

CREDIT SUISSE GROUP SUSTAINABILITY REPORT **2001**






Credit Suisse Group is a leading global financial services company headquartered in Zurich.

Credit Suisse Financial Services provides private clients and small and medium-sized companies with private banking and financial advisory services, banking products, and pension and insurance solutions from Winterthur. Credit Suisse First Boston, the investment bank, serves global institutional, corporate, government and individual clients in its role as a financial intermediary. Credit Suisse Group's registered shares (CSGN) are listed in Switzerland, Frankfurt and Tokyo, and in the form of American Depositary Shares (CSR) in New York. The Group employs around 80,000 staff worldwide. As of December 31, 2001, it reported assets under management of CHF 1,425.5 billion.

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Unless otherwise indicated, the information in this report relates to the whole of Credit Suisse Group and refers to the status as at end-2001. Performance indicators are shown for 2001.

 This symbol, which you will find throughout the report, shows that the topics concerned are dealt with in further detail on our website www.credit-suisse.com/sustainability/bookmarks.html. The website also includes a glossary of key technical terms.



Lukas Mühlemann
Chairman and Chief Executive Officer

Dear Readers

Credit Suisse Group has gained much respect for its environmental reporting over the years. Now, however, the principle of sustainability, which necessarily lies at the heart of environmental policy, is increasingly being recognized as a cornerstone of every business activity. The challenge for companies today is to ensure long-term business success while at the same time accepting their responsibility for the social implications of their activities. It is also important for them to communicate this philosophy openly and transparently. This is why we have decided to expand our Environmental Report into a Sustainability Report.

In our Code of Conduct, an internal document which is binding on all Credit Suisse Group employees, we set out our ambition: “to deliver superior value to our clients and shareholders, be an employer of choice and act as a respected member of the community.” For our company, the challenge, but also the opportunity, implied by this objective is to fulfill our economic, environmental, and social responsibilities equally.

This Sustainability Report complements the full review of our Group’s business achievements that can be found in the annual report. It does not just deal with environmental management, as previous reports have, but also describes dealings with customers and employees, and details our social contributions from the local to the

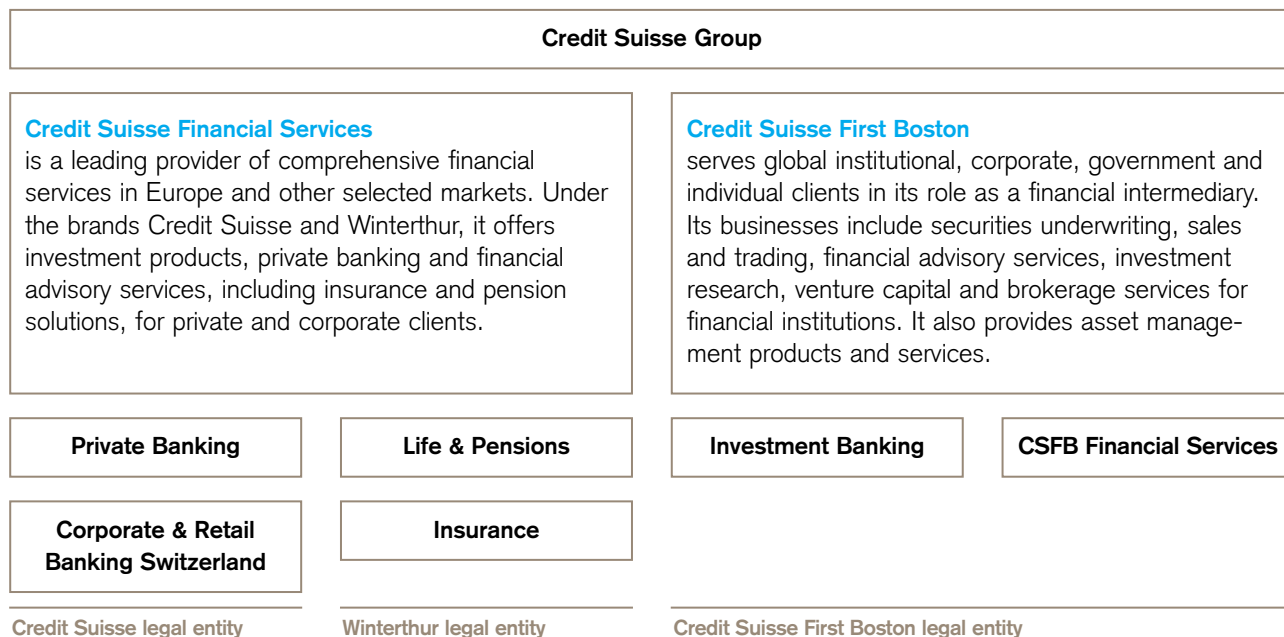
international level. It starts by laying out the basis of our policy in these areas and closes with a chapter on communication.

The wealth of information and issues that has to be addressed from the point of view of sustainability places great demands on reporting. Credit Suisse Group is working hard, on its own and in discussion with other companies, to further develop the methodologies and systems used in this kind of reporting. The current report should thus be seen as a first step. We look forward to hearing your response.

Lukas Mühlemann
May 2002

Credit Suisse Group offers banking and insurance products that are tailor-made to its clients' needs, provides professional advice and service, and always aims to deliver good performance. Its activities are focused on two strategic core businesses – asset management and investment banking.

New structure since January 1, 2002



Credit Suisse Group key figures

		2001 in CHF
Net operating profit in m		3,974
Net profit in m		1,587
Total assets in m (31.12.)		1,022,513
Total assets under management in bn (31.12.)		1,425.5
Number of employees		31.12.2001
Switzerland	banking	22,346
	insurance	6,297
Outside Switzerland	banking	28,415
	insurance	22,641
Total employees Credit Suisse Group		79,699

The changing face of Credit Suisse Group

In order to improve client focus and to take advantage of certain synergies, Credit Suisse Group streamlined its organizational structure effective January 1, 2002, dividing its activities between two business units – Credit Suisse Financial Services and Credit Suisse First Boston. In addition to Corporate & Retail Banking, Life & Pensions, and Insurance, the Credit Suisse Financial Services business unit now also includes the private banking business (including affluents). The Credit Suisse First Boston business unit now includes the investment banking business as well as the Group's asset management business (institutional asset management and investment funds).

Credit Suisse Group wants to ensure durable development and to secure a long-term increase in corporate value, and is therefore committed to the principle of sustainability. It believes that long-term business success is only possible if a balance can be struck between economic, environmental and social concerns. The company is thus making a positive contribution – not only for shareholders, customers and employees, but also for future generations.

Securing a successful future through sustainability

In a market economy, self-interest and the common good are not mutually exclusive. For businesses committed to sustainability, thinking and acting in the right way can benefit the environment and society while simultaneously furthering corporate objectives and thus creating the foundations for business success. The following examples demonstrate that sustainability and good business are anything but opposites:

- Cost savings driven by environmental efficiency: a conscientious use of resources not only helps to protect the environment, but also leads to lower energy, materials and disposal costs.
- Motivated employees: competitive employment conditions make Credit Suisse Group attractive as an employer to the best talents. In concrete terms this means better performances by committed employees, and reduced costs thanks to lower fluctuation rates.
- Better risk management: active consideration of environmental and social issues enables a company to apply appropriate policies and appropriate conditions to corporate loans, investments and insurance; it also reduces reputational risks.
- Exploiting market opportunities: sustainability investment funds, loans for forward-looking projects, environment-specific insurance policies, and trade in emission certificates are all examples of the types of attractive business that can be pursued when sustainability issues are taken into account.
- Positive image: through its commitment to sustainability, Credit Suisse Group can position itself as an attractive and credible financial institution in the eyes of clients, existing and potential employees, shareholders and other stakeholders.
- Focus on core values: Credit Suisse Group's business success is not based solely on profitability and efficiency but also on values such as credibility, integrity and enduring partnerships with its various stakeholders.

Shareholders, too, have recognized that firms which practice good sustainability management are more successful over the long term; inevitably this influences their investment decisions. Not least in order to meet these investors' growing demand for information, Credit Suisse Group aims to be transparent about its principles and activities as it strives for sustainability.

Expanded outlook – new challenge

With the expansion of its Environmental Report into a Sustainability Report, Credit Suisse Group is providing information not only about its environmental performance but also about its social commitment and its relations with customers and employees. This wider remit raises certain questions about methodology. While environmental data can be collected centrally, information on social issues – which is often more qualitative than quantitative – can only be sourced decentrally: information about employees and customers, for example, is influenced by national legislation, the relative responsibilities of the business units concerned, etc. The extent and focus of social commitments is similarly varied. In Switzerland, Credit Suisse Group's extensive business activities, broader significance within the national economy and role as a large employer mean that it also has a much wider social responsibility, which it fulfills with great commitment. In other countries, its activities are focused on specific customer interests and selected communities. Meanwhile, its active involvement with international organizations has also earned Credit Suisse Group a reputation in the global arena.

Towards value reporting

Credit Suisse Group carefully monitors the latest developments in sustainability reporting. Investors, rating agencies and NGOs, which represent an informed and critical public, are demanding increasingly precise and timely information about how companies create added value and use it to further enhance their value-creating processes. The market value of businesses is no longer determined solely by traditional financial data, but also by intangible factors such as brands, reputation, intellectual capital, risk management, codes of conduct, the inclusion of stakeholders, and customer loyalty. Various organizations are currently developing and discussing systems and standards that can capture these factors.

Particularly in a company like Credit Suisse Group, which operates in different areas of business all over the world, sustainability requires systematically “joined-up” thought and action based on fundamental values and a consistent strategy. This is why Credit Suisse Group has formulated a common set of values for all employees in its Code of Conduct; these serve as guiding principles for economically, environmentally and socially responsible behavior.

Common core values – individual strategies

A globally active financial services provider has to enjoy broad acceptance among all manner of stakeholders, not only to ensure a good reputation but also to secure long-term business success. Consequently, at Credit Suisse Group integrity, responsibility, fairness, confidentiality and professionalism form the basis for relations with and between employees as well as with clients and numerous other interest groups and the general public. With the Code of Conduct ➔ that it introduced at the start of 2000, Credit Suisse Group has laid the foundations for a value system that is binding on all business units and in all regions, and that will serve as a guide for economically, environmentally and socially responsible behavior. At the same time, however, variations between countries and cultures, and the many different types of business and activity pursued by Credit Suisse Group mean that individuals also have to set their own priorities and make their own decisions.

In addition to performance-related values – such as a sharp focus on service, teamwork, commitment and profitability – there are six ethical values that form the basis for enduring relations with employees, customers, shareholders, regulators and other stakeholders. These core values laid down in the Code of Conduct help to shape the principles of personnel policy, as well as policies on employee responsibility, on risk and capital management, on cooperation and compliance with regulatory requirements, on the environment and on other business concerns. The Code of Conduct also addresses four dimensions that are of central importance to the Sustainability Report – employees, customers, society and the environ-

ment – providing a binding foundation for regulations that are tailored to the specific business units and to the prevailing legal and geographical operating conditions.

Employees: an attractive employer provides a good working environment

All of Credit Suisse Group’s business units aim to be the employer of choice for the most talented, creative and productive personnel. These people should be provided with a stimulating working environment, attractive training and development opportunities, as well as performance and market-related compensation. Credit Suisse Group pays special attention to the promotion of equal opportunities and the prevention of discrimination. In addition, it has a progressive approach towards innovative work arrangements, part-time employment, job sharing, maternity leave, health and safety. It attains its goals in these areas with the help of employee satisfaction surveys and official codetermination measures.

Customers: customer satisfaction is the highest priority

The aims of Credit Suisse Group’s business policy are to offer customers products and services of the quality they expect, to take account of their individual wishes and requirements, and – except where otherwise required by law or regulatory obligations – to respect their financial privacy. In order to ensure it is meeting these aims, Credit Suisse Group regularly investigates customer satisfaction in key areas. Complaints are answered rapidly, efficiently and courteously. By analyzing client surveys and looking into the causes of complaints, Credit Suisse Group is able to implement targeted improvements. When



Social performance indicators (SPI)

The goal of SPI-Finance 2002 is to develop an industry standard for reporting on the social implications of banking and insurance activities. Ten financial services providers are working to define performance indicators and reporting methods for relations with employees, suppliers and society, as well as for the impact of products and services. Where possible, Credit Suisse Group already uses SPI indicators in this report (see Internet). ➔

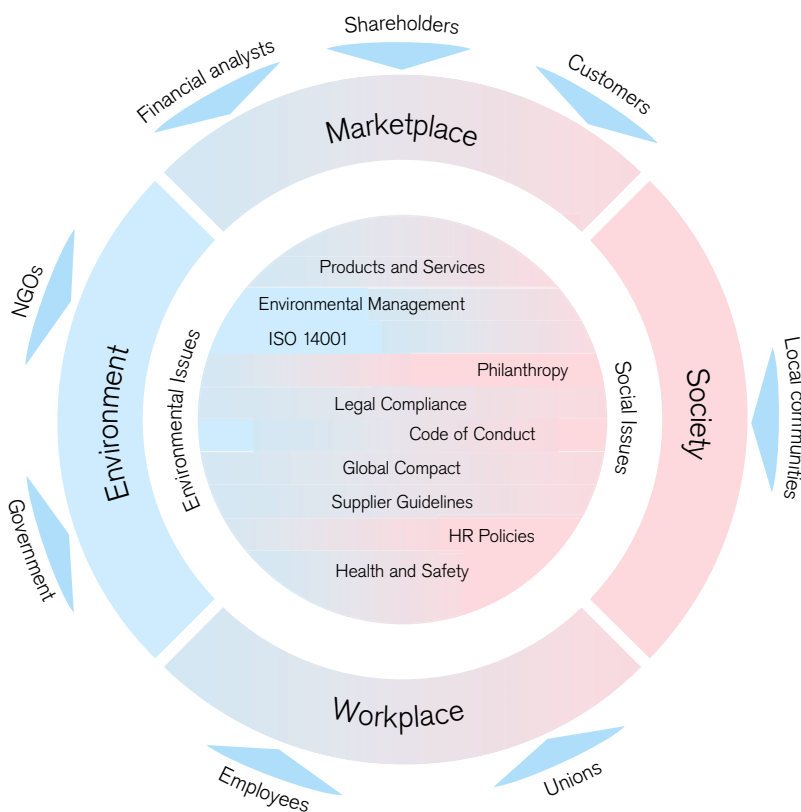
developing products, the business units aim to meet their customers' growing desire to take account of sustainability issues.

Society: good corporate citizen

Credit Suisse Group expects its employees to comply with the laws, regulations, standards and market practices of the countries in which it is active. Furthermore, as a good corporate citizen it takes its responsibilities to society seriously on a local, national and global level. It encourages employees who take on social commitments, and it gives support to charitable humanitarian, social and cultural organizations and institutions. Much of this work is done through Credit Suisse Group's Jubilee Foundation, the Credit Suisse First Boston Foundation and Winterthur Insurance's Loss Minimization Foundation. The business units' sponsorship commitments not only serve as vehicles for marketing and customer care, but also make substantial contributions to the promotion of cultural, sporting and social institutions and activities. Credit Suisse Group's social and political involvement is based on the cultivation of relationships with the relevant authorities and social and political bodies, as well as on its work in the major business organizations and on its own independent contributions to public opinion-forming.

Environment: committed to sustainable development

In its Code of Conduct and in the environmental policy derived from the Code, Credit Suisse Group commits itself to sustainable development in the business decisions it makes and in the way it manages its resources and infrastructure. In addition to ensuring that its business units adhere to the regional, national and international environmental regulations that apply to their particular business activities and services, the Group makes sure that they fulfill the UNEP declarations for financial institutions and insurance companies, and that they implement the initiatives set out in the UN's Global Compact. To this end, Credit Suisse Group has established an environmental management system that has gained certification under ISO 14001.



The chart on the left illustrates the interplay of the various elements Credit Suisse Group uses to pursue a sustainable business policy, and shows which stakeholder groups it engages in dialog.

Committed, responsible employees are the driving force behind successful corporate development. By offering interesting areas to work in, innovative work arrangements, comprehensive training and development opportunities and competitive remuneration, Credit Suisse Group has positioned itself as the employer of choice for the best talents, and is ensuring that it can hold on to these talents over the long term.

Competing for the best employees

Credit Suisse Group tops the list of the most attractive employers in Switzerland, a fact confirmed by a survey of Swiss business students conducted by the international market research company Universum. One of the main reasons for this approval can be found in the many measures taken by the Group to further its employees' skills and keep them up to date with the latest requirements. Training and development opportunities range from traditional courses of study in Switzerland to global undergraduate and graduate programs and individual executive programs. Personality development is just as important as factual knowledge, which is why exemplary ethical behavior is one of the criteria for promotion as well as a key focus of management evaluation procedures. The Group also uses Intranet study programs to teach large numbers of employees in an efficient manner. The rate for voluntary departures at the Group was 10.3% in 2001; this is a competitive rate in the financial services industry, providing evidence of a high degree of employee loyalty.

Constructive dialog: the basis of a learning organization

In Switzerland, the Staff Commission acts as a bridge between employees and management, offering advice and representing the staff's interests. In EU countries, Winterthur's Staff Commission performs this role for all Credit Suisse Group business units.

Questions, suggestions, criticism: in fall 2001 "Executive Chat" gave employees a chance for the first time to conduct a cross-hierarchical discussion with top manage-

ment over the Intranet. Employee surveys, which highlight new developments as well as areas where action is required, are already well established. Past surveys have pointed up the desire for a better work-life balance, for a reduction of bureaucratic procedures and for more efficient handling of the growing flood of information.

Equal opportunities are a primary concern

The Women's Initiative Steering Committee founded in fall 2001 aims to increase the number of women in management positions at Credit Suisse First Boston through concrete strategies and implementation plans. Diversity Management plays a similar role within Credit Suisse Group in Switzerland. Further related activities include regular salary surveys to ensure that there are no gender-related disparities, and the development of work models that allow a better balance between family life and work. One important contribution to such a balance is the Group's onsite and company-sponsored childcare provision, the success of which is reflected in growing demand from employees.

Fairness: a maxim for employees in different cultures

The principle of fairness is already enshrined in the Code of Conduct. Credit Suisse Group creates and demands a working environment free from discrimination and harassment. The Group currently has employees of more than 100 different nationalities, and all of them have the same opportunities regardless of their ethnic background, the color of their skin, their age, gender, religion, nationality or sexual orientation. This principle not only provides a foundation for smooth working relations; it also helps the



Training for the future

Videos, electronic learning platforms and a library of books on banking and financial subjects: the Open Learning Centers for self-study opened by Credit Suisse First Boston in New York and London offer targeted training and development to counter the ever decreasing half-life of knowledge. Employees can also pick up the latest computer skills, learn presentation techniques and give themselves the education they need for their career and personal development plans. The facilities are open 24-hours a day and are supplemented by an individual advisory service.

Group to meet the needs of its clients, who are at least as varied as its staff.

Employee loyalty thanks to flexibility

Credit Suisse Group enables its employees to combine demanding professional activities with personal goals such as building a family. Wherever operational necessity allows, the Group offers innovative solutions such as part-time work, job-sharing or home working. It also grants longer maternity leave in Switzerland, the USA and other countries than is required by law. Credit Suisse First Boston also offers paid paternity leave in the USA, London and the Asia-Pacific region.

Many employees like to unwind from work by taking advantage of Credit Suisse Group's extensive program of sport and leisure activities. An external specialist ergonomics unit advises the company on health and safety in the workplace. In Europe, Credit Suisse First Boston has established a comprehensive Health & Safety Management System. Workspaces are regularly checked and adapted in the light of the latest findings. In an information campaign for employees in New York, specialists focused on health and safety issues.

Performance is rewarded

Competitive wages and employee benefits, and the opportunity for every employee to earn a bonus are the keystones on which Credit Suisse Group's remuneration system is built. Bonuses are based not only on the Group's general earnings situation, but also on the contribution made by the individual employee and his or her area. Bonuses are paid out partly in the form of Credit Suisse Group shares, which are usually blocked for four years. Members of the Group, business unit and divisional executive boards, as well as other key figures, can also be given options as part of their bonus; again, these are usually blocked for a certain amount of

time. Credit Suisse Group has never subsequently adjusted the exercise price of these options. The distribution of shares and options is intended to bring the interests of employees and shareholders closer into line with one another.

Fair-play rules for socially acceptable job cuts

Following the acquisition of the investment bank Donaldson, Lufkin & Jenrette and the downturn in general economic activity, cost reduction measures ➔ were necessary in 2001 to ensure the competitiveness of Credit Suisse First Boston. These inevitably involved a reduction in staff costs, including the cutting of 2,500 jobs. The employees concerned were helped with their search for new work.

At Credit Suisse Financial Services, a reduction of between 700 and 800 jobs was announced in mid-2001 as part of the rationalization of the business unit's organizational structure. Special Intranet sites and fair-play rules ensured that everyone was kept regularly informed and that the redeployment processes treated all employees equally. Measures were formulated in collaboration with the Staff Commission in Switzerland to help employees find new jobs; where requested, retraining and early retirement opportunities were also offered. This streamlining process should be carried out over the next two years and will as far as possible be effected through natural fluctuation. Despite these efforts to make the job cuts as painless as possible, many employees inevitably experienced periods of uncertainty.

Strengths

- The Code of Conduct creates a uniform set of underlying values for employees worldwide
- Diverse, international and skilled body of employees
- Comprehensive training and development opportunities using the latest resources and methods

Weaknesses

- Despite support measures, the reorganizations have created periods of uncertainty for many employees
- Despite great efforts, diversity candidates are still under-represented in senior management positions, especially in Switzerland and Europe
- Availability and quality of employee data is not yet at the desired level throughout the Group

Next steps / objectives

- Optimize support for and communication with affected staff when there are organizational changes
- Further promotion of a uniform corporate culture within Credit Suisse First Boston
- Further measures to increase the representation of women and people of diverse backgrounds
- Launch of a global Learning Management System ("Knowledge Planet") at Credit Suisse First Boston to improve recording of employee training

From performance-promises to reliable processing of transactions: Credit Suisse Group regularly reviews its products and services, and adapts them to the changing demands of its clients.

Some of the most important elements in this process are the measures used to ensure that Credit Suisse Group's high quality-standards are met and that clients remain satisfied over the long term.

Many ways of being close to customers

Credit Suisse Group endeavors to provide all its different customers with innovative products and services that meet their requirements. There is no minimum balance required in order to become a Credit Suisse customer; levels of customer care and charges are adjusted to the needs and individual circumstances of each client. The integration of private client business ➔ into Credit Suisse Financial Services has facilitated a customer support strategy that is even more closely tailored to the needs of the individual.

Thanks to the dense network of branches that the company maintains throughout Switzerland, and the expansion of representative offices in selected countries, customers can access banking and insurance services locally. Good physical access to customer zones, but also to staff areas, in the buildings used by Credit Suisse Group is an important concern. For new buildings and major renovation projects in Switzerland, the Group takes into account the needs of the handicapped and elderly when designing road access, entrances, stairs and elevators, lighting and electronic installations.

Internet banking: access to the bank – anytime, anywhere ➔

Multifunctional ATMs, telephone banking and continuously evolving Internet services complement personal contact with Credit Suisse Group's customer advisors. Online services such as Direct Net, the discount broker youtrade, and the trading platform Prime Trade demonstrate how Credit Suisse Group has succeeded in meeting growing customer demand for innovative solutions.

The new Global Private Banking center in Singapore offers round-the-clock telephone advisory services, stock exchange transactions, transfers and customer support in 20 different languages. The range is completed by information and advisory services specially tailored for private banking customers, such as Fund Lab, Insurance Lab and Estate Lab, as well as the new Internet portal for Swiss corporate clients. In November 2001, Credit Suisse Private Banking was given the "Best Use of IT in the Banking Sector" award for its internal relationship management portal "FrontNet". The award confirms Credit Suisse Private Banking's groundbreaking reputation for innovative IT solutions.

Quality management

Doing justice to the many and varied demands of customers is a daily challenge. The "Best Bank Wealth Management Program" award ➔ presented to Credit Suisse in November 2001 by the Lafferty Group was based on criteria such as product range and product innovation, added value for clients, customer satisfaction and brand recognition. The award was both a recognition of what has been achieved so far and an incentive to do more. Quality management systems help to meet this challenge. Winterthur Life & Pensions' business units in Switzerland make use of a quality management system (QMS) that has been certified under ISO 9001. Among other things, the system uses customer surveys to determine client expectations and levels of customer satisfaction. Complaints are recorded electronically so that they can be dealt with quickly and used to develop further process improvements.

Recognizing criticism as an opportunity

Identifying customer wishes, measuring customer satisfaction, using criticisms as opportunities for improvement: within Switzerland, Winterthur Life & Pensions uses a Quality Management System – certified under ISO 9001 – to guarantee that customers' expectations are fulfilled more efficiently and effectively by means of optimized processes. External audits ensure that this Quality Management System continues to evolve. The QMS was introduced in 1995 when CS Columna, the predecessor organization of Winterthur Life & Pensions, became the first company in the industry to use such a system.



Quality management processes are not infallible, however. The regrettable experience of Winterthur Life in Great Britain in 1998 and 1999 is a case in point. Due to a software error in an electronic consultation and sales tool (no longer in use) there were some instances of life insurance policies being sold that did not suit the customers' needs. In its September 2001 judgment, the British financial supervisory authority ordered Winterthur Life to pay a fine. However, the supervisory authority also certified that Winterthur Life had responded to the problem quickly and in an open and cooperative manner. The company launched an internal investigation and is paying compensation to the clients concerned.

Customer satisfaction: listening to the market

In 2001, Credit Suisse conducted 12,000 telephone interviews with private and corporate clients in Switzerland in order to identify ways of improving the range and quality of its services. The surveys delivered concrete insights which were used in communications training for employees with direct customer contact. Work was also done on an opportunity-focused attitude to dealing with complaints: if concerns are addressed speedily and to the customer's satisfaction, customers are more likely to remain loyal to Credit Suisse. A majority of the clients interviewed in 2001 expressed a relatively high degree of satisfaction with Credit Suisse's services. The criticisms that were made tended to refer to processing problems, technical advice, fees and prices. Complaints were also made about the changes made to the General Terms and Conditions at the beginning of 2002, mainly because of the insertion of a transparent clause on banking confidentiality. The way that securities lending was incorporated into the safekeeping account regulations for Private Banking clients also led to criticism. Greater attention will be paid in future to a more customer-friendly communication of changes.

Maintaining discretion – preventing abuse

A high level of trustworthiness and credibility is essential for any successful financial services provider. Credit Suisse Group thus attaches great importance to knowing its clients so well that it can grant them protection of their private financial affairs while still ensuring that the bank's services are not abused for the execution of illegal transactions. The "Know-Your-Customer" rules and Switzerland's strict due diligence standards are important tools here. ➔ The central measures used to ensure compliance include identification of clients, the permanent monitoring of large transactions, constant checking of client names against lists of suspects – for example related to terrorism – and the reporting of suspicious activities to the relevant authorities. Credit Suisse Group operates a restrictive business policy towards politically exposed persons from problematic countries, and has broken off or declined customer relations with such people on numerous occasions.

The conduct required of employees in such circumstances is laid out in Credit Suisse Group's Employment Regulations and in the detailed compliance policies established by each business unit. There is also regular training in correct conduct. In addition, technical precautions, which are always kept up to the latest standards, are used to ensure confidential treatment of information. This is especially important now that the Internet is playing an increasingly important role in internal and external communications as well as functioning as a service channel in its own right.

Strengths

- Broad range of products and services from a single source, including third-party products
- Ground-breaking use of the Internet as an information, transaction and distribution channel
- Comprehensive information and advisory services for customers

Weaknesses

- Complaints are not treated often enough as opportunities to bind customers to the company and to improve performance
- In isolated cases, unclear information has been given to customers (General Terms and Conditions on banking confidentiality, securities lending)

Next steps / objectives

- Establish a segmentation that more clearly reflects customer needs by joining together the Credit Suisse Financial Services and Credit Suisse Private Banking business units
- Further training for customer advisors and managers in complaints management, including responding promptly to positive and negative inquiries
- Greater attention to be paid to prompt, clear communication with customers


CREDIT SUISSE GROUP IN SOCIETY | PUTTING BUSINESS OPERATIONS IN A BROADER CONTEXT


Credit Suisse Group, as a large global corporation and a significant provider of employment and training, is very much part of society. Even outside its core businesses, the Group acknowledges its social responsibilities.

Major economic role

A modern economy cannot function without banking and insurance services. Financial institutions provide the capital that enables firms to invest, they provide the investment products that help people to build up their wealth, they provide cover against risk, and they are responsible for processing most payments and most stock exchange transactions.

Committed to Switzerland

As part of Expo.02, the Swiss national exhibition, Credit Suisse Group is supporting an artistic project that has been developed over three years. The theme of the project is virtual reality. For a year now, an Internet community has been online at www.cyberhelvetia.ch,  and when the exhibition opened in the French-speaking region of Switzerland in May 2002, the bridge was crossed from the virtual to the real.


Another example of Credit Suisse Group's commitment to Switzerland, where the company's emotional and cultural roots lie, is the contribution it has made to retaining a viable Swiss airline. The events surrounding Swissair in fall 2001 triggered some emotionally charged reactions and much misunderstanding. The large financial contributions made by Credit Suisse Group and UBS staved off the immediate bankruptcy of the entire SAir-Group and the economic damage that would have accompanied this. Additional financing needed for the establishment of a new airline was secured thanks to a concerted effort by government, other companies and private individuals. 

Balanced management and control


Credit Suisse Group's current management model, under which the roles of Chief Executive Officer and Chairman of the Board of Directors are performed by the same person, is commonly used in Switzerland as well as in Anglo-Saxon and other countries. Nevertheless, this model is frequently subject to criticism, especially in Switzerland. Given its new organizational structure and the management resources available, Credit Suisse Group considers this dual mandate to be the correct management model for the company at the present time. The management structure effective as of January 2002 divides the Group into two large areas, each of which is managed by a CEO. Both CEOs report to the Group's CEO and Chairman of the Board of Directors. The Group Executive Board thus concentrates on strategic and financial management, risk management and the supervision and control of the two business areas. These are tasks which are also the core responsibilities of the Board of Directors. The current arrangement facilitates rapid decision-making and contributes greatly to an effective working relationship between the Board of Directors and the Executive Board. The Board of Directors also maintains two independent standing committees and has created a Lead Independent Director function. Should a conflict of interest arise during a Board meeting, the person concerned is excluded from the discussions relating to that issue.




One company, one hour, one goal

Under this motto, all 40,000 employees of Credit Suisse Financial Services dedicated at least one hour on World Day 2001 to the issue of unregistered, and thus legally non-existent, children. Sponsored runs, collection campaigns, benefit concerts, cake-sales, exhibitions and events involving disabled children all bore testament to employees' commitment and creativity. Credit Suisse Financial Services donated the equivalent of one hour's salary for each employee to the UNICEF  "Ticket to Life" project, which works to register these children.

No compromise on money laundering and terrorist money

Internal compliance units intensively train and monitor employees to ensure that Credit Suisse Group always complies not only with the law, but also with voluntary, self-imposed obligations and internal regulations. The Group has created an effective system of supervision and control that puts it at the forefront of the battle against money laundering; it also participates in the Wolfsberg Group,  which has developed global guidelines against money laundering and terrorist assets. Credit Suisse Group keeps in close contact with regulatory authorities around the world so that it can continually adapt its standards and processes to changing conditions.

Investigations by the US Securities and Exchange Commission (SEC) and the National Association of Securities Dealers (NASD) into the allocation of shares in IPOs, including some managed by Credit Suisse First Boston,  were resolved through a consent decree and without the admission of guilt. Credit Suisse First Boston was enjoined from engaging in certain practices and was required to make a substantial payment. It subsequently took disciplinary measures, amended its internal guidelines and procedures and strengthened its management by appointing experienced specialists.

Setting the tone

In addition to the company's many sponsorship commitments, several parts of Credit Suisse Group and numerous employees contribute to social, cultural, educational and charitable organizations and projects. Credit Suisse Group's Jubilee Foundation, for instance, uses its foundation capital of CHF 70 million to support projects, preferably with an interdisciplinary focus such as those that involve disabled sports or exceptionally talented young musicians. Winterthur Insurance was the first company in the world to make a USD 1 million donation to the UN's Global AIDS and Health Fund.

In addition to charitable programs in support of disadvantaged young people, Credit Suisse First Boston's Foundation Trust set up a fund for the families of public service workers who fell victim to the September 11 terrorist attacks. In a worldwide campaign of solidarity, Credit Suisse Group and its Credit Suisse First Boston business unit donated USD 1 million each, and employees of the entire Group donated a further USD 4.5 million. In the Asia-Pacific region, the Foundation Trust contributed to various projects including the reconstruction of schools in remote areas of China.

Almost 30 years ago, Winterthur Insurance founded the Loss Minimization Foundation, which is active mainly in the area of accident prevention. One of its main concerns is the prevention of traffic accidents involving children. The Accentus Foundation, which was founded with capital donated by Credit Suisse Group, offers clients the opportunity to use their assets to benefit charitable causes.

Genuine dialog

A commitment to dialog also requires a company to create forums for debate and to encourage exchanges of ideas, which is why Credit Suisse and Winterthur created the Thought Leader Program. The WinConference, which invites ground-breaking thinkers from all parts of society to discuss topical themes, is already well established. The think tank "Avenir Suisse", a foundation set up by Credit Suisse Group and other internationally active Swiss firms, provides a forum for reflections on developments in Swiss social and economic policy. In addition, Credit Suisse's economic research department produces studies and publications that push forward the debate on all manner of different subjects. In recognition of the fact that dialog between politics and business is essential for mutual understanding, Credit Suisse Group regularly seeks out opportunities to engage with a variety of political figures.

Strengths

- International cooperation in combating money laundering and terrorist assets
- Well-established cooperation with UN organizations, e.g. UNICEF
- A wide variety of charitable and community activities adapted to the relevant social and cultural environment

Weaknesses

- Credit Suisse Group's cooperation with international and national organizations is still too little known
- Little thematic consistency among events to foster interdisciplinary dialog
- Investigations into Credit Suisse First Boston by the regulatory authorities owing to business practices in 1999 and 2000

Next steps /objectives

- Greater communication about partnerships with public institutions and international organizations
- More consistency with regard to charitable commitments
- Ongoing efforts to strengthen internal controls and ensure impeccable business operations at Credit Suisse First Boston

ENVIRONMENTAL MANAGEMENT |

A SYSTEM FOR IMPROVED ENVIRONMENTAL PERFORMANCE

An environmentally responsible company must constantly improve its environmental performance. This is why in 1997 Credit Suisse Group became the world's first bank to introduce an environmental management system certified under ISO 14001. The extension of environmental standards to suppliers and external service providers, and the progress made on integrating non-Swiss locations prove that Credit Suisse Group is continuously pushing forward its commitment to the environment.

Environmental management system: setting parameters and acting as a catalyst

Credit Suisse Group laid the foundations for the development of its environmental management system more than ten years ago. In 1992, it signed the UNEP Statement by Financial Institutions and in 1995 the UNEP Statement by the Insurance Industry. The two Statements provide a cornerstone for Group-wide environmental policy ➔ and put the company's commitment to the preservation of natural resources and to sustainable economic development into concrete terms. In an attempt to anchor its extensive specialist environmental knowledge in all its different areas of business and in order to ensure that environmental management evolves on a continuous basis, in 1997 Credit Suisse Group became the first bank in the world to establish an environmental management system certified under ISO 14001. ➔ This system currently encompasses banking activities worldwide, as well as insurance offices in Switzerland. Credit Suisse Group's leading position in terms of corporate commitment to the environment was confirmed in summer 2000 when it was re-certified by SGS International Certification Services AG.

Environmental management requires continuous improvement

Environmental management is not a one-off task. Changing operating conditions, new areas of business and technological progress are only some of the reasons why effective environmental management has to constantly evolve and adapt in line with the latest developments. Credit Suisse Group takes numerous measures to

ensure that its system remains effective: in 2001 it carried out environmental audits at various locations including New York, Singapore, Zurich and Winterthur; it also expanded its environmental controlling program and recorded the worldwide consumption of energy and materials in its environmentally significant office buildings. As a result of these activities, Credit Suisse Group is in a position to continue optimizing its environmental management system; this will mean rigorously exploiting worthwhile potential savings in areas critical to operational ecology and carrying out intensive training measures. Credit Suisse Group also intends to extend its environmental management system to even more of its suppliers and external service providers.

No outsourcing of environmental problems

Concentration on its core business has led Credit Suisse Group to outsource certain environmentally-sensitive operations, such as materials purchasing and building maintenance, to external companies. In doing this it is always at pains to ensure that the partner companies respect the Group's environmental standards. Individual agreements with contractors and strict tendering conditions guarantee that full account is taken of the environmental policy and ensure that the Group retains influence and control. In this way, Credit Suisse Group can call on partner firms to comply with its strict environmental standards and continuously improve their own environmental performance; certain companies are also required to provide an annual report on their activities. A good example of how this works is the relationship with MIB AG Property+Facility Management, the company re-



Responsibility cannot be outsourced

As well as asking for proof of a progressive approach to environmental issues, Credit Suisse Group will in future require its service providers and suppliers to adhere to social guidelines. These guidelines draw on the principles set out in the environmental standard ISO 14001, the social standard SA8000 ➔ and the UN Global Compact. Among other things, they call for compliance with environmental legislation, safe handling of dangerous substances and good practice with regard to child labor and trade union freedom. A pilot scheme was launched in the first half of 2002.

sponsible for building management in Switzerland. Since 1998, the company, as a provider of services to Credit Suisse Group, has produced an externally audited annual report showing how it ensures that energy and other resources are used in an environmentally and economically conscientious manner. ➔ With the catering companies it uses in Switzerland, too, Credit Suisse Group has agreed standards with regard to operational ecology, training, conformity with environmental law, and purchasing. Compliance with these standards is reviewed periodically. Activities and achievements in this area are documented in an annual management review.

Motivation and obligations for the whole company

Continuous improvement of environmental management is the responsibility and obligation of staff at all levels and in all business areas, from the Group Executive Board to the individual functional and management units. In line with this philosophy, Credit Suisse Group integrates its staff into the environmental management process and allocates responsibility for individual aspects to the relevant functional and management units. Credit Suisse Group continues to use targeted training and development measures to intensify its employees' sense of responsibility.

As detailed in the relevant internal directive, Credit Suisse Group's CEO has ultimate responsibility for environmental issues. He approves the environmental policy and the annual environmental management review. He also appoints the Environmental Officer – a member of the Executive Board who is responsible for company-wide implementation of environmental policy, and who represents Credit Suisse Group on important environmental issues. The Environmental Executive Board is made up of the people at the business units and Credit Suisse Group who are responsible for ensuring that environmental objectives are met. In addition, the Environmental Management unit coordinates environmental activities and is responsible for encouraging a commitment to the environment.

Greater transparency in environmental management

It is a great challenge for a globally active company like Credit Suisse Group to collect environmental data from around the world in a uniform manner and to keep the documents required for environmental management up-to-date. In order to improve and speed up access to the relevant documents for functional and management units, a central document management system for environmental information is currently being developed on the Group's Intranet.

Strengths

- ISO -14001 certification for all Credit Suisse Group banking locations and for all insurance locations in Switzerland
- Commitment made to sustainability as defined in e.g. the UN Global Compact
- Application of environmental standards to key external service providers

Weaknesses

- Some functional and management units with environmental responsibilities could be better staffed
- Insufficient transfer of environmental expertise between business units in some areas

Next steps / objectives

- Implement pilot agreements that include environmental and social standards with suppliers and service providers
- Establish a globally uniform central information platform for documents important to the environmental management system

Whether engaged in lending business, investment or insurance, Credit Suisse Group attaches great importance to the environmental and social aspects of its products and services. It has shown that good business and a good attitude to the environment are entirely compatible, especially when it comes to new products. In fact, the concept of sustainability can benefit customers, the environment and Credit Suisse Group equally.

Auditing environmental risk: crucial in sensitive industries

When managing large-scale investment projects and capital market transactions, an investment bank works for its clients as an intermediary between capital supply and demand, as well as giving advice on mergers and acquisitions. One key to success in investment banking is being able to recognize any environmental risks that might be associated with clients or projects early on; this ability can help to significantly reduce exposure to credit, liability and reputational risk. Credit Suisse First Boston, one of the leading international investment banks is, therefore, constantly improving its environmental management practices. Sensitive industries – e.g. the oil and gas sectors – will in future be subjected to particularly intense environmental analysis. This analysis will focus on companies' environmental and risk management, their potential liability risks and their environmental record to date.

Avoiding future environmental problems

No building can be said to stand on solid foundations unless all the environmental aspects have been taken into account. Credit Suisse First Boston's real estate business area has thus expanded the environmental risk assessment guidelines that it applies when financing, securitizing and selling property. One of Credit Suisse First Boston's aims here is to reduce legacy and contamination risks as much as possible.

Better environmental performance – lower credit risk

Credit Suisse Financial Services integrates environmental aspects into its lending decisions and helps its customers to recognize environmental opportunities and risks. The

Environmental Risk unit, for example, reviews corporate loan applications to see whether the companies or projects concerned might entail any risks to the environment. External experts are brought in if funding plans are found to involve a high environmental risk.

Using targeted incentives to curtail environmental risk in insurance

Governments are also starting to view economic and environmental factors holistically. More and more industrialized nations are using liability law as a tool to impose environmental standards on business. Companies are thus being made responsible for the cost of any environmental damage that they cause. As a consequence, corporate liability insurance and property insurance in particular can sometimes entail exposure to significant environmental risks. It is thus in the direct interest of the insurers and the companies involved that forward-looking environmental management is used to prevent these risks, most of which can be controlled.

The last decade has seen a disturbingly large increase in the number of natural catastrophes. As a result, in 2001 insurance companies had to pay out a total of USD 15 billion for losses caused by natural disasters, which is three times as much as the annual average in the 1970s. The increased potential for loss presents property insurers with new challenges that require global solutions. Winterthur Insurance has already responded promptly to these growing challenges and now offers, among other things, a special environmental liability insurance, tools to assess environmental risks and funding solutions for non-insurable risks.




Ethics and profits are not mutually exclusive

The Credit Suisse Fellowship Fund,  which has been investing in leading socially responsible British companies for more than 15 years, proves that sustainable investment and profitability need not be mutually exclusive. Credit Suisse Asset Management uses numerous criteria, such as a firm's record on social and environmental issues, to select its "ethical leaders". It will not invest in companies that are involved in armaments or gambling, or which sell products with genetically modified ingredients, or that damage the environment.


Using catastrophe bonds to reduce risks

By taking on securitized risk, the overall risk in a securities portfolio can be reduced. Though this may appear to be a paradox, it is perfectly possible with what are known as catastrophe bonds, or cat bonds. With the aim of giving private investors access to this type of investment, in early 2002 Bank Leu (a Credit Suisse Group subsidiary) launched the Leu Prima Cat Bond Fund, the first public fund in the world for cat bonds. In order to finance the increasing claims arising from natural disasters, insurers are securitizing some of the risks they carry, turning them into bonds that pay an income determined by the occurrence of rare and extreme natural events such as earthquakes or hurricanes. Attractive yields are not the only appealing feature of such investments: because the performance of cat bonds is largely independent of developments on the equity and bond markets, they also provide an excellent means of reducing a portfolio's susceptibility to fluctuation. As investments on their own, cat bonds are a high-earning but also a high-risk option. However, in the context of a fund the risk is reduced thanks to the broad diversification of the investments involved.


Investing in a sustainable future

More and more investors are taking account of ethical and ecological criteria in addition to traditional financial considerations when making investment decisions. They want to invest their assets in companies which show respect for the environment, society and employees and which can offer long-term growth prospects precisely as a result of this approach. Until recently, choosing stocks that meet these criteria was difficult, because only a small circle of experts had access to the necessary information, such as eco-ratings. With the enhanced functionality of its Stock Screener,  an Internet-based equity analysis tool, Credit Suisse Group has further expanded its position in the field of sustainable investments. In concrete terms the Stock Screener now gives Credit Suisse Private Banking customers, too, a broad range of infor-

mation to help them select promising sustainability stocks from the wider investment universe.

With its Global Water Basket and Global Alternative Energy Basket, Credit Suisse First Boston has launched two new sustainable financial products in response to good market prospects and rising demand. These baskets invest in the high-potential markets of water supply and processing, and in alternative energies such as fuel cells and solar and wind power. The range of social and ecological investment products is rounded out by two sustainability funds, the Credit Suisse Equity Fund (Lux) Global Sustainability Fund  and the Credit Suisse Fellowship Fund, as well as by customized individual portfolios for institutional and private investors.

Helping renewable energy to make the breakthrough

Credit Suisse Group believes that owing to the diminishing reserve of fossil fuels and climate change issues, the move towards renewable energies is inevitable. Because of this, and because it wants to build on its ground-breaking role in the financing of regenerative energies, the Group has joined with other investors to set up the private equity company Prime New Energy AG,  which was brought successfully to market in spring 2001. Prime New Energy AG invests mainly in promising stock exchange-listed companies in the fuel cell, solar energy and wind power sectors.

Strengths

- Broad range of products for investment in sustainable development
- In-depth analysis of environmentally sensitive transactions in investment banking, corporate banking and insurance business
- Clear directives governing real estate transactions

Weaknesses

- Review and rapid realization of innovative business opportunities in the environmental and social fields are not yet efficient
- Social and ethical aspects of risk assessment are not yet systematized in all areas

Next steps / objectives

- Strengthen marketing and awareness of sustainability products
- Increase efficiency of training in environmental risk management

OPERATIONAL ECOLOGY | ECO-EFFICIENCY AS A PRINCIPLE OF OPERATIONAL ENVIRONMENTAL CONSERVATION

Credit Suisse Group is committed to continually improving its environmental performance in all parts of its business. In order to do this it applies its environmental standards both within the company and with its business partners. Its main goals in doing this are to reduce consumption of energy and materials and to avoid anything in the workplace that might compromise the health of its employees.

Energy efficiency: protecting the environment and reducing costs

As part of its efforts to improve its environmental management system, Credit Suisse Group conducts annual reviews of energy and material consumption at all its properties in Switzerland, as well as at its environmentally significant buildings around the world. Analysis of the review data has shown that Credit Suisse Group's largest environmental impact still lies in its energy consumption. This is why in 2001 Credit Suisse Group once again concentrated efforts to improve its environmental performance on properties that consume a lot of energy. The different characteristics of different businesses and regions, and the varying levels of environmental awareness mean that an individual approach has to be taken in each location.

Reducing consumption of heating energy and electricity

In 2001, measures to improve energy efficiency at five selected Credit Suisse Group properties in Switzerland resulted in a 23% reduction in the consumption of heating energy and an 8% fall in electricity consumption. This demonstrates once again that investments in environmental conservation soon pay dividends: the cost of the work will have been offset by energy savings within only four years.

Summer energy program: small cost – large impact

Successful savings measures were also implemented outside Switzerland. In New York, for example, Credit Suisse First Boston participated in the "Summer Energy Program", an energy saving initiative aimed at the

users of the city's largest office buildings. The aim was to reduce energy consumption by about 22 megawatts – equivalent to the electricity consumption of approximately 22,000 private households – simply by turning down air conditioning and switching off unwanted lights at 200 large office buildings.

In London, one of the company's largest international locations, Credit Suisse Group made a detailed analysis of energy data, thus laying the foundations for improved energy efficiency and accreditation under the national "Energy Saving Trust Standard". ➔ Further improvements in energy efficiency were also made at various Asian locations.

"Minergie": better quality of life – lower energy consumption

"Minergie" ➔ is a quality label in Switzerland for buildings that use less energy thanks to the careful way in which they were built. Buildings can only be awarded the Minergie energy efficiency label, which is supported by Switzerland's federal government, cantons and business community, if they meet precisely defined – and very high – technical and construction standards with regard to comfort, air cleanliness, efficiency and energy consumption. In 2001, Credit Suisse Group received Minergie certification for three buildings in Canton Zurich, representing an energy-consuming surface area of 78,200 square meters; this made the Group the canton's largest Minergie investor as at end-2001.

Recycling: keeping the cycle going

Credit Suisse Group has made further progress on recycling and now returns even more recyclable materials to the chain of consumption. In London, for example, the Group has mandated a disposal company to divide up waste into further recyclable components. In New York and in several Asian locations, facilities for separate garbage collection are being expanded. The Group has been using reusable toner cartridges for printers for some time now. 80% of cartridges used in London, for example, are reusable, which also makes economic sense for Credit Suisse Group.



The paperless office remains a vision

Despite great efforts to reduce the use of paper in specific areas, Credit Suisse Group has not yet been able to achieve a company-wide trend towards reduced paper consumption. Credit Suisse Group has, therefore, set up a working group to develop innovative solutions to this problem in 2002.

More potential for videoconferencing as an alternative to business travel

At a globally active corporation like Credit Suisse Group, air travel creates a significant burden on the environment. Thanks to the continuous development of audio and videoconferencing facilities, the range of alternatives to air travel has been further improved. Credit Suisse Group has also made its employees more aware of these forms of communication, resulting in a clear overall increase in their use. Nevertheless, there is still no sign of a long-term trend towards a stabilization or reduction of the number of kilometers flown by staff.

Material constraints: saving energy is not just a question of goodwill

Comprehensive data analysis has shown that potential still remains to save energy in all of Credit Suisse Group's business units and locations. A closer look at energy consumption reveals the following picture: in both absolute and per-employee terms, the burden on the environment generated at international locations is considerably higher than at sites in Switzerland. However, it would be wrong to assume that this is solely because of the relatively high level of environmental awareness in Switzerland. Energy consumption is influenced to a significant extent by different climatic conditions, but also by business-specific and cultural aspects; these factors have to be taken into account when formulating appropriate targets and savings plans.

In Switzerland, customers are mainly looked after locally from their nearest branch, whereas other business units operate globally. Credit Suisse First Boston, for instance, looks after clients all over the world from a rela-

tively small number of financial centers. Because of the nature of its business, Credit Suisse First Boston also runs energy-intensive trading divisions which require a powerful IT infrastructure and several computer screens per dealer. This focus on a few locations and on a specific business has two main consequences: on the one hand, concentrated potential savings can be realized and specialists can be brought together in larger units; on the other, there are more business trips and thus more kilometers flown.

Strengths

- Expansion of operational ecology measures at the largest international sites
- Targeted technical energy improvements
- Participation in national and local energy saving programs

Weaknesses

- Quality of data on operational ecology is not yet at the desired level throughout the Group
- Potential to reduce paper consumption is still not being exploited effectively

Next steps / objectives

- Increase the meaningfulness of environmental data
- Attain further performance certification in the area of energy consumption
- Introduce measures to reduce paper consumption

Credit Suisse Group conducts an active, honest dialog with its employees and with the public on environmental and social issues. It provides information to stakeholders in a targeted manner, ensures its actions are transparent, and encourages understanding of different viewpoints. The Group is also involved in various bodies where it can use its expertise and experience to promote environmental protection and sustainable economic development.

Dialog with different stakeholders

Credit Suisse Group seeks contact with all manner of different stakeholders. These include not only clients, investors and the media, but also, for example, environmental groups, political parties, non-governmental organizations and churches. Personal meetings and joint events are used to further the debate on a range of subjects – from disabled access at branch offices to sensitive issues within the wood processing industry – that is as wide as the interests of the stakeholders.

In order to push forward progress on environmental and social issues in the widest possible political and social arena, Credit Suisse Group is involved in numerous national and international committees and networks. It makes its experience and expertise available, puts forward its views and adopts new ideas. In 2000, for example, it signed the UN's Global Compact initiative, thus committing itself to compliance worldwide with principles relating to human rights, working conditions and environmental protection. Further activities include the Group's work on the Global Reporting Initiative – a call for voluntary production of sustainability reporting and matching quality standards – and its participation in SPI-Finance, a project aimed at developing social performance indicators for financial services providers.

Transparency pays off

Stock exchange-listed companies are subject to particularly detailed analysis by independent rating agencies. Businesses that transparently communicate their strategies and key corporate data are at a distinct advantage here. This applies not only to traditional ratings, but also

to the sustainability ratings carried out by specialist agencies. Thanks not least to its open information policy on environmental and social matters, all the leading sustainability ratings place Credit Suisse Group among the top group of banks. Credit Suisse Group is particularly proud of its inclusion in the FTSE4Good Index, a barometer of ethical investments that was launched by the Financial Times and the London Stock Exchange in summer 2001.

Industry standards allow proper comparisons

How high are electricity consumption and CO₂ emissions? To what extent are loans subjected to a basic environmental assessment? How have social activities developed? In order to back up the statements made in its Sustainability Report, Credit Suisse Group publishes detailed quantitative and qualitative performance indicators on its environmental commitments, and now also on its social involvement. This data, which can be found on the Internet, is deliberately based on industry standards.

For five years now, Credit Suisse Group has, for example, published key figures on operational ecology in accordance with VfU standards, which were specially developed for financial services providers. The main focus here is on energy, paper and water consumption, business travel and waste disposal. In the interests of clear reporting of the environmental and social impact of banking and insurance business, the Group also uses the EPI- and SPI-Finance industry standards. EPI-Finance indicators enable a company to make transparent statements about the environmental evaluation of loans, assets managed according to ethical/environmental crite-



Credit Suisse Group's excellent ratings

Do lending decisions have a serious impact on the environment? How is energy consumption trending? How seriously does management take environmental concerns? These are the kind of questions that eco-rating agencies examine. Their answers are particularly interesting for investors and analysts, who increasingly base investment decisions on such ratings. All the leading eco-rating agencies have come to the same conclusion: Credit Suisse Group is in the very top group of companies in terms of environmental and social criteria, which is why CSG's share has become a standard component of many of the major environmental and sustainability funds.

ria, and staff with environmental skills. SPI-Finance indicators provide information about relations with staff, suppliers and service providers, about the social impact of products and services, and about social commitments.

Internal communication: communicate knowledge – reinforce beliefs – encourage action

Even the greatest environmental and social commitment by a company is useless if the employees do not support it. Credit Suisse Group has, therefore, made internal communication a high priority. Workshops and events, various employee publications and the Intranet provide the key platforms for internal dialog. Interested employees can, for example, use the Intranet to find out about topical environmental and social subjects, such as the launch of new environmental products, or about Credit Suisse Group's charitable commitments, or can read articles on the latest political and social themes. In a series of lunchtime events on the subject of "Diversity", experts discuss current topics, such as how to reconcile career and family, emotional intelligence and equal opportunities.

Helping socially disadvantaged young people to enter working life

Credit Suisse Group does not just do its own work on social issues; it also encourages its employees to get involved. As part of the iMentor program sponsored by the Credit Suisse First Boston Foundation many employees support the education of disadvantaged young people and help them gain entry into working life by acting as role models and giving them concrete advice. Either by e-mail, over the Internet, or in person, the mentors help with basic skills such as reading and writing, as well as encouraging the use of the modern communication techniques that are indispensable in today's working world.

Credit Suisse Group's attitude to government environmental policy

Credit Suisse Group is in favor of the use of environmental economic instruments in governmental policymaking. It is, however, a prerequisite that such instruments are ecologically justified, neutral in terms of foreign trade and the government spending rate, proportionate and planable in advance. A concrete example: as a means of achieving the stabilization of greenhouse gases stipulated in the UN Climate Convention, Credit Suisse Group believes that legislation such as Switzerland's CO₂ law is wholly sensible. Not only does this legislation satisfy the criteria mentioned above, but the incentive system introduced by the law encourages businesses and the general population to be innovative in the attainment of the targets.

Strengths

- Very good sustainability ratings given by independent parties
- Active commitment to international bodies such as UNEP, Global Compact, SPI-Finance
- Open dialog with stakeholder groups, e.g. parliamentary groupings, business journalists and environmental organizations
- Positive response to last year's environmental report

Weaknesses

- Credit Suisse Group's considerable environmental and social commitment is still not visible enough in its marketing and branding
- Key personnel are still not sufficiently aware of the uses and benefits of good sustainability management
- Financial analysts and rating agencies do not know enough about Credit Suisse Group's record on sustainability

Next steps / objectives

- Stronger focus on Credit Suisse Group's sustainability activities in external communications
- Group-wide range of information on sustainability tailored to individual target groups
- Information to a wide variety of investors and analysts about the long-term benefits of a commitment to sustainability

INFORMATION

Validation

The sustainability report 2001 was validated by SGS International Certification Services AG, which stated for the record:

“We have examined the plausibility of the statements made in Credit Suisse Group’s 2001 Sustainability Report and, wherever necessary, obtained the evidence required to back them up. We hereby confirm that the report has been produced with due diligence, that its content is correct, that the key aspects of Credit Suisse Group’s sustainability management have been described, and that it is a true reflection of current practice.”

Heinrich Bieler and Dr. Franz Heinzer
Zurich, March 6, 2002

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You are more than welcome to quote from the report or use any relevant extracts; we kindly request that you notify us or send us a copy of the text.

Design: Pauffley, London
Photos: Mike Ellis, London
Chip Forelli
Production: Druckerei Feldegg AG, Zollikerberg,
certified in accordance with ISO 14001
Web adaptation: Crealogix AG, Zürich

Printed on Magno Satin, a European paper that is a market leader in its category in terms of environmental impact.

May 2002

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