

Mr. Ulrich Körner  
Group Chief Executive  
Credit Suisse  
Paradeplatz 8  
8070 Zürich  
Switzerland

**Thursday 8 December 2022**

Dear Mr. Körner,

I am writing to share ShareAction's 2022 banking survey '**In Planetary Debt? An Assessment of the 25 largest European banks' biodiversity and climate strategies**'. We are extremely grateful for your contribution to our report and for all the positive engagement we have had this year with Credit Suisse.

With COP27 now behind us and little progress made, we need the financial sector to lead the way if we are to reach the Paris climate goal net-zero by 2050. Banks have the opportunity to play a critical role by reducing the financing of harmful activities and increasing the finance to low-carbon alternatives.

The report assesses the themes critical to achieving net zero by 2050 and ranked banks based on the performance of their policies. We also highlight leading practice and call out banks whose policies are falling behind their peers.

Our research shows that Europe's largest banks are not yet doing enough to address the twin crises of climate change and biodiversity loss. This exposes banks to risks which pose a serious threat to future revenue and reputation, as well as posing material risks to our planet and everyone on it. While we recognise that the turbulent economic and political environment this year has created challenges, we urge banks to urgently strengthen their climate change and biodiversity policies.

Based on our analysis, your organisation ranked 13<sup>th</sup> with an overall score of 44% which is equivalent to a C+ grade. The climate change section of our questionnaire accounting for two-thirds of the marks. Credit Suisse scored 41% of the points in the climate section and 50% in the biodiversity section. We would like to commend Credit Suisse for committing to a global coal phase out of 2030, only retaining residual exposure to Arctic oil & gas by 2035, and encouraging its shipping clients to align with the IMO target.

To support you with identifying priorities for 2023, we have outlined three key asks for climate change and one key ask for biodiversity for Credit Suisse which will be the focus of our engagement next year:

- Include capital markets activities in climate related disclosures and targets. Banks should account for the full share of their capital markets activities in their disclosures and targets.
- Update its fracking policy, across key pillars (asset-level restrictions for fracking projects and related infrastructure; financing conditions for companies that are highly dependent on fracking; phase out commitment).

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- Strengthen its disclosures by (1) Providing further transparency on its Client Energy Transition Framework, by disclosing the timelines and mechanisms to phase out, upgrade or downgrade clients, clearly outlining the differences between the various categories ('Aligned', 'Strategic', etc.) and clarifying what constitutes a credible transition strategy in the context of both its CETF and thermal coal and oil sands policies. (2) Providing further transparency on what transactions would be deemed to make a 'material' contribution to the low-carbon transition and (3) Providing greater detail on how the CETF is applied across its client base and how client engagement measures are intensified and when the decision to end a client relationship is taken (backed up with quantitative figures).

Biodiversity loss poses material risks to banks and requires urgent action. We encourage Credit Suisse to prioritise taking action on biodiversity loss with the same urgency as climate change and publish a standalone biodiversity strategy ahead of its 2024 AGM.

We are committed to engaging with and supporting Credit Suisse in the development of its policies and targets, and hope that our constructive dialogue will continue throughout 2023. As a next step, the banking team would appreciate the opportunity to present our report to you in the new year. Leyla Arpacioğlu, Engagement Manager (Banks – Climate change and Biodiversity), will be in touch shortly to organise this with you.

I truly wish you and your team a wonderful Christmas break and I'm looking forward to building on our valuable relationship in 2023.

Warm regards,

A handwritten signature in black ink that reads "Catherine Howarth". The signature is written in a cursive, flowing style.

Catherine Howarth

Chief Executive

ShareAction