

## ANNEX IV

### Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** CS (Lux) Inflation Linked CHF Bond Fund

**Legal entity identifier:**

UOEKF78I2YA2ISJ3Q773

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

☒ ☐ **Yes**

☐ It made **sustainable investments with an environmental objective**: \_\_\_\_%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made **sustainable investments with a social objective**: \_\_\_\_%

☒ ☒ **No**

☒ **It promoted Environmental/Social (E/S) characteristics**

and while it did not have as its objective a sustainable investment, it had a proportion of 7.52% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Management Company and the Investment Manager applied the Credit Suisse Asset Management (CSAM) Sustainable Investing Policy to this Subfund. This Subfund promoted the following environmental and social characteristics:

- to invest into companies that comply with international treaties on controversial weapons (norms-based exclusions on direct investments)
- not to invest into companies that derive more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment (values-based exclusions on direct investments)

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

- not to invest into companies that derive more than 20% of their revenue from tobacco distribution, conventional weapons support systems or coal (i.e., coal mining and coal-based electricity generation) (values-based exclusions on direct investments)
- adherence to, and conducting business activities in accordance with, international norms such as the "United Nations Global Compact Principles" (UNGC) (business-conduct exclusions on direct investments)
- higher exposure to investments with positive or neutral Fixed Income ESG signal and limit exposure to investments with negative Fixed Income ESG signal within the defined limits

The Active Ownership team defined the topics and issues CSAM wanted to discuss with investee companies. The resulting engagement activities for the reporting period of this SFDR annex to the annual report were defined using certain criteria and aimed at companies in which CSAM held considerable investments through its funds. For the reference period from 01.04.2022-31.03.2023 this Subfund did not hold underlying assets which were subject to engagement activities by CSAM. More information about the engagement activities and the most current active ownership report of CSAM can be found online at: [www.credit-suisse.com/esg](http://www.credit-suisse.com/esg).

The extent to which the environmental and/or social characteristics were met is measured by the sustainability indicators shown below. Derivatives were not used to attain the environmental or social characteristics.

Please find further information on ESG Integration, ESG Exclusions and Engagement below in the question "What actions have been taken to meet the environmental and/or social characteristics during the reference period?" and online at [www.credit-suisse.com/esg](http://www.credit-suisse.com/esg).

### ***How did the sustainability indicators perform?***

The table below shows the output of the Sustainability Indicators applicable to this Subfund as of 31.03.2023. The data does not represent an average for the reporting period and is not representative of the Sustainability Indicator values at any other day of the financial year. Please note that the Sustainability Indicators were developed at the end of the reference period considering the application of Commission Delegated Regulation (EU) 2022/1288 on 01.01.2023.

More information about the data sources and applied methodologies for each Sustainability Indicator can be found online at: [www.credit-suisse.com/esg](http://www.credit-suisse.com/esg).

<b>Sustainability Indicator*</b>	<b>Portfolio</b>	<b>Indicator Output</b>
ESG Rating	AAA: 11.36%, AA: 36.25%, A: 26.76%, BBB: 8.10%, BB: 7.66%, B: 0.00%, CCC: 0.00%, Not ratable**: 3.73%, No data coverage**: 6.13%	Investment exposure by ESG Rating: AAA (highest): 0–100% AA: 0–100% A: 0–100% BBB: 0–100% BB: 0–100% B: 0–100% CCC (lowest): 0–100%
Environmental pillar score	6.98	Portfolio aggregate environmental pillar score: 1 (lowest) – 10 (highest)
Social pillar score	4.84	Portfolio aggregate social pillar score: 1 (lowest) – 10 (highest)
Governance pillar score	5.96	Portfolio aggregate governance pillar score: 1 (lowest) – 10 (highest)
ESG controversy flag	Green: 27.96%, Yellow: 22.09%, Orange: 32.69%, Red: 0.00%, Not ratable**: 9.56%, No data coverage**: 7.69%	Investment exposure by ESG controversy flag: Green: 0–100% Yellow: 0–100% Orange: 0–100% Red: 0–100%
CSAM ESG exclusions***	Pre- and post-trade checks are in place to detect investments that breach the ESG exclusions. Any detected breach is escalated and remedied.	This indicator reflects that the portfolio complied with the applicable ESG exclusions as described in the exclusion section of the website.
Proprietary fixed income ESG signal	Positive: 47.62%, Neutral: 46.19%, Negative: 2.68%, Not ratable**: 0.45%, No data coverage**: 3.06%	Portfolio exposure by proprietary fixed income ESG signal Positive: 0–100% Neutral: 0–100% Negative: 0–100%

\* None of the Sustainability Indicators were subject to an assurance provided by an auditor or a review by a third party.

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*\*\* These categories can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.*

*\*\*\* Note that the amount of investments that were restricted due to the ESG exclusions depend on the investable universe of the fund.*

### ***...and compared to previous periods?***

A comparison of the portfolio's performance of the sustainability indicators compared to previous periods will be available as of the next reporting period.

### ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

At the end of the reporting period, the sustainable investments contributed to at least one of the Environmental and/or Social objectives below:

- Investments that have an approved commitment to science-based emission targets and an average reduction in carbon emissions intensity of 7% over the last three years.
- Investments in securities whose proceeds pursue a predefined environmental or social objective (e.g. green bonds).

The above criteria were assessed using a quantitative methodology. If there had not been an output from the quantitative assessment (e.g. in the case of missing quantitative ESG data), investments were submitted for confirmation in a case-by-case approach based on a proprietary assessment of the criteria. A central Credit Suisse Group committee approved such submissions.

### ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Although this Subfund did not target any minimum proportion of sustainable investment, CSAM used various indicators linked to principal adverse impacts on sustainability factors (PAI Indicators) and further indicators from its exclusion framework to assess whether sustainable investments caused significant harm to any environmental or social investment objective. Please note that CSAM developed its DNSH ("Do no significant harm") criteria at the end of the reporting period considering the application of Commission Delegated Regulation (EU) 2022/1288 on 01.01.2023.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### ***How were the indicators for adverse impacts on sustainability factors taken into account?***

At the end of the reference period, i.e. as of 31.03.2023, the PAI Indicators applied by CSAM to identify investments which qualify as SFDR Sustainable Investments in line with CS SFDR Sustainable Investment Methodology included a set of criteria and thresholds to determine if an investment passed the DNSH condition as follows:

Investments must not:

1. have a significant negative contribution to climate change. This criterion makes use of an indicator that flags the biggest emitters of greenhouse gas globally and relates to PAI 1, 2, 3 and 15.
2. be subject to norms-, value and business conduct exclusions and other investment restrictions which address PAI 4, 10, 14 and 16.
3. be subject to severe ESG controversies which address PAI 7 and 10 where applicable.
4. be strongly lagging its industry peers in overall ESG performance. This criterion has been applied to cover the remainder of the PAI to the extent possible.

### ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:***

The alignment of Sustainable Investments with the 'OECD Guidelines for Multinational Enterprises' and the 'UN Guiding Principles on Business and Human Rights', was assessed through the CS business conduct framework as part of the CS ESG Exclusion framework.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria. The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. Any other sustainable investments must also not significantly harm any environmental or social objectives.

## How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides the exposure to all mandatory PAI applicable to the Subfund at the end of the reporting period. The Adverse Sustainability Indicator/Metric values are a snapshot as of the respective umbrella year end date. They do not represent an average for the reporting period and are not representative of the Adverse Sustainability Indicator/Metric values at any other day of the financial year. In particular, the PAI methodology was further developed at the end of the reporting period considering the application of Commission Delegated Regulation (EU) 2022/1288 on 01.01.2023. Please find further information on CSAM PAI Framework online at [www.credit-suisse.com/esg](http://www.credit-suisse.com/esg).

Adverse Sustainability Indicator / Metric	Impact *	Eligible Assets (%) **	Data Coverage (%) ***
<b>Indicators applicable to investments in investee companies</b>			
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>			
<b>GHG Emissions</b>			
1. GHG emissions Scope 1 (in metric tons)	331.67	83.51	57.92
1. GHG emissions Scope 2 (in metric tons)	73.83	83.51	57.92
1. GHG emissions Scope 3 (in metric tons)	4'739.39	83.51	57.92
1. GHG emissions Total (in metric tons)	5'105.66	83.51	56.77
2. Carbon footprint (Scope 1,2 and 3 in metric tons per EUR million invested)	76.42	83.51	56.77
3. GHG intensity of investee companies (Scope 1,2, and 3 in metric tons per EUR million revenue)	350.99	83.51	71.54
4. Exposure to companies active in the fossil fuel sector (in percent)	1.16	83.51	77.83
5. Share of nonrenewable energy consumption and production (in percent)	46.24	83.51	69.09
6.A. Energy consumption intensity per high impact climate sector - NACE A (in GWh per EUR million revenue) ****	0.00	83.51	0.00
6.B. Energy consumption intensity per high impact climate sector - NACE B (in GWh per EUR million revenue) ****	0.00	83.51	0.00
6.C. Energy consumption intensity per high impact climate sector - NACE C (in GWh per EUR million revenue) ****	0.01	83.51	70.47
6.D. Energy consumption intensity per high impact climate sector - NACE D (in GWh per EUR million revenue) ****	0.02	83.51	70.47
6.E. Energy consumption intensity per high impact climate sector - NACE E (in GWh per EUR million revenue) ****	0.00	83.51	0.00
6.F. Energy consumption intensity per high impact climate sector - NACE F (in GWh per EUR million revenue) ****	0.00	83.51	0.00
6.G. Energy consumption intensity per high impact climate sector - NACE G (in GWh per EUR million revenue) ****	0.00	83.51	0.00
6.H. Energy consumption intensity per high impact climate sector - NACE H (in GWh per EUR million revenue) ****	0.00	83.51	70.47
6.L. Energy consumption intensity per high impact climate sector - NACE L (in GWh per EUR million revenue) ****	0.00	83.51	0.00
<b>Biodiversity</b>			

7. Activities negatively affecting biodiversity sensitive areas (in percent)	0.00	83.51	0.00
<b>Water</b>			
8. Emissions to water (in metric tons)	0.00	83.51	0.00
<b>Waste</b>			
9. Hazardous waste ratio (in metric tons)	1.95	83.51	8.00
<b>SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>			
<b><i>Social and employee matters</i></b>			
10. Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	0.00	83.51	0.00
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	28.98	83.51	77.83
12. Unadjusted gender pay gap (in percent of male gross earnings)	4.30	83.51	18.30
13. Board gender diversity (female board members, expressed as a percentage of all board members)	29.43	83.51	72.69
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (in percent)	0.00	83.51	0.00
<b>Indicators applicable to investments in sovereigns and supranationals</b>			
<b><i>Environmental</i></b>			
15. GHG intensity (Scope 1, 2, and 3 in metric tons per EUR million GDP)	1.31	12.76	0.77
<b><i>Social</i></b>			
16. Investee countries subject to social violations (absolute)	0.00	12.76	0.00
16. Investee countries subject to social violations (relative)	0.00	12.76	0.00
<b>Indicators applicable to investments in real estate assets</b>			
<b><i>Fossil fuels</i></b>			
17. Exposure to fossil fuels through real estate assets (in percent)	n/a	0.00	0.00
<b><i>Energy efficiency</i></b>			
18. Exposure to energy-inefficient real estate assets (in percent)	n/a	0.00	0.00

\* Impact: The value represents non-normalized portfolio level exposure to a given PAI indicator. This means that the PAI values use the actual weights of portfolio exposures.

\*\* Eligible Assets: Percentage of AUM of the entire portfolio (including cash) for which the PAI is applicable. As an example, government bonds held by the fund cannot be measured against PAI indicators applicable to an investee company.

\*\*\* Data coverage: The percentage of AUM of the entire portfolio for which PAI indicator data is available.

\*\*\*\* The eligible assets and hence the coverage of the PAI 6 are limited to the 9 high impact climate sectors defined by SFDR. A low coverage therefore does not necessarily correspond to missing energy consumption intensity data to measure the PAI, but rather the investments in the portfolio not being part of the high impact climate sectors.



## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.03.2023

Largest investments *	NACE Sector code	% Assets	Country
EUROPEAN INVESTMENT BANK / 1.63% / 02.04.2026	K. Financial and insurance activities	2.29	Supranational
ORANGE SA / 0.20% / 24.11.2025	J. Information and communication	1.87	France
EXPORT-IMPORT BANK OF KOREA / 0.17% / 18.07.2025	K. Financial and insurance activities	1.87	Korea, Republic of
BANK OF AMERICA CORP / 0.25% / 12.06.2026	K. Financial and insurance activities	1.85	United States of America
BNG BANK NV / 2.50% / 21.07.2025	K. Financial and insurance activities	1.81	Netherlands
APPLE INC / 0.38% / 25.11.2024	C. Manufacturing	1.77	United States of America
NORDEA BANK ABP / 0.55% / 23.06.2025	K. Financial and insurance activities	1.75	Finland
CANADIAN IMPERIAL BANK OF COMMER / 0.28% / 03.02.2027	K. Financial and insurance activities	1.66	Canada
CANADIAN IMPERIAL BANK OF COMMER / 0.05% / 15.10.2026	K. Financial and insurance activities	1.66	Canada
SNCF RESEAU / 2.00% / 12.11.2026	H. Transportation and storage	1.52	France
CITIGROUP INC / 0.75% / 02.04.2026	K. Financial and insurance activities	1.51	United States of America
QUEBEC (PROVINCE OF) / 0.75% / 21.11.2024	O. Public administration and defense; compulsory social security	1.48	Canada
HYPO VORARLBERG BANK AG / 0.45% / 05.03.2024	K. Financial and insurance activities	1.48	Austria
CREDIT AGRICOLE SA (LONDON BRANCH) / 1.00% / 27.01.2025	K. Financial and insurance activities	1.48	France
MCDONALDS CORP / 0.17% / 04.10.2024	I. Accommodation and food service activities	1.47	United States of America

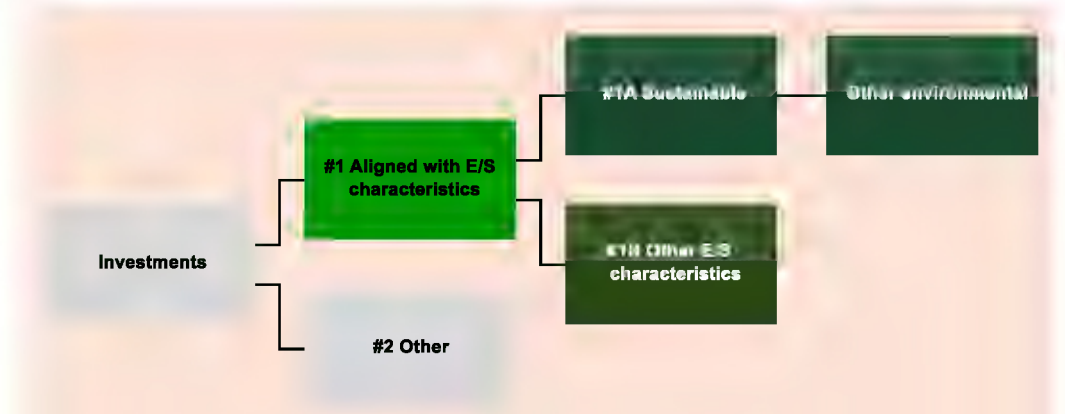
\* Look-through enabled where possible, excl. cash and derivatives. Portfolio Exposure as of 31.03.2023. It does not represent an average for the reporting period and is not representative of the Portfolio Exposure at any other day of the financial year.



## What was the proportion of sustainability-related investments?

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product. #2 Other includes the remaining investments of the financial product which were neither aligned with the environmental or social characteristics, nor qualified as sustainable investments. Please refer to the section "What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?" for further information. The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that did not qualify as sustainable investments.

The proportion of investments used to meet the environmental or social characteristics promoted by this Subfund (category #1 above) was 95.82% of its total net assets. Within this category the Subfund held a proportion of 7.52% of its total net assets in sustainable investments (category #1A above). Those data are valid as of 31.03.2023. They do not represent an average for the reporting period and are not representative of the asset allocation at any other day of the financial year.

### In which economic sectors were the investments made?

#### Fund Sectoral Exposure

NACE Sector Code *	Portfolio Exposure **
C. Manufacturing	5.19%
D. Electricity, gas, steam and air conditioning supply	1.02%
H. Transportation and storage	1.52%
I. Accommodation and food service activities	1.47%
J. Information and communication	4.01%
K. Financial and insurance activities	77.31%
O. Public administration and defense; compulsory social security	6.67%
Others	2.81%

\* Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.

\*\* Portfolio Exposure as of 31.03.2023. It does not represent an average for the reporting period and is not representative of the Portfolio Exposure at any other day of the financial year. The "Other" category can show a negative value. This can be caused by negative committed cash positions and the use of certain types of derivatives (such as FX or OTC Collateral) due to trade settlement timing.

## Fund Exposure to Fossil Fuels Sub-Sectors

NACE Sector Code *	NACE name	Portfolio Exposure **
B5.1.0	Mining of hard coal	0.00%
B5.2.0	Mining of lignite	0.00%
B6.1.0	Extraction of crude petroleum	0.00%
B6.2.0	Extraction of natural gas	0.00%
B9.1.0	Support activities for petroleum and natural gas extraction	0.00%
C19.2.0	Manufacture of refined petroleum products	0.00%
D35.2.1	Manufacture of gas	0.00%
D35.2.2	Distribution of gaseous fuels through mains	0.00%
D35.2.3	Trade of gas through mains	0.00%
G46.7.1	Wholesale of solid, liquid and gaseous fuels and related products	0.00%

\* Please note that the NACE sector allocation is not used in the Subfund's investment strategy. It is provided for disclosure purposes only. For example, the Subfund's investment strategy makes use of company's revenue exposure in accordance with CSAM's ESG Exclusion framework and does not exclude companies based on their NACE sector allocation.

\*\* Portfolio Exposure as of 31.03.2023. It does not represent an average for the reporting period and is not representative of the Portfolio Exposure at any other day of the financial year.



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

As of 31.03.2023, 0.00% of the Subfund's investments were made into sustainable investments with an environmental objective aligned with the EU Taxonomy.

## Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

☐

Yes

☐

In fossil gas

☐

In nuclear energy

☒

No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

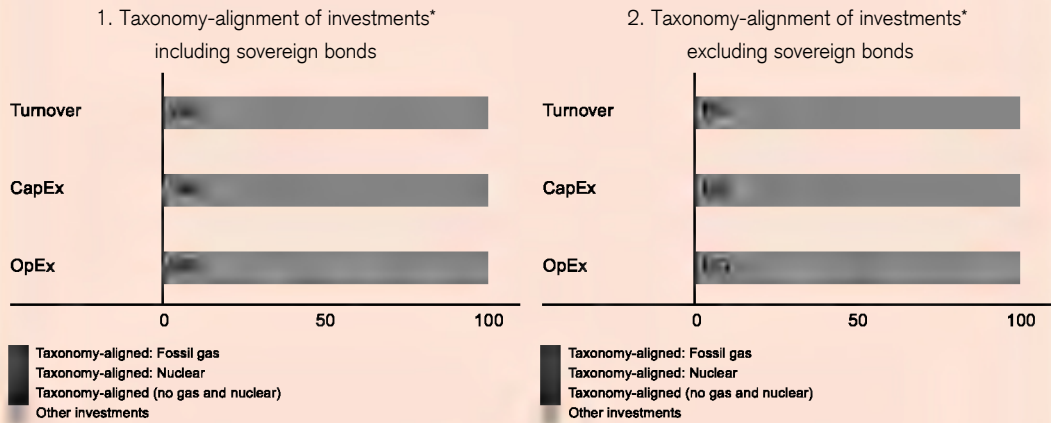
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

The Subfund's reported EU Taxonomy alignment was not subject to assurance or review by a third party.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

● **What was the share of investments made in transitional and enabling activities?**

Of the 0.00% of sustainable investments with an environmental objective aligned with the EU Taxonomy as of 31.03.2023, 0.00% were made in transitional activities and 0.00% in enabling activities.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

A comparison of the portfolio's investments that were aligned with the EU Taxonomy compared to previous periods will be available as of the next reporting period.



## What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

As of 31.03.2023, 7.52% of the Subfund's investments were made into sustainable investments with an environmental objective that was not aligned with the EU Taxonomy.

Investments may have fallen under "sustainable investments with an environmental objective not aligned with the EU Taxonomy" if insufficient company data on taxonomy alignment was available (i.e. companies did not report on their Taxonomy alignment as they were outside of the scope of the Non-Financial Reporting Directive), the EU Taxonomy did not cover a specific environmental objective or a specific industry.



## What was the share of socially sustainable investments?

As of 31.03.2023, 0.00% of the Subfund's investments were made into socially sustainable investments.



## What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As of 31.03.2023, 4.18% of the Subfund's investments were made into "other".

Investments such as cash, derivatives and structured products may have fallen under "other" since such instruments did not contribute to the E/S characteristics of this Subfund. More information about the portfolio exposure to such investments can be found in the financial section of this annual report. Such investments did not have minimum environmental or social safeguards. They may have been used as efficient portfolio management tools, for cash management, for hedging purposes, or as an additional source of return.

Additionally, investments may have fallen under "other" if insufficient ESG-related information was available. This applied in particular to asset classes for which ESG Factors were insufficiently defined or insufficient ESG related information was available. Where possible, minimum environmental or social safeguards have been applied to these underlying securities by ensuring that CSAM ESG exclusions were adhered to.



## What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To attain the environmental or social characteristics promoted by this Subfund, this Subfund applied ESG Exclusions, ESG Integration and engaged with investee companies. This Subfund excluded investments in companies of the following three categories:

- Norms-based Exclusions

This Subfund excluded companies that failed to comply with international treaties on controversial weapons such as the Convention on Cluster Munitions, the Chemical Weapons Convention, the Biological Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). In addition, it excluded companies that are recommended for exclusions by the Swiss Association for Responsible Investments (SVVK-ASIR) in respect to APM (anti-personnel mines), cluster munitions and nuclear weapons (outside of NPT).

- Values-based Exclusions

This Subfund excluded companies that derived more than 5% of their revenue from conventional weapons and firearms, tobacco production, gambling, or adult entertainment. It excluded companies that derived more than 20% of their revenue from tobacco distribution and conventional weapons support systems and services. In addition, a revenue limit of 20% applied to investments in coal (coal mining and coal-based electricity generation).

- Business-conduct Exclusions

Companies found to systematically violate international norms, where the breaches were particularly severe, or where management was not open to implement necessary reforms, were placed on a watch list, and may have been excluded from the Credit Suisse-wide investment universe. This process was governed by a dedicated committee that maintained the list of excluded companies and was responsible for ensuring that the list is communicated to investment teams in a timely manner. ESG Factors were integrated into the investment process in the following four main steps:

- Identification of material ESG Factors

Investment managers used 3rd party materiality frameworks to identify relevant ESG Factors for the Subfund. Materiality frameworks are concepts that help to identify sustainability-related issues and opportunities that are likely to affect the financial condition or operating performance of potential investee companies within an industry.

- ESG security analysis

Investment managers performed security analysis based on the identified material ESG Factors. To integrate ESG Factors into the security analysis, investment managers calculated an ESG-adjusted credit view for the issuers in the fund's investment universe by applying a proprietary methodology to systematically combine the issuer's traditional credit rating with its ESG rating to derive an ESG-adjusted credit rating. The ESG-adjusted credit rating enabled investment managers to compare securities on an ESG-adjusted basis and to evaluate whether to add or keep certain securities in the portfolio during the security selection and portfolio implementation stage. ESG-adjusted credit ratings were updated as soon as an update of the underlying traditional credit rating or ESG rating became available.

- Security selection and portfolio implementation

The ESG-adjusted credit ratings were used by investment managers in the bottom-up security selection process. The position weights were derived from over- or underweighting as well as excluding securities based on the ESG-adjusted credit ratings. In this step, investment managers combined ESG-adjusted credit ratings with established tools of traditional investment management to make better informed investment decisions.

- Portfolio monitoring

Investment managers monitored the ESG Factors daily to detect significant changes in the ESG Factors of underlying securities and regularly reassessed the portfolio to decide whether to increase or decrease positions in the portfolio.

- Engagement

For the reporting period of 01.04.2022-31.03.2023, this Subfund did not hold underlying assets which were subject to engagement activities.



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

## How did this financial product perform compared to the reference benchmark?

The Subfund did not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

***How did this financial product perform compared with the reference benchmark?***

Not applicable.

***How did this financial product perform compared with the broad market index?***

Not applicable.