

# Aiming for Impact: Credit Suisse and the Sustainable Development Goals



# Editorial

## Aiming for Impact

2015 marks the conclusion of the United Nations Millennium Development Goals, which are to be succeeded by the Sustainable Development Goals (SDGs). The SDGs are the core element of the ambitious and transformative 2030 Agenda for Sustainable Development – the first global development agenda to be fully negotiated by UN member states. The SDGs are universal and address the economic, social and environmental dimensions of sustainable development in a comprehensive and integrated manner.



The 2030 Agenda provides a global framework for national and international efforts to eradicate poverty and hunger, to ensure inclusive education and empower women and girls, to promote sustainable economic growth and employment, to protect our natural resources, and to strengthen governance and institutions. The target date for the realization of these goals is 2030.

As the SDGs are based on a participatory process, responsibility for achieving them will be shared between states, the private sector, the scientific community and civil society. We are publishing this report ahead of the UN Summit for the adoption of the post-2015 development agenda, which will take place in September 2015, in order to raise broader awareness of the 2030 Agenda. The report also aims to encourage a constructive dialogue in order to identify activities, products and services that can contribute to the realization of one or several of these goals – individually or in collaboration with selected partners.

Using a range of examples drawn from current activities and partnerships, this publication seeks to illustrate how the SDGs provide tangible opportunities for businesses to pursue commercial objectives while also contributing to sustainable development. It highlights how Credit Suisse has already embarked on this journey toward more sustainable development and provides a snapshot of how our bank understands its wider corporate responsibilities. Further information on this subject can be found in our annual Corporate Responsibility Report at: [credit-suisse.com/crr](http://credit-suisse.com/crr)

We also recognize the need for an even deeper understanding of these issues when identifying new opportunities to contribute to the post-2015 development agenda. As part of our commitment to an open and constructive dialogue, we welcome your feedback on any of the topics discussed in this publication.

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# Contents

<b>1. Sustainable Development Goals (SDGs)</b>	<b>5</b>
From the MDGs to the SDGs	
Purpose, Ambition, Objectives of the SDGs	
17 Goals, 169 Targets	
<b>2. The Business Case for the SDGs</b>	<b>8</b>
Why the SDGs Matter for Business	
How Business Can Contribute to the SDGs	
<b>3. Credit Suisse and the SDGs</b>	<b>10</b>
Our Approach to Corporate Responsibility	
Minimizing Adverse Impacts	
Contributing to the SDGs	
<b>4. Case Studies</b>	<b>12</b>
<b>5. Conclusion and Outlook</b>	<b>20</b>
<b>References</b>	<b>21</b>
<b>Imprint</b>	<b>22</b>

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# 1. Sustainable Development Goals (SDGs)

## From the MDGs to the SDGs

In the year 2000, the international community adopted the Millennium Development Goals (MDGs) as a framework for reducing poverty in its manifold dimensions, while addressing gender equality, education, health, and environmental sustainability. This was the first time that

the international community had set global development goals along with a series of time-bound targets, and a target date for implementation of end of 2015.

Figure 1: Overview of MDGs and achievements



Source: UN Millennium Development Goals Report

Despite the successes of the MDGs as a robust framework for development activities, a number of limitations were identified during their implementation, including:

- Weak integration of social, economic and environmental aspects in a balanced manner
- Variable data availability and reliability, leading to variable interpretation of progress made
- Over-emphasis on quantitative targets rather than on qualitative results
- Lack of accountability, partly because the MDGs were not formulated to take local circumstances into consideration in the developing nations at which they were targeted.

### **Purpose, Ambition, Objectives of SDGs**

Building on the foundation of the MDGs, in June 2012 at the Rio+20 Conference, the international community issued a mandate to create comprehensive targets for sustainable development. To this end, the Open Working Group on Sustainable Development Goals (SDGs), with representatives from 30 countries, was established to propose a set of SDGs to the UN General Assembly (UNGA) by September 2014. The proposal was to include the social, economic and environmental dimensions of development and integrate the SDGs into the sustainable development agenda. In light of the experience with the MDGs, and by incorporating additional dimensions of sustainability, the SDGs aspire to be applicable not only to developing nations but to all countries universally, while acknowledging national differences and leaving room for adapted approaches.

The “new global partnership” created with the 2030 Agenda for Sustainable Development (previously referred to as the post-2015 development agenda) requires international cooperation between governments and non-governmental organizations. Besides expanding the content and context of the development goals, financing will also be broadened to include new instruments and players. Traditional official development assistance (ODA) will continue to be provided, not least because it is essential for the poorest countries, but additional resources are required. These include both domestic and private resources, for example investments in sustainable development or financing from foundations and philanthropy. The financing framework for the sustainable development agenda was agreed at the Third International Conference on Financing for Development in July 2015 in Addis Ababa.

### **17 Goals, 169 Targets**

In its final report, the Open Working Group on Sustainable Development Goals proposed a framework of 17 goals and 169 supporting targets. The majority of the targets are action-oriented, but a small number of them are a means of implementation. After three years of preparations, which also involved private sector organizations, the scientific community and civil society, the UN member states concluded their negotiations in August 2015 with an agreement on the 2030 Agenda for Sustainable Development. This agreement paves the way for the heads of state to officially adopt the 2030 Agenda and the SDGs at the UN Summit in September 2015 in New York. The target year for the implementation of the SDGs is 2030.

## Figure 2: 17 Sustainable Development Goals

<b>Goal 1</b>	End <b>poverty</b> in all its forms everywhere.
<b>Goal 2</b>	End hunger, achieve <b>food security</b> and improved <b>nutrition</b> and promote sustainable <b>agriculture</b> .
<b>Goal 3</b>	Ensure <b>healthy lives and promote well-being</b> for all at all ages.
<b>Goal 4</b>	Ensure inclusive and equitable quality <b>education</b> and promote lifelong learning opportunities for all.
<b>Goal 5</b>	Achieve <b>gender equality</b> and empower all women and girls.
<b>Goal 6</b>	Ensure availability and sustainable management of <b>water and sanitation</b> for all.
<b>Goal 7</b>	Ensure access to affordable, reliable, sustainable and modern <b>energy</b> for all.
<b>Goal 8</b>	Promote sustained, inclusive and sustainable economic <b>growth</b> , full and productive <b>employment</b> and <b>decent work</b> for all.
<b>Goal 9</b>	Build resilient infrastructure, promote inclusive and sustainable <b>industrialization</b> and foster <b>innovation</b> .
<b>Goal 10</b>	Reduce <b>inequality</b> within and among countries.
<b>Goal 11</b>	Make <b>cities</b> and human settlements inclusive, safe, resilient and sustainable.
<b>Goal 12</b>	Ensure sustainable <b>consumption and production</b> patterns.
<b>Goal 13</b>	Take urgent action to combat <b>climate change</b> and its impacts.
<b>Goal 14</b>	Conserve and sustainably use the oceans, seas and <b>marine resources</b> for sustainable development.
<b>Goal 15</b>	Protect, restore and promote sustainable use of <b>terrestrial ecosystems</b> , sustainably manage forests, combat desertification, and halt and reverse land degradation and halt <b>biodiversity</b> loss.
<b>Goal 16</b>	Promote <b>peaceful and inclusive societies</b> for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
<b>Goal 17</b>	Strengthen the <b>means of implementation</b> and revitalize the <b>global partnership</b> for sustainable development.

Source: UN Sustainable Development Knowledge Platform

## 2. The Business Case for the SDGs

### Why the SDGs Matter for Business

Business thrives best in a context of political and social stability, where the rule of law prevails and a sound environmental basis allows for the sustainable use of resources. The SDGs have the potential to preserve and strengthen these vital framework conditions. The private sector has been directly engaged in negotiations for the post-2015 agenda, and is starting to recognize the benefits of contributing to the realization of the SDGs.

On the one hand, businesses have been facing increasing expectations from stakeholders in the past few years to include social, environmental and governance dimensions in their corporate strategies. They have started to define and formulate broader responsibilities, and sustainability has become an increasingly familiar concept across sectors. The 2030 Agenda for Sustainable Development and the SDGs provide a good opportunity for businesses to align their strategic goals with globally agreed sustainability targets.

On the other hand, the private sector is expected to grow. The manner of this growth is linked to the SDGs, because the ability of businesses to grow depends on the natural, social and regulatory environment around them. Firstly, an unsustainable society affected by social misery and ecological destruction is not beneficial to the supply chain, capital flows or employee productivity. Secondly, regulations at national and international level are likely to be affected by the SDGs, so businesses will be expected to follow those rules and should consequently align their activities with them. Thus, businesses can use this momentum and benefit from market opportunities where they can introduce new sustainable products and innovative business models.

### How Business Can Contribute to the SDGs

Businesses are essential drivers for sustainable development and human prosperity. First of all, they have the resources to push growth, especially in developing countries, by providing employment, technology, innovation, research and funding. On average, the business sector provides 60% of GDP, 80% of capital flows and 90% of jobs in developing countries. Being such a key source of resources in developing countries, businesses can leverage these capabilities and make a relevant change towards greater sustainability.

Secondly, traditional official development assistance (ODA) is insufficient to finance the SDGs. The total investment needed to finance sustainable development in developing countries alone has been estimated to be around USD 3.9 trillion annually, while current ODA is around USD 1.4 trillion a year. At global level, total investment needs are about USD 5-7 trillion per year for the period 2015-2030.

To take an example, current investments in climate change mitigation in developing economies (i.e. to limit the rise in average global warming to 2 degrees Celsius) are estimated at around USD 170 billion. Approximately 40% of this financing comes from the private sector. The total investment required needs to increase by a further USD 380-680 billion for the period 2015-2030.

Thus, a bigger private sector contribution in developing countries seems feasible; however, the relevant regulatory frameworks, rules of law and commercial incentives must be in place in order to achieve this. Private investment could occur in the form of domestic private investment as



well as private investment flows from overseas, especially in developing countries, including for example foreign direct investment. The sustainability dimension of the investments can be addressed in various forms, for example through loans for infrastructure projects that are environmentally protective and require a large amount of upfront capital. Generally, private investors could influence businesses and their sustainability performance by adopting responsible approaches to private investment. The most effective way for businesses to address the SDGs is to set a focus on goals and targets that can be aligned with their business strategies.

Implementation of the SDGs requires close cooperation between all parties – business, governments, civil society and other stakeholders. In order for the private sector to fulfill its part, governments have to provide an enabling framework that allows for long-term planning security and effective and accountable public services, avoids excessive bureaucracy, eliminates corruption, and removes unnecessary trade barriers.

# 3. Credit Suisse and the SDGs

## Our Approach to Corporate Responsibility

As a global financial institution, Credit Suisse is closely interconnected with the economy and society and has responsibilities towards a wide range of stakeholders. Our first priority is to act as a reliable financial partner to our clients, providing services and advice to meet their individual needs. At the same time, we make a direct contribution to the economy in our role as a financial intermediary, bringing together lenders and borrowers of capital around the world – from companies and public sector bodies to private individuals and institutions. This includes supplying businesses with the capital they need to expand their activities and drive innovation, thus helping to foster economic growth and job creation.

For Credit Suisse, corporate responsibility is about creating sustainable value for clients, shareholders, employees and other stakeholders. We aspire to comply with the ethical values and professional standards set out in our Code of Conduct in every aspect of our work. We do so based on our broad understanding of our duties as a financial services provider, member of the economy and society, as an employer, and in recognition of our responsibility to protect the natural environment.

## Minimizing Adverse Impacts

To achieve long-term success, it is essential for Credit Suisse to pursue a responsible approach to business. Recognizing that it is an integral part of the economy and society, Credit Suisse strives to conduct its business responsibly by having policies in place for managing the broader social and environmental impacts of its activities. We also uphold key international agreements that promote responsible business practices such as the UN Global Compact, of which Credit Suisse was one of the first signatories.

Credit Suisse's social commitments range from the provision of targeted financial support for charitable institutions to our collaboration with selected partner organizations worldwide as well as the promotion of employee volunteering.

**Figure 3: Credit Suisse's Approach to Corporate Responsibility**



Environmental and climate protection represents another important dimension of Credit Suisse's corporate responsibilities, and we have long incorporated these aspects into our business and operations. To identify potential environmental and social risks in its banking business, Credit Suisse also takes account of sustainability issues through its bank-wide risk review process. Potential client relationships and business transactions are thoroughly reviewed to determine whether they comply with the relevant industry standards and are compatible with our policies and guidelines. Credit Suisse has developed sector-specific policies and guidelines for sensitive sectors such as forestry and agribusiness, mining, oil and gas, hydropower, and nuclear power. The policies also set out activities and business practices that Credit Suisse will explicitly not finance.

## Contributing to the SDGs

By considering sustainability risks in its business operations and offering products and services that give clients access to sustainable investment opportunities, Credit Suisse contributes to the realization of the SDGs by supporting sustainable economic development.

As an integrated bank with a local presence and a global approach, identifying and responding to client demand and working with clients and partner organizations, Credit Suisse can contribute to a wide range of SDGs in a variety of ways.

By enabling economic activity, especially at the base of the pyramid, our microfinance platform has the potential to address SDGs 1 (poverty), 2 (food security), 4 (education), 5 (gender equality), 8 (sustainable economic growth and employment), 12 (sustainable consumption and production) and 17 (global partnership). Being active in a fast-changing knowledge-based industry, we need to ensure that our employees continuously develop their skills and expertise to support our clients. In making best use of the diversity of our workforce and their knowledge and experience, we also address SDGs 4 (education), 5 (gender equality) and 8 (sustainable economic growth and employment).

By applying our expertise to capital market transactions or investment solutions to develop renewable energy technologies, we contribute to SDG 7 (sustainable energy), and by increasing energy efficiency in our operational premises or our real estate investment portfolio, we address SDGs 9 (resilient infrastructure) and 11 (sustainable cities), acting in line with SDG 13 (combat climate change).

Through environmental standards that we apply in our client-facing business as well as when procuring products and services from third parties, we try to make a contribution to SDG 12 (sustainable consumption and production). Finally, by committing to protect biodiversity in our policies and guidelines which we apply in our risk review process, and by offering our clients opportunities to invest in the conservation of terrestrial or marine ecosystems, we try to address SDGs 14 (marine resources) and 15 (terrestrial ecosystems).

The next section will focus on four selected SDGs. With these case studies, we want to illustrate how our activities contribute to the realization of the respective SDG, and describe the measurable impact that can thereby be achieved.

# 4. Case Studies:

## Case Study SDG 4 “Education”

### SDG and Targets

SDG 4 aims to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.” The goal is underpinned by the targets listed in the table below.

### Credit Suisse’s Approach

Education is the key to personal development, social mobility and a decent livelihood on an individual level. On a collective level, education is also an enabler of economic growth, social equality and public participation. On the basis of this understanding, in 2008 Credit Suisse launched the first phase of the Global Education Initiative

focusing on Millennium Development Goal 2 (access to and quality of education), targeting school-aged children in selected countries around the world. Between 2008 and 2014, the Initiative developed strong partnerships, with programs reaching over 100,000 students in over 400 schools in 38 countries. More than 15,000 teachers were trained in subjects ranging from science, technology, engineering, math and IT to child-friendly teaching methodologies.

Based on this success, in 2014 Credit Suisse launched a Signature Pro-

gram within the Initiative focusing on Financial Education for Girls. Strongly aligned with our core business, the Financial Education for Girls program directly addresses multiple targets of SDG 4 and SDG 5. Furthermore, we continue the partnerships with some of our long standing Global Education Initiative partners, i.e. Room to Read (addressing SDG 4.6 directly) and Teach for All whose global network of partners is strengthening the provision of quality education through the promotion of excellence in teaching.

Our Financial Education for Girls program aims to reach approximately 100,000 girls and young women with interventions to prepare them for the challenges in life. The program is being implemented by Plan International and Aflatoun who are working together in Brazil, China, India and Rwanda. Plan International’s life skills materials that encourage girls to remain in education are supplemented by Aflatoun’s financial education curriculum which focuses on understanding one’s rights and responsibilities, planning, saving and budgeting, and enterprise development. Children and young people are thus empowered to make a positive change in their lives and in their communities.

The Global Citizens Program, an integral part of the Global Education Initiative, increases the impact of our funding by enabling suitably qualified employees share their expertise with our local partners. Employees work with our partners in-country on projects, focusing on various organi-

SDG	Targets
4.1	By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes.
4.2	By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.
4.3	By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.
4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
4.5	By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.
4.6	By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy.
4.7	By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development.



zational development issues while at the same time strengthening their own professional skills and competencies.

Leveraging our expertise in both education and finance, in 2014 and 2015 Credit Suisse launched two successive Higher Education Notes in partnership with Prodigy Finance. This financial product provides a mechanism for hundreds of students who otherwise would not have such opportunities to access quality higher education. The Notes aggregate a diversified portfolio of bonds with hundreds of student loans as underlyings. The students receiving the funds are mainly from the developing world (around 70 %) and two-thirds of them go back to their homeland after completing their master's qualification, thereby transferring know-how and narrowing skills

gaps present in emerging markets. As investors, clients achieve both a financial return and also social impact.

**Impact**

Credit Suisse's integrated approach ensures that we maximize impact across a range of areas. We complement our grant-giving support with an innovative skills-based volunteering program in which our employees

share their expertise with our partners; this provides our employees with an exceptional opportunity to practice leadership and management skills in a challenging context as well as leveraging the bank's core competencies as a financial institution to develop innovative finance products.

**Further information:**  
[credit-suisse.com/responsibility/education](http://credit-suisse.com/responsibility/education)

Contribution to SDG 4	Global Education Initiative	Higher Education Notes
<b>Objective</b>	<ul style="list-style-type: none"> <li>Improving quality of educational opportunities for school-aged children</li> <li>Financial empowerment for girls</li> </ul>	<ul style="list-style-type: none"> <li>Financing quality higher education for high-potential students with no alternative funding option</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>Between 2008 and 2014, over 100,000 students benefited from improved access to education and/or improved quality of education</li> <li>More than 15,000 teachers trained in science, technology, engineering, math and IT, and in methodology and content to deliver financial education knowledge and life skills</li> <li>About 500 schools in 38 countries have benefited from this support</li> <li>After 2014, 100,000 girls and young women will be empowered through financial education and life skills</li> <li>By the end of 2015, 157 Credit Suisse employees will have supported selected education partners on site in various project assignments, while 4 "virtual volunteers" will have supported our partners through virtual projects</li> </ul>	<ul style="list-style-type: none"> <li>Investment volume of USD 25 million (2014) and USD 50 million (2015)</li> <li>Of students benefitting from support, 70 % come from developing countries, and 66 % return to their home country after graduation</li> <li>Transfer of know-how and narrowing of existing skills gaps in emerging markets</li> <li>Investors achieve both a financial and a social return</li> </ul>

# Case Study SDG 8

## “Sustainable Economic Growth”

### SDG and Targets

SDG 8 aims to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.” The goal is underpinned by the targets listed in the table below.

### Credit Suisse’s Approach

Credit Suisse has been a leader in microfinance since 2002, managing over USD 2 billion of assets that are used to fund microfinance institutions (MFIs). Microfinance involves providing financial services to microenterprises and low-income households. It is an

effective means of helping people to help themselves and increases financial inclusion around the world. By generating both a social and financial return for investors, microfinance is a typical example of an impact investment. Since co-founding responsAbility Investments AG and starting to offer its flagship microfinance fund to clients, Credit Suisse, in close collaboration with partners, has steadily expanded its services for the people at the base of the pyramid. It now offers additional impact funds (e.g. a fair trade fund providing working capital to agricultural cooperatives that support low-income farmers in developing countries), Microfinance Notes that provide capital to MFIs and protect them against currency fluctuations, and Microfinance IPOs that provide MFIs access to capital markets.

These commercial activities are conducted in close collaboration with the Microfinance Capacity Building Initiative (MCBI), established in 2008. The MCBI aims to foster market development and innovation by strengthening the ability of MFIs to serve the increasingly diverse financial needs of clients at the base of the pyramid. This goal is pursued by

- enabling product and services development and innovation across sectors,
- developing strong industry partnerships and knowledge sharing,
- effectively leveraging Credit Suisse’s skills, expertise, financial and social capital,
- and continuous measurement and optimization of impact.

SDG	Targets
8.1	Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.
8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.
8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
8.4	Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead.
8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
8.6	By 2020, substantially reduce the proportion of youth not in employment, education or training.
8.7	Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025, end child labor in all its forms.
8.8	Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
8.9	By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.
8.10	Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.

# GOAL 8

PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

SUSTAINABLE DEVELOPMENT GOALS

More at [sustainabledevelopment.un.org/sdgsproposal](http://sustainabledevelopment.un.org/sdgsproposal)

The current thematic focus of the MCBI is on developing financial products and services in areas such as agriculture and small-holder finance, housing and education finance, as well as extending financial services to women and people with disabilities.

## Impact

We see financial services as a key enabler for those living at the base of the pyramid to access a broad range of basic needs such as healthcare, housing and education, facilitating economic activity in urban and rural areas, and empowering women. With its comprehensive microfinance platform, Credit Suisse facilitates client investments that directly benefit the people living at the base of the pyramid. Applied responsibly, microfinance provides access to financial services for entrepreneurs excluded from the standard banking system, allowing them and their families to engage

in economic activity and gradually improve their standard of living. Due to the fact that a majority of microfinance clients are women, female empowerment at individual and local level is another beneficial outcome.

Strengthening the capacities of economically active people by providing them with access to finance is a market-based approach that contributes measurably to SDG 8, as the figures

in the table below show. Moreover, extending financial services to address other needs, such as education and housing, contributes to a number of other SDGs, including 1, 2, 4, 5 and 12. Our comprehensive combination of investment, capacity building and partnership also embodies elements of SDG 17.

**Further information:**  
[credit-suisse.com/microfinance](http://credit-suisse.com/microfinance)

### Contribution to SDG 8

	Microfinance	Agriculture & Fair Trade	MCBI
<b>Objective</b>	<ul style="list-style-type: none"> <li>Development of the local economies in developing countries and emerging markets</li> </ul>	<ul style="list-style-type: none"> <li>Market access for small farmers and sustainable agriculture, increasing yield and improving trading conditions</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening capacities and know-how of local microfinance institutions</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>By June 2015, more than 1.1 million micro-entrepreneurs were supported with credit and financial services</li> <li>The microfinance investments benefited over 300 microfinance institutions in 70 countries</li> <li>More than 75% of these micro-entrepreneurs were women</li> </ul>	<ul style="list-style-type: none"> <li>By June 2015, fair trade financing had reached approx. USD 139 million</li> <li>With these funds, 96 fair trade-oriented institutions received funding, ultimately supporting 86,000 small farmers across 45 countries</li> </ul>	<ul style="list-style-type: none"> <li>By the end of 2014, 74 local microfinance institutions with 8,000 employees had been trained in 36 countries</li> <li>By the end of 2015, 58 Credit Suisse employees will have worked on site with local microfinance institutions through short- and long-term assignments, while 91 "virtual volunteers" will have supported our partners through virtual projects</li> </ul>

# Case Study SDG 11

## “Sustainable Cities”

### SDG and Targets

SDG 11 aims to “make cities and human settlements inclusive, safe, resilient and sustainable.” The goal is underpinned by the targets listed in the table below.

### Credit Suisse’s Approach

Buildings currently account for around 40% of the world’s consumption of primary energy and produce around a third of all anthropogenic CO<sub>2</sub> emissions. The application of sustainability criteria in buildings is becoming ever more important in the face of environmental, social and economic challenges, and can be expected to evolve as the most important yardstick not only

for green properties, but for profitable real estate investments in general.

In 2012, Credit Suisse conducted a joint analysis with WWF of its real estate investment portfolio in Switzerland entitled “Decarbonizing Swiss Real Estate.” The study explored the energy and carbon efficiency of conventional real estate portfolios, and helps investors understand their exposure to carbon-related risks. As a result of this analysis, Credit Suisse Real Estate Investment Management initiated a five-year program in cooperation with Siemens Switzerland and Wincasa to systematically record and enhance the energy efficiency of the global real

estate portfolio and to reduce CO<sub>2</sub> emissions.

Through greenproperty, Credit Suisse Real Estate Investment Management initiated and implemented the first Swiss quality seal for sustainable real estate, and launched its CS Real Estate Fund Green Property for clients to invest in real estate that meets strictly defined criteria.

The greenproperty label assesses projects or existing buildings by five specific aspects: utilization, infrastructure, energy, materials and life cycle. These aspects are supported by 35 criteria and measured by a total of 86 quantitative and qualitative indicators. Appraisals of the projects take place in the planning phase and upon completion of construction; an annual certification process determines whether the property continues to meet the criteria. The corresponding funds are open to private and institutional investors.

Beyond the implementation of the greenproperty quality seal, Credit Suisse Real Estate Investment Management follows an approach that relies on quantitative Key Performance Indicators (KPI) that are consistent with international reporting standards, such as the Global Reporting Initiative (GRI) and the GRI Construction & Real Estate Sector Supplement (CRESS). The KPI approach helps measure and operationalize sustainability in an appropriate way in order to improve and compare Credit Suisse’s sustainability endeavors with those of international peers. Increasing energy efficiency, and decreasing water consumption

#### SDG Targets

11.1	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.
11.2	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
11.4	Strengthen efforts to protect and safeguard the world’s cultural and natural heritage.
11.5	By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.
11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
11.7	By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.



# GOAL 11



and waste generation, and systematically reducing greenhouse gas emissions (decarbonization) is at the heart of Credit Suisse Real Estate Investment Management's sustainability approach. To compare the sustainability performance with international peers, Credit Suisse Real Estate Investment Management is an active member of the Global Real Estate Sustainability Benchmark (GRESB).

Reliance on specific KPIs is also an integral part of Credit Suisse's most recent real estate sustainability investment solution, the CS REF (Lux) European Climate Value Fund. In collaboration with Siemens, the fund aims to increase energy and resource efficiency and reduce its carbon footprint to a minimum. At the end of this process, Credit Suisse Real Estate Investment Management seeks to achieve a climate-neutral investment solution with all remaining carbon emissions offset.

## Impact

With its greenproperty quality seal for sustainable real estate, Credit Suisse Real Estate Investment Management has developed a comprehensive approach to making the sustainability of buildings measurable in environmental, social and economic dimensions. The label itself and the projects completed so far demonstrate that SDG 11 can be realized in practice, and also that this approach meets significant investor interest. While many of the existing

properties cannot retroactively be brought into line with greenproperty's strict criteria, a prudent and systematic approach can help make them more energy efficient.

**Further information:**  
[credit-suisse.com/greenproperty](http://credit-suisse.com/greenproperty)

Contribution to SDG 11	greenproperty	Overall real estate portfolio
<b>Objective</b>	<ul style="list-style-type: none"> <li>Building and investing in real estate that conforms to strict and measurable sustainability criteria</li> </ul>	<ul style="list-style-type: none"> <li>Systematic and continuous review and optimization of property portfolio in terms of energy efficiency</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>Property owners benefit from lower operating costs due to energy efficiency and stable market values throughout the life cycle, tenants benefit from higher levels of comfort and efficient use of resources</li> <li>As of end 2014, the greenproperty label had been applied to 16 properties with approx. 121,217 m<sup>2</sup> of floor space (incl. pending certification)</li> <li>The total commercial value of the CS Real Estate Fund Green Property was CHF 789.27 million at the end of 2014</li> </ul>	<ul style="list-style-type: none"> <li>Systematic reduction of CO<sub>2</sub> emissions at almost 1,000 properties in Switzerland</li> <li>At the end of the five-year process in 2017, CO<sub>2</sub> reductions of at least 10%, or 13,000 metric tons, are expected to be achieved relative to 2010 levels</li> <li>In a pilot portfolio of 40 properties, long-term emissions were already reduced by an average of about 15% using the same measures over the last five years</li> <li>Access to tools to check energy consumption and CO<sub>2</sub> emissions of buildings online and in real time</li> </ul>

# Case Study SDG 15

## “Terrestrial Ecosystems”

### SDG and Targets

SDG 15 aims to “protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.” The goal is underpinned by the targets listed in the table below.

### Credit Suisse’s Approach

Credit Suisse recognizes the vital need to protect the broad range of species on our planet and to safeguard natural ecological processes. Biodiversity is under threat due to the overexploitation of resources, the destruction of habitats, climate change and the impacts of invasive species. We believe that market-based financing mechanisms from the private finance sector have great potential for nature

conservation. We have accordingly strengthened our activities in the area of conservation finance, which allows for both the long-term protection of natural value and a financial return for investors, and we have been collaborating with expert partners on various projects.

In 2014, Credit Suisse published a study co-authored with WWF and McKinsey that analyzed innovative private sector financing structures in conservation and identified the barriers and enablers to scaling up such approaches. In December 2014, we launched our first investment product in this field, the Nature Conservation Notes. This new product in the environmental impact investing space consists of investments in sustainable agroforestry and ecosystem conservation, as well as in a portfolio of sustainable bonds. An investment in these notes supports conservation activities in around 20 countries as well as the economic development of local communities through the revenues generated by projects financed by the Althelia Climate Fund. Financial returns for investors are generated through the sale of sustainably certified commodities as well as from payments for ecosystem services.

Furthermore, together with WWF Indonesia, Credit Suisse supported a land value mapping study covering an area of around 32,000 km<sup>2</sup> within the tri-nation (Indonesia, Malaysia, Brunei) “Heart of Borneo” conservation area. Since 2014, Credit Suisse has been among a group of advisors to the Zoological Society of London (ZSL)

#### SDG Targets

15.1	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.
15.2	By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
15.3	By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.
15.4	By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.
15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
15.6	Ensure fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources.
15.7	Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products.
15.8	By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species.
15.9	By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.

for the development of its free, interactive Sustainable Palm Oil Transparency Toolkit (SPOTT), which combines satellite mapping technology with sustainability assessments of the largest oil palm growers in Indonesia.

**Impact**

By mobilizing private investments for the conservation of nature and ecosystem services, Credit Suisse contributes to closing the significant existing capital gap for nature conservation. Working with expert partners in developing investment products for clients and in executing state-of-the art conservation projects, we deploy resources towards the realization of SDG 15,

with measurable results for the environment and for people.

**Further information:**  
[credit-suisse.com/biodiversity](http://credit-suisse.com/biodiversity)



Contribution to SDG 15	Conservation Finance	Collaboration with Partners
<b>Objective</b>	<ul style="list-style-type: none"> <li>Facilitating private investment in ecosystem and nature conservation, thereby generating one or several cash flows</li> </ul>	<ul style="list-style-type: none"> <li>Pooling resources and expertise by collaborating with partners on projects to conserve nature and protect biodiversity</li> </ul>
<b>Impact</b>	<ul style="list-style-type: none"> <li>Placement of EUR 15 million Nature Conservation Notes with over 50 investors; financial return in line with market expectations</li> <li>Through the underlying Althelia Climate Fund, the Notes will target a total of 12–15 investments in Latin America, Africa and Southeast Asia. In total, they are expected to promote forest conservation and sustainable land use that will directly and indirectly avoid deforestation and associated emissions of approx. 33 million tons of carbon dioxide. They are also expected to target the protection of over 3 million hectares (about the size of Belgium) of high conservation value ecosystems</li> <li>The investments will also lead to quantifiable impacts, including hectares of protected national park, nature reserve and biodiversity hotspots and the production of deforestation-free, organic and fair trade agricultural commodities such as cocoa, coffee, cashew nuts and beef</li> </ul>	<ul style="list-style-type: none"> <li>The “Heart of Borneo” land value mapping study was developed as a potential template for strategic land use planning and management across Indonesia</li> <li>Data generated during the referred land value mapping exercise helped the area receive a share of a USD 28.5 million grant for conservation efforts under the debt-for-nature swap agreement run by the Indonesian and US governments</li> <li>The Sustainable Palm Oil Transparency Toolkit (SPOTT) is available for use by investors and other stakeholders in the palm oil sector, and plans are underway to expand the tool</li> </ul>

# 5. Conclusion and Outlook

While international negotiations surrounding the 2030 Agenda for Sustainable Development proved difficult, a greater challenge now lies ahead: The mobilization of financial and other resources pledged by governments and non-governmental organizations to help drive the implementation of the agenda and achieve the desired outcomes.

This publication aims to highlight the crucial role that the business community can play in driving sustainable development. All business processes need to follow a clear cycle of objective setting, planning, deployment of appropriate resources and measurement of results. The measurement of outcomes and reporting on the progress on the SDGs will be key to ensure continued momentum, to attract broad support for these efforts and to provide transparency and accountability vis-à-vis the public.

A framework of indicators is being developed for this purpose. However, SDG 17 acknowledges that it will be a challenge for some countries to ensure the availability of timely and reliable data – in addition to GDP and other statistics – that are needed to measure their progress toward sustainable development. Given the advances in data storage and analysis in the world of business and other areas of society over the last decade, this presents yet another opportunity for the private sector to leverage its expertise in order to support these efforts.

The journey toward the realization of the 2030 Agenda is only just beginning. We will strive to play our part in this process by measuring the outcomes of our contributions to the SDGs and by continuing to report on our measures to assume our corporate responsibility. We are committed to engaging in a constructive dialogue with a wide range of stakeholders to help achieve a deeper understanding of this topic while identifying new opportunities to support the post-2015 development agenda.

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