasury and risk management framework, and a review of our operating and financial results, refer to the Annual Report.

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For the purposes of this report, unless the context otherwise requires, the terms "Credit Suisse Group," "Credit Suisse," "the Group," "we," "us" and "our" mean Credit Suisse Group AG and its consolidated subsidiaries. The business of Credit Suisse AG, the Swiss bank subsidiary of the Group, is substantially similar to the Group, and we use these terms to refer to both when the subject is the same or substantially similar. We use the term "the bank" when we are referring only to Credit Suisse AG, the Swiss bank subsidiary of the Group, and its consolidated subsidiaries.

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# Foreword

## Dear Reader



Brady W. Dougan, Chief Executive Officer (left),  
and Urs Rohner, Chairman of the Board of Directors

2011 was a challenging year for financial institutions globally. At Credit Suisse, we had to address issues in three main areas. The first was the extremely adverse operating environment triggered by the sovereign debt crisis in Europe, historically low interest rates and volatile financial markets. These factors impacted investor confidence and significantly reduced levels of client activity. The situation was exacerbated by the further strengthening of the Swiss franc. Second, 2011 brought new and far-reaching regulatory developments. As well as preparing for Basel III, we had to address the impacts of Switzerland's new "Too Big to Fail" legislation, which imposes a substantial capital surcharge on major banks. The third challenge related to the cross-border wealth management business. Here, the main themes were the bilateral tax treaties signed by Switzerland with the UK and Germany, as well as the US tax matter, which have significant implications for the entire financial center.

Against this backdrop, we remained focused on our first responsibility as a global bank of operating profitably across the economic cycle, taking actions to generate sustained value for our clients, shareholders and employees. In view of the challenges facing our business, we took proactive steps to further evolve our integrated strategy. These include measures to enhance profitability in Private Banking, to reduce risk-weighted assets in Investment Banking and to redeploy resources to faster-growing and large markets. As part of these steps, we also announced a reduction in the size of our global workforce. This was a very difficult decision, particularly in view of our commitment to being a reliable long-term partner to our employees. We are approaching this measure in the most fair and responsible way possible.

As well as posing a challenge at an operational level, the adverse environment in 2011 accentuated political and public concerns about the stability of the financial system and provoked an intense debate about the role of banks and their business models. In view of the high degree of skepticism facing the financial sector and the continuing controversy over compensation, it is crucial for our industry to learn the necessary lessons and act appropriately. At Credit Suisse, we recognize the need for banks to build sustainable business models. This is vital for the long-term success of our industry. For the past five years, we have been adjusting our business model, strengthening capital and liquidity, reducing risk and exiting businesses that are no longer viable in the new environment. We have worked with regulators to help build a more stable financial system and adopted the relevant measures at an early stage.

To rebuild trust, we have also intensified our dialogue with stakeholders. This dialogue must be used first and foremost to promote a better understanding of the pivotal role that banks play in the economy and society as a whole. Credit Suisse's dialogue with stakeholders

takes many forms. One example is our role in the regulatory debate – particularly in Switzerland, where we continued to engage in intensive discussions with politicians, regulators and other industry representatives to help formulate proposals for the new “Too Big to Fail” legislation in 2011. Having expressed our willingness to embrace tougher regulations, we translated our words into action through our early adoption of new capital rules as well as the private placement of CHF 5.9 billion Tier 1 Buffer Capital Notes and the public issue of USD 2 billion Tier 2 Buffer Capital Notes – demonstrating the viability of the market for contingent convertible bonds and reaffirming our position as a first mover.

Our dialogue with clients is more critical than ever at times such as these. We listen carefully to our clients in order to understand their evolving requirements, gauge their level of satisfaction and find ways of enhancing our products and services. Our cross-border platform is an important part of the way we serve private banking clients around the world, and we made good progress in further reinforcing our compliance and control culture in this area during the year.

We know from our dialogue with the public that business practices in the finance industry are coming under increased scrutiny amid calls for a more responsible and sustainable approach to banking. At Credit Suisse, we are committed to operating in strict accordance with the applicable rules and regulations in all our markets globally. We believe that each and every employee has a role to play in this context. In 2011, we adopted our revised Code of Conduct, which provides the framework for our approach to corporate responsibility. It defines a series of ethical values and professional standards that are binding on all Credit Suisse employees worldwide and guide us in our daily work. The Code of Conduct also sets out our commitment to sustainability and our pledge to uphold key agreements such as the United Nations Environment Programme Finance Initiative (UNEP FI) and the UN Global Compact.

As a global bank, we are very conscious of the importance of a stable social environment for our long-term success. We recognize the need to help build strong communities where individuals and businesses can thrive. From our dialogue with young people – of which our international Youth Barometer survey is one example – we know that unemployment is one of the greatest concerns among today’s younger generation. As well as offering attractive apprenticeships, training positions and career start programs for high school and university graduates, we have continued our efforts to tackle youth unemployment in our Swiss home market – funding coaching for school-leavers seeking employment and providing risk capital to small and medium-sized enterprises that can create jobs.

Our social commitments also extend beyond our core activities as a bank. For many years, we have been committed to improving the life chances of disadvantaged individuals around the globe. Here, our activities focus on two main themes – education and microfinance – and are designed to empower people to find a way out of poverty and realize their aspirations. Our Global Education Initiative works on the principle that access to schooling gives young people a brighter future, while our Microfinance Capacity Building Initiative aims to help those at the base of the income pyramid by promoting financial inclusion.

Employee engagement is another important element of our social commitments: many of our people want to make a personal contribution by participating in social projects or volunteering schemes in our individual regions. In 2011, 17,415 Credit Suisse employees worldwide volunteered a total of 189,000 hours to help others.

Our philanthropic commitments are complemented by the work of the Disaster Relief Fund of the Credit Suisse Foundation, which offers financial aid to the victims of natural or manmade disasters such as the earthquake and tsunami in Japan. In addition, our regional foundations support a broad range of charitable activities – particularly in the field of education – in their respective areas of operation.

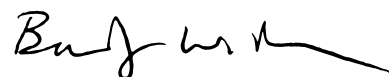
Credit Suisse’s focus on environmental and climate protection is also a critical aspect of our corporate responsibilities. We are committed to sustainability and to conducting our business in an environmentally friendly manner. We therefore operate an ISO-certified environmental management system, which helps us to make more efficient use of resources throughout the company, reduce the environmental impacts of our activities and comply with green standards. Our efforts to protect the environment are also reflected in many of our client-facing activities: our Green Business Initiative plays a key role here, bringing together experts from across the bank to promote products and services in areas such as renewable energies and clean technologies. We also routinely assess transactions with clients that could pose environmental or social risks using our internal risk review process and apply our own policies and guidelines – such as the forestry and mining policies we revised in 2011 – to business activities involving sensitive industries. Credit Suisse has been active in the area of climate protection for over a decade. During this time, we have not only succeeded in reducing our greenhouse gas emissions while growing our business but have also intensified our focus on climate-related aspects in our provision of products and services – as demonstrated by our market-leading position as a supplier of financing for the wind and solar energy sectors.

As you read this report, you will see that we take our corporate responsibilities seriously at Credit Suisse: they are part of our culture and help to shape the way we create value for our stakeholders. This publication is also a tangible expression of our commitment to engaging in an open and constructive dialogue. An active exchange of views is more critical than ever in today’s closely interconnected world if we are to collectively find solutions to the challenges we all face. In this spirit of dialogue, we welcome your feedback on the topics presented in our report.

Best regards



Urs Rohner  
Chairman of the Board of Directors



Brady W. Dougan  
Chief Executive Officer

March 2012

# Our Understanding of Corporate Responsibility

At Credit Suisse, we are convinced that our responsible approach to business is a decisive factor determining the long-term success of our bank. As well as complying with the professional standards and ethical values set out in our Code of Conduct, we strive to assume our corporate responsibilities in every aspect of our work. We do so based on our broad understanding of our duties as a financial services provider, member of society and employer. Our approach also reflects our commitment to the environment and the importance we assign to our dialogue with our stakeholders (see chart on page 5). The Corporate Responsibility Report is structured according to these five topics.

The Responsibility Chronicle adds a multimedia dimension to our reporting for 2011. It features articles, videos, podcasts and picture galleries about international projects and initiatives. To ensure we can supply the breadth of information required by our stakeholders, the full contents of this report, as well as additional information and data on all the themes discussed within it, can be found on the Internet at: [www.credit-suisse.com/responsibility](http://www.credit-suisse.com/responsibility)

Our Corporate Responsibility Report forms part of the Credit Suisse series of annual reporting publications, which provide detailed information about the Group's strategy and business model, as well as our 2011 financial results.

## Responsibility Chronicle

We report on the topic of corporate responsibility throughout the year. Our stakeholder magazine "bulletin" features articles about our wide-ranging activities across our regions, and we publish material on our website on a weekly basis. The Responsibility Chronicle provides readers with a selection of reports, articles and videos about our support for social and environmental initiatives in 2011.



The QR code refers you to the full article, video etc. You can directly access the Responsibility Chronicle on your iPad or at: [www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)



The Responsibility Chronicle can be accessed within the iPad app "Corporate Responsibility Reporting by Credit Suisse".

## How to use the QR codes in this report



1. Download the QR code reader to your smartphone. For example the free app BeeTagg.



2. Open the QR code reader and scan the code.

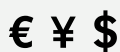


3. The content will open automatically after scanning the code.

## Our Understanding of Corporate Responsibility

### Responsibility in Banking

- Trust and Expertise
- Corporate Governance
- Due Diligence and Sustainability
- Sustainable Products and Services



Our greatest responsibility is to ensure that we manage our company successfully on a long-term basis for the benefit of our clients, shareholders, employees and society as a whole. Competence, diligence and responsible conduct are key to the success of our business. We also strive to take social and environmental aspects into account when carrying out our operations.

### Responsibility in Society



- Role in Economy and Society
- Social Commitments
- Sponsorship

Credit Suisse sees itself as an integral part of society and recognizes its responsibilities beyond banking. That is why we support a number of humanitarian and charitable organizations and projects around the world, as well as cultural and sporting events. We also encourage our employees to volunteer their time to assist charitable projects.

### Dialogue and Transparency

- Dialogue with Stakeholders
- Reporting on Corporate Responsibility



We cultivate an open dialogue with our clients, shareholders and other stakeholders by participating in events, engaging in personal discussions and contributing to the public debate. This increases mutual understanding and helps us to identify the needs of our stakeholders, while rapidly responding to new trends.

### Responsibility as an Employer

- Credit Suisse as an Employer
- Global Diversity and Inclusion

Qualified and motivated employees are a vital success factor. We want to be an employer of choice worldwide and therefore offer our people progressive working conditions, attractive training programs and varied career opportunities in a multicultural environment.



### Responsibility for the Environment

- Environment, Climate and Operational Ecology

The protection of the natural environment is one of the most pressing issues of our time. At Credit Suisse, we take our responsibilities seriously by promoting the efficient use of resources and by engaging in a dialogue with our stakeholders. We also develop products and services that focus on environmental themes for our clients.



## Code of Conduct

Our Code of Conduct, which sets out binding principles for all our operations worldwide, increases the personal responsibility of all our employees and Board members and creates a framework where each individual is familiar with Credit Suisse's corporate responsibilities.

### Our Ethical Values:

- Integrity
- Responsibility
- Respect
- Compliance
- Confidentiality
- Trust

### Our Professional Standards:

- Service and Excellence
- Risk Culture
- Transparency
- Adherence to Laws and Regulations
- Sustainability
- Commitment

# Responsibility in Banking



**Nicole Pauli** is Head of Investment Services and Products in Private Banking. Her team provides the best possible infrastructure, advisory tools and investment products for relationship managers.



To read the article about the work of Nicole Pauli and her team, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Trust and Expertise

The long-term success of our business depends on our ability to inspire trust. We want to act as a reliable and professional partner to our clients – placing their interests first and delivering expert advice to help them realize their financial objectives. We are also convinced that our capital strength and strict compliance and control culture give stakeholders confidence in our bank.

Gaining and maintaining the trust of our stakeholders is critical to the long-term success of our company. As a global bank, we strive to act as a trusted and professional financial partner to our clients worldwide – private individuals, companies, institutions and governments – in every phase of the economic cycle. We aim to inspire confidence by executing our core activities skillfully and responsibly – providing access to capital, managing assets, steering capital flows and assessing risks. Our integrated model, which combines our Private Banking, Investment Banking and Asset Management businesses, delivers the entire expertise of our global team of specialists to our clients. Our know-how and the relationships of trust we have built become even more critical in economically challenging times such as 2011, as clients seek additional support and advice.

## Analyzing Our Clients' Needs

The structured advisory process in Private Banking is one example of our client-centric approach; it helps us to understand our individual clients and to gain an insight into their overall financial position in order to develop holistic solutions to meet their needs. The advisory process is based on a series of clearly defined steps, making it transparent and giving clients a greater sense of security and confidence. The quality and depth of our advice is enhanced through instruments such as our Portfolio Risk Analyzer. This tool is used to assess whether a portfolio matches the client's profile and to identify the returns that can be expected in mild markets or the potential risks in volatile markets –

thus providing clear and objective information to support client investment decisions.

In Investment Banking, our client-focused strategy forms the basis for the long-standing relationships we have cultivated with many of our key clients. We are able to deliver expert advice to these companies because we know their businesses intimately and can work with them as partners – and our relationship evolves alongside them. Trust is built continuously with each successful transaction.

The suitability and appropriateness of the advice offered to clients is an increasingly prominent theme in our industry, where measures are being taken to strengthen investor protection and regulate the client consultation process. Credit Suisse is committed to ensuring that clients have a full understanding of the financial products offered to them and can bear the associated risks.

## Financial Strength Inspires Trust

Credit Suisse has been pursuing an integrated client-oriented and capital-efficient strategy since 2007. Capital strength and stability are other critical factors that many clients now consider in their choice of financial partner – especially in the current climate of change and uncertainty. Our focus on prudent capital management – coupled with our conservative funding position and robust risk oversight – have served the bank well during a period of unprecedented market volatility. As a result, we attracted

*Continued on page 8*

## Ensuring Advisory Quality: Certification of Relationship Managers

As part of our commitment to continuously improving the quality of advice we offer our clients in Private Banking, Credit Suisse runs a mandatory certification program for employees with direct client contact. The certification, which is valid for three years, forms part of the Frontline Training initiative launched in 2009 to ensure all relationship managers can provide

clients with clear and comprehensive information about products, explain potential investment risks and returns, and tailor their offering to individual client needs. The certification process entails three components: two Web-based modules to test the candidates' knowledge of subjects related to their function and a Client Interaction Simulation

in the presence of financial experts. In 2011, a total of 1,824 relationship managers successfully passed the certification process. Credit Suisse intends to complete the certification of all frontline employees in Private Banking by the end of 2012.

CHF 40.9 billion of net new asset inflows in 2011 from clients seeking the professional service and advice of a solid and stable global bank. The numerous accolades we received during the year – including the prestigious Euromoney awards for Best Global Wealth Management House, Best Private Bank Globally and Best Bank in Switzerland – are also an expression of our clients' satisfaction with our offering and their high level of confidence in our bank.

### Committed to Compliance and Control

Maintaining a robust compliance and control culture is another important way in which we gain the trust of clients, as well as investors and regulators. At Credit Suisse, we strive to conduct our activities according to the highest standards of due diligence and in strict compliance with legal and regulatory requirements in all our markets globally. We expect each employee to be personally accountable for ensuring the activities within their remit are compliant with our internal rules and policies and for reporting or escalating issues of concern. This is essential to safeguard the interests of clients and investors and to protect our own business activities and reputation. Our focus on compliance is also mirrored by our proactive steps to further

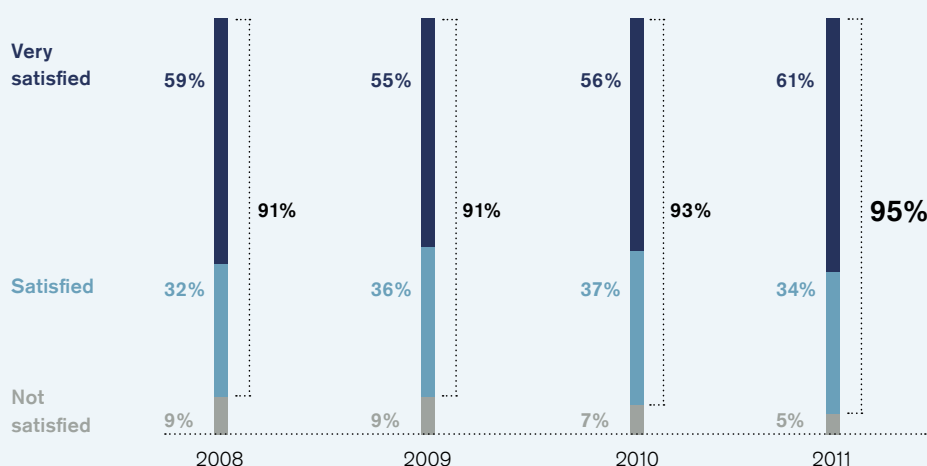
strengthen our cross-border framework. We want to maintain the highest professional standards while operating in different legal and regulatory environments around the world. Our cross-border framework helps us to achieve this by providing training, practical information and country-specific guidance to employees with direct client contact to make sure they understand which activities are permissible in which countries. We continuously monitor developments relating to this field and adjust our internal policies accordingly.

### A Pioneering Response to New Regulations

The need to restore trust in the global financial system remained a dominant theme through 2011. At Credit Suisse, we played a constructive part in the debate about banking supervision and supported regulatory reforms within our industry. For example, we continued to engage in intensive discussions with politicians, regulators and other parties in Switzerland surrounding proposals for the new "Too Big to Fail" legislation during the year. We also played a pioneering role in the development of contingent convertible bonds – announcing the private placement of CHF 5.9 billion Tier 1 Buffer Capital Notes and the public issue of USD 2 billion Tier 2 Buffer Capital Notes in February 2011.

## Global Service Monitor Program: Evaluating Client Satisfaction

### Four-year trend: overall satisfaction



We take the issue of client satisfaction very seriously. We want to ensure that our products and services meet the needs of our clients, that our value proposition is clearly visible and that client relationships are managed professionally and responsibly. Each year, our dedicated Client Insight Management team conducts the Global Service Monitor Program – a study of more than 20,000 Private Banking clients

and service users worldwide – to assess their overall level of satisfaction with our offering based on a set of "experience criteria" and to find out whether they would recommend Credit Suisse as a financial partner. We also look at the main factors driving the acquisition of new clients and benchmark our performance against our competitors. Our findings are then translated into action. We may take steps at

an individual level if respondents share their names with the company or we implement measures at market, divisional or regional level in the case of other feedback. The results of the 2011 Global Service Monitor Program indicate that 95% of our Private Banking clients are satisfied with our offering.

## Developments in Global Banking

At Credit Suisse, we view our business from a global perspective. We offer products and services on a cross-border basis – known as international banking – as well as on a local basis, referred to as onshore banking. In response to changing client needs, Credit Suisse has been growing its global presence and onshore services for many years. Credit Suisse is now active in more than 50 countries worldwide, including our Swiss home market. Our Private Banking operates 21 booking centers outside Switzerland, which means that we can administer our clients' assets in their home country or in an international hub. At the same time, the Swiss financial center remains attractive to international clients in the area of our cross-border business in view of its numerous strengths relative to other financial centers around

the globe, such as its efficient system of universal banking – with the hallmarks of expertise, reliability and quality – as well as favorable framework conditions such as political and economic stability, a strong currency, first-class services and highly-qualified employees. The banking services offered out of Switzerland will therefore remain important – particularly in response to the needs of sophisticated clients in emerging markets. Ensuring strict compliance with all applicable legislation when offering cross-border services is an indispensable part of our business model at Credit Suisse. We have therefore been working intensively for years to make sure that all our activities adhere to the applicable rules and regulations in Switzerland and abroad.



- Credit Suisse's principal locations are: Zurich, Geneva, London, New York, São Paulo, Hong Kong, Singapore and Tokyo.

This transaction was a landmark moment in the establishment of the market for contingent convertible bonds and represented a further step in Credit Suisse's early transition to the new Swiss capital requirements. We anticipate that 2012 and 2013 will be years of significant transformation within our industry and we intend to further evolve our integrated strategy in line with these changes. At the same time, we will continue to support the process of regulatory reform, which we regard as an essential factor in rebuilding confidence and creating a more sustainable banking sector. Maintaining our strong compliance and control culture throughout the bank remains a priority in 2012.

[www.credit-suisse.com/responsibility/banking](http://www.credit-suisse.com/responsibility/banking)

## Challenges and Responses 2011

### **Challenge: Address cross-border legacy and tax compliance issues.**

**Response:** Credit Suisse addressed these issues in various ways: We included an explicit statement in our Code of Conduct not to assist clients in activities intended to breach their tax obligations. We continued to support the withholding tax concept as well as the related tax treaty negotiations of the Swiss government with Germany and the UK. In connection with the government discussions about legacy issues relating to the Swiss banks' cross-border business, we supported the ongoing efforts of the US and Switzerland to reach a resolution that is acceptable to both countries. We continued our considerable efforts to establish the origin of the funds that Private Banking clients deposit with the bank, e.g. through anti-money laundering measures.

### **Challenge: Find a solution to the "Too Big to Fail" issue while maintaining the international competitiveness of the Swiss banks.**

**Response:** We participated constructively in the Swiss Expert Commission and in the parliamentary debate about the "Too Big to Fail" issue, providing input and proposals and offering an international perspective. We were also actively involved in the relevant consultations and communicated our views either directly or through industry associations. In addition, we played a pioneering role in the development of contingent convertible bonds, announcing the private placement of CHF 5.9 billion Tier 1 Buffer Capital Notes and the public issue of USD 2 billion Tier 2 Buffer Capital Notes in early 2011.

# Corporate Governance

The way we interact with our stakeholders is fundamental for our business and our success. We strive to act with integrity, responsibility, fairness, transparency and discretion at all times in order to secure the trust of our clients, shareholders and employees, as well as other stakeholders.

Credit Suisse's corporate governance complies with internationally accepted standards. We fully adhere to the principles set out in the Swiss Code of Best Practice, including its appendix stipulating recommendations on the process around setting compensation for the Board of Directors and the Executive Board. In connection with our primary listing on the SIX Swiss Exchange, we are subject to the SIX Directive on Information Relating to Corporate Governance. Our shares are also listed on the New York Stock Exchange (NYSE) in the form of American Depositary Shares. As a result, we are subject to certain US rules and regulations.

## Our Governance Framework

Our corporate governance policies and procedures are laid out in a series of documents governing the organization and management of Credit Suisse. The Board of Directors has adopted a set of corporate governance guidelines aimed at explaining and promoting an understanding of our governance structure. Other important corporate governance documents include the Articles of Association, the Code of Conduct, the Organizational Guidelines and Regulations, the Charters of the Board of Directors and of each of its committees, and the global Compensation Policy. Adherence to our Code of Conduct is binding for all employees and members of the Board of Directors. Furthermore, our employees must maintain the highest

standards of compliance with all legal, regulatory and internal requirements. They are asked to observe strict standards of professional conduct at all times. Compliance considerations are critically important when selecting employees, developing training tools, and defining processes and rules, and are a vital element of all our supervisory and control systems.

## Shareholder Rights

As part of our continued efforts relating to good corporate governance, we encourage investors to participate in the Annual General Meeting and to execute their voting rights. To support their decision-making process, we are committed to ensuring the accuracy and transparency of our reporting publications and our Investor Relations website. We are committed to producing precise, reliable and comprehensible financial reports that clearly explain our performance, our mission and our strategic rationale. Moreover, we are committed to employing a responsible compensation approach that ensures a prudent approach to risk-taking and aligns our employees' interests with those of our shareholders, thus motivating the creation of sustainable shareholder value (see box). In line with best practice, the Board of Directors submits the compensation report of Credit Suisse to its shareholders for a consultative vote at the Annual General Meeting.

## Managing Risk

Our Risk Management function plays a central role in our organization as it fosters a disciplined risk culture and creates appropriate transparency, providing a sound basis for management to define a suitable risk profile. Risk Management is instrumental in ensuring a prudent and intelligent approach to risk-taking that appropriately balances risk and return and optimizes the allocation of capital throughout the Group. Moreover, through a proactive risk management culture and the use of state-of-the-art quantitative and qualitative tools, we strive to minimize the potential for undesired risk exposures in our operations.

Further information on corporate governance can be found in the Annual Report 2011 of Credit Suisse Group or at: [www.credit-suisse.com/governance](http://www.credit-suisse.com/governance)

## Taking a Responsible Approach to Compensation

Credit Suisse is committed to pursuing a responsible approach to compensation that focuses on long-term performance and aligns the interests of employees and shareholders. For 2011, we reduced discretionary variable incentive awards (variable compensation), reflecting the lower absolute performance of the Credit Suisse Group compared to 2010. Variable compensation awarded for 2011 was down 41% compared to 2010. For the Group overall, 49% of variable awards for 2011 were deferred. Each member of the Executive Board had 100% of their variable compensation deferred. For 2011, deferred variable awards were granted in the form of share awards, of which the majority are performance share awards that are subject to claw-back provisions, and in the form of 2011 Partner Asset Facility (PAF2) awards for senior employees. PAF2 units are linked to a diversified portfolio of derivative counterparty risks. The PAF2 plan is therefore a transfer of risk from the Group to employees, thereby contributing to risk reduction and capital efficiency.

# Due Diligence and Sustainability

Credit Suisse has to continuously earn the trust of clients and other stakeholders to achieve long-term success. We therefore expect our employees to meet the highest standards of conduct and professionalism and to comply with legal regulations, due diligence requirements and industry guidelines. When performing our core business activities, we also take account of environmental and social issues.

At Credit Suisse, we are convinced that we can only achieve long-term success by adopting a responsible approach to business. This includes striving to meet the highest standards of trustworthiness, integrity, risk awareness and transparency when performing our activities. We therefore expect our employees to approach their work in a highly professional, fair and prudent manner. Our Code of Conduct provides us with a binding framework of ethical values and professional standards that apply to all employees worldwide and to the members of our Board of Directors. The obligation to observe the Code of Conduct is an integral part of our employment contracts and is included in the annual employee review process. The Code of Conduct also sets out Credit Suisse's commitment to sustainability and our pledge to uphold the corresponding national and international agreements. In addition, our Statement on Sustainability sets out our objectives, principles and processes in this field. In 2011, we updated this document to take account of factors such as our internal sustainability management and our conscientious approach when addressing sustainability-related risks.

## Upholding International Agreements

A key international sustainability agreement for banks is the United Nations Environment Programme Finance Initiative (UNEP FI), of which Credit Suisse was one of the first signatories in 1992. More than 200 banks, insurers and investment funds are now involved in this initiative to promote a sustainable approach to business within the finance industry. As well as participating in the UNEP FI Global Roundtable, Credit Suisse contributed to the work of groups of experts on topics such as biodiversity and human rights. Another important agreement is the UN Global Compact, of which we were one of the first signatories in 2000. Together with over 6,000 other companies, we have pledged to observe 10 principles in the areas of human rights, labor standards, environmental protection and anti-corruption efforts (see table on page 58).

## Respecting Human Rights

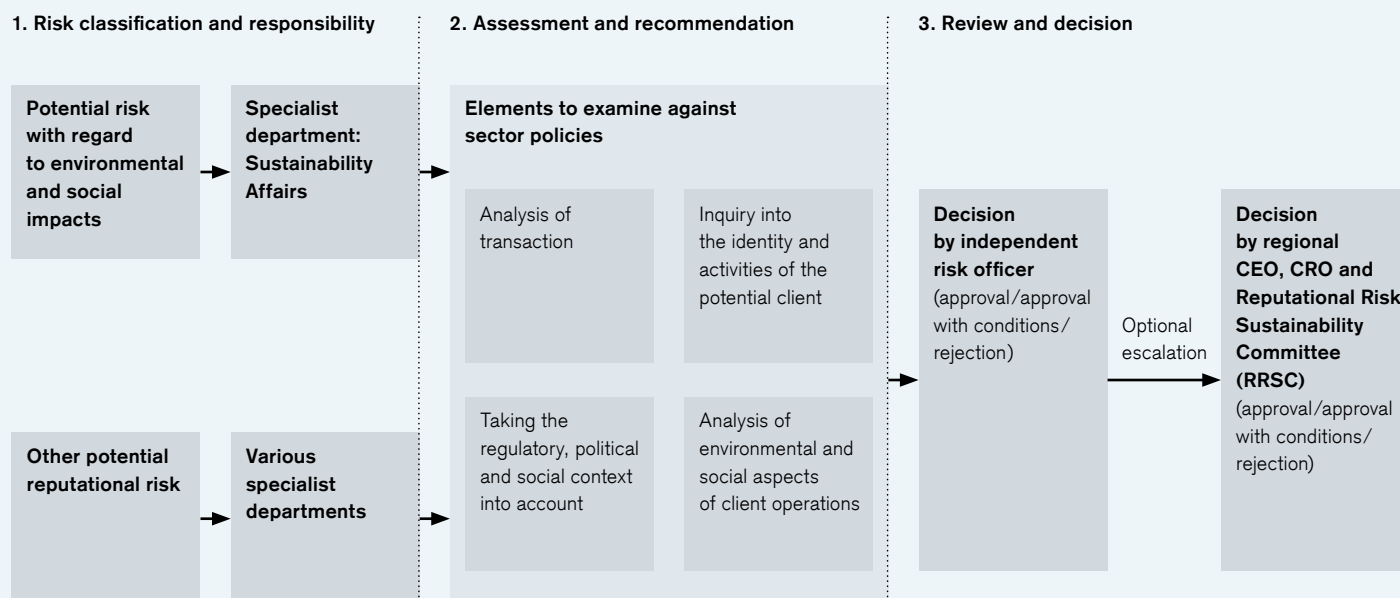
At Credit Suisse, we recognize our responsibility to respect human rights in line with the principles on human and labor rights set out in the UN Global Compact and the UN's Universal Declaration of Human Rights. We also base our approach on the Protect, Respect and Remedy Framework drawn up by the former UN Special Representative on Business and Human Rights, Prof. John Ruggie, which defines the responsibilities of states and companies for human rights and sets out the corresponding guiding principles to implement them. To support the adoption of these principles in the banking sector, Credit Suisse and other European banks are currently working proactively with academic experts to develop industry-specific recommendations for how they can be applied in practice.

The area in which Credit Suisse has the most direct impact on the protection of human rights is in its relationship with employees. This includes aspects such as guaranteeing fair working conditions, equal opportunities and protection against discrimination, as well as recognizing the right of employees to join or establish a union.

Even if Credit Suisse only has indirect influence over suppliers and external service providers, this is nevertheless an area in which human rights issues can arise. In 2010, we introduced our Suppliers Code of Conduct that prescribes new standards with the goal of ensuring that our suppliers and service providers also respect human rights, labor rights, employment laws and environmental regulations and, in particular, do not tolerate the use of child labor or forced labor. We also encourage our business partners to make continuous improvements in this area and to go beyond the minimum legal requirements.

Another area in which Credit Suisse could be indirectly confronted with human rights issues is in our relationship with clients. Challenges arise if clients engage in activities that could lead to potential violations of these rights – as in the case of major resettlements or measures affecting the sacred sites of local communities or indigenous peoples. In such cases, Credit Suisse examines sensitive aspects of

## Assessment of Sustainability Risks within the Reputational Risk Review Process (RRRP)



Transactions assessed on the basis of potential environmental and human rights risks in 2011

**295**

transactions assessed

**63%**

approved

**20%**

approved with conditions

**17%**

rejected or not pursued

the transactions in a clearly defined, comprehensive risk review process and rejects transactions that do not meet our standards.

### Voluntary Industry Standards

As well as observing international agreements, Credit Suisse complies with voluntary industry standards that set out specific due diligence requirements for certain areas of business. We conduct our project finance activities in accordance with the Equator Principles, which are based on environmental and social standards defined by the World Bank Group. More than 70 international financial institutions have pledged to examine the possible human or environmental effects of resource or infrastructure projects on the basis of social and environmental impact assessments and to call on clients to develop specific measures to reduce or correct any potential negative consequences before agreeing to provide finance or advice. Credit Suisse was one of the first companies to sign up to the Equator Principles in 2003 and we have since report-

ed annually on our efforts to implement them. Since 2010, we have been actively involved in the Equator Principles Steering Committee, as well as in some of its working groups to discuss the scope of the Principles and to conduct a dialogue with non-government organizations (NGOs). As a member of the Governance Task Force, we are also contributing to the development of the Equator Principles III.

By adopting the Carbon Principles in 2008, Credit Suisse pledged to implement an additional industry standard for managing carbon-related risk in the US power generation sector. A key feature is an enhanced due diligence process that applies when a client is planning to build new coal-fired power plants. In 2011, Credit Suisse was involved in three transactions that were subject to the Carbon Principles and its due diligence process, which calls for the use of shadow carbon pricing to understand how the future regulation of greenhouse gas emissions may affect power plants.

Continued on page 14

## Key Elements of Sector Policies and Guidelines

### Introduction

We recognize the economic importance of various industry sectors for the global economy. Future economic growth will partly depend on the supply of energy or raw materials by these sectors. At the same time, it is vital for them to operate in a sustainable manner. Our sector policies and guidelines set out the environmental and social standards that we expect clients in certain sensitive sectors to observe when conducting their activities. They also exclude certain activities. Exceptions may only be granted individually based on our Reputational Risk Review Process (RRRP). Summaries of these policies and guidelines are available online at: [www.credit-suisse.com/responsibility/doc/policy\\_summaries\\_en.pdf](http://www.credit-suisse.com/responsibility/doc/policy_summaries_en.pdf)

### Forestry and Agribusiness Policy



- Responsible management of the following issues: habitat depletion; fragmentation and degradation; water contamination and usage; hazardous materials management; air emissions; worker and community health and safety; public involvement; consultation and disclosure.
- No financial services for operations in primary tropical moist forests or other High Conservation Value Forests (HCVF), or on land that was cleared of HCVFs after 2005, unless such operations are certified according to the Forest Stewardship Council (FSC) or the Roundtable on Sustainable Palm Oil (RSPO), or if substantial and demonstrable progress has been made towards such certification.
- No financial services for operations in protected areas (such as UNESCO World Heritage Sites, Ramsar wetlands).
- No financial services for activities involving illegal logging or uncontrolled and/or illegal use of fire.
- No financial services for companies against which there is credible evidence of involvement in grave human rights abuses or for operations that require the resettlement of substantial numbers of people.

### Mining Policy



- Responsible management of 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.

- RRRP mandatory for the mining of coal, asbestos and uranium (or other radioactive materials).
- No financial services for operations in protected areas.
- No financing of operations where mountain top removal mining practices are used or of operations that include tailings disposal in riverine or shallow sea environments.
- No financial services for companies against which there is credible evidence of involvement in grave human rights abuses or for operations that require the resettlement of substantial numbers of people.

### Oil and Gas Policy



- Responsible management of the following issues: water contamination and use; air emissions; habitat depletion, fragmentation and degradation; waste management; oil spill prevention, preparedness and response; site decommissioning and remediation; worker and community health and safety; public involvement, consultation and disclosure.
- RRRP mandatory for oil sands and oil shale development, Arctic oil and gas development, and transnational pipelines.
- No financial services for operations in protected areas.
- No financial services for companies against which there is credible evidence of involvement in human rights abuses or operations that require the resettlement of substantial numbers of people.

### Palm Oil Guidelines



- Membership in and certification according to the Roundtable on Sustainable Palm Oil (RSPO) or time-bound commitment towards RSPO certification.
- No financial services for projects or activities prohibited by host country legislation and international conventions relating to the protection of biodiversity resources and cultural heritage.
- No financial services for projects or activities located in or involving the clearing of primary tropical moist forests, involving illegal logging or uncontrolled and/or illegal use of fire.

### Hydropower Guidelines



- Take account of New Framework for Decision-Making by the World Commission on Dams (WCD).
- No financial services for projects or activities prohibited by host country legislation and international conventions relating to the protection of biodiversity resources and cultural heritage.
- No financial services for projects or activities located in or involving clearing of primary tropical moist forests or other HCVF, UNESCO World Heritage Sites and Biosphere Reserves, or Ramsar wetlands.

### Nuclear Power Guidelines



- Transactions/projects must be in line with the latest regulatory, technological and safety standards and are subject to approval through our RRRP.
- Host country ratification required of the key international conventions and treaties related to nuclear (Convention on Nuclear Safety, Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, Nuclear Non-Proliferation Treaty, Vienna Convention on Civil Liability for Nuclear Damage).
- No financial services for projects or activities located in or involving the clearing of primary tropical moist forests or other HCVF, UNESCO World Heritage Sites and Biosphere Reserves, or Ramsar wetlands.

## Sustainability Risk Assessments in 2011

	Transactions assessed <sup>1</sup>		Equator Principles transactions <sup>2</sup>			
	2011	2010	2011		2010	
			Number <sup>3</sup>	Volume <sup>4</sup>	Number <sup>3</sup>	Volume <sup>4</sup>
<b>By region</b>	<b>282</b>	<b>279</b>	<b>13</b>	<b>4,388</b>	<b>5</b>	<b>336</b>
Americas	44	47	0	0	1	30
Asia Pacific	86	105	7	443	0	0
Europe, Middle East and Africa	71	58	2	1,020	0	0
Switzerland	81	69	4	2,925	4	306
<b>By sector</b>	<b>282</b>	<b>279</b>	<b>13</b>	<b>4,388</b>	<b>5</b>	<b>336</b>
Mining	104	105	8	463	4	161
Forestry	21	38	0	0	0	0
Oil and gas	52	50	3	275	1	175
Energy	16	24	2	3,650	0	0
Hydropower	1	2	0	0	0	0
Chemicals	18	9	0	0	0	0
Defense	16	15	0	0	0	0
Other	54	36	0	0	0	0
<b>By category<sup>5</sup></b>			<b>13</b>	<b>4,388</b>	<b>5</b>	<b>336</b>
Category A			4	2,820	2	225
Category B			9	1,568	3	111
Category C			0	0	0	0
<b>By financial product type</b>			<b>13</b>	<b>4,388</b>	<b>5</b>	<b>336</b>
Project finance			12	3,388	5	336
Project finance advisory			1	1,000	0	0

<sup>1</sup> Excluding Equator Principles transactions.

<sup>2</sup> More comprehensive data on Equator Principles transactions is available on our website ([https://www.credit-suisse.com/responsibility/en/banking/equator\\_principles.jsp](https://www.credit-suisse.com/responsibility/en/banking/equator_principles.jsp)).

<sup>3</sup> Transactions screened for the first time in the reporting year.

<sup>4</sup> In USD million.

<sup>5</sup> Equator Principles projects are divided into different risk categories (A–C; A being the highest risk), and additional clarifications and action are initiated if required by the degree of risk involved.

## Guidelines for Sensitive Industries

We are aware of our increased responsibilities when doing business with clients that operate in sensitive industries such as oil and gas, mining, hydropower, forestry or palm oil production. In the case of potential transactions with clients from these sectors, we have introduced specific policies and guidelines that apply to our business globally and require these clients to minimize the environmental effects of their operations, to ensure the health and safety of their employees, and to respect the human rights of the population living in the surrounding areas (see summary on page 13). These industry-specific policies, which are in line with the standards applied by international organizations such as the UN and the World Bank Group, also feature a list of activities and business practices that we explicitly will not finance.

## Further Development of Policies and Standards

As part of the further development of our guidelines for these sectors, we extended our forestry policy in 2011 to include agricultural operations such as plantations or cattle ranching on land that has been cleared of forests. In our policy on mining, we state that we will not finance the practice of mountain top removal – a process used in coal mining that is harmful to the environment (see box on page 16). The strict position adopted by Credit Suisse in this area has been recognized by environmental protection groups such as the National Resources Defense Council (NRDC) and Rainforest Action Network (RAN). Following the entry into force of the International Convention on Cluster Munitions, Credit Suisse has taken steps to ensure that it does not engage in any business relationships with the manufacturers of these types of arms and that any such business activities are being terminated. Furthermore, Credit Suisse will not hold any securities on its own account in companies that manufacture these munitions or include them in investment funds that it actively manages or in client portfolios covered by discretionary portfolio management agreements.

At Credit Suisse, we endeavor to systematically take account of themes such as human rights, biodiversity, the scarcity of resources and climate change when assessing risks in our business relations with clients. This poses a number of challenges that we will continue to address in the future to make progress in this area. The very nature of our business means that it is sometimes necessary for Credit Suisse to take decisions on controversial transactions, the environmental and social impacts of which can be viewed very differently depending on the opinions and standpoints of the relevant stakeholders. We are committed to transparency and we engage in an intensive dialogue with a broad range of stakeholders to deepen our understanding of the issues concerned and to make it easier for external parties to understand our processes and standards

(see page 52). We encourage our clients to follow the same approach.

### **Risk Review Process**

We expect all our employees to preserve the integrity of our bank and to safeguard its reputation. Credit Suisse's business policy therefore excludes the provision of services or the execution of transactions that are not compatible with the agreements in place or with our own internal guidelines and policies, or that could pose unacceptable risks. If we have grounds to believe that a transaction could pose such a risk, Credit Suisse first carries out a detailed internal risk review process – consulting with independent external specialists where necessary. During this process, detailed assessments are carried out regarding the nature and purpose of the transaction, the identity of the potential client and the regulatory, political and social background, as well as the potential environmental and social impacts of the client's activities.

If the transaction entails a potential risk for environmental or human rights-related reasons, the analysis is performed by Sustainability Affairs. This internal specialist unit evaluates whether the potential client complies with the relevant industry standards and whether the transaction is compatible with Credit Suisse's policies and guidelines for sensitive sectors. It also examines whether, for example, any disputes have arisen between the client and local communities or NGOs.

The findings of this review process are submitted to a regional officer within Legal & Compliance or Risk Management who – independently of the client-facing unit – can assess the transaction and decide whether to approve it, approve it subject to the fulfillment of certain conditions, or reject it. In the case of especially complex or interregional transactions, the final decision may be referred to the Reputational Risk Sustainability Committee (RRSC), which is the most senior decision-making body in the reputational risk review process and develops the strategy for this area. The RRSC consists of members of the Executive Board and cross-divisional specialist units (including Legal & Compliance, Risk Management, Communications and Public Policy) and is chaired by the Chief Risk Officer of Credit Suisse.

In 2011, we analyzed a total of 295 transactions using the risk review process to determine whether they posed an environmental or human rights-related risk. In total, 246 (83%) were approved – including 59 (20%) that were authorized subject to certain conditions – and 49 (17%) were rejected or not pursued further. In most cases where transactions or clients were rejected, this decision was reached because they were not compliant with Credit Suisse policies and guidelines or because they presented an unacceptable risk for the bank. Where transactions were

not pursued, this was primarily due to adverse market conditions or the fact that significant additional investigations were required, the outcome of which was uncertain. These statistics do not include potential transactions or business relationships that were submitted to the relevant relationship manager but were not subsequently included in the formal risk review process. This reflects the fact that they were immediately identified by the relationship manager or his or her line manager as being non-compliant with the bank's requirements and guidelines and were therefore rejected.

### **Risk Review Tools**

We further refined our risk review tools in 2011. For example, factors such as Credit Suisse's role in the transaction, the industry sector and country of operation, client commitment and capacity are now systematically taken into account using our risk assessment tool. We also made technical enhancements to our intranet-based risk review system. In addition, we developed a new learning module that focuses on sustainability risks and implemented a training concept that includes the following three modules:

- General training on Credit Suisse and sustainability.
- Training on the risk review process for employees with client contact.
- Sector-specific training courses on the risk review process for relationship managers serving clients in industries that are of relevance for the environment.

As well as further developing our guidelines and policies for sensitive industries, we will continue to develop our processes in line with evolving challenges in the future. In 2012, we will strive to identify and address issues such as climate risks even more systematically using our risk review process by examining aspects such as the CO<sub>2</sub> intensity of companies, their energy efficiency and related future targets.

### **Preventing Misuse of Our Products, Strengthening Our Control Culture**

The legal and regulatory environment in which global banks operate has continued to evolve over the past few years. In this new environment, Credit Suisse remains committed to adhering to the laws and regulations that are applicable to our businesses, and we expect all our employees worldwide to meet the highest standards of integrity. To secure the long-term success of our business and protect our reputation, employees must comply with applicable laws and regulations and prevent the improper use of our products and services by third parties. To support these efforts, we implement internal controls, work with the relevant authorities and adopt important rules such as those relating to business relations with politically exposed

## Credit Suisse's Position on Mountain Top Removal

Mountain Top Removal (MTR) is a form of surface mining that involves removing surface layers of coal-rich areas using explosives to expose the coal seams beneath. Once the coal has been extracted, the debris – generally laden with mining by-products – is often dumped in neighboring valleys, potentially contaminating streams. Studies have shown that MTR can have severe environmental

impacts, such as the loss of biodiversity, as well as being detrimental to human health due to exposure to polluted streams or the inhalation of toxins and dust. Recognizing the social and environmental effects of this mining practice and the regulatory, reputational and financial risks it poses, Credit Suisse strengthened its position on MTR in 2009 by excluding financing MTR operations in its Global Mining

Policy. In 2011, the US NGOs Rainforest Action Network and the Sierra Club once again produced a Mountain Top Removal (MTR) Policy Scorecard to assess the position of 10 leading banks in this area. In view of our strict stance and the clear way in which it is enforced within our business, Credit Suisse was again assigned the grade "A–" in 2011 – the highest ranking of all the banks covered.

persons and those relating to the prevention of money laundering and terrorist financing.

International regulatory authorities have emphasized the need to prevent acts of corruption in recent years. In response, we have revised our global minimum standards relating to the prevention of corruption. Our employees are required to regularly complete online training on subjects such as the prevention of money laundering and terrorist financing, as well as legislation relating to compliance with sanctions and the prevention of corruption. Credit Suisse also contributes to the further development of industry standards concerning the issues of money laundering and terrorist financing through our involvement in the Wolfsberg Group, an association of 11 global banks.

More generally, Credit Suisse employees are required to report instances of potential legal or regulatory infractions or cases of possible ethical misconduct to their line manager or the General Counsel division. Credit Suisse employees worldwide can also report any such incidents or concerns by contacting our Integrity Hotline, where they can speak to an advisor anonymously. Finally, our Internal Audit department monitors the bank's compliance with our policies on an ongoing basis.

[www.credit-suisse.com/responsibility/banking](http://www.credit-suisse.com/responsibility/banking)

## Challenges and Responses 2011

**Challenge: The nature of certain areas of business means that we must sometimes take decisions on controversial transactions, the environmental or social impacts of which can be viewed differently by various stakeholders.**

**Response:** We are aware of these challenges and therefore conduct a detailed risk review process, consulting with independent specialists where necessary. We strive to comply with laws, regulations and strict industry standards when reviewing risks, and we consistently adapt our internal processes to reflect new developments.

**Challenge: A business transaction may be legal but could nevertheless have negative consequences for the bank by posing a financial risk or a reputational risk due to its environmental or social impacts.**

**Response:** We apply our bank-wide risk review process and policy to thoroughly examine actions and transactions before they are executed. A total of 295 transactions were examined in 2011.

# Sustainable Products and Services

Sustainability is viewed by investors as an important megatrend and increasing numbers of them are showing an interest in investments that incorporate economic, environmental and social considerations. At Credit Suisse, we offer a broad range of sustainable products and services that give investors access to these new market opportunities.

We have continuously expanded our range of products and services that focus on environmental and social themes across our divisions in the last 10 years. Our investments target sustainable companies and technologies and, at the same time, accommodate the growing client interest in this area. When developing products and services in this field, Credit Suisse works with experts from research institutes, non-governmental organizations and leading think-tanks. These partnerships enable us to meet our clients' need for the latest information on promising, future-oriented business opportunities.

## Private Banking

Credit Suisse recognizes that investors may have unique investment goals when selecting solutions that meet their financial and extra-financial goals. To help investors navigate this potentially complex field, our Responsible Investment and Philanthropy Services (RI-PS) Framework (see page 21) maps investment solutions based on three pillars:

- Philanthropy Services, including both the establishment of trusts or foundations and the provision of services such as asset management for entities where the investors' priority is to support social and/or address environmental causes through charitable donations.
- Impact Investments, which seek to generate a social and/or environmental impact combined with moderate financial returns.

■ Sustainable Investments, which target maximized risk-adjusted financial returns via sustainability trends such as renewable energy.

In the area of Philanthropy Services, Credit Suisse has, for many years, been assisting clients in Switzerland who wish to support charitable causes (see box on page 19). In 2011, we launched SymAsia – the first charitable foundation for our Asian clients. Another new initiative is the Global Philanthropy Campus held in New York in September 2011, which provides a platform so that clients can engage in philanthropic endeavors and establish international contacts.

In terms of Impact Investments, our flagship activity is our microfinance platform (see page 19), which was launched in 2002 and encompasses activities in all three of our business divisions – including investment funds for clients who want to make a lasting and measurable impact on the lives of people in emerging and developing economies. In the area of Sustainable Investments, Credit Suisse has built on the CS Solutions (Lux) Megatrends Fund – an investment fund focusing on the three global megatrends "Multipolar World", "Demographics" and "Sustainability" identified by our Private Banking Global Research team. By launching the megatrend theme "Sustainability", which integrates socially responsible investment strategies into Credit Suisse's megatrend concept, the awareness for environmental, social and governance issues was further

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## Socially Responsible Investments

Assets under management with high social/environmental benefits

compared to 2010

2011 in CHF million

4,047

+1.4%

2010 in CHF million

3,992

increased among financial analysts, relationship managers and clients. Our Global Research team analyzes these megatrends and develops a sustainable investment strategy based on the selection of stocks.

### Investment Banking

Credit Suisse's Investment Banking division has the largest market share in the wind and solar energy arenas, making it the global leader in the renewable energy sector. For example, we served as joint global coordinator for the Global Depository Receipt listing for the largest solar equity financing transaction in 2011 by the Korean silicon producer OCI. The transaction was executed successfully in a highly volatile market environment. We also served as lead left arranger and joint bookrunner for Invenergy Wind Power's USD 200 million senior secured notes offering and as lead left bookrunner on First Wind Capital's USD 200 million 10.25% senior secured notes offering. In addition, we were joint bookrunner for the USD 150 million IPO of the next-generation biofuels producer KiOR in June 2011. The Credit Suisse Power & Renewables Group advises buy-side and sell-side clients on mergers and acquisitions, project finance and measures to raise capital in the debt and equity markets for the wind, solar, geothermal, biomass, biofuels and smart grid sectors. With deals totaling USD 15.6 billion, we led the trend in renewable energy mergers and acquisitions and were named top advisor of 2011 by Bloomberg New Energy Finance.

The Strategic Transactions Group (STG) within the Fixed Income business worked in close cooperation with

clients to provide more than USD 220 million in late-stage funding for renewable energy projects. Since 2009, the STG has committed over USD 700 million to our clients.

### Asset Management

Our Asset Management division offers investment solutions and services worldwide and invests in a broad range of asset classes, including alternative investments:

■ The Customized Fund Investment Group (CFIG) has USD 700 million of client commitments for investments in clean technology, making it one of the leading private equity investors in this sector. CFIG invests in funds and companies that actively invest and operate in a wide range of renewable energy and cleantech sub-sectors, including solar, wind, waste-to-energy, smart meter and transportation. Examples include a 70-megawatt solar park in Italy and the provision of EUR 15 million of financing for a 153-megawatt wind park in France.

■ In February 2011, we issued the Exchange Traded Fund (ETF) on the Credit Suisse Global Alternative Energy Index – an exchange-traded investment fund on an index of 30 companies in the fields of wind energy, solar energy, bioenergy, natural gas, geothermal energy, hydroelectricity, fuel cells and batteries.

■ The sustainable Swiss real estate fund Credit Suisse Real Estate Fund Green Property established in May 2009 recorded CHF 300 million of asset inflows in 2011. The fund invests exclusively in real estate in Switzerland that meets the strict criteria of the "greenproperty" quality seal – an initiative launched by Credit Suisse. Examples

## Credit Suisse Sustainability and Thematic Indices

Index name	Description
<b>Credit Suisse Social Awareness Index</b>	60 businesses that adhere to the 10 principles of the UN Global Compact
<b>Credit Suisse Global Resource Efficiency Index</b>	30 businesses that distinguish themselves through the efficient utilization and recycling of environmentally relevant resources
<b>Credit Suisse Global Warming Index</b>	40 businesses that are active in renewable fuels or electricity, emissions limitation or demand management
<b>Credit Suisse Water Index</b>	30 businesses in the fields of water generation, preservation, infrastructure, treatment and desalination
<b>Credit Suisse Global Alternative Energy Index</b>	30 businesses in the fields of wind energy, solar energy, bioenergy, natural gas, geothermal energy, hydroelectricity, fuel cells and batteries
<b>Credit Suisse Global Nanotechnology Index</b>	25 businesses in the fields of nano materials, nano information technology, nano health, nano energy and nano instruments
<b>Renewable Energy Index Switzerland</b>	Economic indicator for turnover, order backlogs, delivery periods, inventories and employment in the sustainable energies market

include the Foyer office complex in Zug, which aims to achieve our highest certification – greenproperty Gold – and the Swiss Minergie®-Eco and LEED Platinum certifications. Since 2010, all new buildings in our Real Estate Asset Management business' portfolio of investment products and mandates must apply for the green-property seal. The tallest building in Switzerland – Swiss Prime Site's Prime Tower in Zurich – has already received a triple certification with greenproperty Gold, Minergie® and LEED Gold.

### Green Business Initiative

We established the Green Business Initiative in 2009 with the aim of optimizing and expanding our range of green products and services to meet the diverse needs of our clients. This internal forum enables specialists from all our regions and divisions to combine the expertise available within the bank and to cooperate in the promotion and development of new products in clean technology, including alternative energy, water technologies and sustainable agriculture. Our activities have also been recognized by external parties such as Bloomberg Markets magazine, which graded Credit Suisse in the top tier of its inaugural ranking of the world's greenest banks. The publication identified the greenest banks based on their investments in clean energy and efforts to reduce their environmental impact.

### Microfinance: Enabling Economic Development

Credit Suisse recognized the potential of microfinance at an early stage and has been active in this segment for 10 years. Microfinance, the term used to describe the provision of small loans, insurance products and other financial services to economically disadvantaged people in emerging and developing countries, is a proven means of helping people to help themselves. For example, microloans can help individuals to build up a small business and to thus establish a basic livelihood. In this way, it also plays a role in achieving the UN Millennium Development Goals including the eradication of poverty and the provision of universal primary education.

As a leading bank in the microfinance arena, Credit Suisse joined forces with other banks in 2002 to establish responsAbility Social Investments AG, one of the principal social investment companies focused on developing countries and emerging markets. Today, all three of our business divisions offer microfinance-themed products and services. In Private Banking, our current microfinance offering includes several global microfinance funds and a private equity fund of fund that enables investors to participate in small businesses serving economically disadvantaged people in emerging and developing countries.

We have also added a new product focusing on women – the IC Asian Women Microfinance Fund – since

many microfinance institutions have found that women are more conscientious when it comes to using and repaying their loans. The success of microenterprises run by women appears to have a positive impact on their families and on the communities in which they live, as women tend to invest their earnings in better health care and schooling for their children. In our Private Banking division, a team of analysts specializing in microfinance provides in-depth analysis and insights on the sector through monthly publications on topics such as the portfolio diversification potential offered by microfinance investments or the special features of the microfinance segment in Sub-Saharan Africa.

In 2011, Credit Suisse launched and invested in an innovative product, the Local Currency Microfinance Note, in close cooperation with the microfinance institution FINCA International, which is a long-standing partner of our Microfinance Capacity Building Initiative. This innovative product, funded by Credit Suisse and our Private Banking clients, addresses the strong and untapped demand for local currency financing in the microfinance sector in eight developing countries including Kyrgyzstan and Uganda.

*Continued on page 20*

## Charitable Giving by Our Clients

Through the Swiss charitable foundations Accentus, Symphasis and Empiris, which were established over 10 years ago, we offer clients in Switzerland the opportunity to establish sub-foundations to achieve their own charitable aims. Credit Suisse assumes most of the related administration costs. More than 1,000 projects worldwide have been supported by our clients' sub-foundations over the last decade (see image below: Lomadef project). In 2011, we became the first bank to launch a charitable foundation for clients in Asia Pacific. SymAsia provides a suitable infrastructure to allow our Asian clients to make strategic, structured charitable donations.



To read more about projects supported by the client foundations, scan the QR code or refer to the Responsibility Chronicle.  
**[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)**

Together with our clients, we can thus offer microfinance institutions the opportunity to reduce their currency risks while strengthening our own position in emerging markets.

In addition to our current range of microfinance funds that enable microfinance institutions to raise capital, our Asset Management division manages the custody and administration of a number of large microfinance funds. By the end of 2011, the volume of assets invested in these funds managed by Credit Suisse totaled USD 1.1 billion. This sum is divided between more than 500 microfinance institutions in more than 50 countries and benefits over 700,000 microentrepreneurs.

Our Investment Banking division offers a range of advisory services on IPOs and other capital market transactions to the microfinance sector.

The microfinance sector has evolved and experienced strong growth in recent years. This rapid expansion has, however, given rise to challenges in areas such as client protection and institutional governance. Credit Suisse therefore contributes to the responsible development of the industry. The Microfinance Capacity Building Initiative (see Booklet, page V), established in 2008 and funded on a not-for-profit basis, provides human and financial resources to enhance the management and processes in microfinance institutions and to promote industry dialogue and best practices. In addition to our projects involving microfinance institutions, we published a study on the sector based on input from microfinance investors and their advisors in Europe, the US and Asia. The findings revealed that the respondents continue to take a positive view of the microfinance sector and would like to see more products in this area but are also demanding increased transparency on key issues such as overindebtedness and social performance.

To help microfinance institutions address such issues and to supply them with the relevant expertise, Credit Suisse officially launched the Global Citizens Program in 2011 after completing a pilot in 2010 (see Booklet, page VII). Several employees completed three-month placements

with our microfinance partners, assisting them in areas such as the development of financial management systems to improve efficiency and transparency, the development of an auditing and financial management tool and the implementation of credit scoring methodologies.

In an effort to build on a decade of leadership in microfinance and to broaden our focus on the base of the economic pyramid, Credit Suisse collaborated with the Schwab Foundation for Social Entrepreneurship in 2011 in the presentation of the Swiss Social Entrepreneur award. The Credit Suisse Research Institute and the Schwab Foundation also developed a publication entitled "Investing for Impact: How Social Entrepreneurship is Redefining the Meaning of Return", which was presented at the World Economic Forum in Davos, Switzerland, in January 2012.

### **Environmental, Social and Governance Factors**

At Credit Suisse, we recognize that environmental, social and governance (ESG) factors can have a material effect on economic and social value. Our sustainable investment approach allows us to systematically integrate ESG criteria into the investment process in an effort to improve long-term risk-adjusted financial returns. We have continuously refined the tools we use to offer clients professional and forward-looking advice about sustainable investments. This includes the full integration of ESG indicators into our existing Stock Navigator and Bond Finder tools.

Our systems now enable relationship managers to screen client portfolios for a wide range of ESG criteria. This includes conducting best-in-class assessments of managerial capability, excluding specific business activities (e.g. the production of alcohol, tobacco or arms) and identifying sensitive ESG issues. In addition, we strive to systematically apply ESG considerations to all asset classes, including alternative investments. This enables us to identify suitable investment solutions for each client and to offer tailored investments in this area.

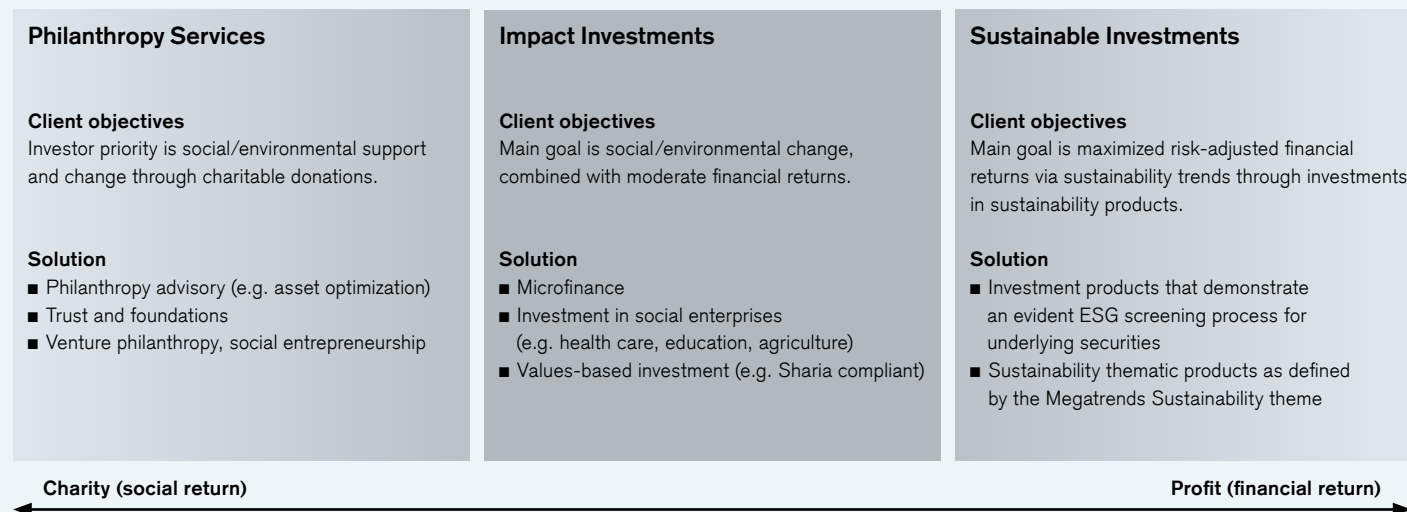
## **Barrier-Free Banking Services**

Credit Suisse is committed to ensuring that our products and services are accessible to everyone. More than 50 of our ATMs in Switzerland have been positioned so that wheelchair users can operate them easily, and we have installed over 400 talking ATMs. The accessibility of our branches and office buildings is also constantly being improved. In addition, we issue bank statements printed in Braille and large type, and

we have implemented a barrier-free design for our website and our online banking service. In 2011, we focused on creating barrier-free documents and commissioned the programming of software that enables PDF documents to be generated that are accessible to visually impaired readers. To assist the employees who maintain Credit Suisse's website, we have also tested a software program that automatically checks whether Web pages are barrier-free.

The program will be made available in 2012 to all employees who require it for their work. In 2011, Credit Suisse once again took steps to increase employee awareness about the issue of accessibility: during the year, more than 700 employees in Switzerland attended disability awareness training courses. To date, a total of 2,900 employees in Switzerland have been trained in how to address the needs of people with disabilities.

## The Responsible Investment and Philanthropy Services Framework



Source: Credit Suisse Research Institute, "Investing for Impact. How social entrepreneurship is redefining the meaning of return", January 2012.

### Research and Publications

Throughout 2011, Private Banking Global Research produced regular publications on sustainability topics, including a special focus on clean mobility and a series on the impacts of the Fukushima nuclear accident. The Global Research team provides thematic coverage and thought leadership on sustainability issues including alternative energy, resource efficiency and clean technology. A team of dedicated thematic analysts and strategists identifies long-term environmental trends and challenges and translates them into actionable green investment ideas.

In 2011, Credit Suisse collaborated with the World Wildlife Fund (WWF) on a study about the role of banks in the transition to a low-carbon economy, including the opportunities and risks associated with climate change and the steps that can be taken to address them. Approaches include mobilizing new capital sources or focusing real estate funds on sustainable properties. Furthermore, at the employee event "Crops, Capital and the Environment" in New York, an expert from WWF US and a representative of Credit Suisse's Investment Banking Equities Research unit explored the topic of sustainable agriculture from both a conservation and a financial perspective, identifying areas of common ground.

[www.credit-suisse.com/responsibility/banking](http://www.credit-suisse.com/responsibility/banking)

### Challenges and Responses 2011

#### Challenge: Increasing need for funding in local currencies in the microfinance sector.

**Response:** We launched the Local Currency Microfinance Note to help microfinance institutions in eight developing countries to reduce their currency risks.

#### Challenge: Growing demand for information on non-financial factors potentially affecting investment decisions.

**Response:** We integrated environmental, social and governance (ESG) indicators into our Stock Navigator and Bond Finder tools.

#### Challenge: Supply capital to fund the development of renewable technologies to meet global energy needs.

**Response:** We actively pursued advisory, lending and underwriting opportunities for renewable energy companies, projects and technologies. For example, we were named top advisor in renewable energy mergers and acquisitions in 2011 by Bloomberg New Energy Finance.

# Responsibility in Society

**Zahra Darvishi**, Head Corporate Citizenship Switzerland, talks to young people at the AMIC children's home in Larga, Moldova, that Credit Suisse supports as part of the "2xChristmas" campaign.



To watch a video report on "2xChristmas", scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Our Role in the Economy and Society

We strive to create value for our clients, shareholders and employees by performing our core functions as a global bank responsibly and efficiently. At the same time, we want to support the economy through our activities and to play a constructive role in the broader social environment.

At Credit Suisse, we are committed to conducting our business in a way that serves the best interests of our clients, shareholders and employees – thus fulfilling our primary responsibility as a global bank. At the same time, we are very conscious of the fact that we are inextricably linked with the economy and society. This high degree of interconnectedness is evident at many levels. For example, in our function as a financial intermediary, we align the financing and investment needs of companies, private individuals, institutions and the public sector. This includes supplying vital capital to businesses to help finance their expansion and foster innovation – ultimately driving economic growth and the creation of jobs. The role we play in the economy is also illustrated by the fact that in our Swiss home market, we are a partner to over one-third of all companies and are especially committed to supporting the export sector. In addition to providing international payment operations, trade finance and other services that are essential to do business in the global marketplace, we helped Swiss exporters to address the impacts of the strong Swiss franc in 2011. Supplying financial expertise and advice to the economy is another aspect of our work.

## Challenges in an Evolving Industry

The global banking industry was confronted with significant challenges in 2011. From an economic perspective, the year was dominated by the escalating debt crisis in Europe, which was accompanied by a general slowdown in the global economy, historically low interest rates and volatile financial markets. The resulting climate of uncertainty undermined investor confidence and significantly reduced levels of client activity – forcing banks to adapt their cost structures in line with declining revenues. At Credit Suisse, we responded to these challenges by announcing steps to further evolve our integrated business strategy – including a significant reduction of risk-weighted assets in our Investment Banking business, the implementation of measures to

enhance profitability in our Private Banking business, and the redeployment of resources to faster-growing and large markets such as Brazil, China and Russia.

Industry reforms were another dominant topic for banks in 2011, as regulators and politicians around the globe pursued their efforts to strengthen the stability of the financial sector with a particular focus on capital, leverage and liquidity requirements. At an international level, regulatory developments centered on the Basel III framework that is designed in part to increase the resilience of systemically important financial institutions. In Switzerland, the “Too Big to Fail” debate was once again a major theme in 2011. Here, Credit Suisse engaged in a constructive dialogue with politicians, regulators and other industry representatives – contributing our financial expertise to the discussions (see also page 52). This process culminated in the adoption of the corresponding legislative proposal by the Swiss Federal Parliament in September 2011. At Credit Suisse, we essentially support the new “Too Big to Fail” bill in view of the particular importance of the major banks for the Swiss economy. We believe that we can meet the new requirements within the prescribed timeframe by building capital through earnings and by issuing contingent capital or other instruments that qualify for the various buffers

*Continued on page 24*

## Credit Suisse as a Client and Contractual Partner

In 2011, Credit Suisse purchased over CHF 7 billion of goods, services and licenses across our four regions. We are committed to conducting our business in an ethical, legal, and socially and environmentally responsible manner. As part of our relationships with major suppliers, we require them to acknowledge their corporate responsibilities in areas such as employee health and safety and environmental protection. We build sustainable relationships with these suppliers to not only ensure that quality and value are delivered but that they continue to manage their corporate responsibilities appropriately. In connection with these efforts, we run various targeted programs, including those that promote collaboration with firms owned by women or individuals from ethnic and other minorities across an increasing number of geographies.

## Listening to Young People

**A**s an integral part of society, we consider it important to listen to the views and needs of the general public and to hear their thoughts on a range of current issues. In Switzerland, one of the ways we gauge public opinion is through our annual Worry Barometer survey. Recognizing the important role that young people will play in our future social, cultural and economic development, we are especially interested in hearing their views. In 2010, we launched an online Youth Barometer survey to assess the attitudes and concerns of people aged between 16 and 25 in Switzerland, the US and Brazil. The findings will enable us to address the needs of our younger clients and junior employees in a more targeted manner. The 2011 survey once again showed that unemployment remains one of the primary concerns among today's youth – particularly in view of the shortage of training places and jobs following the financial and economic crisis. At Credit Suisse, we want to help tackle youth unemployment and have taken steps in Switzerland to assist job seekers who wish to find an apprenticeship and enter the labor market. Working with partner organizations, Credit Suisse has made CHF 30 million available over five years to fund this initiative. In 2011, a total of 1,811 individuals received support from the various programs.



To read the findings of the Youth Barometer, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

and progressive capital components. At the same time, we believe that adequate consideration of regulatory developments in other countries is also necessary to preserve the international competitiveness of the Swiss financial center. In this context, the strict financial reforms proposed in the UK in summer 2011 are evidence that a more level playing field is gradually emerging. In 2012, Credit Suisse will continue to implement the previously announced measures to proactively adjust our business model to the new industry landscape. At the same time, we want to play a constructive role in the ongoing regulatory debate, which is of immense importance for the future shape of our business and the strength of the financial and economic system worldwide. A further priority for our company is to help to resolve challenges such as the cross-border legacy issues facing the Swiss banking sector (see page 9).

## Our Role in Switzerland

Our activities in our Swiss home market demonstrate the importance of Credit Suisse from both an economic and social perspective. In 2011, we continued to perform a range of systemically important functions such as managing client deposits, operating our credit business and executing payment transactions. As a lender, we currently have around CHF 170 billion of loans outstanding, comprising mortgages and loans to corporate, public and private clients. Of this sum, CHF 32 billion comprises loans to small and medium-sized enterprises. We manage CHF 590 billion of assets deposited by private and institutional clients in Switzerland.

With 21,200 employees based in Switzerland, we are also one of the country's largest employers. We play a key economic and social function by providing attractive career opportunities across the full spectrum of banking, paying appropriate compensation and offering development prospects for talented individuals. In 2011, we further increased the number of apprenticeships we offer young people by 50 to 650 and provided a total of 1,400 training positions in Switzerland.

### Credit Suisse as a Taxpayer

We are also committed to assuming our responsibilities as a taxpayer. As a profitable firm, Credit Suisse has paid an average of CHF 1.0 billion in corporate income tax worldwide over the last five years. In addition, it is subject to other taxes that are not related to income and that exceeded CHF 400 million in 2011 alone. On behalf of employees, Credit Suisse pays payroll withholding taxes and social security contributions, as well as other statutory levies. In 2011, these additional taxes and contributions amounted to over CHF 3 billion globally.

[www.credit-suisse.com/responsibility/society](http://www.credit-suisse.com/responsibility/society)

### Challenges and Responses 2011

**Challenge: Find solutions to reduce the negative impacts of the strong Swiss franc on the Swiss economy.**

**Response:** We helped export-based corporate clients in Switzerland to implement measures to mitigate the impacts of the strong Swiss franc on their business. Credit Suisse representatives also participated in high-level discussions with government bodies and offered their expertise on various monetary policy options.

**Challenge: Support the economy by helping businesses that have difficulties obtaining funding to grow and create jobs.**

**Response:** We supply essential capital to businesses to help finance their expansion and to drive innovation. In 2011, our subsidiary SVC Ltd. for Risk Capital for SMEs continued to supply capital to young Swiss firms with sustainable business models to help them expand.

### Working with Swiss Business to Drive Growth

In the current economic climate, we believe that one of the most important roles a bank can play is to supply the capital needed to finance economic growth and thus secure jobs. Credit Suisse recognizes that SMEs form the backbone of the Swiss economy and is committed to helping them access the funding they need for their expansion and for succession planning. In this way, it can support the growth of their business and help to secure jobs and create new employment. In May 2010, we established the fully owned subsidiary SVC Ltd. for Risk Capital for SMEs and supplied it with CHF 100 million of capital to help new or established companies in all sectors with a proven client offering to achieve growth. In 2011, around CHF 24 million of capital was committed to 15 innovative Swiss firms with sustainable business models – bringing the total capital commitment to around CHF 35 million at the end of December 2011. These companies are active in a range of industries – including cleantech, information and communication technologies (ICT) and consumer goods. One example is the firm agrofrucht-Inn AG (pictured below), which has developed a new process to produce dried fruit.



To read more on SVC Ltd. for Risk Capital for SMEs, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Our Social Commitments

Credit Suisse and its employees have been working with selected partner organizations around the world for many years to help address social challenges. We support a variety of humanitarian and charitable projects to improve the lives of disadvantaged people.

At Credit Suisse, we believe that a sound social environment creates economic stability, which is key to the long-term success of our business. This is why we work with selected non-governmental organizations (NGOs) to address social issues at an international level. We help to tackle challenges such as youth unemployment and we support efforts to realize the UN Millennium Development Goals – including the eradication of poverty and the provision of universal primary education – through diverse projects and initiatives. Our company operates in both industrialized and emerging market economies, and we are committed to engaging in activities that go beyond our core business to support the economic and social development of these regions and to act as a reliable local partner to help improve the living conditions of disadvantaged people.

We focus on building long-term relationships with our partner organizations so that we can work together to develop and extend programs that bring about lasting change. We regard microfinance and education as effective tools to promote economic growth and development and have continued to focus our social commitments on global initiatives in these areas.

Through our Microfinance Capacity Building Initiative, Credit Suisse provides financial and human resources to improve management training and development and to drive product and process innovation in microfinance institutions to give people at the base of the income pyramid better access to banking services. We supported 1.8 million microentrepreneurs and their families worldwide in 2011. In recognition of these efforts, Credit Suisse received the Opportunity International Award.

Through our Global Education Initiative, Credit Suisse assists international organizations in giving thousands of children and young people access to education and in improving the quality of educational opportunities in developing countries in particular. This global initiative focuses on providing scholarships, learning materials and specialized teacher training and on ensuring the sustainable development of educational infrastructures. We also run wide-ranging regional educational projects with the aim of giving children and young people in both industrialized nations

and the emerging markets a direct insight into the world of business and finance.

The financial support we offer to charitable projects and initiatives worldwide is complemented by the volunteer work performed by our people. In 2011, we took steps to increase employee volunteering – including skills-based assignments – to benefit a variety of worthwhile causes.

## Thinking Globally – Acting Locally

Our aim is to implement our global strategy as effectively as possible in all the regions where we operate, ensuring that our resources are deployed efficiently and that the projects we support generate long-term benefits. We have therefore entered into strategic partnerships with leading international and national non-profit organizations that have an extensive knowledge of specific local requirements and of the political situation and cultural conventions in different countries.

The foundations and committees in our four regions work with over 300 partner organizations globally and are responsible for coordinating grants, donations and the volunteer efforts of our employees. For example, the Americas Foundation in New York and the Credit Suisse EMEA Foundation in London plan and implement charitable projects in their respective regions, while the regional management team directs projects in Asia Pacific. Our Corporate Volunteering team and the Credit Suisse Foundation Jubilee Fund coordinate and implement partnerships and volunteering initiatives in Switzerland. In addition, the Credit Suisse Foundation allocates funds to projects that address our focus themes of education and microfinance and manages the Disaster Relief Fund (see page 27).

## Personal Support for Worthwhile Causes

Companies essentially have the same choices available to them as private individuals if they wish to address social issues: they can make financial contributions or invest time in charitable projects. As an employer, Credit Suisse also aims to assume its social responsibilities by encouraging its people to enhance the value of its financial contributions through their own personal support for worthwhile causes. We therefore give all employees the opportunity to dedicate an entire working day on full pay to assist with charitable

projects. As part of the Global Citizens Program, suitably qualified employees are offered the opportunity to spend several weeks working on projects run by our global initiative partner organizations in emerging and developing markets (see below). Credit Suisse is convinced that employee volunteering creates mutual benefits. By participating in the charitable projects run by our partner organizations, we can gain a better insight into the needs of the people in the communities in which we live and work and build mutual trust. At the same time, these activities further enhance the interpersonal skills of our people and promote team spirit – ultimately strengthening our corporate culture.

We consult with employees when selecting the organizations that we support. We also encourage them to take up positions on the Management Boards and Boards of Trustees of our partner organizations.

We closely monitor the development of our various global and regional partnerships and programs. To ensure that our social commitments are having a lasting impact, we systematically record all volunteering activities in a global database and regularly collect feedback from our partner organizations and employees.

### Expanding Our Activities

We are constantly adding to the list of countries where we participate in social initiatives and increasing the number of projects we support worldwide. An important milestone in 2011 was the expansion of our Global Citizens Program volunteering initiative, which was launched in 2010 and focuses on promoting the transfer of knowledge and expertise between our employees and our partner organizations in the areas of education and microfinance. This program enables employees to make targeted use of their skills to support the further development of our partners' initiatives by helping to optimize processes or enhance efficiency. The Global Citizens Program has now been extended to a total of 17 countries, including India, China, Brazil and Mexico. At the same time, the number of participants has increased from 18 in 2010 to 31 in 2011. We also launched a successful pilot virtual volunteering program in 2011. Virtual volunteering allows a larger number of suitably qualified employees to use their expertise to support our microfinance partner organizations without having to take extended leave from work.

In 2011, we renewed our commitment to two existing global volunteering partnerships: Habitat for Humanity International, which seeks to combat homelessness and improve precarious living situations, and Junior Achievement Worldwide, which focuses on promoting business skills among children and young people.

We also made significant progress in our different regions. In Switzerland, we increased our existing partnerships from 11 to 15, bringing the total number of volunteer-

ing organizations we work with to 80. The number of hours dedicated to volunteer work by our employees rose by around 20% in Switzerland in 2011. Our long-standing collaboration with the Swiss Red Cross was also expanded in 2011. Volunteering activities included our employees' support for a blood donation campaign as well as the integration project "Mitten unter uns" (In Our Midst) for immigrant children. Volunteers meet with the children on a regular basis, offering them an opportunity to improve their German-language skills. Moreover, these encounters encourage the formation of a new social network and help to overcome

*Continued on page 28*

## Disaster Relief Fund

The earthquake and tsunami that triggered the accident at the Fukushima nuclear reactor in March 2011 presented huge challenges for international disaster relief organizations. The Credit Suisse Foundation's Disaster Relief Fund is continuing to provide support to affected regions through the national and international Red Cross and Red Crescent organizations. Some of the financial aid was donated to specific projects in Japan to benefit children who were particularly impacted by the disaster. By combining donations from employees, the matching gift from the Credit Suisse Foundation and the immediate corporate contribution, Credit Suisse was able to donate a total of USD 5.5 million. We also donated over USD 200,000 to various aid organizations that played a major role in the clean-up operations. Over 30 employees volunteered to assist with this process. Credit Suisse also responded immediately to the energy reduction targets issued by the Japanese government and reduced energy usage at our Tokyo offices by 15% in 2011 to contribute to the national effort to cut energy consumption in the wake of the catastrophe. In addition to the aid efforts in Japan, contributions from the Disaster Relief Fund were used to assist people affected by the drought in the Horn of Africa in 2011.



To read the article on disaster relief efforts in Japan, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

stereotypes. Various educational schemes in 2011 also enabled employees to share their expertise and experience with young people (see page 31). We received the Swiss Employee Volunteering Award in 2011 in recognition of our volunteering activities in Switzerland from the Philias Foundation.

In our Europe, Middle East and Africa (EMEA) region, an external evaluation covering the period from 2008–2011 underlined the achievements of the Credit Suisse EMEA Foundation. We have provided support for 39,000 young people since 2008 through various education and training programs focusing on the development of business skills. The total volunteering hours performed by our employees rose by 16% in the EMEA region in 2011.

We also intensified our charitable activities in emerging markets such as Russia, South Africa and the Middle East and established our first Philanthropy Committee in Poland. In South Africa, 46% of our local employees invested their time and expertise in volunteering, including six employees who provided one-to-one support for young people through the Clouddog program, which consists of a variety of community and environmental initiatives. Our cooperation with the international organization Habitat for Humanity saw 133 employees from our EMEA region undertake assignments in Armenia, South Africa and Poland. Employees participated in construction projects aimed at helping disadvantaged people (see Booklet, page VI).

Programs in the Americas focused on the themes of employee engagement and education in 2011. The Americas Foundation's Education Program, launched in 2010, makes targeted investments in teacher training and

development through partnerships with selected organizations. In connection with further projects, it supports schools that provide children from socially disadvantaged families and economically deprived communities with alternative development opportunities and chances to succeed (see page 29). At the East Harlem School in New York, which was supported by Credit Suisse, 98% of the students went on to graduate with a high school diploma.

In the Americas region, our people continued to complete a large number of volunteering hours and assignments in 2011. Our activities in the area of employee engagement were not restricted to New York City, with employees volunteering in the Bahamas and Cayman Islands for the first time. In the Bahamas, employees renovated a school in a 12-day initiative completed in stages over a period of five weeks and equipped it with computers. The City Year New York partnership, which has successfully supported City Year Corp members serving in local schools and employees executing various volunteer initiatives over the past five years, spread to the EMEA region with the launch of activities in London.

In Asia Pacific, efforts centered on the provision of funding for larger-scale partner projects. The aim is to help drive lasting social change in the Bharatpur district of Rajasthan in India with the support of Plan India and the local charitable organization Gram Niyojan Kendra. The region faces severe social challenges and has high levels of crime, which impact women and children in particular. We not only provide educational programs for school-age children but also support training courses that show adults ways to generate an income and escape

## EMEA Education Project: Promoting Young Entrepreneurs

**Y**outh Business Russia (YBR), a Youth Business International (YBI) project, is a global network that supports young entrepreneurs. The project was extended to the Novosibirsk region of Russia thanks to the support of the Credit Suisse EMEA Foundation. Its objective is to make low-interest loans available to young entrepreneurs for start-up companies, while also providing them with training, mentoring and business support programs. The project aims to help young people to establish a livelihood and to manage their start-up companies professionally and efficiently. This, in turn, creates employment opportunities and helps to revitalize local economies.



To read the article on Youth Business Russia, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

## Swiss Education Project: Promoting Young Talent in IT

**T**here will be a shortage of 32,000 IT specialists in Switzerland by 2017 unless targeted measures are taken to encourage young people to pursue a career in IT. As one of Switzerland's largest IT employers, Credit Suisse is actively committed to supporting training programs for young talent to produce the IT specialists required. As part of this commitment, we are supporting the "IT Professional Training Switzerland" foundation with up to CHF 10 million over the medium term. The foundation's goals are to ensure the training of sufficient numbers of young people in IT, to share IT expertise and to strengthen Switzerland's position as a center of IT education. To intensify our efforts to counter this shortage of specialists, some Credit Suisse IT employees also launched the Lego Mindstorms project at a Swiss high school in June 2011. They volunteered to provide workshops for students on Lego Mindstorms programmable robots, complementing the teaching of IT in an exciting and hands-on way. The volunteers' visits and dynamic approach to technology gave the students a valuable insight into IT that is intended to inspire them to subsequently pursue a career in this field.



To read the article on the Lego Mindstorms pilot project, scan the QR code or refer to the Responsibility Chronicle.  
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from poverty. We also grant microfinance loans to help lay the foundations for economic independence, thus improving general living conditions. Our priority is to safeguard the basic rights of children in Bharatpur by investing in primary education. This has a positive long-term impact on their communities, both socially and economically. As well as providing grants to support charitable projects, Asia Pacific achieved a 57% increase in employee volunteering hours.

### Growing Level of Volunteering

Credit Suisse recorded a 15% increase in employee volunteering globally in 2011 compared to 2010, resulting in a volunteering rate of 32% and a total of 189,000 volunteering hours. Reflecting the importance we assign to employee volunteering, we have included this aspect in our annual performance evaluations since 2010. Volunteering has also been an integral part of the professional training of Credit Suisse's young talents in Switzerland since 2008. Our aim in 2012 is to encourage even more of our workforce to act as volunteers in all business regions and to further improve cooperation with our partner organizations.

[www.credit-suisse.com/responsibility/society](http://www.credit-suisse.com/responsibility/society)

## Americas Education Project: Master's Degree for Teachers

As part of the Americas Education Program, Credit Suisse provided support in 2010 and 2011 for the Relay Graduate School of Education in New York, which runs a practical Master's course for teachers who have already started their careers. The support from Credit Suisse has helped the Relay Graduate School to develop best-in-class courses that focus on practical applications. The largely Web-based courses give teachers the opportunity to build on their existing knowledge on a flexible and individual basis and to immediately apply the insights they acquire in the classroom. Initial results show that 91% of all teachers trained by the Relay Graduate School successfully convey mandatory subject matter to their students. This represents a high standard for communities where students are often two or three years behind their peers and where, in the past, less than 50% graduated from high school.



To read the article on the Relay Graduate School of Education, scan the QR code or refer to the Responsibility Chronicle  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

## Challenges and Responses 2011

**Challenge: The challenging economic climate has increased the pressure on partnership funding.**

**Response:** We intensified our focus on key long-term partnerships that center on our three focus themes Employee Engagement, Education and Microfinance and bring about lasting change in our regions.

**Challenge: Support the development of a sound social environment to help promote economic stability in the emerging markets in which we operate.**

**Response:** We continued to grow our social commitments in these regions with new microfinance projects in China and Brazil, ongoing education projects in Brazil, Mexico, India and China, and increased regional employee engagement in Asia Pacific.

**Challenge: Motivate employees to volunteer for long-term assignments despite difficult market conditions and business pressures.**

**Response:** We successfully launched a pilot virtual volunteering program in 2011 to allow a greater number of employees to use their expertise to support our microfinance partner organizations without having to take extended leave from work.

## Asia Pacific Education Project: Schools for Disadvantaged Children

In 2011, Credit Suisse supported the external education program of the Children's Fund in Cambodia, enabling 120 disadvantaged children to attend school regularly. The Children's Fund also offers various supplementary programs to allow older children who have missed out on part or all of their schooling to receive targeted support and complete their education on time. Three satellite schools for over 300 children are being built in connection with this program. By completing their education, these children can later go on to learn a profession, establish a stable income and gain financial independence, thus securing a better future for them and their families.



To read the article on the Children's Fund in Cambodia, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

Participation of Our Employees in Projects Supported by Credit Suisse Worldwide

Americas	Europe, Middle East and Africa	Switzerland	Asia Pacific
 5,524	 3,312	 6,050	 2,529
 58,418	 35,286	 67,911	 27,278



Relay Graduate School, New York



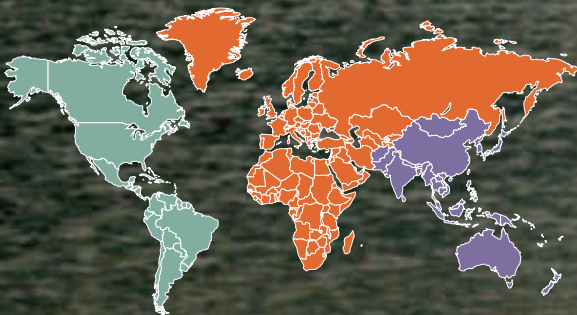
Habitat for Humanity, Armenia



Workshop Lego Mindstorms, Zurich





Earthquake and tsunami, Japan





Worldwide	 17,415
	 189,000

Volunteering metrics related to global partnerships (included in regional figures above)

 Volunteers  
 Time dedicated to voluntary work (in hours)

Habitat for Humanity International

 1,122
 13,985

Junior Achievement Worldwide

261
4,318

## Selected Projects in 2011

### Project Sunshine, US, since 2009

**Aim:** Assist in educational, recreational and social programs for children facing medical challenges.

**Result:** One employee initially volunteered to spend a week working at a holiday camp for children suffering from cancer. Her commitment inspired others to follow her example and the level of employee engagement has steadily increased.

### FIRST, New York, US, since 2006

**Aim:** Give employees the opportunity to volunteer using their technology skills to inspire an interest in science and technology among students.

**Result:** 114 volunteers, primarily from our IT department, took part in the program in New York, Princeton, New Jersey and Raleigh.

### City Harvest, New York, US, since 2002

**Aim:** Help City Harvest to collect excess food and deliver it to soup kitchens, senior centers and homeless shelters to feed the hungry.

**Result:** 246 employees volunteered over 1,000 hours to help City Harvest sort and deliver nearly 29 million pounds of food to 600 food programs.

### The Nonprofit Board Training Program, US and Canada, since 2010

**Aim:** Give senior executives the opportunity to use their expertise to help others and teach more junior employees about being an effective Board member to add value to non-profit organizations.

**Result:** Program expanded to Raleigh, Boston, Los Angeles and Toronto. Over 300 employees were trained in 2011; 15% of all employees trained are now serving on a Board of a non-profit organization.

### Rebuilding a school in the Bahamas, since 2011

**Aim:** Improve facilities in a local school to provide children with a better learning environment.

**Result:** Over a period of five weeks, 20 volunteers spent evenings and weekends rebuilding and refurbishing three classrooms, as well as purchasing new computer equipment for the school.

### ProEducation, Mexico City, Mexico, since 2008

**Aim:** Provide enhanced learning opportunities for marginalized children by training teachers and parents and creating a true educational community.

**Result:** By expanding the Americas Education Program to Mexico, we helped ProEducation to work with 41 schools, benefiting 13,596 students.

### The Children's Trust, UK, 2011 Charity of the Year

**Aim:** Raise awareness of the work of The Children's Trust and engage in fundraising activities.

**Result:** Employees raised GBP 873,659 through a variety of activities.

### Futureversity, UK, since 2003

**Aim:** Improve future prospects and employment opportunities for young people using unconventional learning methods and innovative partnerships.

**Result:** Support provided for the re-branding and national rollout of Futureversity, enabling young people to take part in courses, including the Credit Suisse Ideal Applicant Course.

### Scope, UK, since 2010

**Aim:** Support a pilot employability program for young people with disabilities in Tower Hamlets.

**Result:** The first year of the program was successful, attracting 71 Credit Suisse volunteers in 2011.

### Mosaic, Middle East & North Africa, since 2010

**Aim:** Work with young people to develop leadership skills by supporting Mosaic's Leadership Summit.

**Result:** 16 young leaders from UAE, Qatar, Saudi Arabia and Oman attended the summit in Qatar in November 2011.

### Portofranco, Italy, since 2010

**Aim:** Provide assistance to young people aged between 13 and 18 to help them remain in the education system and to realize their potential.

**Result:** 20 young people received intensive tutoring.

### Fundacion Prodis, Spain, since 2010

**Aim:** Help to improve the integration of children and young adults with learning difficulties at home, at school, in the community or in the workplace.

**Result:** 45 young people took part in the Promotor employability program.

### Swiss Red Cross, Switzerland, since 2008

**Aim:** Support health and integration programs run by the Swiss Red Cross.

**Result:** 1,924 employees worked as volunteers for a total of 13,254 hours, supporting programs such as a driver pool to provide transport services, "2 x Christmas", "Mitten unter uns" (In Our Midst) and the "Redog" rescue dogs organization.

### UNICEF (Swiss Committee), since 2009

**Aim:** Encourage children to contribute to UNICEF by realizing their own fundraising projects.

**Result:** In 2011, around 7,000 children from all over Switzerland raised more than CHF 430,000 for a UNICEF project in Africa.

### Bergwaldprojekt (Mountain Forest Project), Switzerland, since 2008

**Aim:** Gain an insight into mountain forests and help to maintain their various protective functions.

**Result:** Around 900 employees spent a day volunteering in the Swiss Alps. This equates to a total of 16,054 hours of volunteer work.

### Ernst Schmidheiny Stiftung (ESST), Switzerland, since 2010

**Aim:** Promote an interest in business and economics, particularly among young people.

**Result:** Since the establishment of the partnership, eight employees have volunteered a total of 360 hours as teachers in various schools.

### Young Enterprise Switzerland, since 2008

**Aim:** To help young people develop business acumen, an entrepreneurial approach and effective interpersonal skills.

**Result:** 71 employees worked with a total of 1,330 students in 71 different classes in 2011, investing 2,640 hours of their time.

### Swiss Youth Music Competition, since 2004

**Aim:** Support young musicians at grass-roots level by identifying talented individuals aged 8 to 20.

**Result:** Around 1,200 children and young people across Switzerland took part in the 2011 contest.

### Children's Cancer Foundation Fundraising Campaign, Singapore, since 2008

**Aim:** Raise funds for initiatives and services to help children suffering from cancer and their families.

**Result:** 31 employees shaved their heads and 160 employees took part in the Hair for Hope fundraising campaign in Singapore, raising over USD 100,000.

### Sampoerna Foundation Integrated Literacy Program, Indonesia, since 2004

**Aim:** Encourage reading and improve the literacy standards of children affected by a volcanic eruption.

**Result:** Six mobile libraries with over 300 books were made available for 500 children living in temporary housing in Merapi, Indonesia.

### The Playgroup Children's Foundation, Australia, since 2011

**Aim:** Replace equipment in children's playgroups in regions affected by flooding and hurricanes.

**Result:** Over 200 children benefited from the project thanks to the provision of teaching materials and equipment in 17 playgroups.

### YMCA Singapore Reading Program, since 2009

**Aim:** Help to develop the literacy and numeracy skills of pupils with special needs.

**Result:** 73 pupils who require special support were provided with structured learning content to improve their proficiency in reading and arithmetic.

### Little Sister Pre-school with Half the Sky Foundation, China, since 2008

**Aim:** To enrich the lives and enhance the prospects of orphaned children living in China's social welfare institutions.

**Result:** A grant of CHF 134,000 enabled 53 teachers and carers to be trained to help enhance the emotional and physical development of 158 children with special needs.

### Cathy Freeman Foundation, Australia, since 2011

**Aim:** To close the education gap between indigenous and non-indigenous children and provide pathways to success.

**Result:** A CHF 100,000 grant to the foundation benefited 600 indigenous children on Palm Island. The Horizons Program motivates, supports and rewards students who display a positive attitude and achieve good academic progress.

# Sponsorship

Credit Suisse wants to contribute to society through various national and international sponsorship projects. In addition to our partnership with Roger Federer and his foundation, we focus our sponsorship activities on classical music, jazz and the fine arts, as well as golf, equestrian sports and football. We assign particular importance to the promotion of young talent and the international exchange of cultural experiences.

Sponsorship is an important marketing tool used by Credit Suisse. It also enables us to offer our clients and a broader public the opportunity to enjoy exceptional cultural, musical or sporting events. When selecting our international sponsorship commitments, we focus on cultural and sporting institutions that share the same core values as Credit Suisse by striving to achieve outstanding performance and long-term success. This approach allows us to benefit from the excellent reputation of the organizations we support while, at the same time, making a contribution so that our partners can continue to focus fully on their cultural and sporting activities, even in challenging economic times.

## Supporting the Development of Young Talent

We assign particular importance to nurturing young talent and we therefore engage in various programs around the world that help to develop the skills and abilities of young artists or junior sportsmen and women. Examples include the Credit Suisse Today Art Award, which is presented in collaboration with the Today Art Museum in Beijing, and

the Credit Suisse Young Artist Award, which we present in conjunction with the Lucerne Festival and the Vienna Philharmonic. We have also launched two new cultural awards in Switzerland to promote activities in the fields of jazz and video art.

As the main sponsor of the Swiss Football Association, we support all junior national football teams. In 2011, the Swiss U21 team reached the finals of the European Championship in Denmark and thus qualified for the 2012 Olympic Games in London.

Our sponsorship commitments in the field of culture focus on classical music and the fine arts. The promotion of international cultural exchanges is one of the principal goals of our sponsorship philosophy. One of the ways we achieve this is by supporting global tours by our partner orchestras – primarily the New York Philharmonic Orchestra, of which Credit Suisse is the exclusive global sponsor, as well as the Sydney Symphony Orchestra. In addition, we support renowned classical music festivals such as the Lucerne Festival. As its resident sponsor, we fund the Vienna Philharmonic's annual residency at the Festival, which is one of the highlights of the event. In 2011, we renewed our partnership with the internationally acclaimed Bolshoi Theatre in Moscow, which reopened its doors after seven years of extensive renovations.

In London, Credit Suisse partners with the National Gallery, which attracted record numbers of visitors to its recent Leonardo da Vinci exhibition. By supporting leading museums in Switzerland and abroad, Credit Suisse underscores its commitment to the fine arts. One of our main partners is the Kunstmuseum Zurich, which unveiled the world premiere of the Nahmad Collection in 2011. We also work with the Singapore Art Museum and supported its Biennale 2011 exhibition.

[www.credit-suisse.com/sponsorship](http://www.credit-suisse.com/sponsorship)

## Supporting Music and the Arts in Asia Pacific

Our interest in Asia Pacific is not restricted to business: we are also committed to supporting classical music and the arts in the region. Credit Suisse has been the first long-term corporate sponsor of the Singapore Art Museum in its history and has supported the exhibitions held as part of the collaborative Credit Suisse Innovation in Art Series. Other sponsorship commitments in the region include our work with the Taipei Fine Arts Museum, the Shanghai Museum and the Today Art Museum in Beijing. In the field of classical music, Credit Suisse supports the Hong Kong Arts Festival and the Beijing Music Festival, which are two of the region's most prominent cultural events. Additionally, Credit Suisse is continuing to partner with the Bangkok Symphony Orchestra and the Sydney Symphony Orchestra in Australia, including its highly regarded Associate Conductor and Fellowship educational programs.

## Working with the Roger Federer Foundation to Promote Education

In 2011, Credit Suisse continued its long-term partnership agreement with Roger Federer. As part of this collaboration, Credit Suisse provides support for the Roger Federer Foundation, which promotes education projects for children mainly in southern Africa. Thanks to this partnership with Credit Suisse, a 10-year initiative providing support in early childhood was launched in 2011. Over 50,000 children between the ages of four and six will receive help in preparing for their transition to primary school education. The Foundation's local partner is the NGO ActionAid Malawi. Credit Suisse provides regular updates on this new initiative in Malawi through the documentary series "Growing up in Malawi".



To watch video reports on projects conducted by the Roger Federer Foundation, scan the QR code or refer to the Responsibility Chronicle. [www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)



A childhood center supported by the Roger Federer Foundation in Malawi.



Janine Händel (right), Managing Director of the Roger Federer Foundation, with the Honorable Theresa Gloria Mwale, Minister of Child and Community Development, at the launch of a project in Malawi.



Villagers making adobe bricks to build a new childhood center in Ng'andu, Malawi.

## Credit Suisse Foundation

The Jubilee Fund of the Credit Suisse Foundation (see page 26) also assigns considerable importance to the promotion of culture. Since 2000, it has been fostering musical talent through the Credit Suisse Young Artist Award and the Prix Credit Suisse Jeunes Solistes, which are presented in alternate years. The awards include generous prize money and the opportunity for the winners to perform at the internationally acclaimed Lucerne Festival. The Jubilee Fund also lends its support to the Musikkollegium Winterthur and the Swiss Youth Music Competition Foundation.



To watch a video report on the cellist Mi Zhou, scan the QR code or refer to the Responsibility Chronicle. [www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)



Chinese cellist Mi Zhou, winner of the Prix Credit Suisse Jeunes Solistes 2011.



In December 2011, Norwegian violinist Vilde Frang was named the winner of the Credit Suisse Young Artist Award 2012.

Credit Suisse is convinced that microfinance can play a role in achieving the UN Millennium Development Goals such as the eradication of poverty and hunger. We have therefore been active in this area for almost 10 years. Microloans are a proven means of helping people at the base of the income pyramid to help themselves, e.g. by enabling them to build up a small business and to thus establish a basic livelihood. Picture: The owner of one such small business at Lake Malawi sells kapenta. These small sun-dried fish are one of the staple foods in Malawi, Southeast Africa.



# Focus Themes 2011

## Focus Themes – Social Commitments

At Credit Suisse, we believe that a sound social and economic environment is essential to the long-term success of our business. Together with our employees – and working in close cooperation with selected partner organizations – we have therefore been committed to helping strengthen society by addressing social issues for many years. In addition to providing direct financial support, we encourage our people to engage in volunteering activities and to share their skills and expertise with our partners. We regard micro-finance and education as particularly effective tools to promote economic growth and social development and therefore continued to focus our global initiatives on these areas in 2011. We also support various regional projects and initiatives. Together with our employees and partner organizations, we strive to improve the living standards of disadvantaged people worldwide.

# It All Begins with A, B, C

**The organization Room to Read is dedicated to supplying books to children in the most remote corners of the world and to creating spaces in which they can learn to read. In Zambia, where the organization also supports national education programs, progress has been achieved astonishingly quickly as a result of joint initiatives.**

"Our organization's original mission was to build child-friendly libraries in countries such as this," explains Samantha Chuula, Room to Read's Country Director in Zambia. "But then we realized that many children simply couldn't read at all. Room to Read therefore developed a variety of programs to address this problem. This was a huge challenge in Zambia because many children live in remote areas that may be several days' walk from the nearest town. School buses are scarce and only better-off families can afford a bicycle. Although primary education is compulsory in Zambia, there is often a shortage of funding to build classrooms or provide teaching materials. In many cases, up to seven children have to share a single schoolbook. This makes it impossible to assign homework, as only one child can take the book home with them. "Despite all our efforts, we are unable to meet the needs of the population in more rural areas. This is why the projects and initiatives run by Room to Read are really important to us," says Bradford Machila, a member of parliament representing the Kafue district.

## Literacy – a Key Pillar of Education

The various programs supported by Room to Read include the construction of libraries, which are then equipped with books, and the provision of teacher training. In Zambia, Room to Read also works closely with the government to achieve long-term improvements in teaching practices. Mumba Nkoloma, education officer for the Kafue district, recalls: "In the past, children learned entire words and sentences by heart. This meant that they never learned to spell properly and, as a result, could not read or write well." Together with the government, Room to Read developed a new curriculum and a new textbook for primary school children. The students in the first grade at the Kacheta Basic School in the Kafue district were among the first to try them. For Mary Situmbeko, who manages the new school library built by Room to Read, the progress was soon visible. She explains: "The first-graders can now read better than older students in the school because they can also learn at home."

## Room for Development

"In most developing countries, the school buildings aren't particularly child-friendly," comments Samantha Chuula. However, things are very different today at the Kacheta Basic School: Once lessons are over, many of the children choose to stay for a while because the school now has a room with a wide variety of books where they can sit and read. In fact, there is so much interest in reading that the children even come to school on weekends, often accompanied by their parents. Levy Chilekwa is in the ninth grade and helps out as a library assistant: "I come here every day and open up the library for the children and their parents – on Saturdays, too."

## A School for All Ages

If these programs are to be sustainable, it is essential for them to have the backing of the children, their parents and, above all, the community. "Room to Read supports schools for a period of three years, so we need to ensure that the community will keep up the good work afterwards," explains Samantha Chuula. Time after time, she is impressed by the determination and support shown by the local community. One of the most remarkable stories she has experienced in her time in Zambia has had an impact on the organization itself: One of the students always went home and told his grandmother what he'd learned at school that day. She started to study with him and enjoyed it so much that, without hesitation, she decided to join in the lessons herself. During the breaks, she helped to keep an eye on the children and gave the teachers a hand. During lessons, she sat in class like any other student. Word soon spread and suddenly large numbers of adults wanted to join in and learn too. "There are now evening classes for parents," says Samantha Chuula. "The reading program has been a resounding success, and we are delighted that Credit Suisse is helping us to roll it out in more schools in Zambia."

Room to Read is convinced that change begins with education.



To watch a video report on Room to Read in Zambia, scan the QR code or refer to the Responsibility Chronicle [www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)



Mildred Malambo Himoomba, a teacher at the Kacheta Basic School (above). Febby Munkondya Mainza, whose son is making good progress with his reading at the Kacheta Basic School (left).

## Credit Suisse Is Committed to Education

The Credit Suisse Global Education Initiative supports selected international non-profit organizations with the aim of improving access to education and the quality of educational opportunities for thousands of children and young people. The programs supported by the initiative focus on interventions that are proven to have a direct impact on quality and access, such as financial support for students, teacher training, specialist facilities and learn-

ing resources. Credit Suisse is committed to long-term partnerships to enable sustainability of outcomes. To pursue this goal more effectively, our partners engage with the local community and educational authorities at local, national and regional levels to raise awareness of the issues in education. In 2011, we continued working with our long-term partners Camfed, CARE, Plan International, Room to Read, Teach for All and

Worldfund. In addition, we continued to support Catholic Relief Services, Children in Crisis, Leonard Cheshire Disability and Pestalozzi World through 2011.

You can find out more about this topic in the Corporate Responsibility Report (pages 26–31) and at:

[www.credit-suisse.com/responsibility/focusthemes](http://www.credit-suisse.com/responsibility/focusthemes)

### Selected Figures for the School Year 2011–2012<sup>1</sup>



**43**  
countries in which the Global Education Initiative is active



**71,865**  
students will benefit from improved access to education and/or improved quality of education



**12,736**  
teachers will be trained



**367**  
schools will benefit from our support

<sup>1</sup> Denotes actual figures for October–December 2011 as well as estimated figures for 2012.

# Microfinance: Building a Better Future

**Credit Suisse's microfinance partner FINCA International has been active in Malawi since 1994. Today, around 22,000 people in this country in Southeast Africa use banking services and insurance products supplied by the microfinance institution. Regular training sessions help its employees to adapt in this constantly evolving field.**

Tiyamike is a small village in the south of Malawi, where houses line a dusty road that runs in the direction of Mozambique. The small marketplace contains an old corn mill – the largest building in the village. At a food stall at the entrance to Tiyamike, a large cooking pot stands ready on a scorching wood stove. Next to it, Patricia Bakari can be seen neatly chopping vegetables, while her husband helps out in the back-ground. Villagers and travelers stop to enjoy the food freshly prepared by Patricia.

## **Gaining Trust**

Patricia Bakari is a member of the FINCA Women's Group in Tiyamike. Once a fortnight, its members gather for a meeting led by Chairwoman Catherine Comacoma, who runs a small grocery store from her home. She has been chairing the group of around two dozen women for over 10 years, or 40 loan cycles. All of the members run small businesses that they were able to establish thanks to a microloan of USD 50–100 from FINCA. Since each loan is guaranteed by the entire group, only those women within the village who have gained the trust of Catherine Comacoma and the community are able to join.

## **In-Depth Advice before Obtaining a Loan**

The meetings are also attended by the FINCA credit officer Chisomo Mphande from Blantyre. She discusses the exact terms that apply to new loan requests or outstanding payments with the women and advises them on problems and new challenges that have arisen in their different businesses. "She calculates and explains exactly how much interest we will have to pay each week and what the repayment installments are," says Catherine Comacoma. During her time as Chairwoman, Catherine has seen many women who have been able to really improve their lives with the help of these loans and who routinely conduct banking transactions today. These are women who, in the past, would not even have been allowed to enter a bank in many cases.

## **Larger Loans for Established Businesses**

The range of products and services offered by FINCA in Malawi is not limited to microloans. One of its clients is Maggi Bhakali, who has been running the TK Maxx Clothing Shop in a suburb of Blantyre together with her husband for several years. To purchase clothing stock from South Africa, she has taken out larger FINCA loans amounting to hundreds of dollars and has always repaid them promptly. Their business is thriving; Maggi and her husband are already considering the possibility of opening further stores, for which they would require a loan of at least one million Malawi kwachas (around USD 6,000). They are optimistic about what the future holds: "We are not only trying to develop our business but to also help the entire country to move forwards. We might eventually be able to build a house, buy a car and send our children to a better school."

## **Continuous Employee Training Makes a Difference**

To ensure that FINCA's clients in Malawi – who now number over 22,000 – benefit from high-quality service and advice that is always improving, FINCA holds regular training sessions for mid-level managers. The training is conducted in the FINCA Development Academy, which was established in 2011 and is supported by Credit Suisse. The feedback from the participants is very positive: "These types of courses make all the difference and have helped our organization to advance. Our managers now have a better understanding of how they should lead their staff – and that means we can achieve better results," states loan analyst Alexon Mwakhula. He explains that better training leads to increased motivation. At the same time, regional manager Peter Gama believes that FINCA has enormous growth potential in Malawi – a country that is home to over 14 million inhabitants. But not everyone can obtain a loan: responsible growth is important, according to Gama. A high level of optimism is evident among much of the group. When asked about their personal career prospects, branch manager Rose Chanza laughs and declares that anything is possible. Maybe that could include taking on a management position at FINCA International in another country?



At the FINCA Women's Group meeting in Tiyamike, problems and challenges are being discussed (far left).

Successful microenterprises can improve the living standards of entire families (left).



To watch a video report on FINCA International in Malawi, scan the QR code or refer to the Responsibility Chronicle. [www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

## Microfinance

Microfinance refers to microloans, savings, insurance and other financial products and services targeted at low-income clients. It enables individuals to make the most of their potential and is a catalyst for establishing entrepreneurial activities and an effective means of helping people in developing countries to help themselves. Ensuring the growth of a strong and responsible microfinance industry and institutions is vital, which is why we launched our Microfinance Capacity Building Initiative in 2008. Following the success of the first three-year cycle, a second cycle was launched in 2011 that will continue to focus on developing the people and processes involved in microfinance institutions, as well as their product offering, so that these organizations can strike an effective balance between their social and financial objectives and their clients' needs. Credit Suisse now works with six partner organizations that have been selected for their expertise and positive impact on the industry and their ability to replicate their achievements in different markets and regions. In addition, Credit Suisse also participates in several collaborative industry-wide initiatives such as the Swiss Capacity Building Facility and the Microfinance Communications Council.

### ACCION International

The founding partner of the Center for Financial Inclusion, a unique "solutions lab" that brings together microfinance organizations, the private sector, policymakers and practitioners. The Smart Campaign, a global consumer protection initiative, is one of the many initia-

tives run by the Center. In addition, Credit Suisse's support for microfinance employee training centers in India and China has been expanded to include Africa and Latin America. [www.accion.org](http://www.accion.org)

### FINCA International

The FINCA Development Academy (FDA) initiative will create an in-house training institution to systematically deliver high-quality training to hundreds of existing and prospective mid-level microfinance managers between 2011 and 2014. FINCA's market intelligence and social performance initiative will strengthen FINCA's ability to better understand and serve client needs.

[www.finca.org](http://www.finca.org)

### Opportunity International

The Electronic Wallet programs in Africa and Latin America are providing low-income clients with a new means of accessing financial information and services. This innovative program uses a combination of channels such as ATM machines, smart cards, mobile banks, point-of-sales devices and cellular banking. The Next Generation Banker program is a two-tiered approach to enable Opportunity International to develop highly skilled, values-driven employees across its operations in Africa, Asia and Latin America.

[www.opportunity.org](http://www.opportunity.org)

### PlaNet Finance

The Microfinance Robustness Program supports the long-term success and integra-

tion of the Chinese microfinance sector within the banking system and developing, implementing and promoting key solutions that will become references in the sector for risk management best practices.

[www.planetfinancegroup.org](http://www.planetfinancegroup.org)

### Swisscontact

The East Africa microleasing project is focused on replicating an innovative social enterprise which aims to provide full finance leasing for the acquisition of business assets to those at the base of the income pyramid, especially the rural small-scale farmers. The South Africa Financial Access and Youth Entrepreneurship program promotes entrepreneurship and creates opportunities for income generation among youth in townships.

[www.swisscontact.ch](http://www.swisscontact.ch)

### Women's World Banking

The Making Financial Products & Services Work for Women & Girls project contributes to women-focused research, product innovation and the dissemination of lessons learned, which will inform and activate the development and delivery of financial products and services that meet the needs of low-income women and girls around the world.

[www.swwb.org](http://www.swwb.org)

You can find out more about this topic in the Corporate Responsibility Report (pages 26–31) and at:

[www.credit-suisse.com/responsibility/focusthemes](http://www.credit-suisse.com/responsibility/focusthemes)

## Selected Figures for 2011



**8,600**

local employees  
trained



**481,478**

electronic transactions  
made



**1,900,000**

of the world's poorest people  
benefited as a result of improved  
microfinance services

# A Helping Hand to Create New Homes

**Credit Suisse employees invested their time and energy in building or renovating homes for low-income families around the world in 2011. Their volunteer efforts were organized in conjunction with our global partner Habitat for Humanity.**

Mixing concrete, laying bricks and painting walls – beads of sweat run down the faces of the volunteer builders but all are focused intensively on the task in hand and are in good spirits. Most of the helpers are Credit Suisse employees from Russia but they are also joined by colleagues from Switzerland, the UK and Kazakhstan to construct homes for two families in Yerevan (Armenia). “In two days, the team did 15 times as much work as we could have afforded to pay for,” says Nahapet Davtyan, one of the two homeowners, as he points to the newly insulated loft of his house that can now be used as living space. Together with his wife Gayaneh and their children Khachik and Tatevik, aged 14 and 10, as well as his brother’s large family, they had previously lived in a single room in the house – the only one fit for habitation.

## **Making Houses Habitable**

“In Armenia, there is a very large number of unfinished or old houses that need to be renovated,” states Paul Butler, Country Coordinator of Habitat UK. “In view of the difficult economic climate, many people simply cannot afford to pay for professional builders or building materials.” His colleague Seda Arzumanyan explains: “During the Soviet era, a lot of house-building programs were started. After the Soviet Union collapsed, the houses were never completed. Habitat for Humanity is now helping to make these structures – some of which are just shells – fit for habitation to help numerous families faced with hardship.”

## **Credit Suisse and Habitat for Humanity**

Credit Suisse and Habitat for Humanity entered into an international partnership in 2009. Our employees have since been participating in projects around the world to construct homes for low-income families. As part of our cooperation, Credit Suisse also provides funding to meet the costs of building materials. In 2011, 1,122 volunteers spent a total of 13,985 hours building new homes or renovating houses that are unfinished or in need of repair at 23 locations around the world.

Further information on this topic is available in the Corporate Responsibility Report (page 26–31) and at: [www.credit-suisse/responsibility/focusthemes](http://www.credit-suisse/responsibility/focusthemes)

## **Repairing Damaged Homes**

In addition to the volunteers’ work in Armenia in June 2011, Habitat organized further projects in Credit Suisse’s other regions: In Asia Pacific, volunteers traveled to Batam in Indonesia to assist the reconstruction efforts following the devastating earthquake, and a team from Hong Kong restored the traditional wood homes of five families in Tai O on Lantau Island near Hong Kong. “With its houses built on stilts in the water, Tai O is known as the Venice of the East,” states Julia Chan, a Credit Suisse employee from Hong Kong. “It also has the last houses to have been built according to the traditional Chinese style of architecture. The problem is that these buildings on stilts are unable to withstand the storms and landslides that often affect the area. And since the families don’t have much money, they cannot usually repair their damaged homes. This is why we are helping with the rebuilding process in Tai O.”

In South Africa, 26 employees joined forces with young people from the local community in June 2011 and spent five days building a house in a township 45 kilometers outside Johannesburg for a family of three generations that previously lived in a shack with a roof that provided limited shelter from the rain.

## **Building Team Spirit**

Romania is another country in which a team from Switzerland lent a helping hand: “In mid-September 2011, 17 volunteers worked on the interiors of four houses,” states Martin Koblet, the Project Coordinator for Corporate Volunteering in Eastern Europe at Credit Suisse. Several of the volunteers visited one of the families in their home before starting work. Once again, several generations could be found living under the same roof in a tiny apartment. After seeing the hardship they faced, the volunteers were eager to improve conditions for the family as quickly as possible. “I was especially impressed by the team spirit that developed among everyone who was helping out,” recalled Lars Häfner, one of the volunteers from Switzerland. He added: “Everyone showed a lot of initiative and we quickly got to grips with the work that needed doing. By working together to benefit others, we soon formed a highly efficient team.”



Credit Suisse employees lend a hand building and renovating homes for families in Armenia (above) and Tai O, Lantau (right).



Traditional homes on stilts in Tai O, Lantau.



To watch a video report on volunteering in Armenia, scan the QR code or refer to the Responsibility Chronicle.

[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

## Employee Engagement

Many of our employees volunteer their time and expertise to help good causes – not only adding value to our financial contributions but also helping our employees to develop their interpersonal skills and team spirit in the process. We also offer each employee the opportunity to dedicate an entire working day on full pay to charity work as part of our support for social initiatives.

In addition to our two global volunteering programs, which we continued in 2011 in conjunction with our partners Junior Achievement Worldwide and Habitat for Humanity International, we work with selected organizations in all our regions to coordinate employee volunteering.

In 2011, we continued to concentrate on volunteering programs that promote the transfer of

skills and knowledge between our people and non-profit organizations. An important milestone was the expansion of the Global Citizens Program (GCP), which was launched in 2010. The GCP provides opportunities for qualified employees to go on assignment in-country and use their professional skills to build the capacity of our partner organizations working in the areas of education and microfinance.

In 2011, the number of participants increased from 18 to 31. Last year, 26 Credit Suisse volunteers were sent to 14 countries to complete assignments with our six education partners. The volunteers performed a broad range of tasks from developing a marketing strategy and materials to strengthening HR or financial management systems. Five of our employees were deployed with four of our microfinance

partner organizations in four countries for a period of up to three months. Assignments focused on implementing best practices in areas such as cash and risk management, credit scoring and client research to support our partners in achieving their social and financial goals. We intend to expand the Global Citizens Program in 2012 to enable more of our employees to volunteer their skills and expertise to help ensure that the projects run by our partners deliver lasting benefits.

You can find out more about this topic in the Corporate Responsibility Report (pages 26–31) and at:

[www.credit-suisse.com/responsibility/focusthemes](http://www.credit-suisse.com/responsibility/focusthemes)

### Selected Figures for 2011



**17,415**

employees participated in projects around the world supported by Credit Suisse



**189,000**

hours were spent helping others




**50**

countries in which Credit Suisse employees engaged in volunteering





# Responsibility as an Employer



**Alice Ng**, an employee in the Central Compliance Group, and **Michael Lung**, a trainee at the Compliance Academy, during a workshop in Singapore.



To read the article on the Compliance Academy, scan the QR code or refer to the Responsibility Chronicle.

[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Responsibility as an Employer

Our investment in our people is important to secure the long-term competitiveness of our bank. We are committed to attracting and retaining talented professionals with the expertise, creativity and dedication needed to offer our clients high-quality products and services and to manage our global operations for the benefit of our shareholders. To position Credit Suisse as an employer of choice, we provide progressive working conditions, wide-ranging development opportunities and excellent career prospects.

The performance and long-term success of our company are ultimately determined by the skills and expertise of our people. Credit Suisse is committed to being an employer of choice in order to attract and retain highly-qualified, dedicated professionals who can deliver the best possible service and advice to our clients.

Recognizing the importance of job satisfaction in driving employee motivation and performance, we provide a stimulating working environment, attractive employment conditions and wide-ranging training and development opportunities. To gain an understanding of the views of our people on a range of work-related topics, Credit Suisse conducts regular employee engagement surveys in conjunction with an independent consulting firm. Based on our findings, we strive to make improvements in the areas highlighted by employees. Our bank-wide engagement survey, which we launched in a new format in 2011, had a 73% engagement score based on an overall response rate of 78%. This indicates that the level of satisfaction among our employees is higher than the industry average of 66%.

## Measuring and Managing Performance

As a global bank with a workforce of almost 50,000 employees in around 50 countries, it is imperative that we manage the performance of our people effectively and consistently to

ensure that they are delivering results and contributing to the realization of our business objectives. In 2011, we introduced an enhanced performance management system that enables us to systematically assess how well our people are performing. Supporting the professional and personal development of all employees at every level of the company is an important element of our human capital strategy. Based on an open dialogue between employees and line managers, we strive to identify each individual's talents, to understand what motivates them, and to provide the challenges and support they require to realize their full potential. Performance measurement is also an important element in determining our compensation. We consider it important to offer fair compensation that recognizes the individual performance and commitment of our employees (see page 10).

## Career Opportunities, Learning and Development

Employee learning and development is of strategic importance in allowing Credit Suisse to constantly improve the quality of service and advice we offer to clients and to remain at the forefront of developments in today's rapidly changing industry. To address these different needs, Credit Suisse offers a broad range of training programs in the form of traditional classroom instruction, e-learning and

*Continued on page 38*

## Cost Reduction Measures Impact on Employees

Credit Suisse was confronted with a challenging operating environment in 2011, reflecting economic uncertainties and the European and US sovereign debt crises, as well as factors such as the strong Swiss franc and rising costs due to regulatory changes. To adapt our business to these adverse conditions, we announced significant expense reduction measures, including a decrease in the size of our global workforce of around 7%. This was

a very difficult decision that affected employees at all levels of our company. We are committed to ensuring that this process is implemented as carefully and responsibly as possible. This includes working closely with employee representatives and internal and external partners. Wherever possible, we will absorb the impact of the reduction in employee numbers through internal transfers and natural turnover. In Switzerland and in the UK,

we are assisting affected employees in their search for a new position within Credit Suisse or outside the company. As part of their professional reorientation, these individuals receive personal counseling from a team of specially trained advisors and support in the areas of retraining, professional education and continued development. Our social partners agree that our plan of action goes well beyond our legal obligations.

video-based courses to strengthen the specialist knowledge and skills of our people. For example, in 2011 our Private Banking division integrated the latest regulatory insights and developments into its ongoing Advisory Process training program. Investment suitability was a core theme of the training courses we held in Private Banking in Switzerland, with all employees receiving special training to ensure that the investment advice, products and services we offer are suitable and appropriate for each client (see page 7). We also launched our own Compliance Academy (see Responsibility Chronicle) to attract and develop more talent for compliance functions. In 2011, 20 employees in Singapore embarked on a two-year

program, at the end of which they will receive a certification from the International Compliance Association.

Gaining international or cross-divisional experience is also an important aspect of the professional and personal development of our people. Our Internal Mobility program gives employees the chance to explore new challenges within the company – whether it is in a different function, business area or geography. Individuals who take the opportunity to move within the company benefit by acquiring new skills and by gaining a better understanding of different businesses and cultures, as well as by broadening their network of contacts (see box on page 39).

### Investing in Junior Talent

Our strategy of investing in the skills and education of young people not only helps us to lay the foundations for our long-term success but also generates benefits for society as a whole. We offer a wide variety of career options with a particular focus on attracting individuals with development potential to our company. We expect line managers at Credit Suisse to view the development of young talent as an integral part of their role and we take account of their ability to cultivate the skills and abilities of their people when evaluating their leadership performance.

In Switzerland, many of our junior employees join Credit Suisse through our apprenticeship program. Since 2009, we have increased our number of apprenticeships by 25% to develop talent for the financial sector. In 2011, 83% of our apprentices continued their career at the bank after completing their training. We also offered training positions of between 12 and 18 months for 260 university graduates and increased the number of internships for students from 180 to 250. A further 120 high school graduates were given the opportunity to work at Credit Suisse as part of our Junior Banking Program. The success of our efforts to position the bank as an attractive employer for people starting a career is illustrated by the fact that we were named the second most popular employer overall and the most attractive employer among banks by economics graduates in Switzerland in 2011 (Universum Award).

Additionally, we host a variety of events at leading universities worldwide to establish and maintain contact with students who are close to completing their degree and are interested in a career in the finance industry. In 2011, we held a range of distinctive campus events and launched a new marketing campaign to heighten awareness of Credit Suisse among graduates. We also intensified our recruiting efforts in strategically important emerging markets.

We consider it important to ensure that all new employees feel welcome within our company and can integrate easily into their new teams. We have therefore developed a global onboarding program to help them rapidly familiarize themselves with our approach to business,

## Number of Employees

Full-time equivalents as of December 31, 2011

### Credit Suisse



**49,700**

### by division



**25,200**

Private Banking



**20,900**

Investment Banking



**2,700**

Asset Management



**900**

Corporate Center

### by region



**11,700**

Americas



**7,600**

Asia Pacific



**9,200**

Europe, Middle East and Africa



**21,200**

Switzerland

## Talent Development 2011

**679**

classroom leadership training sessions

**96,000**

participants in instructor-led courses

**90,200**

classroom-delivered training days

**673,000**

participants in e-learning courses including mandatory modules

immerse themselves in our culture and understand our values and our responsibilities as a company.

### Leadership and Management

We recognize the need to have experienced professionals with proven management qualities to drive our business forward and to help strengthen our competitive position. Each year, Credit Suisse runs targeted training courses to strengthen our managers' leadership skills at each stage of their career. In 2011, we further refined our management development curriculum and now provide tailored training approaches that take account of specific requirements in our individual regions or countries. As part of our inclusive and consistent approach to succession management and our commitment to ensuring that key positions are filled with the right people, Credit Suisse conducts regular talent reviews. In 2011, around 63% of our entire workforce was included in this review process.

Reflecting the importance that we assign to the cultivation of a partnership culture within our integrated bank and the role that managers can play in promoting the active transfer of knowledge between employees in different businesses and geographies, we established a Global Leadership Council in 2011 to bring together 200 of the bank's most senior leaders and encourage them to collaborate beyond their own business divisions and across countries to deliver on our commitment to clients.

### Employee Satisfaction

We know that when employees are motivated and satisfied with their work, this has a decisive impact on their performance. We therefore offer attractive employment conditions and recognize exceptional performance and committed service to the company – including through the presentation of our annual CEO Leadership Awards. Employees can also access a variety of other benefits ranging from pension provision and maternity and paternity leave to childcare programs, employee assistance and study grants.

In our role as an employer, we want to actively promote the health and wellbeing of our people. We therefore run a variety of courses that provide advice on health issues, nutrition and stress management, as well as offering sports and exercise programs. In Switzerland, we launched a new health initiative in 2011 to provide free medical check-ups for employees in a mobile prevention and diagnostic center. In addition, 2,231 employees accepted our offer of in-house flu vaccinations during the year.

We also seek to help employees achieve a healthy work/life balance and to combine their family and professional commitments. Measures include the provision of flexible or part-time working arrangements (see page 41). In addition, long-serving Credit Suisse employees are offered the opportunity to take a sabbatical of up to three months.

## Examples of Internal Mobility



"I began my career as an analyst in Investment Banking in London in 1998. My first internal mobility opportunity arose in 2000, when I moved to Palo Alto, California, to join Credit Suisse's Technology M&A team. I've since completed international assignments in London, New York and now Hong Kong, where I cover energy clients in Asia Pacific. All of these internal moves have had a profound impact on the development of my career and have enabled me to build a strong internal network that helps me to serve our clients, who are truly global."

**Christian Deiss**, Investment Banking, Hong Kong



"I think internal mobility has given me a valuable chance to develop and to gain a better understanding of how things work at Credit Suisse. I've performed five different roles across two different continents since joining the company in 1998. I now lead a Risk Management team in Singapore. I've always been open to new opportunities that can help me to grow professionally. By leveraging knowledge and relationships from previous roles, I can do my current job even more effectively. I keep in touch with former managers and colleagues and find that I can benefit from their advice and support in my new function."

**Carole Ng**, Risk Management, Singapore

Underscoring our commitment to taking employee needs properly into account, Credit Suisse has, for many years, cooperated closely with organizations that represent their interests. They include the Credit Suisse Staff Council in Switzerland and the European Works Council.

[www.credit-suisse.com/responsibility/employer](http://www.credit-suisse.com/responsibility/employer)

## Challenges and Responses 2011

**Challenge:** Cost pressures due to subdued markets, lower revenues and factors such as regulatory changes, increasing infrastructure requirements and controls forced us to announce significant measures to enhance efficiency and reduce costs in the second half of 2011, including a 7% reduction in the size of the global workforce.

**Response:** We are committed to implementing the head-count reduction as responsibly as possible and have worked with employee representatives and social partners. In Switzerland and in the UK, employees are receiving support in their professional reorientation, such as professional advice and counseling from a specially trained team. Our social partners agree that the action plan goes well beyond our statutory obligations and is in line with our social responsibilities.

**Challenge:** Better leverage our talent around the world and optimize the deployment of the bank's resources to support our global business while driving cost efficiencies.

**Response:** We continued to grow our teams of talented employees in our five Centers of Excellence (CoE) world-wide, which now account for almost 20% of our global workforce. The CoEs help to maximize the full potential of the bank across all relevant time zones, supporting revenue growth and sustaining efficiency.

# Global Diversity and Inclusion

To deliver the best possible service to our clients and to work together effectively across our regions, we require people with different mindsets and wide-ranging experience. Diversity provides us with richer insights and a better understanding of evolving client needs. We believe it also opens up a broader range of business opportunities and breeds creativity and innovation – contributing to the success of our company. The diverse backgrounds of our employees therefore represent a key competitive advantage for Credit Suisse in today's global business environment.

As an integrated global bank, we serve clients across many different geographies and cultures. To understand their diverse needs and aspirations and to provide them with individual financial solutions and advice, our employees require detailed knowledge of regional markets and different cultural aspects. These insights not only help us to strengthen existing client relationships but also to connect more effectively with prospective clients. In view of the international nature of our business, it is also important for our employees to be able to work together closely across divisions, regions and cultures to manage our bank in the most effective way possible. We value the diverse backgrounds of our people and believe that the varied experiences and perspectives they bring represent a success factor for our bank. We therefore strive to attract and retain diverse talent and to offer career opportunities in an inclusive, multicultural environment.

## **An Integral Part of Our Corporate Strategy**

We are committed to providing equal opportunities for all our employees, irrespective of factors such as ethnicity, nationality, gender, sexual orientation, gender identity, religion, age, marital or family status, disability or any other status protected by local law. The promotion of diversity and inclusion is therefore an integral part of our corporate strategy. Our global Diversity & Inclusion team partners with our business leaders to ensure that we have the necessary competencies, structures and resources in place to build a diverse and inclusive environment that underpins our client focus and business strategy. We have established a Diversity Council for each of our four regions in order to embed diversity further in the business. Each Council is chaired by the regional CEO and consists of other senior business leaders in that region, who work together to define specific activities for their area and act as role models in promoting inclusive behavior. To ensure that an inclusive culture is firmly estab-

lished throughout our workforce, we run mandatory online training courses for all employees worldwide to educate them about equal opportunities and dignity in the workplace.

## **Support Programs and Mentoring**

Promoting equal opportunities remains a key issue at Credit Suisse. Women account for 37% of our total workforce and 16% of our senior leadership (Directors and Managing Directors). We want to further increase the proportion of women in specialist and senior management positions within the bank and we run programs to attract talented female professionals to our company. For example, our Banking on Women initiative in Investment Banking aims to more than double the number of women in officer positions within five years. At a regional level, we have implemented a leadership program for female Vice Presidents and Directors in Asia Pacific, Europe, Middle East and Africa (EMEA) and the Americas to support their personal development. In Switzerland, we introduced a personal development program for women at all levels of the company, which was attended by 130 participants in 2011.

Our efforts to support the advancement of women are also reflected by our mentoring activities, which are another element of our diversity and inclusion strategy. In 2011, Credit Suisse launched a new mentoring program for 30 of the bank's most talented female senior managers to prepare them to assume senior leadership roles. The program includes a specially tailored 18-month learning and development curriculum to accelerate their career progression within Credit Suisse. We also ran a cross-divisional mentoring program for 100 female members of our middle management in Switzerland to promote internal mobility and encourage collaboration across businesses.

A range of mentoring programs is available for other groups of employees across our different regions and

divisions. As well as making them more aware of their strengths and of how they can be put to optimal use, these initiatives are designed to help employees to reach their potential.

### Encouraging the Exchange of Ideas

Our employee networks provide a platform for the exchange of knowledge and experience between employees in different businesses and geographies, thus fostering mutual understanding and encouraging the flow of ideas. In this way, the networks strengthen cooperation and help to build a diverse and inclusive culture. In 2011, Credit Suisse had a total of 38 employee networks that are dedicated to women, families, lesbians, gay, bisexual and transgender individuals (LGBT), people with disabilities, sports, US veterans and employees from various ethnic backgrounds, to name but a few. These networks organized around 250 events during the year that were attended by employees from across the bank. Additionally, Credit Suisse has a Center of Competence for Cross-Cultural Collaboration that offers a range of courses to promote cultural sensitivity and raise awareness of specific issues that can arise when working with people from different cultures. This is particularly important for employees wishing to pursue internal mobility opportunities.

### Sharing Best Practices, Learning from Others

Credit Suisse enters into partnerships with a variety of organizations to help promote a dialogue about diversity and inclusion. In 2011, we lent our support to organizations including the civil rights group The National Urban League, as well as Catalyst, which aims to build inclusive environments and expand opportunities for women. In Switzerland, we were involved in the launch of the Gender Equality Project at the World Economic Forum, and we were the key sponsor of the Women Leaders of New Asia conference in Singapore hosted by the Asia Society.

These partnerships also enable us to benchmark our performance against others so that we can learn and improve our approach. Examples include our membership of the Diversity and Inclusion in Asia Network and our involvement in the Interbank Diversity Forum, of which we are a founding member. We are also active in the EMEA Diversity and Inclusion Forum that promotes best practice across various industries in Europe.

### Smart and Flexible Working

We are committed to offering our employees different working environments and arrangements to take account of their diverse working styles, patterns and preferences – thus increasing employee motivation, wellbeing and productivity. In 2010, we introduced a pilot project called Smart Working, which provides specially designed office space to enable more flexible and mobile working within

## Recognition for Our Efforts to Promote an Inclusive Working Environment

- One of the 100 best companies for working women with children (Working Mother Magazine)
- One of the top-50 employers for women in the UK (The Times)
- One of the 50 best companies for Latinas to work (Latina Style Magazine)
- Recognition for promotion of gender equality (Australian government)
- One of the top-100 employers for LGBT staff (Stonewall Workplace Equality Index)
- Corporate Equality Award 2011 for promoting LGBT issues (Human Rights Campaign)

Credit Suisse. The concept is based on the provision of different work areas to meet the changing needs of employees throughout the day, including collaborative, individual and creative workspaces. Based on the success of this pilot project in Zurich, Smart Working was rolled out in other locations worldwide in 2011.

Globally, Credit Suisse offers a variety of employment options such as part-time working, job sharing, compressed working weeks and remote working. These models provide greater flexibility in terms of when and where employees can work – helping them combine their personal and professional commitments more effectively. We also have designated services to support individuals with personal, health or financial problems and we provide special facilities to accommodate the needs of specific groups of staff, such as nursing rooms for mothers returning to work or prayer rooms for employees wishing to practice their faith.

[www.credit-suisse.com/responsibility/employer](http://www.credit-suisse.com/responsibility/employer)

## Challenges and Responses 2011

**Challenge:** Ensure that our commitment to diversity is firmly implemented at every level of the organization and that we continue to work according to this principle at all times.

**Response:** We have a Diversity Council in each of our regions in order to implement our culture of diversity deep in our business. The members of the Councils define specific activities for their region and act as role models in promoting inclusion. Additionally, we conduct mandatory bank-wide online training on the topic of equal opportunities and dignity in the workplace.

# Responsibility for the Environment

**Andrew Aulisi**, a specialist in the Public Policy – Sustainability Affairs unit, talks about the function and conservation of forests and about Credit Suisse's interest in this topic.



To read the interview with Andrew Aulisi, scan the QR code or refer to the Responsibility Chronicle.

[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Environment, Climate and Operational Ecology

At Credit Suisse, we are committed to taking environmental issues into account when performing our core business activities. We implement operational measures to improve our environmental performance, develop products and services that combine economic, environmental and social requirements, and consider sustainability criteria when managing risks. As part of our approach to supporting environmental protection, we also participate in international discussions to promote climate-friendly business practices.

Tropical deforestation, species loss and ocean degradation are among many of today's pressing environmental issues, with climate change continuing to feature as a leading concern. Following weeks of difficult negotiations at the 2011 UN Climate Change Conference in Durban, the state parties agreed on a compromise in the form of a follow-on treaty to the Kyoto Protocol, under which a new binding climate agreement for all countries is to be developed by 2015. Climate change is a challenge for global society as a whole. At Credit Suisse, we believe it is both in our own interests as a company and in the interests of our clients to take steps to prevent these developments from causing further environmental, social and economic harm.

## Products and Risk Management

Thanks to our position as market leader in the financing of renewable energies and our range of sustainable products and services (see page 17), we can offer clients the opportunity to invest in these areas and can thus open up sources of finance for the development of future markets. We are also committed to taking climate issues into account when performing our core activities as a financial intermediary. For example, we assess transactions and other business activities to identify any risks they could pose to people or the environment using our bank-wide risk review process. This review is aligned with

international industry standards such as the Equator Principles and Carbon Principles. In addition, we have drawn up internal sector-specific policies and guidelines for the areas of forestry, palm oil production, mining, oil and gas, nuclear energy and hydropower to ensure that the potential impacts of transactions on the environment, climate and biodiversity are examined (see page 13).

## Biodiversity and Natural Capital

The term "biodiversity" denotes the variety of life and its processes. It includes the diversity of living organisms, the differences between them, and the ecosystems and communities in which they exist. Both ecosystems and the biodiversity contained within them provide valuable services to humankind and business: they supply wild food and medicine derived from plants, they filter pollution and store CO<sub>2</sub> and they regenerate soils and recycle nutrients. The methods used to determine the value of this natural capital, as well as the economic costs of species loss and a reduction in the capacity of ecosystem services, are still in their infancy. As a financial services provider, we believe that such financial valuation methods are vital to adequately assess the risks and returns of the economic activities and investments that are dependent on those services.

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## Research and Thought Leadership

■ In 2011, economiesuisse commissioned the KOF Swiss Economic Institute to conduct a study with support from Credit Suisse that shows that cleantech – i.e. the development and application of energy-saving and resource-saving products and technologies – is of importance for many industries. The momentum of the cleantech sector is mirrored,

in particular, by the number of patents that have been registered in the last few years, which is also a sign of the potential of the cleantech market.

■ Also in Switzerland, the bank was involved in two scientific studies on the topic of sustainable buildings. The first study was conducted by the Swiss Federal Institute of Technology (ETH) and the

Zurich University of Applied Sciences to assess the quality of sustainable buildings. The second study by the international research project INSPIRE – part of the EU Eracobuild program – examined the best combination of measures to achieve significant energy savings or greenhouse gas reductions when renovating buildings.

At Credit Suisse, we are taking steps to incorporate the protection of biodiversity into our sustainability activities. Together with other banks, we actively participate in the Biodiversity Working Group of the United Nations Environment Programme Finance Initiative (UNEP FI) and contribute to related studies and initiatives. To raise employee awareness of the biodiversity of forests, we conducted various activities to support the UN International Year of Forests in 2011. We organized a seminar with an expert from a leading conservation organization, took employees on guided forest tours and issued a publication about the diverse functions of forests and how Credit Suisse contributes to their preservation. Furthermore, we lent our support to local initiatives such as high conservation value habitat mapping in East Kalimantan, Indonesia, with WWF. Data generated from surveys of high carbon forest stock supported by Credit Suisse were a factor in the area being selected to receive a share of a USD 28.5 million grant for conservation efforts under the debt-for-nature swap agreement run by the Indonesian and US governments. As part of our commitment to the preservation of biodiversity and in response to an appeal led by WWF Hong Kong and the Hong Kong Shark Foundation, Credit Suisse in Asia Pacific requested that all employees refrain from consuming shark fin. An estimated 73 million sharks are killed through finning each year. Scientific evidence shows that over 180 shark and related species are now listed as being threatened with extinction on the International Union for Conservation of Nature (IUCN) Red List.

### **Credit Suisse Cares for Climate**

We have been active in the area of climate protection for over a decade. The Credit Suisse Cares for Climate (CSCfC) initiative and our four-pillar strategy to reduce the greenhouse gas emissions resulting from our business operations (see page 46) provide the framework for our efforts to achieve greenhouse gas neutrality. We reached an important milestone in 2006, when Credit Suisse became the first major company in Switzerland to achieve greenhouse gas neutrality. We realized this goal for all our operations worldwide in 2010 and 2011. We further reduced our gross greenhouse gas emissions, which declined by 1% globally in 2011 to 382,440 metric tons.

Our four-pillar strategy focuses on: optimizing operations, capital expenditure, substitution and compensation. This means that we continuously optimize energy consumption in all our locations and we invest in energy-saving technology and an energy-efficient IT infrastructure as well as using highly insulating materials in new or renovated buildings. We also source renewable electricity from climate-friendly energy sources such as wind, hydro and solar power wherever available and financially viable. Our remaining emissions are offset through the purchase of emissions reduction certificates.

### **Environmental Management**

At Credit Suisse, we strive to continuously improve our environmental performance in order to make more efficient use of resources and to reduce our level of greenhouse

## **Raising Employee Awareness of Climate Protection**

At Credit Suisse, we know that we can only improve our environmental performance if we also encourage our employees to make careful use of natural resources and ensure that our commitment to climate protection is an integral part of our corporate culture. We therefore conduct various activities to raise awareness of environmental and climate issues. In 2011 they included:

■ **Earthwatch scientific field research expedition on climate change:** A group of Credit Suisse employees took part in a one-week expedition organized by Earthwatch in the Brazilian coastal forest Mata Atlântica. Earthwatch is the largest citizen science organization in the world and offers volunteers a chance to perform field research work. Since their return, participating employees have helped to raise awareness of environmental and social issues among their Credit Suisse colleagues.

■ **WWF Earth Hour 2011:** Millions of people in more than 3,000 cities across 134 countries turned off their lights for one hour to make a statement about the need to protect our climate and to use sustainable forms of energy. As part of the Credit Suisse Cares for Climate initiative, we once again joined this symbolic WWF campaign at 44 of our offices worldwide and encouraged employees to set an example. The highlight was the Singapore "Walk in the Dark" event, which attracted a few thousand participants, including around 250 Credit Suisse employees and their friends and families.

■ **CO<sub>2</sub> Monitor:** This online platform was made available by Credit Suisse to enable employees to calculate their personal CO<sub>2</sub> emissions quickly and easily. In the US, each person produces an average of 24 metric tons of CO<sub>2</sub> each year, compared to 11 metric tons in Switzerland, 12 metric tons in Europe and 6 metric tons in Asia. CO<sub>2</sub> Monitor was used

to motivate employees to reduce their CO<sub>2</sub> emissions to 1 metric ton of CO<sub>2</sub> per person per year.

■ **Volunteer work:** Employees in Asia Pacific, together with their families, dedicated more than 1,000 hours to outdoor environmental causes in Hong Kong, such as cleaning beaches and planting trees.

■ **e-bike pilot project:** To gain insights and experience regarding the suitability of e-bikes for everyday use, the pilot project we launched in 2010 was extended to include six locations, 30 e-bikes and 150 participants. The project attracted a great deal of interest and resulted in a high utilization rate.

■ **bike to work:** Since 2008, we have encouraged our employees in Switzerland to cycle to work in the month of June to support this national campaign. In 2011, around 300 employees took part and covered a distance of more than 30,000 kilometers.

gas emissions. Our environmental management activities focus primarily on energy management, since energy consumption is the area in which our operations have by far the greatest impact on the environment. Our environmental management system governs the relevant responsibilities, processes and operational measures within our company. In 1997, Credit Suisse became the world's first bank to obtain ISO 14001 certification for its environmental management system, which we have been developing ever since. For example, we revised our Sustainability Management Policy in 2011 and defined sustainability-related responsibilities in more specific terms, now explicitly covering Information Technology (IT) and Supply Management (see page 49). In areas such as Facility Management, where environmentally relevant activities are performed by external service providers, we also include these operations in our environmental management system.

In 2011, we once again passed the annual surveillance audit conducted by the external certification company SGS without any need for corrective action.

### Improving Our Environmental Footprint

As well as adapting the heating, air-conditioning and ventilation systems within our buildings to lower our energy consumption, we took steps in other areas to reduce our impact on the environment and our level of greenhouse gas emissions:

■ **Business travel:** In order to conduct our business activities and to maintain direct contact with our clients, business travel is often essential. It continues to represent a major part of our greenhouse gas emissions, accounting for approximately 19% of our total output. In an effort to reduce the number of business flights taken by our employees as far as possible, we promote train travel for shorter distances. For example, employees traveling between Paris, Brussels and London are encouraged to take the train rather than to travel by air, thus reducing our carbon footprint. We also encourage the use of telephone and video conferencing, which save both time and money, and we are continuously extending the relevant technical infrastructure. In 2011, Credit Suisse employees further increased their use of video conferencing by around 15% to a total of 115,500 hours compared to 2010.

As part of our strategy to achieve global greenhouse gas neutrality, all the emissions from our international air travel have been offset since 2010. To raise employee awareness of this issue, the level of CO<sub>2</sub> emissions incurred as a result of each flight is specified on every airline ticket. By purchasing "carbon-neutral tickets", we offset approximately 63,340 metric tons or 16% of our global greenhouse gas emissions in 2011.

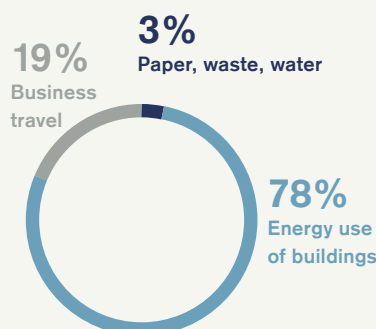
■ **IT servers:** In 2011, we further optimized our IT infrastructure and, through virtualization, switched off the

Continued on page 48

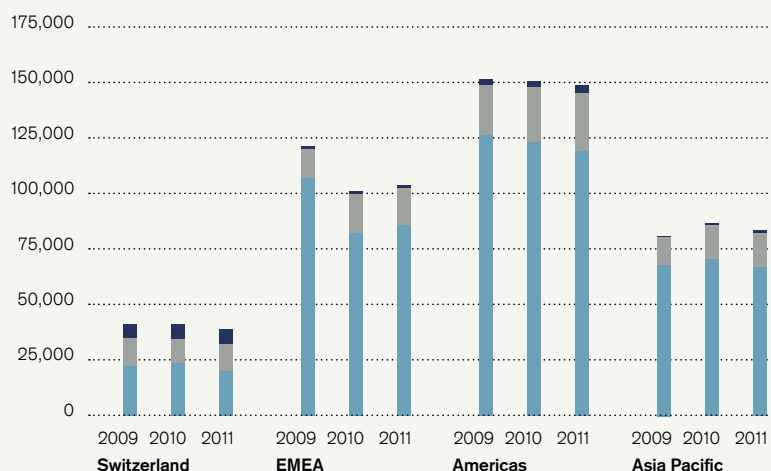
## Credit Suisse's Greenhouse Gas Emissions

Energy use of buildings   Business travel   Paper, waste, water

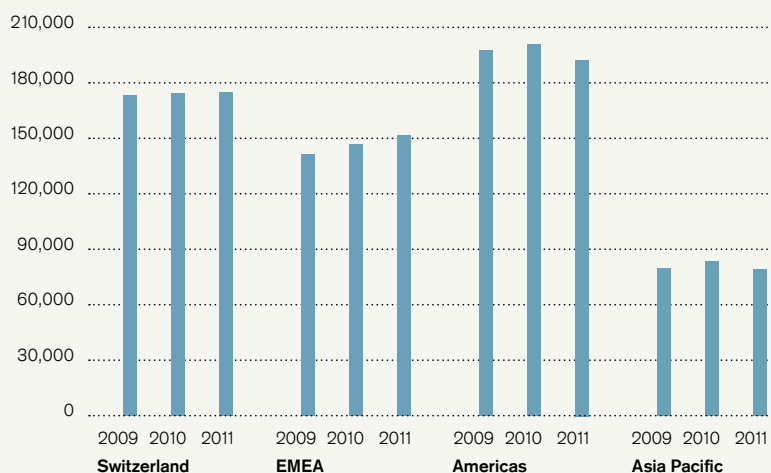
2011



### Regional breakdown of CO<sub>2</sub> equivalents<sup>1</sup> in metric tons

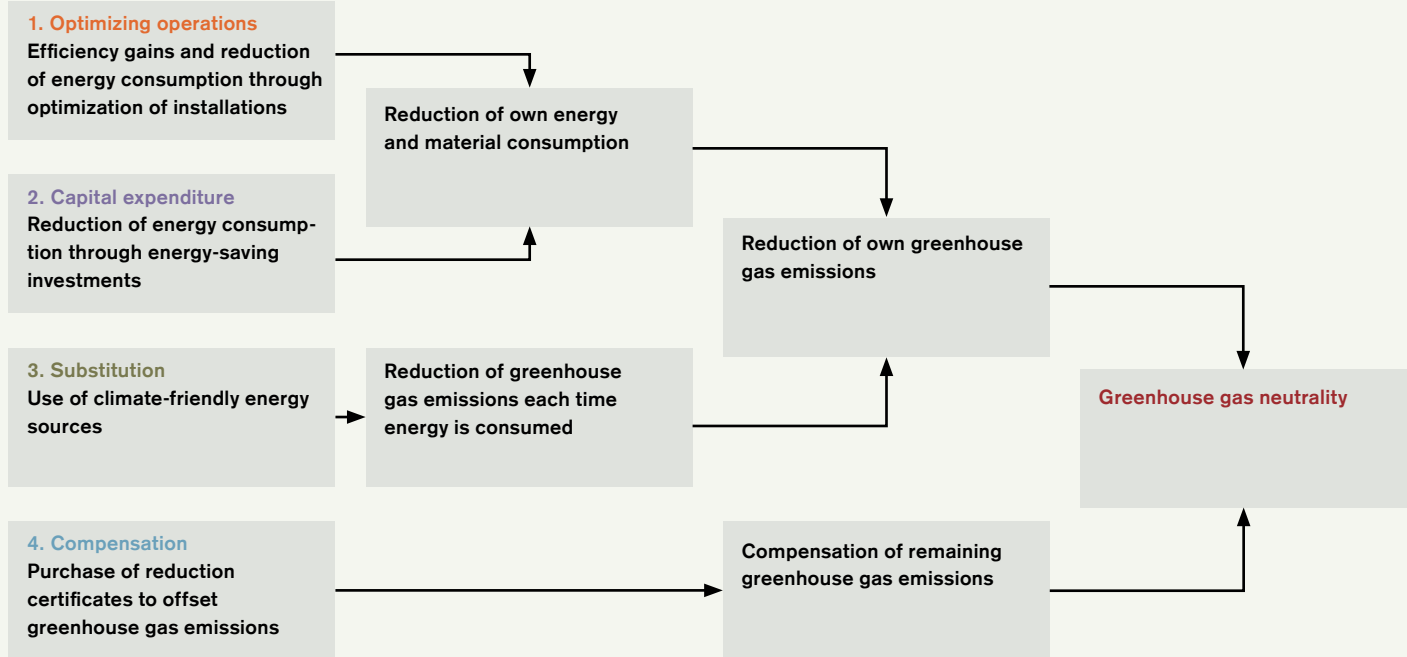


### Regional breakdown of electricity<sup>1</sup> in MWh

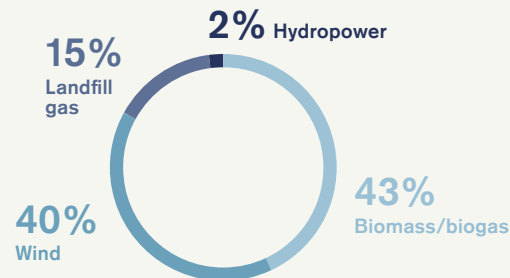


<sup>1</sup> Greenhouse gas emissions (GHG) for 2009 and 2010 were updated and recalculated following the updating of the V&U key performance indicators for 2010. During the collection of data in 2011, minor errors that occurred in prior years were corrected. In addition, the GHG factors for electricity in the UK were adapted based on the DEFRA Guidelines and the impacts on the purchase of electricity from renewable sources in the UK were no longer taken into account.

## Four-Pillar Strategy to Achieve Greenhouse Gas Neutrality



Portfolio of purchased emissions reduction certificates (ERC) 2011



## Credit Suisse Cares for Climate Initiative: Achievements 2009–2011

Baseline 2009, all figures in %		Switzerland		EMEA		Americas		Asia Pacific	
		2010	2011	2010	2011	2010	2011	2010	2011
<b>Achievement: GHG emissions</b>									
GHG emissions (change)		-1	-6	-18	-14	-2	-4	+7	+3
<b>Achievement: main GHG drivers</b>									
Renewable electricity	ratio to total electricity consumption	100	100	5	3	9	9	3	1
Energy	% change, kWh per employee (FTE)	-1	-6	-1	0	-6	-8	-6	-14
Business air travel	% change, flight km per employee (FTE)	-15	0	+28	+25	+3	+8	+15	+4

The CSCfC achievements in the period 2010–2011 demonstrate that the globally established four-pillar strategy within the Credit Suisse Cares for Climate initiative — which focuses on operations optimization and investment in energy-efficient equipment and systems — has a positive impact on our environmental performance. The greenhouse gas (GHG) emissions as well as energy use per FTE decreased

in the majority of the regions. However, business air travel, which is often essential to maintain direct contact with our clients, remains a challenge in terms of our efforts to reduce our GHG emissions.

**EMEA:** For the UK, the DEFRA grid rolling average factor 2009 was used to calculate GHG emissions for 2010 and 2011. Taking account

of the actual purchased green electricity mixes for the UK, the EMEA GHG emissions achievements would have been -31% in 2010 and -41% in 2011. The explicitly documented renewable electricity ratio would have been 5% for 2010 and 48% for 2011.

**All regions:** The above figures include the GHG footprint of wholly-owned Credit Suisse subsidiaries.

## Measures to Reduce Our Carbon Footprint in 2011

### 1. Optimizing Operations

Energy consumption represents by far the largest direct impact that Credit Suisse has on the environment. The continuous optimization of our operations to increase energy efficiency is therefore a key element of our environmental strategy.

#### Increasing the energy efficiency of buildings:

We implemented a series of targeted optimization measures in our real estate portfolio and our IT infrastructure that enabled us to save energy worldwide and to realize further substantial improvements in energy efficiency, which contributed to our CSCfC results in the period from 2009 to 2011 (see page 46).

**E-Maximo goes global:** E-Maximo enables us to enumerate efficiency targets for individual buildings and to analyze the impact of operational enhancements and energy-related investments. Following its successful rollout in 400 business premises across Switzerland, this specially designed energy and resource management software program underwent further development to allow it to be deployed globally. In 2011, it was beta-tested in the Americas. The program records and stores information on all relevant energy and resource consumption. This greatly simplifies and accelerates the quality control process. As a result of the improved representation of information (e.g. building footprints) using the automatic reporting function, E-Maximo optimizes both the analysis and communication of data. In 2012, the software will be implemented in all our regions and we will run training sessions for users.

### 2. Capital Expenditure

When constructing new premises or renovating existing buildings, we focus on installing energy-saving heating, air-conditioning and ventilation systems and on complying with strict energy standards such as the Swiss Minergie standard, or with international standards such as LEED. We also invest in energy-saving technology and IT infrastructures and make use of highly insulating materials.

#### Uetlihof 2 – completion of the largest building in Switzerland constructed according to the Minergie-P-ECO standard:

The extension of our Uetlihof 2 administrative center in Zurich (see image

below) was completed at the beginning of 2012. The Uetlihof 2, providing over 2,000 workspaces, is currently the largest building in Switzerland constructed according to the Minergie-P-ECO specifications governing environmental and health aspects. For example, the specification stipulates that buildings must have a compact design with a highly insulated facade, an efficient ventilation system and a very high proportion of natural daylight at workspaces. It also makes strict demands regarding the use of non-hazardous building materials to ensure a healthy working environment. Credit Suisse employees will be able to gradually move into their offices in Uetlihof 2 from the first quarter of 2012. The newly created workspaces will replace older and less energy-efficient premises in the city of Zurich.



#### Construction of new premises according to Minergie-ECO requirements in Gümligen near Berne:

At the end of 2011, the construction of an office complex in Gümligen, near Berne, was completed according to Minergie-ECO specifications. The new building, which provides 900 workspaces, has been leased by Credit Suisse.

#### Reinvestment of CO<sub>2</sub> tax refund in operational climate protection measures:

In 2011, we once again reinvested the entire tax refund we received from the Swiss CO<sub>2</sub> incentive tax system in projects that support the goals of CSCfC. Examples include investments in the transition to renewable energies when upgrading heating systems, the installation of efficient lighting systems and the use of optimized cooling systems in data centers. Many of these investments generate business for specialized Swiss companies, thus directly benefiting the local economy and some of our clients. We also contributed to national research projects with the aim of lowering CO<sub>2</sub> emissions in the construction sector.

### 3. Substitution

We encourage the use of climate-friendly energy sources such as wind, hydro and solar power, and we specifically replace fossil fuels with renewable energy.

#### Increasing the proportion of renewable energy:

We examine whether it is possible to obtain green electricity whenever we negotiate new electricity supply contracts. All Credit Suisse locations in Switzerland, as well as our office in Frankfurt, obtain their electricity exclusively from renewable sources. In many locations, electricity from renewable sources also accounts for part of the energy mix provided by the local utility. In 2011, a total of 199 million kilowatt-hours of electricity consumed by Credit Suisse was generated from renewable sources. This corresponds to 33% of our global electricity consumption. In 2011, most of the renewable energy we consumed originated from hydropower, solar power and biomass.

### 4. Compensation

We can reduce the level of greenhouse gas emissions resulting from our business activities through the optimization of operations, capital expenditure and substitution measures. However, it is not possible to eliminate them entirely. We therefore offset our remaining emissions by purchasing emissions reduction certificates (ERC) to offset the remaining 348,500 metric tons of net greenhouse gas emissions in 2011. This figure represents the emissions from our business activities in our four regions, including global business travel.

Total costs in 2011	CHF 2 million
Costs per employee (FTE) in 2011	CHF 40
Costs per hour flown	CHF 0.50/hour

In 2011, our portfolio of emissions reduction certificates comprised approximately 83% wind and biomass/biogas projects, with the remaining 17% consisting of the recycling of landfill gas as well as hydropower projects (see chart on page 46). In terms of project quality, approximately 17% of the certificates meet the Gold Standard, 19% the Social Carbon Standard and the remainder relate to climate protection projects verified by independent third parties.

equivalent of 5,600 servers. The virtualization rate increased from 34% in 2010 to 42% in 2011. This led to a reduction in energy usage of 12 gigawatt-hours globally.

■ **Paper:** We continued our efforts to further improve our environmental footprint in the area of paper consumption. In 2011, this included measures such as the use of environmentally friendly and recycled paper, the digitalization of documents and double-sided printing. Compared to 2010, we reduced paper usage in Switzerland by 2.4% to 3,910 metric tons, which corresponds to the consumption of 180 kilograms of paper per employee (FTE). A major

proportion of the paper we use in Switzerland (71%) comprises FSC-certified paper produced from sustainably managed forests.

### Involvement of External Partners

We are committed to maintaining a fair and professional working relationship with our suppliers. We expect our partners to observe ethical standards and to conduct their business in an ethical and socially and environmentally responsible manner that complies with applicable legislation. We also expect them to address risks in a responsible

## Environmental Management in Our Regions

Our regional activities focused on the following measures in 2011 (see page 47 for information on our activities in our Swiss locations):

### Europe, Middle East and Africa

■ Credit Suisse (UK) ranked third among financial services institutions and 91st in the 2011 performance league table of the Carbon Reduction Commitment Energy Efficiency Scheme (CRC). The UK government launched the mandatory CRC Scheme in an effort to drive large public and private sector organizations to reduce emissions and to improve their energy efficiency.

■ In the UK, Credit Suisse achieved the 2011 Carbon Trust Standard, which is awarded to organizations that have reduced their carbon footprint in absolute terms and can demonstrate good carbon management.

■ By separating refuse materials into plastics, paper, metals and food waste, we increased the recycling rate for office waste at our premises in London from 91% to 96% in 2011. In addition, a Credit Suisse third-party refuse company separates and dries organic food waste from the kitchens, enabling methane to be generated, which is then sold on to a gas company.

### Asia Pacific

■ Following the Japanese earthquake and tsunami, the government issued energy reduction targets for summer 2011. Credit Suisse took prompt action to comply with the 15% peak-load energy demand reduction target at its Tokyo offices without disrupting its business activities. We achieved this through

measures such as the use of higher temperature set points, reduced lighting and air-conditioning usage, shifting select IT operations to off-peak hours and a swifter transition to the use of more energy-efficient office equipment. The Japanese financial regulator expects banks to voluntarily continue with the 15% reduction in energy consumption, which we have successfully achieved for both our premises in Japan. We are currently reviewing a list of selected measures that could be implemented on a long-term basis.

■ In March 2011, our offices in Singapore were awarded the BCA (Building and Construction Authority) Green Mark "Platinum" award for the new office design implemented in levels 2 and 3 of the Serangoon building. This follows the successful completion of improvements to the regional data center, which received the "Platinum" award in 2009. In addition to energy and water efficiency, the award reflects aspects such as the choice of location, environmental protection, innovation and the working environment (e.g. use of 100% LED lighting). An audit will be conducted every three years to ensure the building still meets the relevant criteria.

■ In 2011, we refurbished our offices in Sydney according to Australia's Environmental Sustainable Design (ESD) standards and received an award from the Master Builders Association of New South Wales for best interior fit. The redesign included the installation of energy-efficient lighting and lighting control systems, the targeted monitoring of electricity consumption (sub-metering), 100%

reuse or recycling of excess materials and construction waste, and a wider range of videoconferencing facilities. The refurbishment is projected to achieve a 10% decrease in annual energy consumption.

### Americas

■ The relocation of our Houston office in 2011 provided an opportunity to strive for increased operational efficiency. A lease was negotiated that includes the sub-metering of chilled water, enabling the office to realize cost savings. In addition, the use of air-conditioning outside regular business hours was reduced by grouping together in the same office zone employees in business areas that conduct a large proportion of their work outside these hours. This project has a two-year return on investment (ROI) and is projected to deliver USD 700,000 in operational savings over the 10-year lease.

■ At our data center in Princeton, four cooling systems were replaced with more energy-efficient models in 2011. We also implemented further optimization measures such as the use of ambient air and water for cooling purposes, the automatic fine-tuning of installations in line with frequency of use, and operational adjustments to reduce energy consumption outside of normal working hours. These measures are being supported with USD 1.86 million of energy efficiency incentives from local utilities and public programs and are projected to achieve 2,380,000 kilowatt-hours in energy savings annually and USD 4.9 million in operational cost savings over the 20-year equipment lifespan.

## Awards and Recognition for Environmental and Climate Protection 2011

■ **Best Global Green Brand:** Credit Suisse ranked second globally among international banks in the "Best Global Green Brands" rankings produced by Interbrand. The awards are based on the public perception of each company's sustainability efforts and its actual green performance.

■ **Hong Kong Awards for Environmental Excellence:** In the 2011 awards ceremony, our

Hong Kong branch received a joint silver medal in recognition of its environmental awareness and commitments for the previous year – the highest award presented to a company in the financial sector. The Awards for Environmental Excellence are intended to motivate companies to think and act sustainably.

■ **ProKilowatt:** As part of a competitive tender run by the Swiss Federal Office of Energy, Credit Suisse

was awarded a grant for the energy-efficient re-design of the lighting system in a multi-story car park in Geneva. ProKilowatt is an initiative that promotes the identification of, and the provision of support for, projects that contribute to the sustainable, low-cost generation of energy savings in the manufacturing and service industries, as well as in domestic households.

## Key Performance Indicators for Operational Ecology<sup>1</sup>

		2011		2010	
		Absolute	per FTE <sup>2</sup>	Absolute	per FTE <sup>2</sup>
Energy	kWh	710,912,000	14,006	725,399,000	14,479
Business travel	km	601,419,000	11,849	580,390,000	11,585
Paper	kg	6,339,000	125	5,517,000	110
Water	m <sup>3</sup>	1,332,000	26	1,529,000	31
Waste	kg	14,121,000	278	15,000	289

<sup>1</sup> According to VfU standard.

<sup>2</sup> Annual average; employees (full-time equivalents).

## Environment and Sustainability: Key Figures

	2011	2010
Environmental/sustainability specialists <sup>1</sup>	55	50
Employees trained in environmental issues <sup>2</sup>	2,517	1,692
Training time (in hours)	3,700	3,230

<sup>1</sup> Full-time equivalent composites, including the corresponding fixed mandates of externals.

<sup>2</sup> e-learning not included; training for bank operations as well as relevant bank products included.

## Operational Ecology: Selected Figures for 2011



### 115,500 hours

Use of video conferencing –  
15% increase compared to 2010



### 571 million kilometers

Business air travel (global greenhouse gas  
neutrality through purchase of emissions  
reduction certificates, as of 2010)



### 5,600

Servers no longer in use as a result  
of virtualization, corresponding  
to a reduction in energy usage of  
12 gigawatt-hours globally

manner. Our global Supplier Code of Conduct introduced in 2010 provides detailed information on these standards and defines our requirements relating to business ethics and integrity, employment and social standards, environmental protection and general business principles, as well as the corresponding management systems. To motivate firms to assume their environmental and social responsibilities, the code also requires suppliers to deliver services that, in some cases, exceed local legislative requirements. We encourage our partners to strive for high standards in this area and to continuously improve their environmental and social performance.

## Sustainable Supply Management Examples

- We have negotiated a new executive car services contract for our London offices which includes a "green" hybrid technology car offering as an option for end-users.
- In Switzerland, we purchase 100% certified hydropower for the entire region as part of our current electricity contract.
- The 2,000 workspaces in our new Uetlihof 2 building have been equipped with innovative LED standard lamps that provide improvements in terms of lighting quality, energy efficiency, sustainability and cost-effectiveness.
- An extension to the existing waste management contract for London incorporated a commitment to reduce the amount of waste sent to landfill, which totaled 3% at the end of 2011, to 1% by the end of 2012 and 0% by the end of 2013.

[www.credit-suisse.com/responsibility/environment](http://www.credit-suisse.com/responsibility/environment)

## Challenges and Responses 2011

**Challenge:** Address the challenges of climate change through our products, services and research.

**Response:** We developed environment- and climate-related products and services. We also produced and published a research report on the role of banks in transitioning to a low-carbon economy together with WWF.

**Challenge:** Continue to reduce CO<sub>2</sub> emissions with fluctuating headcount and a business-driven increase in air travel.

**Response:** Our CSCfC achievements for the period 2009–2011 show that our global four-pillar strategy is proving effective. The greenhouse gas emissions resulting from our total energy consumption in 2011 decreased by around 7,000 metric tons globally compared to 2010. The specific energy use per employee (FTE) decreased or was stable in all regions. Reducing emissions from business air travel – primarily to retain direct contact with clients – remains one of our greatest challenges in this area.

# Dialogue and Transparency



**Daniele Caverzasio** (left), a relationship manager in Private Banking Switzerland, and **Sergio Morisoli**, Market & Business Development for Private Banking Switzerland, Ticino region, are members of the Ticino Parliament.



To read the article about employees who hold a public office, scan the QR code or refer to the Responsibility Chronicle.  
[www.credit-suisse.com/chronicle](http://www.credit-suisse.com/chronicle)

# Dialogue with Stakeholders

The long-term success of our bank depends on our ability to gain and maintain the trust of our stakeholders. We lay the foundations for this relationship of trust by providing transparency about our business activities and by engaging in a regular and open exchange of views and ideas. This dialogue with our clients, shareholders, regulators and other groups of stakeholders within society enables us to promptly identify their needs and expectations and to find constructive solutions to current challenges.

To promote mutual understanding and to build the trust that is essential for our business, we strive to provide the greatest possible level of transparency about our activities and we cultivate an open dialogue with all our stakeholders. Our exchange of views with our clients, shareholders, employees, regulatory bodies, politicians and other representatives of society enables us to recognize key issues, opportunities and even potential risks and to respond to them appropriately.

As an integral part of society and as a global bank, Credit Suisse actively participates in political discussions about current issues such as the international debt crisis and works with the authorities to develop sustainable solutions to preserve and strengthen the stability of the financial system.

## International Coordination of Regulatory Measures

To maintain financial market stability while ensuring a level playing field for international financial centers, it is essential for regulatory measures to be coordinated globally. This is especially critical in view of the cumulative effects that stricter bank regulations can have on the economy. For example, the restriction of banking activities as a result of higher regulatory requirements can stifle economic growth, with negative consequences for the labor market. Credit Suisse strives to balance the interests of its shareholders and the concerns of the regulatory authorities, legislators and other stakeholders within society, while focusing on the needs of clients. As a member of various global, national and regional industry organizations, we therefore once again actively participated in discussions about the architecture of the international financial system with bodies such as the G-20, the Financial Stability Board (FSB), the OECD and the EU in 2011.

## "Too Big to Fail"

The fact that Credit Suisse has never had to turn to the government for support at any point in our history of more than 150 years demonstrates that we are able to conduct our business activities by maintaining a solid capital base and sound risk appetite and proactively meeting the demands of investors and regulators.

In 2011, we were once again involved in the intensive dialogue conducted both in Switzerland and internationally about the "Too Big to Fail" issue, drawing on our experience in order to support efforts to find a solution under which systemically important banks could be allowed to fail without the entire economy being jeopardized.

We basically share the public view that it should be possible for even systemically relevant financial institutions to fail without having to resort to bailouts that are funded using taxpayers' money. For example, we worked constructively with the Expert Commission appointed by the Swiss

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## Current International Regulatory Developments

The international reforms in the area of industry regulation are aimed at increasing the stability and integrity of the global financial system. The initiatives that are most relevant for Credit Suisse concern the following issues:

- Prudent capital and liquidity standards for systemically relevant banks (especially Basel III)
  - Improvement of consumer protection and increased market transparency (Dodd-Frank Act in the US; MiFID [Markets in Financial Instruments Directive], UCITS IV [Undertakings for Collective Investments in Transferable Securities], AIFMD [Alternative Investment Fund Managers Directive] and EMIR [European Market Infrastructure Regulation] directives in Europe)
  - Compensation systems (G-20, FSB [Financial Stability Board], FINMA [Swiss Financial Market Supervisory Authority])
  - Taxation (OECD model agreement, OECD Art. 26 standard [Organisation for Economic Cooperation and Development]; capital gains withholding tax with Germany and the UK; US FATCA legislation [Foreign Account Tax Compliance Act], tax negotiations with the US)
- Further reforms relate to areas such as macroprudential regulation or the shadow banking system and are being driven by the FSB. The implementation of international standards in various countries also has significant implications for Credit Suisse.

## Our Stakeholders

As a globally active bank, Credit Suisse cultivates a dialogue with its stakeholders on a range of topics through various channels:



Federal Council to develop recommendations to address the “Too Big to Fail” issue in Switzerland and supported the formulation of a balanced package of measures in 2011. Under the new legislation approved in September 2011, Switzerland imposes significantly higher capital requirements on its big banks than those prescribed by the international standard driven by the Basel Committee on Banking Supervision. Credit Suisse essentially supports these measures because we recognize the responsibility that we have toward society in our role as a major bank. To preserve the international competitiveness of the Swiss financial center, it is, however, also necessary to take account of international developments in the area of bank capital requirements.

Credit Suisse has been preparing for the stricter regulatory environment for a long time and is thus well positioned to meet the new requirements in Switzerland and abroad within the relevant timeframes. In February 2011, we already took an important step toward meeting the stricter capital rules with the successful placement of Buffer Capital Notes and thus demonstrated our constructive approach to finding a solution to the “Too Big to Fail” issue. Credit Suisse has worked closely with the Swiss regulatory authorities to develop this competitive solution.

Credit Suisse has actively participated in the “Too Big to Fail” debate at European level in view of the importance of our operations in the EU. Similar to Switzerland, the EU approach to the “Too Big to Fail” issue revolves around three axes: additional capital, recovery planning and reso-

lution tools aimed at ensuring the orderly wind-down of failed banks to avoid bailouts at the cost of taxpayers. In terms of additional capital requirements and resolution tools, the EU discussions lag behind the debate in Switzerland but legislation for both of these aspects will be put before EU institutions in 2012. Credit Suisse has responded to consultations on all three major topics and has participated in industry bodies to provide thought leadership on this critical aspect of the financial regulatory reform agenda. We are also closely monitoring global regulatory developments and contributing our expertise to the worldwide debate to help build a more robust finance industry.

### Our Stakeholders

Through our role as a global financial services provider, we play an important part in the economy and society. As a result, we are sometimes confronted with very different demands and expectations. We cultivate a constructive dialogue with all our stakeholders by attending or hosting events and engaging in discussions in order to identify their needs and interests and to jointly develop solutions to current challenges wherever possible.

■ **Clients** The achievement of client satisfaction is a key factor determining the success of our business. One of the ways we ensure that our products and services meet the needs and expectations of our clients as effectively as possible is by conducting an annual study of over 20,000 Private Banking clients and service users worldwide (see page 8). As well as advising our clients on

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## Engaging in a Dialogue with Stakeholders

### Politicians and Regulators

Credit Suisse maintains close contact with representatives of regional, national and international political and regulatory bodies. We hold regular meetings at which we cultivate a constructive dialogue with legislators and the regulatory authorities and exchange knowledge and information.

We regard our support for the Swiss political system – known as the “militia system” – and for the functions of state performed by the political parties as part of our responsibility toward society (see below). In view of the unique nature of the political system in our home market, the support we provide in this area is exclusive to Switzerland. This means that our company does not offer financial support to political parties in other countries. In the US, we offer employees the option of collecting personal donations within Credit Suisse through a Political Action Committee (PAC). These are not company funds; they consist entirely of voluntary private donations made by senior officer employees in the US.

### Strengthening of the Swiss Political System

■ **Financial support for parties:** A distinctive feature of the Swiss political system is the fact that citizens assume roles in political bodies at federal, cantonal or commune levels in parallel to their regular professions – an approach known in Switzerland as the “militia system”. Consequently, members of parliament in Switzerland are not professional politicians and the parties do not receive state funding. To strengthen this system and promote political diversity in Switzerland, where Credit Suisse has its roots and is headquartered, the company essentially offers support to all political parties as part of its commitment to society. Financial contributions are provided in response to requests for funding and do not give rise to any obligations on the part of the political parties that receive them; they are made irrespective of their political agenda and position. The only factor that influences the support provided is the number of parliamentary mandates held by each party at cantonal and federal level; to receive support, a party must have at least five seats in the Federal Assembly (parliament). This transparent approach based on objective criteria enables Credit Suisse to make a politically neutral contribution to support the work of the parties in performing functions of state –

whether at federal, cantonal or commune level.

Credit Suisse has decided to make a maximum of CHF 1 million of financial support available each year, corresponding to an average share of CHF 200,000 for each of the largest parties. This is a long-term commitment and will be reviewed regularly.

■ **Meeting for employees** who hold an elected office: To contribute to the functioning of the “militia system” in Switzerland, Credit Suisse also supports employees who voluntarily assume a public role. We allow all employees who hold an elected office, e.g. in their local community, to devote up to 20% of their working hours to this voluntary function while receiving their full salary from the bank, irrespective of which political party they may represent. Each year, our Public Policy department organizes a meeting for around 300 employees in Switzerland who hold an office in the cantonal authorities or at commune level. The event incorporates workshops and provides a platform so that they can share their experiences and exchange their views and ideas with the bank’s top management. In 2011 – an election year in Switzerland – the use of social media in politics and the organization of political campaigns were the main themes of this meeting.

### Business Organizations

A stable economic environment is important to Credit Suisse in view of our different roles as a global financial services provider, taxpayer and employer. We therefore participate in industry associations, umbrella organizations, regional financial center bodies and bilateral chambers of commerce to maintain a dialogue with governments and regulatory authorities. They include the following organizations:

#### ■ **economiesuisse**

This umbrella organization represents the interests of Swiss businesses in the political process and works to create an optimal operating environment. We are represented on its Board of Directors and play a role in expert commissions and committees – including at an international level in the Business and Industry Advisory Committee to the OECD.

#### ■ **European Financial Services Round Table (EFR)**

The EFR supports the formation of a truly single European market for financial services and encourages national and European opinion leaders

to work toward the development of internationally consistent financial regulations and supervision.

#### ■ **Global Financial Markets Association (GFMA)**

The GFMA was established to join together the common interests of financial institutions around the world in response to the increasingly globally interconnected nature of financial market regulation. We are active in the regional arms of the GFMA: AFME (Association for Financial Markets in Europe), SIFMA (The Securities Industry and Financial Markets Association) and ASIFMA (The Asia Securities Industry and Financial Markets Association).

#### ■ **International Chamber of Commerce (ICC)**

As a member of the ICC, we are committed to promoting free international trade and participate in working groups on the topics of banks, economic policy, energy and climate issues.

#### ■ **Institute of International Finance (IIF)**

The IIF represents the interests of globally active financial institutions. We are represented on its Board of Directors and in various committees and working groups, including the Special Committee for Effective Regulation and the Cross-border Resolution Working Group.

#### ■ **Swiss Association of Employers**

This overarching employer organization represents the interests of employers across all industries and regions vis-à-vis the public, politicians, the authorities and administration, and other public bodies. Credit Suisse is represented on its Board of Directors.

#### ■ **Swiss Bankers Association (SBA)**

This organization is committed to improving operating conditions for banks in Switzerland. Credit Suisse is represented on the SBA Board of Directors and various specialist committees. Through our role in the SBA, we also participate in the European Banking Federation.

#### ■ **World Economic Forum (WEF)**

We have been a member of the WEF for over 20 years and have been a strategic partner since 2006. The forum provides a platform for leading economics experts, politicians, academics and journalists from around the globe to come together to debate the most pressing issues facing the world. At the annual meeting in Davos in 2011, we were involved in sessions on topics including sovereign debt, financial market regulation, family-run businesses, social entrepreneurship and philanthropy.

## Selected Sustainability Networks, Initiatives and Working Groups



### UN Global Compact

In 2000, Credit Suisse was one of the first companies to sign up to this leading international agreement, which promotes a sustainable approach to business. We have pledged to uphold the UN Global Compact's 10 principles relating to human rights, labor standards, environmental protection and anti-corruption efforts. As an active member, we report annually on our progress, regularly attend UN Global Compact events and participate in its national networks in Switzerland and Singapore (see also pages 58).



### United Nations Environment Programme Finance Initiative (UNEP FI)

Credit Suisse became one of the first signatories of UNEP FI in 1992. More than 190 participating banks, insurers and asset managers have made a voluntary commitment to promote a sustainable approach to business within the financial sector. In 2011, we once again participated in UNEP FI meetings and played an active role in working groups on biodiversity and human rights.



### ASrIA – Association for Sustainable and Responsible Investment in Asia

As a member of this initiative, Credit Suisse has pledged to promote sustainable investments in Asia and to contribute to the exchange of information and experience about this topic. In 2011, Credit Suisse sponsored the evening event at the ASrIA Conference held to mark the 10th anniversary of the organization in Hong Kong. The event was attended by over 250 participants, who discussed the further expansion of sustainable investments in Asia. The ASrIA Sustainable Finance in Asia Awards 2011 were presented by Credit Suisse Asset Management, and Credit Suisse was also among the panelists discussing the topic "Scaling up Sustainable Finance in Asia".



### Banking Environment Initiative

Founded in 2010, this initiative develops strategies on how capital flows can be redirected from activities that are harmful to the environment and climate toward sustainable activities. Credit Suisse and 10 other global banks participate in the initiative.

### Equator Principles

We conduct our project finance activities in emerging economies and developing countries in accordance with the Equator Principles, which are based on environmental and social standards defined by the World Bank Group. Credit Suisse was one of the first companies to sign up to the Equator Principles in 2003 and we report annually on our efforts to implement them. Since 2010, we have been actively involved in the Equator Principles Steering Committee. As a member of its working groups, we also contribute to the further development of this initiative and help to promote a dialogue with NGOs (see also page 55).



### Roundtable on Sustainable Palm Oil (RSPO)

Credit Suisse is an Ordinary Member of the RSPO in the "Banks and Investors" membership category and is committed to working with clients and other industry stakeholders across the palm oil industry supply chain to promote the RSPO's vision and mission (see page 13).



### Swiss Association for Environmentally Conscious Management (Öbu)

This national network consists of over 400 Swiss firms that work together to promote the sustainable development of the economy. It fosters the exchange of knowledge and campaigns for the development of a political framework to enable the business community to work both sustainably and profitably. In 2011, Credit Suisse attended the annual conference "Forum ö" held by the Swiss Association for Environmentally Conscious Management and delivered a keynote speech on the role of the state in building a sustainable economy.

financial matters, we regularly organize conferences and discussion-based events to promote an exchange of views and ideas. One example is the Credit Suisse Salon, which was launched in 2008 and provides a platform for selected clients to meet with opinion leaders and experts from a wide range of industries, as well as Credit Suisse managers, to discuss key social, economic or political topics. In mid-2011, Mohammed El-Baradei, the Egyptian politician and former Director General of the International Atomic Energy Agency (IAEA) was a guest speaker at the eighth Credit Suisse Salon entitled "The Middle East – Quo Vadis?".

■ **Investors** We maintain an intensive dialogue with investors, analysts and the financial media. Our Investor Relations department has gained a high level of recognition for its work in industry circles. In 2011, it once again achieved

top rankings in the surveys conducted by Thomson Extel and Institutional Investor, confirming the quality of its services.

■ **Employees** Credit Suisse has, for years, been working closely with bodies that represent employee interests such as the Credit Suisse Staff Council (PKOM) in Switzerland, national employee associations and the European Works Council to ensure that the needs of our people are taken properly into account. In conjunction with an independent consulting firm, we also regularly conduct internal surveys to assess our employees' level of satisfaction with their working environment, their opportunities for professional development and our corporate culture. Their feedback provides us with a valuable indication of the aspects that we need to address to bring about improvements. The bank-

wide engagement survey conducted in 2011 indicated that the level of satisfaction among Credit Suisse employees was higher than the industry average (see page 37).

■ **Society** Credit Suisse is an active member of society and engages in a direct dialogue with many politicians, legislators, members of the business community, academics and non-governmental organizations (NGOs). We also participate in discussions about economic, political, environmental and social issues with associations and think-tanks. As part of this social dialogue, we contribute our viewpoint and experience as a global bank and offer our expertise on a range of topics.

### Dialogue about the Environment

Credit Suisse also actively participates in the debate about environmental themes and in discussions on how to promote a more sustainable, climate-friendly approach to business. In addition, we exchange knowledge with various organizations and groups of experts (see also page 53). For example, Credit Suisse participates in a working group of the International Chamber of Commerce (ICC) that

addresses energy and climate issues, as well as in a working group established by the United Nations Environment Programme Finance Initiative (UNEP FI) that focuses on biodiversity. In both cases, we seek to provide a finance industry perspective on the topics in question and contribute our expertise to the debate.

### Listening to Public Concerns

2011 saw the emergence of the Occupy Movement, which articulated fundamental concerns about free market societies and the stability of the financial system and of the banking industry. We take the demands voiced by the protesters seriously – especially their call for a more

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## Dialogue with NGOs

In 2011, a wide range of topics was discussed with national and international NGOs covering the environmental and/or social dimensions of sustainability.

Issue	Organization
<b>Agriculture and soft commodities</b>	WWF Friends of the Earth
<b>Climate change</b>	WWF BankTrack
<b>Coal financing</b>	Friends of the Earth Greenpeace Urgewald
<b>Forestry, palm oil and biodiversity</b>	Bruno Manser Fund Greenpeace The Nature Conservancy World Resources Institute WWF
<b>Mountain top removal coal mining</b>	Natural Resources Defense Council Rainforest Action Network Sierra Club
<b>Nuclear power</b>	Greenpeace Urgewald Friends of the Earth
<b>Unconventional oil and gas</b>	Natural Resources Defense Council
<b>Human rights</b>	Amnesty International Berne Declaration
<b>Controversial arms</b>	Netwerk Vlaanderen IKV Pax Christi

## Events on Environmental and Social Themes in 2011

### ■ Asian Investment Conference (AIC)

The AIC, which is organized by Credit Suisse in Hong Kong, is now regarded as one of the most important investor conferences in Asia Pacific, attracting around 2,000 business leaders, academics, politicians and regulators, as well as institutional and high-net-worth investors. In 2011, the conference enabled the participants to meet with experts to discuss global economic developments, to increase their knowledge about investment opportunities in Asia Pacific and to attend presentations by leading listed companies.

### ■ Lifefair Forum

Credit Suisse hosted four Lifefair Forums in Switzerland on the topics "Green Economy – Opportunities and Risks", "Smart Grids", "Energy Transition and Carbon Compensation" and "Rio +20". The Lifefair Forum is a thought leadership platform supported by the conference organizer Lifefair in collaboration with Credit Suisse and economiesuisse, the Swiss business association. A common feature of all these events is that they provide a platform for keynote speakers to explore the prerequisites for an economically and ecologically successful approach to sustainability and the resulting opportunities.

### ■ China Sustainable Banking Strategy Forum

Credit Suisse gave two presentations about our sustainability commitments at this forum in Beijing. Participants in the event underscored the importance of considering environmental and social criteria to support the future development of the Chinese financial sector. On the second day of the Forum, Credit Suisse took part in an event organized by the environmental groups Greenpeace, Friends of the Earth and International Rivers at which we discussed sustainability issues in banking with various NGOs.

### ■ "Crops, Capital and the Environment"

As part of a collaboration between Credit Suisse and WWF to promote sustainable agriculture, we organized an event for employees in New York to focus on the agricultural sector, its significant impacts on the environment, and the implications of sustainability on competitiveness within the sector.

### ■ Carbon Thought Leadership

We organized an event in New York with presentations about energy generation in the US using emerging extraction technologies with a focus on shale gas. The US has seen a boom in the use of this type of gas, although it poses certain environmental risks – especially for groundwater.

### ■ Climate Change Conference COP-17

Together with other representatives of Swiss businesses, Credit Suisse gave video presentations at the COP-17 in Durban on its commitment to addressing environmental and climate issues and showcased its expertise in financing renewable energy.

### ■ 2,000 Watt Society

Credit Suisse participated in an exhibition of the 2,000 Watt Society project in the city of Basel. According to an energy use model developed by the Swiss Federal Institute of Technology (ETH), it should be possible to reduce per capita energy consumption to a maximum of 2,000 watts without experiencing any real inconvenience in our daily life.

## Reports and Publications

### Contributing to the Public Debate

In 2011, we once again contributed our expertise to the public debate and supported the formation of public opinion, as well as helping to find solutions to current problems. We regularly publish studies, analyses and specialist articles on important economic, political and social issues. This information not only assists clients and investors when making decisions but also attracts the interest of politicians, business representatives and the media.



#### Credit Suisse Barometers

For more than 30 years, Credit Suisse has conducted an annual representative survey to evaluate the issues that are of most concern to the Swiss public and to examine aspects of the Swiss national identity. The findings provide an insight into the current mood in the country and are a source of information for politicians, the business community and the media. Credit Suisse also conducts a Youth Barometer – a comprehensive representative survey to provide an insight into the lifestyles, problems and attitudes of young people in Switzerland, the US and Brazil (see page 24).



#### Credit Suisse Research Institute

The Credit Suisse Research Institute produces in-depth analyses of fundamental social, economic, environmental and demographic trends that are expected to impact global markets. This thought leadership initiative brings together our own global network of analysts and some of the world's most distinguished experts, the Senior Advisors to the Research Institute and independent academics. The publications issued by the Research Institute are made available not only to clients but also to the public. The Research Institute also organizes workshops and audio conferences on current events.



#### Investment Research

Credit Suisse economists, strategists and investment specialists in our various Research units in Switzerland and international locations produce a global economic assessment and market outlook on a monthly basis. While these publications are primarily geared toward our clients, members of the public with an interest in these subjects also make extensive use of our research. In addition, we provide regular information on how investors can apply our research findings. As part of our "Global Investor" series, we publish regular background analyses on current topics and longer-term trends, as well as their potential impacts on the financial markets and investments.



#### "bulletin" and online articles

In addition to economic analyses, Credit Suisse produces further publications that are geared toward a broad readership. Our international award-winning client magazine "bulletin" contains articles on feature topics as well as background reports on socio-political issues, economic trends and our environmental and social commitments. In 2011, the different issues of the publication were dedicated to the themes Roots, West, Youth, Wood and Time. Our weekly online articles provide readers with up-to-date information on a range of current topics.

stable financial system and for banking resolution regimes that do not require direct financial support from governments and taxpayers. However, we believe that we can achieve more tangible progress overall by interacting with NGOs that can commit to concrete measures rather than a "movement". Credit Suisse therefore engages in a dialogue with a broad range of NGOs to remain informed about environmental and social developments and issues that may be relevant for our clients or the bank. These organizations may specialize in certain topics or have more general knowledge about themes of mutual interest. Such exchanges of opinions occur at conferences or bilateral meetings. In some instances, NGOs contact us to discuss their concerns about a specific transaction or to elicit our opinion on a topic or trend that they view with concern. Despite the fundamental differences between the mission of an NGO and the mandate of a corporation, these exchanges are not only characterized by divergent opinions but can often also lead to agreement on a number of points.

[www.credit-suisse.com/responsibility/dialogue](http://www.credit-suisse.com/responsibility/dialogue)

## Challenges and Responses 2011

**Challenge: Engage with stakeholders such as NGOs and special interest groups to increase mutual understanding and, at the same time, uphold our duties of confidentiality.**

**Response:** We continued to foster a dialogue with different groups of stakeholders to the greatest extent possible while respecting confidentiality requirements.

**Challenge: Maintain a constructive dialogue with government and regulatory bodies on regulatory topics.**

**Response:** We participated constructively in the "Too Big to Fail" debate both in Switzerland and internationally, drawing on our experience and expertise to help develop appropriate solutions that will strengthen the financial system while safeguarding the competitiveness of the banking industry.

**Challenge: Promote political diversity in Switzerland and help to strengthen the "militia system" of politics through measures including the provision of transparent and neutral financial support for political parties that focuses exclusively on their role in supporting the state.**

**Response:** We have developed a transparent and comprehensible system to provide financial support to political parties. Our approach is politically neutral, is based on objective criteria and is open to all parties that perform functions of state.

# Sustainability Reporting and Ratings

Our Corporate Responsibility Report is designed to inform our stakeholders about the principles that guide us in our daily work and to illustrate the ways in which we address current economic, environmental and social challenges in our business activities.

We want to create long-term value for our clients, shareholders, employees and other stakeholders within society and believe that the only means of achieving this is by adopting a sustainable approach to business. We not only strive to uphold the professional standards and ethical values defined in our Code of Conduct but also regard the assumption of our corporate responsibilities as the basis for all aspects of our activities. Consequently, we take account of economic, environmental and social aspects when performing our core business operations.

The Corporate Responsibility Report forms part of Credit Suisse's annual reporting suite (see inside cover for further details) and presents the principles, goals and challenges that we face in the area of corporate responsibility. It offers an overview of our main activities in this area and of the progress we achieved in 2011. It also documents our progress in implementing the 10 principles prescribed by the UN Global Compact in our capacity as a signatory to the agreement (see page 58). Unless stated otherwise, the information contained in this report relates to the year 2011.

It is only possible for us to portray a selection of our activities in the printed publication due to the limited amount of space available. The Responsibility Chronicle, which is available for the iPad or as an interactive PDF, therefore offers interested readers a vibrant multimedia insight into our global projects and initiatives through a series of more in-depth reports, videos, podcasts and image galleries.

To ensure that we can supply the full breadth of information required by our stakeholders, the contents of this report, as well as additional information and data on all the themes discussed within it, can be found on the Internet at: [www.credit-suisse.com/responsibility](http://www.credit-suisse.com/responsibility)

We regard transparent reporting as an important basis for the cultivation of a dialogue with our stakeholders and welcome input on our activities. Feedback can be sent to: [responsibility.corporate@credit-suisse.com](mailto:responsibility.corporate@credit-suisse.com)

## Global Reporting Initiative and External Assurance

Our Corporate Responsibility Report reflects the requirements set out in the Global Reporting Initiative (GRI).

This internationally recognized voluntary standard defines principles and indicators that companies can use to measure and report on their economic, environmental and social performance. The GRI guidelines are currently observed by over 3,000 organizations in 60 countries, helping to increase the transparency, uniformity and comparability of corporate responsibility reports. Detailed information about Credit Suisse's GRI indicators can be found at:

[www.credit-suisse.com/responsibility/gri](http://www.credit-suisse.com/responsibility/gri)

Credit Suisse had its GRI Content Index reviewed and assessed for the first time in 2010. For 2011, GRI has verified Credit Suisse's compliance with the GRI G3 Guidelines and has given Credit Suisse the disclosure level of A+. In addition, Credit Suisse's corporate responsibility reporting was externally assessed and independently assured for the first time for the Corporate Responsibility Report 2011. The assurance was conducted by SGS, which confirmed that Credit Suisse's corporate responsibility disclosure meets the requirements of GRI level A+. The results of SGS' assessment are documented in the appendix of this report and at:

[www.credit-suisse.com/responsibility/gri](http://www.credit-suisse.com/responsibility/gri)

In a separate engagement, SGS has certified Credit Suisse's environmental management system globally in accordance with ISO 14001:2004 (see page 45).

Continued on page 59

## Carbon Disclosure Project

In 2011, Credit Suisse took part in the Carbon Disclosure Project for the 10th consecutive year. This organization, which represents more than 550 institutional investors with invested assets of around USD 71 trillion, aims to provide guidance to investors on climate-related opportunities and risks for companies. In 2011, around 3,700 firms worldwide disclosed information on their climate strategies and greenhouse gas emissions. Credit Suisse scored 81 out of a possible 100 points – an increase of 13 points compared to 2010. The improved 2011 disclosure score not only reflects an increased level of disclosure but also an improvement in internal data management practices to understand global greenhouse gas emissions and a greater insight into the risks and opportunities that climate change presents to Credit Suisse's business.

## Implementation of the 10 Principles of the UN Global Compact

UN Global Compact			Examples of implementation at Credit Suisse
<b>Human rights<sup>1</sup></b>	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> <li>■ Credit Suisse adheres to the UN Universal Declaration of Human Rights</li> <li>■ Involvement in the formulation of sector-specific recommendations for the application of the UN Human Rights Framework and the Guiding Principles</li> <li>■ Partnership with International Humanitarian Forum in Lucerne (IHRF)</li> <li>■ Participation in the UNEP FI working group on human rights</li> </ul>
	Principle 2	make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> <li>■ Application of Reputational Risk Review Process</li> <li>■ Implementation of sector-specific policies</li> </ul>
<b>Labor standards<sup>2</sup></b>	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> <li>■ Staff Council in Switzerland (internal employee representation)</li> <li>■ European Works Council</li> </ul>
	Principle 4	the elimination of all forms of forced and compulsory labor;	<ul style="list-style-type: none"> <li>■ Progressive working conditions for own staff</li> <li>■ Supply Management: Credit Suisse Supplier Code of Conduct<sup>3</sup></li> </ul>
	Principle 5	the effective abolition of child labor; and	<ul style="list-style-type: none"> <li>■ Implementation of sector-specific policies</li> <li>■ Supply Management: Credit Suisse Supplier Code of Conduct<sup>3</sup></li> </ul>
	Principle 6	the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> <li>■ Global Diversity and Inclusion Team; Diversity Council in all regions</li> <li>■ Accessibility</li> </ul>
<b>Environment<sup>4</sup></b>	Principle 7	Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> <li>■ Application of Reputational Risk Review Process</li> <li>■ Implementation of sector-specific policies</li> </ul>
	Principle 8	undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> <li>■ Credit Suisse Cares for Climate (CSCfC) initiative</li> <li>■ Global greenhouse gas neutrality since 2010</li> <li>■ ISO 14001-certified environmental management system</li> </ul>
	Principle 9	encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> <li>■ Use of clean energy technologies in our operations</li> <li>■ Offering of environment-related products and services</li> <li>■ Participation in the UNEP FI working group on biodiversity</li> </ul>
<b>Anti-corruption</b>	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> <li>■ Active member of Wolfsberg Group</li> <li>■ Further development of internal standards and training courses for employees</li> </ul>

<sup>1</sup> See pages 11–16.

<sup>2</sup> Pages 36–41.

<sup>3</sup> Pages 48–49.

<sup>4</sup> Pages 11–16 and 42–49.

## External Assessments of Our Reporting

Credit Suisse was assigned first place in Switzerland and second place globally among banks in the Best Global Green Brand rankings published by the consulting firm Interbrand for 2011. The rankings are based on the quality of the companies' communications as well as the public perception of their sustainability efforts and their actual green performance. Our online corporate responsibility reporting achieved second place in Switzerland and 22nd place in Europe in the 2011 CSR Online Awards presented by the communications agency Lundquist Communication.

## Sustainability Ratings and Indices

Investors are increasingly interested in environmentally and socially responsible investments and therefore not only consider financial data but also sustainability criteria when reaching investment decisions. The analyses and ratings produced by specialized sustainability rating agencies and index providers serve as a guide in this context. Credit Suisse has been included in leading sustainability indices such as the Dow Jones Sustainability Indices and the FTSE4Good Index Series for a number of years. The Credit Suisse Group share is therefore included in various sustainability funds.

## Sustainability Ratings Assigned to Credit Suisse in 2011

### Carbon Disclosure Project (UK)

(rating scale: 1 to 100; average: 59)

**81 points**

### MSCI ESG Research Intangible Value Assessment 2011<sup>2</sup>

(rating scale: AAA to CCC)

**B**

### oekom research (D)<sup>1</sup>

(rating scale: A+ to D-)

**C- Medium (Not Prime)**

### SAM (US/Switzerland)

(economic dimension 81%; environmental dimension 75%; social dimension 74%; industry average 53%)

**77%**

<sup>1</sup> The rating encompasses environmental, social and governance aspects. In the case of financial services providers, the focus is on the stability of the financial system, employee development and the assessment of environmental risks when providing financing.

<sup>2</sup> The rating encompasses areas such as: employees and suppliers, society, corporate governance, products and services, environmental management and environmental efficiency.

## Sustainability Indices 2011

Index	Brief description	Credit Suisse
Dow Jones Sustainability World Index (DJSI World)	Global best-in-class approach: the top 10% of the 2,500 largest companies in the Dow Jones Global Total Stock Market Index according to sustainability criteria.	Credit Suisse has been a constituent of the Dow Jones Sustainability World Index since it was launched in 1999.
Dow Jones Sustainability Europe Index (DJSI Europe)	European best-in-class approach: the top 20% of companies in terms of sustainability criteria of the 600 largest European companies in the Dow Jones Global Total Stock Market Index.	Credit Suisse has been a constituent of the European Index of the Dow Jones Sustainability Indices since 2001. <sup>1</sup>
FTSE4Good Index Series	Companies that meet globally recognized corporate responsibility standards.	Credit Suisse has been a constituent of the FTSE4Good Index Series since it was launched in 2001.

<sup>1</sup> Prior to 2010: Dow Jones STOXX Sustainability Index (DJSI STOXX).

# Achievements 2011 and Objectives 2012

## Objectives 2011

## Achievements

## Objectives 2012

### Banking € ¥ \$

■ Continue to refine the tools used to examine sustainability-related risks in our business transactions and work on their implementation.

■ Foster cross-divisional collaboration through the Green Business Initiative (GBI), the purpose of which is to help coordinate efforts in the areas of clean energy, water and sustainable commodities.

■ Develop innovative solutions and services to link the top and the base of the wealth pyramid and continue to actively support the responsible development of the microfinance industry.

■ We completed a technical upgrade of our intranet-based risk review system and finalized our sustainability risk checklist. Employees with direct client contact and employees in control functions received training about the risks in various sectors. We updated certain sector policies (e.g. our Mining Policy). Energy efficiency and carbon intensity are now also taken into account in the case of certain oil and gas extraction and power generation transactions.

■ We intensified collaboration and the exchange of information through measures including our monthly internal GBI publication that informs our different businesses and regions about relevant activities elsewhere in the bank. We have a number of transactions in the pipeline as a result of increased collaboration driven by the GBI.

■ We developed our Local Currency Microfinance Note to address the strong demand for local currency financing in the microfinance sector. We also published a white paper on microfinance and several research reports on this topic.

■ Continue to adjust the bank's business model to the new regulatory environment.

■ Contribute constructively to regulatory reforms and efforts to build a more robust financial system.

■ Further refine bank-wide risk review processes, tools and training to promptly identify environmental and social risks relating to potential business transactions.

■ Continue to foster cross-divisional collaboration through the Green Business Initiative (GBI) to share business insights and promote our offering of investment products and services that focus on sustainability themes.

■ Further integrate climate change considerations into risk assessments.

■ Continue to develop solutions in the area of microfinance to promote the responsible development of the sector, e.g. with our products and our microfinance initiative.

### Society

■ Sharpen the strategic direction of the three focus themes Employee Engagement, Education and Microfinance Capacity Building.

■ Expand the support of activities and partnerships in emerging markets.

■ Work more closely and systematically with departments and raise awareness of volunteering opportunities that enable employees to use their competencies to add value to our partners and our communities.

■ Further improve the Access to Quality Education programs through measures which – depending on the regions – focus on building infrastructures, providing scholarships and advancing excellent teaching in order to prepare young people for subsequent education attainment or employment.

■ As part of our Global Education Initiative, we began a three-year program to improve the quality/relevance of education. In the school year 2011–2012, an estimated 72,000 students will benefit from improved access to and/or a better education and 12,700 teachers will be trained. With the Microfinance Capacity Building Initiative, we served 1.8 million entrepreneurs and their families in 2011 and launched a second three-year partnership cycle.

■ Employee engagement increased in Brazil, China, India, Malaysia, Thailand and Indonesia, as well as in Eastern Europe and Russia. We entered into a new partnership in Mexico and launched our first Philanthropy Committee in Poland.

■ We increased employee engagement by 15% in terms of the number of volunteers and level of volunteering as a result of closer collaboration with internal departments. The number of volunteers involved in our skills-based Global Citizens Program nearly doubled and we increased the number of countries where employees can go on assignment.

■ We engaged in projects that focus on providing access to education for underprivileged children in developing countries by supporting charities in India, Laos and Cambodia in building schools, improving school facilities and providing learning materials. In the US, we launched our Teach for America volunteering project.

■ Further sharpen the strategic direction of our social commitments with a focus on education and microfinance by strengthening local organizations and improving the skills of their employees to enable them to serve more end-beneficiaries.

■ Further strengthen employee engagement, in particular skills-based volunteering. Increase virtual volunteering and enhance volunteering activities and partnerships in the emerging markets.

■ Further develop more effective synergies between our clients, NGO partners, banking units and the units coordinating employee engagement to multiply the positive impacts of our activities on society.

## Objectives 2011

## Achievements

## Objectives 2012

Employer 

■ Translate Credit Suisse's refined global HR strategy into tangible actions and behavior, fostering diversity and inclusion. Enable further development of employees through a new forward-looking approach to reviewing and managing performance. Continue to be an innovative leader in learning and development.

■ Reinforce the understanding that every employee is an important driver of the bank's long-term performance and that managers are accountable for proactively developing their people. Deepen our committed partnership culture by empowering leadership and collaboration at all levels and across divisions to serve our clients' needs.

■ Simultaneously improve the assessment of talent and systematically develop into managerial and expert roles. Strengthen our presence on university campuses globally to increase the number of people we hire at entry level from schools and universities – with the mid-term goal of such talent accounting for half of the annual intake.

■ Embed client skills deep in the organization.

■ We introduced a new performance management approach to systematically assess employee performance based on a personal plan defined in conjunction with each employee's line manager. The process places a strong focus on learning and development, including internal mobility.

■ Using our enhanced performance management approach, we assessed the extent to which employees and managers live our core values, focus on development and drive overall performance. We also established a Global Leadership Council to further strengthen internal collaboration and our partnership culture in order to set an example for employees and to help them to deliver on our commitment to clients.

■ We continued to refine our talent development process to ensure a consistent approach to succession management. Measures include talent reviews, which encompassed 63% of our workforce in 2011. We held a range of campus events and launched a new marketing campaign to raise our profile among graduates. We also intensified recruiting efforts in key strategic markets.

■ We executed various measures to further embed client skills in areas of the business with direct client contact as well as in support areas. Measures include running a mandatory certification process for relationship managers in Private Banking.

■ Continue to implement compensation models that focus on long-term performance and align employee and shareholder interests, e.g. by deferring a significant proportion of discretionary variable incentive awards and using instruments that are subject to claw-back provisions based on certain performance criteria.

■ Further refine our performance management process based on initial experience with a strong focus on employee development.

Environment 

■ Continue to engage in the climate change debate and to explore the potential impacts of climate change on our business while also building awareness for climate issues.

■ Raise awareness for biodiversity risks and opportunities, also in connection with the International Year of Forests (2011).

■ Implement further improvement measures based on our ISO 14001-certified environmental management system – with a special focus on reducing our greenhouse gas emissions.

■ We participated in the economiesuisse climate campaign and cleantech study.

■ We extended our Forestry Policy to include agribusiness issues. We also organized events to educate our employees about the importance of forests and biodiversity.

■ Our E-Maximo energy and resource management tool, which facilitates the definition of efficiency targets for individual buildings and illustrates the potential of specific operational enhancements and energy-related investments, was further developed and tested.

■ Strengthen engagement on climate policy and continue to encourage employees to take active climate-related measures.

■ Implement further steps to improve our environmental performance based on our ISO 14001-certified environmental management system and take measures to meet our environmental goals, focusing on the main greenhouse gas drivers.

Dialogue 

■ Continue dialogue and engagement with important stakeholders to recognize global trends as early as possible and to jointly work on solutions through our involvement in networks and initiatives as well as through selected publications.

■ Further increase dialogue with NGOs and IGOs and continue implementation of partnerships with selected organizations.

■ We are positioned as a knowledgeable and respected partner in discussions on finance industry reforms. Through the successful placement of Buffer Capital Notes, we took an important step toward meeting the stricter capital rules resulting from the "Too Big to Fail" issue.

■ We strengthened our cooperation with various organizations worldwide, e.g. Earthwatch. We also engaged in an ongoing dialogue with NGOs and IGOs in all our regions, e.g. Berne Declaration, Greenpeace, the UN Global Compact and UNEP FI.

■ We contributed constructively to efforts to find a solution to regularize foreign assets in Switzerland.

■ Communicate with maximum transparency while observing duties of confidentiality.

■ Engage in a dialogue to support regulatory reforms and efforts to build a more robust financial system.



## ASSURANCE STATEMENT

### SGS STATEMENT ON ASSURANCE of Credit Suisse Corporate Responsibility Report 2011

#### SCOPE

SGS was commissioned by Credit Suisse to conduct an independent assurance of the GRI-based disclosure on sustainability in 2011. Our assurance scope included the GRI disclosure obligations and figures in accordance with the GRI Index published at [www.credit-suisse.com/responsibility](http://www.credit-suisse.com/responsibility). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included all texts and 2011 data in accompanying tables contained in the printed Corporate Responsibility Report 2011 and referenced information on the webpage of Credit Suisse as quoted in the GRI Index. The assurance process did not consider any data from previous years.

#### CONTENT

The Board of Directors or the Executive Board and the Management of the organisation are responsible for the details provided in the annual report and on the website and in the presentation. SGS was not involved in the preparation of any of the material included in the GRI Index and acted as an independent assessor of the data and text using the Global Reporting Initiative Sustainability Reporting Guidelines (2006) as a standard. The content of this Assessor's Statement and the opinion(s) it gives is the responsibility of SGS.

#### CERTIFIER INDEPENDENCE AND COMPETENCIES

The SGS Group is active as a globally leading company in the areas of assurance, testing, verifying and certifying in more than 140 countries and provides services, including the certification of management systems and services. SGS confirms that it is independent from Credit Suisse. It is unbiased and no conflicts of interest exist with the organisation, its subsidiaries and beneficiaries. The assurance team was assembled based on knowledge, experience and qualifications for this assignment.

#### METHODOLOGY

The SGS Group has developed a set of protocols for the assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative Sustainability Reporting Guidelines (2006). SGS also certified the environmental management systems of Credit Suisse (housekeeping only) in accordance with ISO 14001:2004. The assurance comprised the evaluation of external sources, meetings with relevant employees, a verification of the documentation and recordings as well as the validation of these with external institutions and/or beneficiaries, where required. Financial data drawn directly from independently audited financial accounts was not checked back to its source as part of this assurance process.

#### OPINION

On the basis of the above methodology, we did not detect any instances from which we would have to conclude that the information and data disclosed by Credit Suisse in accordance with the GRI Index 2011 may be incorrect. The information and data disclosed represent, to our mind, a fair and balanced picture of the sustainability efforts made by Credit Suisse in 2011.

There are optimisation potentials concerning

- Materiality/stakeholder inclusiveness: stakeholders expectations shall be more systematically evaluated and reflected in the report
- Accuracy: GRI indicators which require a specific answer (e.g. figures, percentages, etc.) shall be more accurately disclosed
- Continual improvement: quantitative objective shall be set based on KPIs including all relevant GRI indicators
- Systematic implementation of policies and procedures in all parts of the bank
- Better disclosure practice: GRI indicators shall be disclosed in the actual text of the report and only exceptionally in the GRI Content Index
- Sustainability risk management: shall cover the full range of sustainability risks, not only focus on transaction risks (which are managed in a highly-professional manner)

We believe that the existing gaps are well under control due to corrective actions taken and the Corporate Responsibility Report 2011 meets the requirements of level A+ of the GRI (2006) in accordance with the GRI Index.

#### SIGNED FOR AND ON BEHALF OF SGS

Jakob Koster, Lead Auditor  
Zurich, 21 March 2012

Elvira Bieri, Auditor  
[www.SGS.COM](http://www.SGS.COM)



## Statement GRI Application Level Check

GRI hereby states that **Credit Suisse Group** has presented its report "Credit Suisse GRI Index (2011)" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, March 21st 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because Credit Suisse Group has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.*  
[www.globalreporting.org](http://www.globalreporting.org)

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on March 14th 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

## Cautionary Statement Regarding Forward-Looking Information

This report contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- our plans, objectives or goals;
- our future economic performance or prospects;
- the potential effect on our future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as “believes,” “anticipates,” “expects,” “intends” and “plans” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements except as may be required by applicable securities laws. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include:

- the ability to maintain sufficient liquidity and access capital markets;
- market and interest rate fluctuations and interest rate levels;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular the risk of continued slow economic recovery or downturn in the US or other developed countries in 2012 and beyond;
- the direct and indirect impacts of continuing deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic objectives, including improved performance, reduced risks, lower costs and more efficient use of capital;
- the ability of counterparties to meet their obligations to us;
- the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations;
- political and social developments, including war, civil unrest or terrorist activity;
- the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;
- operational factors such as systems failure, human error, or the failure to implement procedures properly;
- actions taken by regulators with respect to our business and practices in one or more of the countries in which we conduct our operations;
- the effects of changes in laws, regulations or accounting policies or practices;
- competition in geographic and business areas in which we conduct our operations;
- the ability to retain and recruit qualified personnel;
- the ability to maintain our reputation and promote our brand;
- the ability to increase market share and control expenses;
- technological changes;
- the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;
- acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets;
- the adverse resolution of litigation and other contingencies;
- the ability to achieve our cost-efficiency goals and cost targets; and
- our success at managing the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events.

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