

## 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:** Credit Suisse (Lux) Digital Health Equity Fund

**Legal entity identifier:** 549300U9YHD0HTSG6828

## 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 21.81% 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?

This Subfund promotes environmental, social and governance (ESG) characteristics (within the meaning of Art. 8 of Regulation (EU) 2019/2088).

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:

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

- 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)
- not to invest into companies that either derive more than 20% of their revenue from tobacco distribution or conventional weapons support systems and services (values-based exclusions on direct investments)
- not to invest into companies that either derive more than 20% of their revenues from coal (coal mining and coal-based electricity generation) and 5% of their revenues in arctic oil and gas, or 10% of their revenues from oil sands (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 that have better ESG profile and fewer ESG controversies over their investment cycle (ESG Integration)
- contribution to good governance and sustainable practices through proxy voting and engagement with investee companies in line with CSAM's Sustainable Investing Policy (Active Ownership)

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 Active Ownership 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 31.05.2024. While the sustainability indicators have been monitored continuously during the reference period, the data below does not represent an average for the reference period.

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).

Sustainability Indicator*	Portfolio	Indicator Output
ESG Rating	AAA: 4.00%, AA: 5.82%, A: 25.72%, BBB: 44.70%, BB: 4.73%, B: 9.00%, CCC: 1.20%, Not ratable**: 0.18%, No data coverage**: 4.65%	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	6.18	Portfolio aggregate environmental pillar score: 1 (lowest) – 10 (highest)
Social pillar score	4.44	Portfolio aggregate social pillar score: 1 (lowest) – 10 (highest)
Governance pillar score	5.93	Portfolio aggregate governance pillar score: 1 (lowest) – 10 (highest)
ESG controversy flag	Green: 87.51%, Yellow: 8.62%, Orange: 0.85%, Red: 0.00%, Not ratable**: 0.18%, No data coverage**: 2.84%	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 (during the entire reference period, CSAM adhered to ESG exclusion criteria, as stated in the CSAM Sustainable Investing Policy).

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

\*\* 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 Subfund.

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

The table below presents data from the previous reference period (as of 31.05.2023). The data may differ compared to the previously published report as the most recently available data was taken into account, as the data provider(s) may have retroactively updated some figures. While the sustainability indicators have been monitored continuously during the reference period, the data below does not represent an average for the reference period.

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).

Sustainability Indicator*	Portfolio	Indicator Output
ESG Rating	AAA: 2.29%, AA: 8.22%, A: 31.47%, BBB: 22.01%, BB: 20.32%, B: 12.49%, CCC: 0.00%, Not ratable**: -0.07%, No data coverage**: 3.27%	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	6.35	Portfolio aggregate environmental pillar score: 1 (lowest) – 10 (highest)
Social pillar score	4.51	Portfolio aggregate social pillar score: 1 (lowest) – 10 (highest)
Governance pillar score	5.85	Portfolio aggregate governance pillar score: 1 (lowest) – 10 (highest)
ESG controversy flag	Green: 91.92%, Yellow: 5.44%, Orange: 0.54%, Red: 0.00%, Not ratable**: -0.07%, No data coverage**: 2.16%	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 (during the entire reference period, CSAM adhered to ESG exclusion criteria, as stated in the CSAM Sustainable Investing Policy).

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

\*\* 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 Subfund.

## ● 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 reference period, the sustainable investments contributed to the Social objectives below:

- Investments that generated at least 50% of their revenues from products and services that contribute to a social objective (e.g. nutrition, disease treatments, sanitation, affordable real estate, SME finance, education, connectivity etc.)

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 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?

CSAM considered 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.

**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?*

During the reference period, 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, values 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:*

Sustainable Investments were aligned with the 'OECD Guidelines for Multinational Enterprises' and the 'UN Guiding Principles on Business and Human Rights'. The alignment was assessed as part of the CS ESG Exclusion framework. Companies that exhibit severe weaknesses in business conduct, particularly with regard to breaches of the 'United Nations Global Compact Principles' (UNGCP) and companies placed on the watchlist, but with no immediate exclusion, were flagged not to be considered SFDR Sustainable Investments due to DNSH.

*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 no 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 from the Commission Delegated Regulation (EU) 2022/1288. The Adverse Sustainability Indicator/Metric values are calculated as an asset weighted average based on quarterly data representing the reference period from 01.06.2023–31.05.2024.

Please note that CSAM may choose or may not be able to consider and/or mitigate all of the herein reported PAI given the Subfund's investment strategy, asset class or the availability of reliable data. Consideration of PAI may be subject to change given evolving data availability and quality. Please refer to the EET for the most recent overview of which PAI are considered at Subfund level.

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)	591.54	100.01	93.72

1. GHG emissions Scope 2 (in metric tons)	2'047.53	100.01	93.72
1. GHG emissions Scope 3 (in metric tons)	83'148.52	100.01	94.57
1. GHG emissions Total (in metric tons)	80'776.66	100.01	93.72
2. Carbon footprint (Scope 1,2 and 3 in metric tons per EUR million invested)	53.41	100.01	93.72
3. GHG intensity of investee companies (Scope 1,2, and 3 in metric tons per EUR million revenue)	684.67	100.01	93.72
4. Exposure to companies active in the fossil fuel sector (in percent) ****	0.00	100.01	96.71
5. Share of nonrenewable energy consumption and production (in percent)	24.63	100.01	27.40
6.A. Energy consumption intensity per high impact climate sector - NACE A (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.B. Energy consumption intensity per high impact climate sector - NACE B (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.C. Energy consumption intensity per high impact climate sector - NACE C (in GWh per EUR million revenue) *****	0.30	100.01	28.41
6.D. Energy consumption intensity per high impact climate sector - NACE D (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.E. Energy consumption intensity per high impact climate sector - NACE E (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.F. Energy consumption intensity per high impact climate sector - NACE F (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.G. Energy consumption intensity per high impact climate sector - NACE G (in GWh per EUR million revenue) *****	0.00	100.01	28.41
6.H. Energy consumption intensity per high impact climate sector - NACE H (in GWh per EUR million revenue) *****	0.00	100.01	0.00
6.L. Energy consumption intensity per high impact climate sector - NACE L (in GWh per EUR million revenue) *****	0.00	100.01	0.00
<b><i>Biodiversity</i></b>			
7. Activities negatively affecting biodiversity sensitive areas (in percent)	0.00	100.01	97.71
<b><i>Water</i></b>			
8. Emissions to water (in metric tons, per million EUR invested)	0.00	100.01	0.00
<b><i>Waste</i></b>			
9. Hazardous waste ratio (in metric tons, per million EUR invested)	0.09	100.01	22.67
<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	100.01	97.71
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (in percent)	71.82	100.01	96.71
12. Unadjusted gender pay gap (in percent of male gross earnings)	2.24	100.01	13.05
13. Board gender diversity (female board members, expressed as a percentage of all board members)	31.83	100.01	97.66
14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) (in percent)	0.00	100.01	97.71
<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)	0.00	0.00	0.00
<b><i>Social</i></b>			

16. Investee countries subject to social violations (absolute)	0	0.00	0.00
16. Investee countries subject to social violations (relative)	0.00	0.00	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 Subfund cannot be measured against PAI indicators applicable to an investee company.

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

\*\*\*\* Flags the companies with exposure to fossil fuels related activities, including extraction, processing, storage and transportation of fossil fuels.

\*\*\*\*\* The coverage of the PAI 6 are limited to the 9 high impact climate sectors defined by SFDR.



The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31.05.2024

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

Largest investments *	NACE Sector code	% Assets	Country
ZEALAND PHARMA	M. Professional, scientific and technical activities	4.33	Denmark
INSPIRE MEDICAL SYSTEMS INC	C. Manufacturing	4.16	United States of America
ZAI LAB LTD	C. Manufacturing	4.12	China
NATERA INC	C. Manufacturing	4.06	United States of America
REDCARE PHARMACY NV	G. Wholesale and retail trade; repair of motor vehicles and motorcycles	4.00	Netherlands
TRANSMEDICS GROUP INC	C. Manufacturing	3.98	United States of America
TWIST BIOSCIENCE CORP	C. Manufacturing	3.81	United States of America
VEEVA SYSTEMS INC CLASS A	J. Information and communication	3.73	United States of America
SCHRODINGER INC	J. Information and communication	3.64	United States of America
DEXCOM INC	C. Manufacturing	3.52	United States of America
10X GENOMICS INC CLASS A	C. Manufacturing	3.19	United States of America
KRYSTAL BIOTECH INC	M. Professional, scientific and technical activities	3.11	United States of America
EXACT SCIENCES CORP	C. Manufacturing	3.08	United States of America
INARI MEDICAL INC	C. Manufacturing	2.88	United States of America

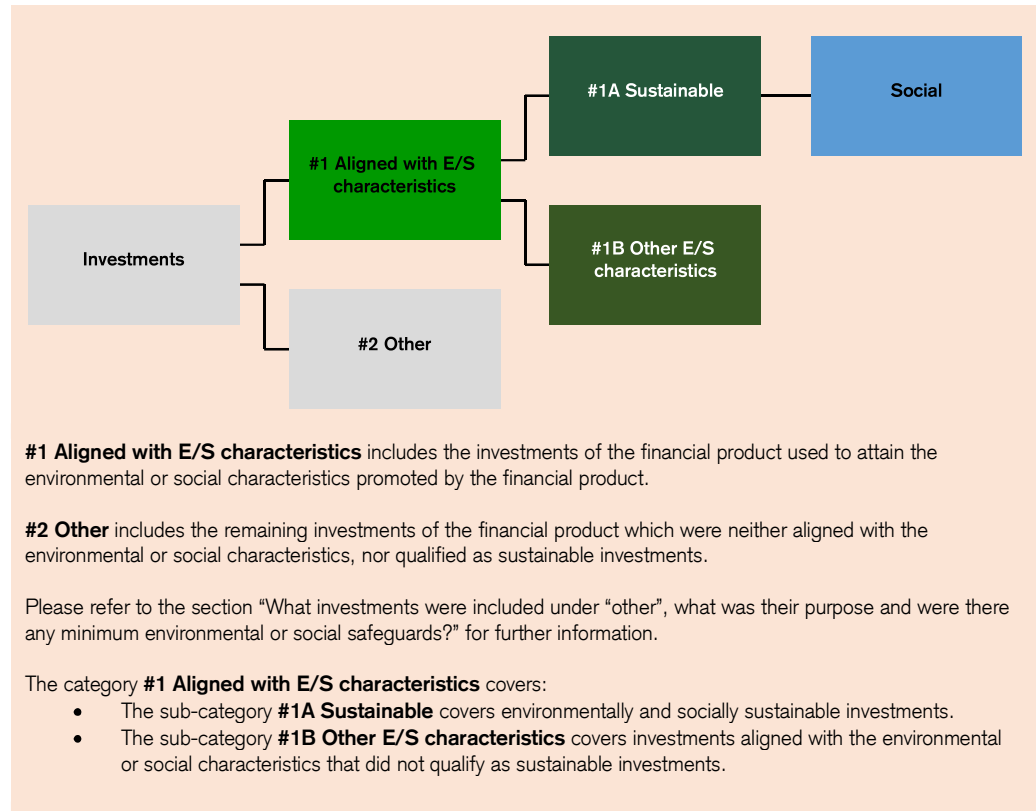
\* Look-through enabled where possible, excl. cash and derivatives. Portfolio Exposure as of 31.05.2024. It does not represent an average for the reference period.



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

Asset allocation describes the share of investments in specific assets.

### What was the asset allocation?



The proportion of investments used to meet the environmental or social characteristics promoted by this Subfund (category #1 above) was 95.17% of its total net assets.

Within this category the Subfund held a proportion of 21.81% of its total net assets in sustainable investments (category #1A above) and a proportion of 73.36% of its total net assets in other E/S characteristics (category #1B above).

The proportion of investments held by the Subfund in "Other" (category #2 above) was 4.83% of its total net assets.

The data is valid as of 31.05.2024. It does not represent an average for the reference period.

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

#### Subfund Sectoral Exposure

NACE Sector Code *	Portfolio Exposure **
C. Manufacturing	47.17%
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	6.19%
J. Information and communication	18.40%
M. Professional, scientific and technical activities	21.93%
Q. Human health and social work activities	6.12%
Others	0.18%

\* 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 31.05.2024. It does not represent an average for the reference period. The "Others" 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.

### Subfund 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 31.05.2024. It does not represent an average for the reference period.

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.

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

**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.



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

As of 31.05.2024, the Subfund reports 0.00% exposure to 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

☒

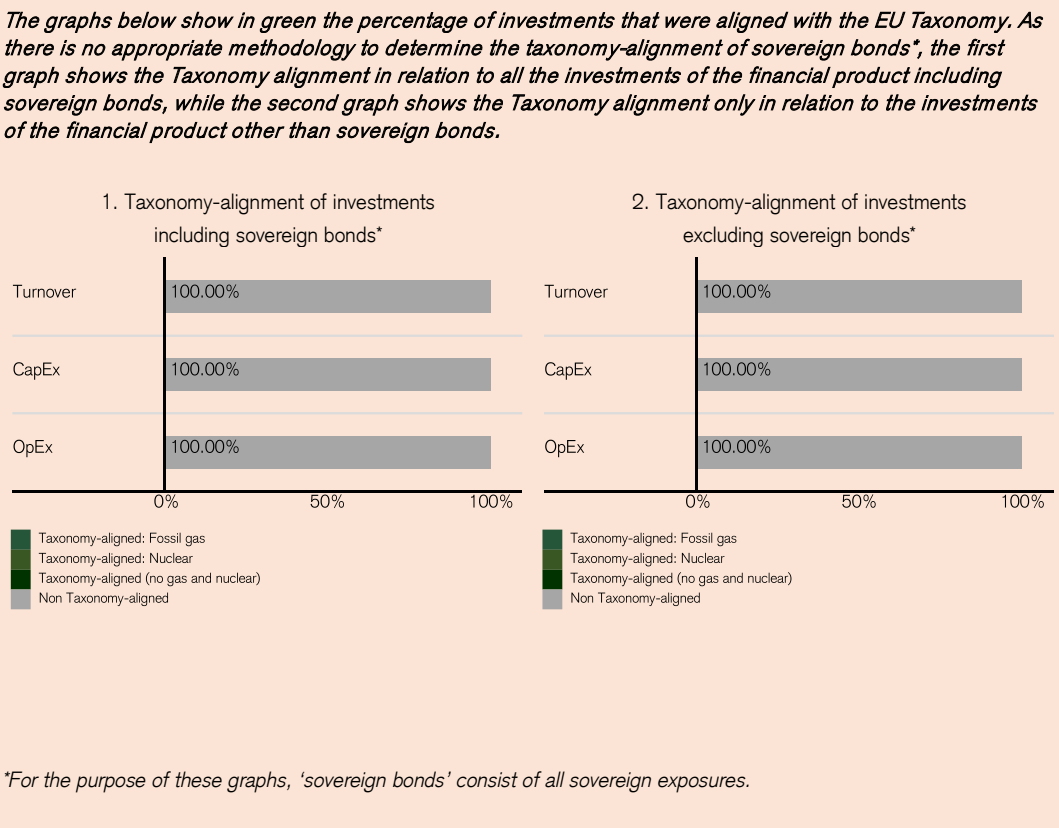
No

<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.



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

● **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 31.05.2024, 0.00% were made in transitional activities and 0.00% in enabling activities.

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

During the previous reference period the percentage of investments that were aligned with the EU Taxonomy were 0.00% as of 31.05.2023.



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

As of 31.05.2024, 0.00% of the Subfund's investments were made into sustainable investments with an environmental objective that was not aligned with the EU Taxonomy.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



## What was the share of socially sustainable investments?

As of 31.05.2024, 21.81% 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 31.05.2024, 4.83% 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 Active Ownership.

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), a revenue limit of 5% applies to investments in arctic oil and gas as well as a revenue limit of 10% applies to investments in oil sands.

- 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.

- Restrictions related to the Guidelines for Responsible Investing of the Bundesverband Investment and Asset Management's (BVI)

To comply with the BVI guidelines, this Subfund excluded additionally the following companies, countries, and sectors from the investment universe:

- Military hardware: companies that derive more than 10% of their revenue from manufacturing conventional weapons, components, and support systems and services
- Sovereign issuers: serious violations of democratic and human rights based on the assessment as "not free" according to the Freedom House's index ([freedomhouse.org/countries/freedom-world/scores](https://freedomhouse.org/countries/freedom-world/scores))

- Restrictions related to LuxFLAG ESG label

To comply with the LuxFLAG ESG label, this Subfund excluded additionally the following companies from the investment universe:

- Tobacco, tobacco-related products and supporting services: Companies that derive more than 5% of their annual revenue from production and all companies that derive more than 15% of their annual revenue from sales and distribution are excluded.

ESG Factors were integrated into the investment process in the following four main steps:

- Identification of material ESG Factors

First, the Investment Manager used materiality frameworks to identify those ESG Factors that are relevant to the investment strategy. 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 companies within an industry. Material factors have been furthermore assessed based on the Subfund's sector and geographical exposure. Second, the Investment Manager prioritized the material factors that were most relevant to the subsequent investment decisions based on the portfolio's current market exposure.

- ESG security analysis

Based on the identified material ESG Factors, the Investment Manager performed security research across the Subfund's investment universe. The Investment Manager made use of ESG ratings from third-party service providers and combined them with CSAM's proprietary analyses and information. These included, e.g. ESG related news, ESG ratings and scores, ESG-related controversies, and ESG trends.

The ESG data are fully integrated in the portfolio management software. The CSAM sustainable investing team may offer additional support, where needed, and advise on access to other ESG data providers. The outcome of the ESG analysis of individual securities, combined with financial research, enabled the Investment Managers to make ESG-adjusted risk/return assessments. This enabled the Investment Manager to compare securities on an ESG-adjusted basis and to evaluate whether to keep certain securities in the portfolio or to sell them during the security selection and portfolio implementation stage. The ESG security analysis has been updated periodically.

- Security selection and portfolio implementation

Based on the identified material ESG Factors and the ESG-adjusted security analysis, the Investment Manager constructed a portfolio in accordance with the Subfund's investment process and principles. The ESG-adjusted security analysis combined with portfolio construction considerations has been used to determine appropriate portfolio weights that reflected the ESG-adjusted risk/return profile of the analyzed securities.

The research process might make use of dedicated ESG questionnaires with potential follow-up meetings with investee companies in case incomplete data is available from third-party ESG data providers.

- Portfolio monitoring

The Investment Manager monitored the ESG Factors periodically to detect significant changes in the ESG Factors of the underlying securities. They regularly reassessed the portfolio, taking into consideration financial and ESG metrics, and consequently decided whether to increase or decrease positions in the portfolio.

- Engagement

CSAM engaged with investee companies with the aim of increasing its impact on sustainability issues. Selected companies that were able and willing to take action were subject to engagement and CSAM sought to preserve and/or enhance the value of the companies they invested in, through engagement with issuers. The Active Ownership team defined the topics and issues CSAM wanted to discuss with investee companies. The resulting engagement activities for the reference 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. 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).

- Proxy Voting

Voting rights have been exercised for investee companies which have met the criteria for Proxy Voting as explained at [www.credit-suisse.com/esg](http://www.credit-suisse.com/esg)



## 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.

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

- *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?*

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

Not applicable.