

## **Asian Call Certificates due January 2024 linked to the Global Multi-Asset Funds Index 8 (the “Certificates”)**

### **Structured Product – Indicative Term Sheet**

This Term Sheet is a summary of terms and conditions of this transaction subject to contract. It does not constitute an agreement, offer, solicitation of an offer or a commitment to underwrite, arrange, lend or to enter into any transaction. It is not meant to be all-inclusive of the terms and conditions of this transaction.

**PLEASE READ THE IMPORTANT INFORMATION AT END OF THIS DOCUMENT.**

### **Key Features**

- The Certificates constitute a capital at risk product;
- The Certificates have a scheduled maturity of 5 years;
- The Certificates are SEK denominated;
- The Certificates pay the performance of the Global Multi-Asset Funds Index 8 at maturity if positive, or zero otherwise;
- The Index Value is calculated net of an Index Calculation Fee of 1% p.a.

# General Terms

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| <b>Target Market</b>           | Within the spectrum of retail investors the Certificates may only be suitable for HNW and UHNW investors who (i) are looking for enhanced returns when compared to the risk-free rate in the relevant currency, (ii) expect the underlying to perform positively and are willing to put all or part of their capital at risk, (iii) understand the risk-return profile of the underlying (iv) are willing to hold the product for the full investment term. Investors should either (i) be experienced in investing in structured products, (ii) have sufficient financial knowledge to understand the product or (iii) receive investment advice that provides an explanation of the product. |
| <b>Issuer</b>                  | Credit Suisse International ("CSi"), a bank incorporated in the United Kingdom (A Standard and Poor's, A1 Moody's, A- Fitch Ratings Ltd.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Calculation Agent</b>       | CSi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Dealer</b>                  | CSi                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Issue Size</b>              | SEK [•]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Settlement Currency</b>     | SEK                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Issue Price</b>             | 15% of the Denomination                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Fee and / or Commission</b> | The Certificates will be sold by the Dealer to the distributor at a discount of up to 5.00% of the Denomination.<br><br>Such amount represents the fee or commission retained by the distributor out of the purchase price paid by investors.                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Denomination</b>            | SEK 10,000 per Certificate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Payout</b>                  | As described in the Product Terms, each Certificate pays the Redemption Amount payable on the Maturity Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Underlying Asset</b>        | The Global Multi-Asset Funds Index 8 (the "Index", Bloomberg ticker: CSEAGM8S Index)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>ISIN</b>                    | XS1520285476                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Trade Date</b>              | 27 December 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Issue Date</b>              | 10 January 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Initial Valuation Date</b>  | 28 December 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Final Valuation Date</b>    | 28 December 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Maturity Date</b>           | The later of:<br><br>(i) 11 January 2024;<br>(ii) 3 Currency Business Days following the Hedging Entity's receipt of full redemption proceeds from the unwinding of its hedge in respect of the Final Valuation Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Currency Business Day</b>   | A day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) and on which commercial banks and foreign exchange markets are generally open to settle payments in London and Stockholm                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Business Day</b>            | The Following Business Day Convention shall apply unless otherwise stated in this                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

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| <b>Convention</b>                                         | Termsheet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Documentation</b>                                      | <p><b>Securities Notes</b></p> <p>Contents of the Documentation may be amended from time to time. Copies of the Documentation should be requested from the Issuer. All definitions used and not defined herein shall have the meaning defined in the Documentation</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Determinations of the Calculation Agent and Issuer</b> | All calculations and determinations and exercises of discretion made by the Issuer or the Calculation Agent under the terms of the Documentation shall be made in good faith and in a commercially reasonable manner and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such calculation, determination and exercise of discretion in accordance with its applicable regulatory obligations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Form of the Certificates</b>                           | <p>Registered form</p> <p>Certificateholders do not have the right to request physical delivery of individual Certificates</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Clearing</b>                                           | Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Listing</b>                                            | NGM Investment Products MTF (Sweden)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Secondary Market Terms</b>                             | <p>The Dealer will endeavour to provide a secondary market, but is under no legal obligation to do so. Upon investor demand the Dealer may provide bid/offer prices for the Certificates depending on actual market conditions. There will be a price difference between bid and offer prices (spread).</p> <p>Certain built-in costs are likely to adversely affect the value of the Certificates prior to maturity. The price, if any, at which the Dealer will be willing to purchase Certificates from the investor in secondary market transactions, if at all, will likely be lower than the original issue price and any sale prior to maturity could result in a substantial loss to the investor.</p> <p>The secondary market for the Certificates is further subject to: (i) there not being an Index Event, and (ii) to the constraints set forth in the table below:</p> <p><b>Issuance &amp; Sale</b></p> <p>CSi may, upon request received 2 Index Calculation Days prior to the relevant Dealing Day issue or sell Certificates subject to the constraints set forth in the table below, at a price per Certificate equal to the Offer Price for value that Dealing Day:</p> <p>Where</p> <p><b>"Offer Price"</b> means the Issuer's offer price which will be calculated in the sole discretion of Issuer and will be based on, inter alia, the Index Value as at the Dealing Day, the level of implied volatility, the remaining time to maturity, any amounts payable in relation to the Redemption Amount and prevailing SEK interest rates or other relevant rates.</p> <p><b>Repurchase</b></p> <p>CSi may, upon request received 2 Index Calculation Day prior to the relevant Dealing Day repurchase Certificates subject to the constraints set forth in the table below, at a price per Certificate equal to the Bid Price for value that Dealing Day:</p> <p>Where</p> <p><b>"Bid Price"</b> means the Issuer's bid price which will be calculated in the sole discretion of Issuer and will be based on, inter alia, the Index Value as at the Dealing Day, the level of implied volatility, the remaining time to maturity, any amounts payable in relation</p> |

to the Redemption Amount and prevailing SEK interest rates or other relevant rates.

|                                             |                                                                  |
|---------------------------------------------|------------------------------------------------------------------|
| <b>Dealing Day:</b>                         | Each Index Calculation Day                                       |
| <b>First Dealing Day:</b>                   | The Dealing Day immediately following the Initial Valuation Date |
| <b>Final Dealing Day:</b>                   | The Dealing Day immediately preceding the Final Valuation Date   |
| <b>Settlement date for repurchases:</b>     | 3 Currency Business Days following the relevant Dealing Day      |
| <b>Payment date for issuances or sales:</b> | 3 Currency Business Days following the relevant Dealing Day      |
| <b>Minimum Daily repurchase size:</b>       | 1 Certificate                                                    |
| <b>Maximum Bid/Offer</b>                    | 1.50%                                                            |

# Product Terms

## Redemption Amount

An amount per Certificate calculated by the Calculation Agent in respect of the Final Valuation Date, payable on the Maturity Date in the Settlement Currency and equal to:

$$\text{Denomination} \times \text{Participation} \times \text{Call Performance (Final)}$$

Floored at zero

Where:

$$\text{Call Performance (Final)} = \frac{\text{Fixing Price (Final)}}{\text{Strike Price}} - \text{Strike}$$

“**Participation**” means 100%;

“**Strike**” means 100%;

“**Fixing Price (Final)**” means the arithmetic average of the Index Value of the Underlying Asset in respect of the Observation Dates;

“**Strike Price**” means the Index Value of the Underlying Asset on the Initial Valuation Date.

“**Observation Dates**” means:

|                    |                  |                     |                          |
|--------------------|------------------|---------------------|--------------------------|
| Observation Date 1 | 28 December 2022 | Observation Date 8  | 28 July 2023             |
| Observation Date 2 | 30 January 2023  | Observation Date 9  | 28 August 2023           |
| Observation Date 3 | 28 February 2023 | Observation Date 10 | 28 September 2023        |
| Observation Date 4 | 28 March 2023    | Observation Date 11 | 30 October 2023          |
| Observation Date 5 | 28 April 2023    | Observation Date 12 | 28 November 2023         |
| Observation Date 6 | 29 May 2023      | Observation Date 13 | The Final Valuation Date |
| Observation Date 7 | 28 June 2023     |                     |                          |

# Index Definitions

|                                |                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Index Calculation Agent</b> | CSi                                                                                                                                                                                                                                                                                                                                                 |
| <b>Index Calculation Day</b>   | As defined in the Index Rules                                                                                                                                                                                                                                                                                                                       |
| <b>Index Events</b>            | In respect of an Index, an Additional Disruption Event, an Index Adjustment Event, Successor Sponsor or Successor Index Event and a Market Disruption Event                                                                                                                                                                                         |
| <b>Index Value</b>             | The level of the Index as published by the Index Sponsor (" <b>Index Level</b> "). Provided that, where the level of the Index is not published by the Index Sponsor in respect of a relevant day, the Index Value in respect of such day shall be the level of the Index as published by the Index Sponsor on the following Index Calculation Day. |
| <b>Index Rules</b>             | The Index Specific Rules of the Global Multi-Asset Funds Index 8 dated TBD 2018 and the Master Index Rules of the Credit Suisse Volatility Target Indices dated 19 <sup>th</sup> November 2014 (as may be amended from time to time)                                                                                                                |
| <b>Index Sponsor</b>           | Credit Suisse Securities (Europe) Limited                                                                                                                                                                                                                                                                                                           |
| <b>Index Component</b>         | In respect of an Index, any share, security, commodity, rate, index or other component included in such Index, as determined by the Index Calculation Agent.                                                                                                                                                                                        |
| <b>Hedging Entity</b>          | Means Credit Suisse International, Credit Suisse, London Branch or any affiliate of Credit Suisse International that holds or will hold financial instruments and investments as part of its hedging activities in direct or indirect connection with the Certificates.                                                                             |

# Index Events

## Index Adjustment Events

If an Index Adjustment Event which (in the determination of the Calculation Agent) has a material effect on the Certificates occurs on or prior to an Index Calculation Day, The Issuer may calculate the relevant Index Level using the level of such Index as at the valuation time on such day, determined by the Calculation Agent in accordance with the relevant formula and method for calculating such Index last in effect prior to the occurrence of such Index Adjustment Event, using the Index Components that comprised the Index immediately prior to such Index Adjustment Event.

If such adjustment will not achieve a commercially reasonable result, the Issuer may terminate the Certificates at the Unscheduled Termination Amount.

An **"Index Adjustment Event"** means an Index Cancellation, Index Disruption or Index Modification.

**"Index Cancellation"** means the permanent cancellation of the Index on or prior to an Index Calculation Day and no successor index exists as of the date of cancellation.

**"Index Disruption"** means the Index Sponsor (or successor sponsor) fails to calculate and announce such Index (provided that, in such case, the Issuer may determine that this amounts to a Market Disruption Event rather than an Index Adjustment Event).

**"Index Modification"** means, in the determination of the Calculation Agent, the relevant Index Sponsor makes or announces that it will make a material change in the formula for, or the method of calculating, any Index or in any other way materially modifies any Index in each case in a manner which is unacceptable to the Calculation Agent (other than a modification prescribed in that formula or method to maintain any Index in the event of changes in Index Components and capitalisation and other routine events).

## Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may determine:

- (i) the appropriate adjustment (if any) to be made to any one or more terms of the Certificates, including any variable or term relevant to the settlement or payment calculation, as the Calculation Agent determines to be appropriate to account for the economic effect of such Additional Disruption Event on the Certificates and to preserve the original economic objective and rationale of the Certificates; or
- (ii) that no adjustment will achieve a commercially reasonable result, the Issuer may terminate the Certificates at the Unscheduled Termination Amount.

**"Additional Disruption Event"**, in respect of an Index, means any of the following events:

- (a) **Change in law:** if (i) due to the adoption or any change in any applicable law (including tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange, or (ii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that (A) it has or will become illegal or contrary to any applicable regulation for it, any of its affiliates or any entities which are relevant to the hedging arrangements to hold, acquire or dispose of hedge positions relating to any Index Component, or (B) it will incur a materially increased cost in performing its obligations with respect to the Certificates (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements;
- (b) **Hedging Disruption:** The Hedging Entity and/or its affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk of the Hedging Entity entering into and performing its obligations with respect to the Certificates, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s);
- (c) **Materially Increased Cost of Hedging:** means the Issuer is subject to materially increased (as compared with the circumstances existing as of the Trade Date) Index Component Costs in respect of its hedging arrangements to hedge the equity price risk of the Issuer entering into and performing its obligations with respect to the Securities (which are driven by the dynamic nature of the Index), but only to the extent that:
  - (i) such increased Index Component Costs are of substantially the same nature and substantially the same amount as the costs that would be incurred by a hypothetical investor (located in England) acquiring, maintaining or unwinding a direct investment in such Component, and the

deduction of such increased Index Component Costs in the calculation of the Index Level is expected to have a material adverse effect on the future performance of the Index, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, taking into account:

- (a) whether such increased Index Component Costs materially exceed the Index Component Costs embedded in the calculation of the Index as of the Trade Date, and
  - (b) the expected size and frequency of any future rebalancing and reallocation of Components within the Index; and
- (ii) the effects of such increased Index Component Costs, if deducted in the calculation of the Index, would be material in the context of the prevailing risk return profile of the Index, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, taking into account the historical rebalancing and allocation of the Index to the relevant Component and the historical performance and volatility of the Index.

Where "**Index Component Costs**" means costs (per unit notional exposure to a Component) incurred by the Issuer which are incidental and necessary to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any position in a Component the Issuer deems necessary in order to hedge the equity price risk of the Issuer entering into and performing its obligations with respect to the Securities, or (b) realise, recover or remit the proceeds of any such position in a Component. These costs include but are not limited to movements in bid and offer prices of a Component, applicable costs incurred from a third party charged in addition to bid and offer prices (such as exchange or brokerage fees or commissions, or other fees upon transacting in a Component) and other costs having a similar effect on the Issuer, provided that any costs that are incurred solely due to the deterioration of the creditworthiness of the Issuer and/or its affiliates shall not constitute an Index Component Cost.

**Index Disruption Event:** an Index Disruption Event as defined in the Index Rules.

#### **Successor Sponsor or Successor Index Event**

Where the Index is calculated not by the Index Sponsor but by a successor sponsor, or replaced by a successor index (which in the determination of the Calculation Agent uses the same or substantially similar formula and method as used in the calculation of the Index), the Issuer may make such adjustment that it deems appropriate (if any) to any terms of the Certificates (including any variable, calculation methodology or valuation) to account for such successor sponsor or successor index and to preserve the original economic objective and rationale of the Certificates.

#### **Market Disruption Events**

If a Market Disruption Event occurs in respect of any Index Calculation Day (a "**Disrupted Day**"), then such Index Calculation Day shall be the first succeeding Index Calculation Day that the Calculation Agent determines is not a Disrupted Day, provided that, if the Calculation Agent determines that each of the 5 consecutive Index Calculation Days are Disrupted Days, then (i) the last consecutive Index Calculation Day shall be deemed to be the relevant Index Calculation Day (notwithstanding that it is a Disrupted Day), and (ii) the Calculation Agent shall determine the Index Level in respect of the last consecutive Index Calculation Day by using such levels or values as the Calculation Agent determines to be appropriate as of the valuation time on or in respect of that last consecutive Index Calculation Day of each Index Component.

**Market Disruption Event:** Where the Index Sponsor fails to calculate and publish the level of the Index on any Index Calculation Day or in respect of such Index Calculation Day within the scheduled or usual timeframe for publication.

#### **Unscheduled Termination Amount**

The Unscheduled Termination Amount means, in respect of the Certificate, an amount in the Currency (which may be greater than or equal to zero), with payment on such day as selected by the Issuer in its discretion (the "**Early Termination Date**"), equal to the value of the Certificates immediately prior to its redemption, calculated by the Calculation Agent using its internal models and methodologies and which may be based on, amongst other things, the following:

- (i) the time remaining to maturity of the Certificates;
- (ii) the interest rates at which banks lend to each other;
- (iii) the interest rate at which the Issuer (or its affiliates) is charged to borrow cash;
- (iv) the expected future performance and volatility of the Index;
- (v) the liquidity of each Index Component; and
- (vi) any other information which the Calculation Agent deems relevant. Such amount shall take into account the impact of any Index Events.

Provided that in the case of a redemption pursuant to an event of default, the calculation of the

Unscheduled Termination Amount shall not take into account the financial position of the Issuer immediately prior to the event of default (for the avoidance of doubt, the Issuer shall be presumed to be able to fully perform its obligations under such Certificates for such purposes).

Notwithstanding anything contained elsewhere in these terms, the Calculation Agent shall take into account any Disruption Event, Fund Substitution Event or Fund Adjustment Event that affects any determination of the Unscheduled Termination Amount.

#### **Notices**

Upon making any determination with respect to any Index Event, the Issuer shall give notice as soon as practicable to the Buyer, provided that failure to give such notice shall not affect the validity of the aforementioned events or any action taken.

# Product Risk Disclosures

The purchase of Certificates involves substantial risks and an investment in the Certificates is only suitable for investors who have the knowledge and experience in financial and business matters necessary to enable them (either alone or in conjunction with an appropriate financial adviser) to evaluate the risks and merits of an investment in the Certificates and who have sufficient resources to be able to bear any losses that may result therefrom. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as an investor's financial adviser or fiduciary in any transaction.

Before making any investment decision, prospective investors in the Certificates should ensure that they understand the nature of the Certificates and the extent of their exposure to risks involved.

The Issuer believes that the factors described below may affect their abilities to fulfil their respective obligations under the Certificates. Most of these factors are contingencies which may or may not occur and which could have a material adverse effect on the Issuer's businesses, operations, financial condition or prospects, which, in turn, could have a material adverse effect on the return investors will receive on the Certificates. The Issuer does not express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below are material for the purpose of assessing the market risks associated with the Certificates and represent the material risks inherent in investing in the Certificates, but these are not the only risks that the Issuer face or that may arise under the Certificates. There will be other risks that the Issuer do not currently consider to be material, or risks that the Issuer are currently not aware of, or risks that arise due to circumstances specific to the investor, and the Issuer do not represent that the statements below regarding the risks of holding any Certificates are exhaustive.

More than one investment risk may have simultaneous effect with regard to the value of the Certificates and the effect of any single investment risk may not be predictable. In addition, more than one investment risk may have a compounding effect and no assurance can be given as to the effect that any combination of investment risks may have on the value of Certificates.

## **Risks Associated with the creditworthiness of the Issuer**

The Certificates are general unsecured obligations of the Issuer. Certificateholders are exposed to the credit risk of the Issuer. The Certificates will be adversely affected in the event of a default, reduced credit rating or deterioration in the solvency of the Issuer.

The profitability of the Issuer will be affected by, among other things, changes in global economic conditions, inflation, interest/exchange rates, capital risk, liquidity risk, market risk, credit risk, risks from estimates and valuations, risks relating to off-balance sheet entities, cross-border and foreign exchange risks, operational risks, legal and regulatory risks and competition risks.

## **Risk of Loss**

Investors may lose all or part of their investment.

Certificates are not deposits, and are not covered by any deposit insurance or protection scheme.

## **Trading Market for Certificates / Liquidity Risk**

Credit Suisse International will endeavour to provide a secondary market, but is under no legal obligation to do so. Upon investor demand Credit Suisse International will provide prices for the Certificates, depending on actual market conditions. There will be a price difference between the value of the Certificates and the Offer Price or Bid Price.

The Issuer and its affiliates may trade the Underlying Asset and/or its components and other financial instruments related to the Underlying Asset and/or its components on a regular basis, as a hedge for the Certificates, for their accounts and for other accounts under their management. To the extent that the Issuer or one of its affiliates trades such securities or financial instruments, the Issuer's or its affiliates' interests with respect to such securities or financial instruments may be adverse to those of the holders of the Certificates.

With respect to any of the activities described above, Credit Suisse does not have any obligation to take the needs of any investor in Index linked products into consideration at any time, and may resolve conflicts of interest in its own favor to the extent permitted by applicable regulation.

## **Limited Liquidity**

A secondary market for the Certificates may not develop and if one does develop, it may not provide the holders of the Certificates with liquidity or may not continue for the life of the Certificates. A decrease in the liquidity of an issue of Certificates may cause, in turn, an increase in the volatility associated with the price of such issue of Certificates. Illiquidity may have a severely adverse effect on the market value of Certificates.

The Issuer may, but is not obliged to, purchase Certificates at any time at any price in the open market or by tender or private treaty and may hold, resell or cancel them. The market for Certificates may be limited. The only way in which a certificateholder can realise value from a Certificate prior to its maturity or expiry is to sell it at its then market price in the market which may be less than the amount initially invested. The price in the market for a Certificate may be less than its Issue Price even though the value of the Underlying Asset(s) may not have changed since the Issue Date.

Any secondary market price quoted by the Issuer may be affected by several factors including, without limitation, prevailing market conditions, credit spreads and the time to maturity. Accordingly, the

purchase of Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Certificates and the financial and other risks associated with an investment in the Certificates. Any investor in the Certificates must be prepared to hold such Certificates for an indefinite period of time or until redemption or expiry of the Certificates.

**The Issue Price may be more than the Certificates' market value**

The Issue Price may be more than the market value of such Certificates as at the Issue Date, and more than the price, if any, at which the Dealer or any other person is willing to purchase such Certificates in secondary market transactions. In particular, the Issue Price in respect of any Certificates may take into account amounts with respect to commissions relating to the issue and sale of such Certificates (such as any fees payable to the Dealer and/or distributors) and amounts relating to the hedging of the Issuer's obligations under such Certificates.

**The market value of Certificates may be highly volatile**

Where the Certificates reference any Underlying Asset(s), the certificateholders are exposed to the performance of such Underlying Asset(s). The price, performance or investment return of the Underlying Asset(s) may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of an Underlying Asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Certificates.

**Tax**

Potential investors in the Certificates should conduct such independent investigation and analysis regarding the tax treatment of the Certificates as they deem appropriate to evaluate the merits and risks of an investment in the Certificates. Tax risks include, without limitation, a change in any applicable law, treaty, rule or regulation or the interpretation thereof by any relevant authority which may adversely affect payments in respect of the Certificates. The level and basis of taxation on the Certificates and on the certificateholders and any reliefs from such taxation depend on the certificateholder's individual circumstances and could change at any time. The tax and regulatory characterisation of the Certificates may change over the life of the Certificates. This could have adverse consequences for certificateholders.

Potential certificateholders will therefore need to consult their own tax advisers to determine the specific tax consequences of the purchase, ownership, transfer and redemption, exercise or expiry or enforcement of the Certificates.

**The Certificates may be redeemed prior to their scheduled maturity**

In certain circumstances (for example, if the Issuer determines that its obligations under the Certificates have become unlawful or illegal, following an event of default or following certain events having occurred in relation to any Underlying Asset(s)), the Certificates may be redeemed early prior to their scheduled maturity. In such circumstances, the Unscheduled Termination Amount payable may be less than its original purchase price and could be as low as zero.

Following early redemption of Certificates, the holders of such Certificates may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Certificates being redeemed and may only be able to do so at a significantly lower rate. Investors in Certificates should consider such reinvestment risk in light of other investments available at that time.

**Adjustments and redemption or cancellation**

In certain circumstances, the Issuer may make adjustments to the terms of the Certificates (including substituting an Underlying Asset) or early redeem or cancel them at the Unscheduled Termination Amount. Such Unscheduled Termination Amount may be less than the issue price of the Certificates and could be as low as zero. In making any such adjustments or determinations, the Issuer in such capacity will (whether or not already expressed to be the case in the terms and conditions) act in good faith and in a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such adjustments or determinations in accordance with its applicable regulatory obligations.

**Interest rate risks**

Where Certificates bear interest at a fixed rate, subsequent changes in market interest rates may adversely affect the value of the Certificates.

**Past performance of an Underlying Asset is not indicative of future performance**

Any information about the past performance of an Underlying Asset at the time of the issuance of the Certificates should not be regarded as indicative of the range of, or trends in, fluctuations in such Underlying Asset that may occur in the future. The level, price, rate or other applicable value of an Underlying Asset (and of Index Components comprising such Underlying Asset) may go down as well as up throughout the term of the Certificates. Such fluctuations may affect the value of the Certificates. There can be no assurance as to the future performance or movement of any Underlying Asset. Accordingly, before investing in the Certificates, investors should carefully consider whether any investment linked to one or more relevant Underlying Assets is suitable for them.

**No rights of ownership in an Underlying Asset**

Potential investors in the Certificates should be aware that no Index Component or (where the Index Component is an index) constituent securities in an Index Component will be held by the Issuer for the benefit of the certificateholders of such Certificates and, as such, certificateholders will have no rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any underlying securities referenced by the Underlying Asset referenced by such Certificates.

|                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Currency risk</b>                                                                                                                                                       | Investors may be exposed to currency risks because (i) an Underlying Asset may be denominated or priced in currencies other than the currency in which the Certificates are denominated, or (ii) the Certificates and/or such Underlying Asset may be denominated in currencies other than the currency of the country in which the investor is resident. The value of the Certificates may therefore increase or decrease as a result of fluctuations in those currencies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Adjustment or alternative provisions for valuation of an Underlying Asset</b>                                                                                           | If the Issuer determines that any form of disruption event in relation to an Underlying Asset has occurred which affects the valuation of such Underlying Asset, the Issuer may apply any consequential adjustment of, or any alternative provisions for, valuation of such Underlying Asset provided in the terms and conditions of the Certificates, including a postponement in the valuation of such Underlying Asset and/or a determination of the value of such Underlying Asset by the Issuer, each of which may have an adverse effect on the value of the Certificates. In making any such adjustments or determinations, the Issuer shall take into account whether fair treatment is achieved by any such adjustments or determinations in accordance with its applicable regulatory obligations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Issuer determination in respect of an Underlying Asset, adjustment to or early redemption of the Certificates and reinvestment risk following such early redemption</b> | <p>If the Issuer determines that any adjustment events or other events affecting the Issuer's hedging arrangements or the Underlying Asset(s) have occurred, the Issuer may adjust the terms and conditions of the Certificates (without the consent of the certificateholders). The Issuer may procure the early redemption of the Certificates prior to their scheduled maturity, in accordance with the terms and conditions of the Certificates, and no other amounts shall be payable in respect of the Certificates on account of interest or otherwise following such determination by the Issuer.</p> <p>If the Certificates are redeemed early, the Unscheduled Termination Amount (which may be greater than or equal to zero) will be equal to the value of the Certificates immediately prior to such redemption, as calculated by the Calculation Agent using its internal models and methodologies, taking into consideration all information which the Issuer deems relevant (including, without limitation, the time remaining to maturity of the Certificates, the interest rates at which banks lend to each other, the interest rate at which the Issuer (or its affiliates) is charged to borrow cash, (if applicable) the value, expected future performance and volatility of the Underlying Asset(s)) and any other relevant information). Potential investors in the Certificates should be aware that it is likely that this Unscheduled Termination Amount will be less than their initial investment.</p> <p>Following any such early redemption of the Certificates, certificateholders may not be able to reinvest the proceeds at any effective interest rate as high as the interest rate or yield on the Certificates being redeemed and may only be able to do so at a significantly lower rate. Potential investors in the Certificates should consider reinvestment risk in light of other investments available at that time.</p> |
| <b>Emerging markets risks</b>                                                                                                                                              | The Underlying Asset may include an exposure to emerging markets. Emerging markets are located in countries that possess one or more of the following characteristics: a certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development state or a weak economy. Emerging markets investments usually result in higher risks such as event risk, political risk, economic risk, credit risk, currency rate risk, market risk, regulatory/legal risk and trade settlement, processing and clearing risks as further described below. Investors should note that the risk of occurrence and the severity of the consequences of such risks may be greater than they would otherwise be in relation to more developed countries.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Correction of published prices or levels</b>                                                                                                                            | In the event that the relevant published prices or levels of an Underlying Asset are subsequently corrected and such correction is published by the entity or sponsor responsible for publishing such prices or levels, subject to such correction and publication occurring prior to a specified cut-off date in respect of the relevant Certificates, such corrected prices or levels may be taken into account by the Issuer in any determination in relation to the Certificates and/or the Issuer may make adjustments to the terms of the Certificates, subject to the provisions of the relevant terms and conditions for the Certificates. Where such corrected prices or levels are lower than the original levels or prices, this may have an adverse effect on the value of the Certificates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Calculations and determinations under the Certificates</b>                                                                                                              | In making calculations and determinations with regard to the Certificates, there may be a difference of interest between the certificateholders and the Issuer. Save where otherwise provided in the terms and conditions, the Issuer is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular, the Issuer and its affiliated entities may have interests in other capacities (such as other business relationships and activities). Prospective investors should be aware that any determination made by the Issuer may have a negative impact on the value of the Certificates. Each of the Issuer, the Dealer or any of their respective affiliates may have existing or future business relationships with each other (including, but not limited to, lending, depository, derivative counterparty, risk management, advisory and banking relationships), and may pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a certificateholder.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Risks associated with proprietary indices</b>                                                                                                                           | <p>The Index is a proprietary index, which are associated with the following risks:</p> <ul style="list-style-type: none"> <li>the rules of the proprietary index may be amended by the Index Creator – no assurance is given that any such amendment would not be prejudicial to the Certificateholders;</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

- the Index Creator or Index Sponsor will not be obliged to provide any information in respect of the proprietary index except as stipulated in the Index Rules;
- there may be a conflicts of interest as between the Issuer and investors in the Index – see paragraph headed "Potential conflicts of interest" in the section "Index Risk Disclosures" below; and
- the Index is calculated so as to include certain deductions or adjustments that synthetically reflect certain factors which may include (A) the transaction and servicing costs that a hypothetical investor would incur if such hypothetical investor were to enter into and maintain a series of direct investment positions to provide the same exposure to the constituents of the Index, or (B) a notional fee representing the running and maintenance of the Index. Such deductions will act as a drag on the performance of the Index such that the level of the Index would be lower than it would otherwise be, and this may result in an adverse effect on the value of the Certificates.

**Hedging and dealing activities in relation to the Certificates and Underlying Asset(s)**

In the ordinary course of its business the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and may enter into one or more hedging transactions with respect to the Certificates or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions in or in respect of the Underlying Asset(s) or related derivatives which may affect the market price, liquidity or value of the Certificates and which could be adverse to the interest of the relevant certificateholders.

For example, the Issuer (itself or through an affiliate) may hedge the Issuer's obligations under the Certificates by purchasing futures and/or other instruments linked to the Underlying Asset(s) or other Index Components. The Issuer (or affiliate) may adjust its hedge by, among other things, purchasing or selling any of the foregoing, and perhaps other instruments linked to the Underlying Asset(s), or (if applicable) the Index Components or constituent securities of such Index Components, at any time and from time to time, and may unwind the hedge by selling any of the foregoing on or before the maturity or settlement date (as applicable) for the Certificates. The Issuer (or affiliate) may also enter into, adjust and unwind hedging transactions relating to other securities whose returns are linked to changes in the level, price, rate or other applicable value of the Underlying Asset(s). Any of these hedging activities may adversely affect the level, price, rate or other applicable value of the Underlying Asset(s) — directly or (if applicable) indirectly by affecting the level, price, rate or other applicable value of Index Components — and therefore the value of the Certificates. It is possible that the Issuer (or affiliate) could receive substantial returns with respect to such hedging activities while the value of the Certificates may decline.

Moreover, the Issuer (or affiliate) may also engage in trading in one or more of the Underlying Asset(s) or (if applicable) the Index Components or instruments whose returns are linked to the Underlying Asset or (if applicable) the components in the Underlying Asset, for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers. Any of these activities of the Issuer (or affiliate) could adversely affect the level, price, rate or other applicable value of the Underlying Asset(s) — directly or (if applicable) indirectly by affecting the level, price, rate or other applicable value of the Index Components — and therefore, the value of the Certificates. The Issuer (or affiliate) may issue or underwrite, other securities or financial or derivative instruments with returns linked to changes in the level, price, rate or other applicable value of the Underlying Asset or (if applicable) one or more of the Index Components, as applicable. By introducing competing products into the marketplace in this manner, the Issuer (or affiliate) could adversely affect the value of the Certificates.

**Confidential information relating to the Underlying Assets**

The Issuer and its affiliates (and any of their employees) may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Underlying Assets and any derivative instruments referencing them. None of the Issuer or its affiliates will be obliged (and may be subject to legal prohibition) to disclose any such information to an investor in the Certificates, even where such information may be material to the decision by an investor as to whether or not to purchase the Certificates.

**Redemption Amount**

The Redemption Amount is linked to the performance of the Underlying Asset and may be equal to zero if the Underlying Asset performs less than a certain level.

# Index Description and Risk Disclosures

*Below are some of the risks associated with an investment linked to the Index. Investors should note that these do not purport to be a complete explanation of all the risks associated with an investment linked to the Index. Prior to entering into a transaction, each investor should perform their own independent analysis of the risks associated with the Index and whether the investment is suitable for him/her in light of his/her experience, objectives, financial position and other relevant circumstances. Investors may also wish to consult with their own legal, regulatory, tax, financial and/or accounting advisors as necessary.*

*Defined terms used but not otherwise defined shall have the meanings ascribed to them in the Index Rules relating to the Index. Such rules are, subject to execution of a non-disclosure agreement, available upon request. References to Credit Suisse herein are to Credit Suisse International and/or its affiliates.*

## INDEX DESCRIPTION

The Global Multi-Asset Funds Index 8 (the “**Index**”) is a rules-based index that measures the rate of return of a Credit Suisse proprietary strategy (the “**Strategy**”) which offers:

- A notional exposure to 6 equity and bond mutual funds. For more details see Section: Assets Included in the Index.
- A volatility control mechanism that adjusts the exposure between the assets and a notional cash deposit. For more detail see Section: Volatility Control Methodology.

The Index is constructed on "notional" investments and described as a "synthetic portfolio" as there is no actual asset held in respect of the Index. The Index simply reflects a trading strategy, calculated using the value of assumed investments in each of the relevant components.

The Index, and by extension, the Base Index, measures the rate of return of a hypothetical portfolio consisting of long positions in the Base Index Components, as specified in "Table 1: Base Index Components". Long positions refer to the practice of buying an asset with the intention of subsequently selling it at a later stage.

The Index is constructed as a “**Total Return**” asset. Total Return means the rate of return of the Index is measured taking into account not only the capital appreciation of the notional assets comprising the constituent components of the Index but also the income generated by those assets in the form of interest and dividends as it assumes that all such distributions are reinvested in the Index. For instance, in order to replicate a Total Return equity index, any prospective investor would need to purchase the portfolio of securities representing that specific equity index, and to reinvest all dividend payments.

The Index implements a mechanism of risk control based on its “volatility”. Volatility is a measure of the variation of the level/ price of an asset over time, as further described in Section: Volatility Control Methodology.

## Main roles

Credit Suisse International is the sponsor of the Index (the “**Index Sponsor**”). The Index Sponsor also acts as the administrator of the Index for the purposes of the Benchmark Regulation (Regulation (EU) 2016/1011) (the “**BMR**”) (the “**Index Administrator**”). The Index Sponsor makes various determinations in accordance with the Index Rules. Representatives of the Index Sponsor comprise the Index Committee.

The Index Administrator may make any change or modification to the Index and/or the Index Rules which may be necessary or desirable for the purposes of ensuring compliance by the Index Administrator with its obligations under the BMR and any successor or additional benchmarks legislation or regulation applicable in the United Kingdom.

Credit Suisse International, acting through its Risk Department is the calculation agent for the Index (the “**Index Calculation Agent**”). The Risk Department is segregated from the sales, trading, structuring and other front office businesses of Credit Suisse International. The Index Calculation Agent will, in accordance with the Index Rules, calculate and publish the value of the Index (the “**Index Value**”) in respect of each day on which the Index is scheduled to be published (each an “**Index Calculation Day**”).

All calculations, determinations and exercises of discretion made by the Index Sponsor or the Index Calculation Agent will be made in good faith and in a commercially reasonable manner and (where there is a corresponding applicable

regulatory obligation) shall take into account whether fair treatment is achieved by any such calculation, determination and exercise of discretion in accordance with its applicable regulatory obligations.

## Assets Included in the Index

The Index measures the rate of return of a hypothetical portfolio consisting of a notional investment to the Base Index (the "**Index Component**") and an amount held in cash (the "**Cash Component**") in respect of any amounts not invested in the Base Index. The Base Index measures the performance of a notional investment in a synthetic portfolio consisting of 6 assets (each a "**Base Index Component**" and collectively the "**Base Index Components**") as specified in "Table 1: Base Index Components", and an amount in the Cash Component.

**Table 1: Base Index Components**

| Base Index Components                                     | Bloomberg Ticker  | Currency | Asset Type  | Return Type  | Value           |
|-----------------------------------------------------------|-------------------|----------|-------------|--------------|-----------------|
| HealthInvest Small & MicroCap Fund                        | HEALMIC SS Equity | SEK      | Mutual Fund | Total Return | Net Asset Value |
| Ohman Sweden Micro Cap                                    | CARSWMC SS Equity | SEK      | Mutual Fund | Total Return | Net Asset Value |
| Swedbank Robur Ny Teknik                                  | BANINOV SS Equity | SEK      | Mutual Fund | Total Return | Net Asset Value |
| Morgan Stanley Investment Funds - Global Opportunity Fund | MSGOPPA LX Equity | USD      | Mutual Fund | Total Return | Net Asset Value |
| Spiltan - Hograntefond                                    | SPIHOGT SS Equity | SEK      | Mutual Fund | Total Return | Net Asset Value |
| Janus Henderson Horizon Euro High Yield Bond Fund         | HHEHA2E LX Equity | EUR      | Mutual Fund | Total Return | Net Asset Value |

**Table 2: Base Index Components Weight and Costs**

| Base Index Components                                     | Weight | Holding Fee | Fee-In | Fee-Out |
|-----------------------------------------------------------|--------|-------------|--------|---------|
| HealthInvest Small & MicroCap Fund                        | 16.67% | 0%          | 0%     | 0%      |
| Ohman Sweden Micro Cap                                    | 16.67% | 0%          | 0%     | 0%      |
| Swedbank Robur Ny Teknik                                  | 16.67% | 0%          | 0%     | 0%      |
| Morgan Stanley Investment Funds - Global Opportunity Fund | 16.67% | 0%          | 0%     | 0%      |
| Spiltan - Hograntefond                                    | 16.66% | 0%          | 0%     | 0%      |
| Janus Henderson Horizon Euro High Yield Bond Fund         | 16.66% | 0%          | 0%     | 0%      |

## Index Methodology

### Index

The Index measures the rate of return of a hypothetical portfolio consisting of:

- A notional investment to the Base Index, as described in Section: Base Index;
- A notional investment in the Cash Component in respect of any amounts not invested in the Base Index.

The allocation mechanism between the Base Index and the Cash Component is further described in Section: Volatility Control Methodology.

The Index is denominated in SEK (the "**Base Currency**") and is calculated net of 1.00% per annum Index Fee;

The aforementioned Index Fee is deducted on a daily basis.

The Index does not incorporate any transaction costs.

The Index is constructed as a Total Return Index.

#### *Base Index*

The Base Index is a weighted basket of the Base Index Components, which measures the total rate of return of a notional investment in a synthetic portfolio consisting of 6 Base Index Components which are mutual funds.

The Base Index is denominated in SEK (the “**Base Currency**”).

The Base Index does not incorporate any access costs or transaction costs.

Access costs are defined as the access cost for the Base Index Components, specified in Table 2: Base Index Components Weight and Costs, under the column entitled “**Holding Fee**”;

The Base Index performance will take into account synthetic reinvestment of dividends for mutual funds net of 30.0% of withholding tax as specified in the Index Rules.

Each Base Index Components denominated in a currency other than the Base Currency is formulaically hedged against currency fluctuations of the Base Currency; however such hedging shall reduce but not eliminate the foreign exchange risk /converted at the prevailing spot FX rate into the Base Currency. A 0.03% FX hedging cost is deducted on a daily basis to all FX hedged Base Index Components.

The Index is constructed as a Total Return asset. As such:

- If the allocation to the Base Index is lower than or equal to 100%, the Index will invest in the Cash Component in respect of any amounts not invested in the Base Index; and
- Otherwise, if the allocation to the Base Index is greater than 100% (i.e. incorporates leverage), the funding cost (the “**Funding Component**”) is applied, which is the aggregate of the Funding Rate and the Funding Spread in the Base Currency, as specified in Table 3: Funding Rate, under the columns entitled “**Funding Rate**” and “**Funding Spread**”, and which will be deducted from the allocation exceeding 100%.

**Table 3: Funding Rate**

| Currency | Funding Rate                                                                        | Funding Basis | Funding Spread |
|----------|-------------------------------------------------------------------------------------|---------------|----------------|
| SEK      | The rate for deposits of three months in SEK as displayed on Reuters page “STIBOR=” | 360           | 0.00%          |

#### *Volatility Control Methodology*

The Index targets a volatility level below/at or around 8% (the “**Volatility Control**”) by allocating its exposure to the Base Index, based on the realised volatility (the “**Realised Volatility**”) of the Base Index (calculated as the Realised Volatility over the preceding 40 Index Calculation Days). The target volatility controlled weight assigned to the Base Index (the “**Target Volatility Control Weight**”) on any Index Calculation Day is equal to the ratio of the Volatility Control to the Realised Volatility of the Base Index calculated in respect of the Index Calculation Day falling 3 Index Calculation Days prior to such day. Realised volatility is calculated formulaically with reference to the magnitude of daily movements (in either direction) for the Base Index. For example, the Base Index would have a higher realized volatility if its level moved by 2% each day than if its level only moved by 0.50% each day. The weight assigned to the Base Index (the “**Volatility Control Weight**”) on any Index Calculation Day is equal to the Target Volatility Control Weight capped at 130%.

## **GENERAL RISKS**

**Historical or hypothetical performance of the Index is not an indication of future performance**

The historical or hypothetical performance of the Index should not be taken as an indication of the future performance of the Index. The level of the Index may fluctuate significantly. It is impossible to predict whether the level, value or price of the Index will fall or rise during the term of your investment. Past performance is not a guarantee or an indication of future returns.

### **No operating history**

The Index has limited operating history with no proven track record in achieving the stated investment objective. No assurance can be given that the allocation will perform in line with market benchmark, and the Index could underperform market benchmark and/or decline.

### **No assurance of performance**

No assurance can be provided that any strategy on which an Index is based will be successful or that the Index will outperform any alternative strategy that might be used in respect of the same or similar investment objectives.

### **Notional exposure**

The Index is constructed on “notional” investments and there is no actual portfolio of assets to which any person is entitled or in respect of which any person has any direct or indirect ownership interest. The Index simply reflects a rules-based proprietary trading strategy, the performance of which is used as a reference point for the purposes of calculating the level of the Index. Investors in products which are linked to the Index will not have a claim in respect of any of the components of the Index.

### **Publication of the Index**

The Index level, in respect of an Index Calculation Day, is scheduled to be published on the immediately following Index Calculation Day. In certain circumstances such publication may be delayed.

### **The Index relies on external data**

The Index relies on data from external providers. While Credit Suisse intends to use well established and reputable providers, there is a risk that this data may be inaccurate, delayed or not up to date. There is also a risk that while the data is accurate, the data feed to Credit Suisse is impaired. Such impairment to either the data or the data feed could affect the performance or continued operability of the Index. The risk of such impairment may be borne by investors in products linked to the Index and Credit Suisse may decide not to subsequently revise the Index (except where such impairment is caused by CS's negligence, fraud or wilful default). There is also a risk to the continuity of the Index in the event that the Index Sponsor ceases to exist. In the event that certain external data is not available, Credit Suisse as calculation agent for the Index may determine the necessary data in order to maintain the continuity of the Index.

### **The Index relies on Credit Suisse infrastructure and electronic systems**

The Index relies on Credit Suisse infrastructure and electronic systems (including internal data feeds). Any breakdown or impairment to such infrastructure or electronic systems could affect the performance or continued operability of the Index. The risk of such breakdown or impairment shall be borne by investors in products linked to the Index unless except when caused by CS's negligence, fraud or wilful default. Neither Credit Suisse nor its affiliates shall be under any liability to account for any loss or damage incurred by any person in connection with any change to, removal of or operational risks generated by the Index or its strategy except when caused by CS's negligence, fraud or wilful default.

## **Amendments to the Index Rules; Base Index Components Substitution; Withdrawal of the Index**

The Index Sponsor may in consultation with the Index Calculation Agent and the Index Committee (who are also part of the Credit Suisse Group AG), supplement, amend (in whole or in part), revise, rebalance or withdraw the Index at any time if either (a) there is any event or circumstance that in the determination of the Index Sponsor makes it impossible or impracticable to calculate the Index pursuant to the Index Rules (b) a change to the Index Rules is required to address an error, ambiguity or omission, (c) the Index Sponsor determines that an Extraordinary Event has occurred, or (d) the Index Sponsor determines that a Fund Disruption Event has occurred.

Following any withdrawal of the Index the Index Sponsor may, but is not obliged to do so, replace the Index with a successor index and/or replace the Strategy with a similar successor strategy or an entirely new strategy at any time, as it deems appropriate in its discretion.

A supplement, amendment, revision or rebalancing may lead to a change in the way the Index is calculated or constructed and this may, in turn, affect the performance of the Index. Such changes may include, without limitation, substitution of a Base Index Component, or changes to the Index Strategy.

Extraordinary Events include (at a general level) any of the following events or circumstances, which in the case of (a) to (e) have had or will have a material effect on the Index:

- a) A change to the liquidity, the trading volume, the terms or listing of any Base Index Component;
- b) A change in, or interpretation of, any applicable law or regulation;
- c) Any event or circumstance such that the value of a Base Index Component is deemed unreliable;
- d) A Base Index Component is permanently discontinued or otherwise unavailable;
- e) A change in the method by which the value of a Base Index Component is calculated;
- f) Any event that has a material adverse effect on the ability of the Index Sponsor (or any of its affiliates) to establish, maintain, value, rebalance or unwind a hedge position (which may include physical investments or entering into derivatives, including futures contracts or OTC derivatives) in relation to an investment product linked to the Index; or
- g) Any other event which, either (i) has a material adverse impact on the ability of the Index Calculation Agent, Index Sponsor to perform its duties, or (ii) serves to frustrate or affect the purpose or aims of the Index Strategy, or (iii) the overall notional amount of products linked to the Index falls to a size which renders the continuation of the Index economically unviable for the Index Sponsor.

With respect to a Base Index Component which is a mutual fund, Fund Disruption Event includes (at a general level) any of the following events or circumstances:

- a) A fund manager or any affiliate breached an agreement with the Index Sponsor;
- b) A cross-contamination or other failure to segregate effectively assets between different classes, series or sub-funds of a fund;
- c) A fund or fund service provider becomes insolvent;
- d) A fund modification including (i) any change in a fund prospectus which could alter the value, right or remedies or investment strategy of such fund, (ii) any change to the legal constitution or management of a fund which materially alters the nature of the fund of the fund, manager in relation to the fund or (iii) the fund manager imposes fees or new dealing rules;
- e) A significant reduction to the aggregate net asset value of a fund;
- f) A significant reduction to the aggregate net asset value of a fund manager;
- g) A fund loses its applicable license or authorisation;
- h) A regulatory action including (i) the cancellation, suspension or revocation of the registration or approval of a fund or service provider, (ii) any change in the legal, tax, accounting, or regulatory treatments of the fund or its fund manager, or (iii) the fund or any of its service providers becoming subject to any investigation, arbitration, regulatory action, government action, proceeding or litigation for any activities relating to or resulting from the operation of the fund or service provider;
- i) Any event affecting a fund that would make it impossible or impracticable to determine the value or the risk profile of such fund; or
- j) Any breach or violation of any strategy or investment restriction, or a change in the risk profile of a fund.

## **Discretion of the Index Sponsor**

The Index Rules provide Credit Suisse in its capacity as Index Sponsor the discretion to make certain calculations, determinations, and amendments from time to time (for example, on the occurrence of an Index Disruption Event as described below). While such discretion will be exercised in good faith and a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) the Index Sponsor shall take into account whether fair treatment is achieved by any such calculation, determination and exercise of discretion in accordance with its applicable regulatory obligations, it may be exercised without the consent of the investor and may have an adverse impact on the financial return of an investment linked to the Index. To the extent permitted by applicable regulation, Credit Suisse and its affiliates shall be under no liability to account for any loss or damage to any person arising pursuant to its exercise of or omission to exercise any such discretion except where such loss or damage is caused by CS's negligence, fraud or wilful default.

## **Index Disruption Events**

Where, in the determination of the Index Sponsor, an Index Disruption Event has occurred or is existing and subsisting in respect of any Index Calculation Day (a "Disrupted Day"), the Index Sponsor may in respect of such Disrupted Day (i) suspend the calculation and publication of the Index value; (ii) determine the Index value on the basis of estimated or adjusted data and publish an estimated level of the Index value and/or; (iii) take any other action, including but not limited to, designation of alternative price sources, reconstitution of the Index or temporary close-out of option positions. Any such action could have an adverse impact on the financial return of an investment linked to the Index. Such action may not be re-considered in the event that actual or more accurate data subsequently becomes available.

Index Disruption Events include (at a general level) any of the following events and circumstances:

- (1) at a general level: (i) an unscheduled closure of the money markets; (ii) the failure, suspension or postponement of any calculation within the Index Strategy or a determination by the Index Calculation Agent that the last reported Index Value should not be relied upon; and (iii) the disruption of trading on the relevant exchange or other trading facility of instruments referenced in the calculation of the Index by the Index Calculation Agent or any other similar event;
- (2) At the level of a Base Index Component which is a mutual fund: the occurrence of a Fund Disruption Event.

Such Index Disruption Events are included to reflect the fact that the Index is an investible index and can be replicated by a hypothetical investor.

## **Potential Adjustment Events**

Where, in the determination of the Index Sponsor, a Potential Adjustment Event has occurred in respect of a Base Index Component which is either an ETF or mutual fund, and that such Potential Adjustment Event has a diluting or concentrative effect on the value of the relevant Base Index Component, the Index Sponsor may (i) make adjustment(s), if any, to the relevant Base Index Component, as the Index Sponsor determines appropriate to account for the diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Fund), and (ii) determine the effective date(s) of the adjustment(s),

With respect to a Base Index Component which is a mutual fund, a Potential Adjustment Event includes any of the following events or circumstances:

- a) A subdivision, consolidation or reclassification of the relevant Base Index Component, or a free distribution or dividend of any Base Index Components which is a mutual fund to existing holders by way of bonus, capitalisation or similar issue;
- b) A distribution, issue or dividend to existing holders of the relevant Base Index Component;
- c) The declaration or payment of an extraordinary dividend;
- d) A repurchase by any Base Index Components of its shares the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of shares initiated by an investor which is consistent with the relevant Base Index Component documents;
- e) A nationalisation, delisting, merger of a Base Index Component or, tender offer to purchase or exchange a Base Index Component; or
- f) Any other event that may have a diluting or concentrating effect on the theoretical value of the relevant Base Index Component.

Economic proposition; Right to supplement, amend, revise, rebalance or withdraw the Index; Base Index Components Substitution;

The right of the Index Sponsor to exercise its discretion to supplement, amend, revise, rebalance the Index including the right to substitute a Base Index Component, is required to ensure the notional investments entered by the Index remain a viable investment proposition for a hypothetical investor seeking to replicate the Index Strategy.

Where a supplement, amendment, revision, rebalancing of the Index or substitution of a Base Index Component does not ensure the notional investments entered by the Index remain a viable investment proposition for a hypothetical investor seeking to replicate the Index Strategy, or the Index Sponsor needs to withdraw the Index to meet its own risk management requirements, the Index Sponsor has the right to exercise its discretion to withdraw the Index.

This is integral to the ability of any market participant to offer products linked to the Index. For the occurrence of certain events may affect the investibility of the Index and could result in additional risks or costs for Credit Suisse, however, the Index Sponsor may exercise its discretion to take one of the actions available to it under the rules of the Index in order to deal with the impact of these events. The exercise of such discretions has the effect of, amongst other things, transferring the risks and costs resulting from such events from Credit Suisse to investors in the products linked to the Index.

## STRATEGY SPECIFIC RISKS

### **The Index is sensitive to the volatility of the Base Index**

Due to the in-built volatility control mechanism, the exposure of the Index to the Base Index varies according to the volatility of the Base Index. As volatility rises, the Index reduces exposure to the Base Index and conversely, as volatility falls, the Index's exposure to the Base Index increases. Therefore the Index may underperform relative to the Base Index where high volatility followed by positive performance of the Base Index: here an investor would not benefit as greatly as an investor who had a direct exposure to the Base Index because the volatility control mechanism is likely to have reduced the exposure to the Base Index to a percentage below 100%.

### **Volatility is observed with a lag**

The Index observes volatility 3 Index Calculation Days in arrears. This lag results in the exposure of the Index to the Base Index being adjusted 3 day in arrears. In the event there is a large movement in the price of the Base Index, the Index will not be recalibrated until 3 Index Calculation Days following, meaning that the Index could be exposed to a spike in volatility before any rebalancing due to the volatility control mechanism which may involve greater losses to investors.

## Measure of volatility

Measuring volatility over the preceding 40 Index Calculation Days is not the only way to measure volatility. For the purposes of assessing volatility, different time periods could have been used. Moreover, it is possible to measure volatility on a future basis (known as “implied volatility”). Using any of: (i) implied volatility; (ii) a combination of implied and realised volatility and/or; (iii) a different time period(s) for measuring realised volatility could each produce a different (and potentially better) Index performance.

## Price of Base Index Components may be influenced by asymmetries in demand and supply

The price of each **Base Index Components** may be influenced by external factors related to the demand and supply for exposure. For example, any purchases or disposals of the constituent assets underlying a Base Index Component may be contingent upon there being a market for such assets. In cases where there is not a ready market, or where there is only a limited market, the prices at which such assets may be purchased or sold may vary significantly (such variation between the prices at which the asset can be bought or sold is referred to as a “bid-offer spread”). If trying to dispose of an asset in a limited market, the effect of the bid-offer spread may be that the value realised on a disposal is markedly less than the previously reported value of the asset. This will have an impact on the value of the Base Index Component and, consequently, the Index Value. This is one example of external factors which may affect the supply and demand for the component security, but other factors may also exist which may negatively impact the performance of the Index.

## Total Return Index

The term “Total Return” as used herein in respect of the Index shall refer solely to the reinvestment of net dividends and to the addition of a cash element to its performance, not to any element of capital protection.

## Potential conflicts of interest

Credit Suisse expects to engage in trading activities related to constituents of the Index during the course of its normal business for both its proprietary accounts and/or in client related transactions. Such trading activities may involve the sale or purchase of index constituents, assets referencing the index constituents and/or derivative financial instruments relating to the constituents of the Index. These trading activities may present a conflict between the interests of investors with exposure to the Index and Credit Suisse’s own interests. These trading activities, if they have an influence on the share prices or levels (as applicable) of the Index constituents may have an adverse effect on the performance of the Index.

Credit Suisse may hedge its obligations under any investments linked to the Index by buying or selling shares, bonds or derivative securities linked to the Index constituents. Although they are not expected to, any of these hedging activities may adversely affect the market price of such securities and, therefore, the performance of the Index. It is possible that Credit Suisse could receive substantial returns from these hedging activities while the performance of the Index declines.

Credit Suisse may also engage in trading shares, assets referencing the index constituents or derivatives securities in the Index constituents on a regular basis as part of our general broker-dealer and other businesses, for proprietary accounts, for other accounts under management or to facilitate transactions for customers. Any of these activities could adversely affect the market price of such securities and therefore the performance of the Index.

Credit Suisse may have and in the future may publish research reports with respect to the index constituents or asset classes which may express opinions or provide recommendations that either support or are inconsistent with

investments into the Index. This research should not be viewed as a recommendation or endorsement of the Index in any way and investors must make their own independent investigation of the merits of this investment.

Credit Suisse acts as Index Calculation Agent and determines the Index value at any time, and Credit Suisse may also serve as the calculation agent for investment products linked to the Index. Credit Suisse will, among other things, decide valuation, final settlement amount and make any other relevant calculations or determinations in respect of the investment products.

To the extent that the prices of any Index constituents are unavailable and/or there is a breakdown in the infrastructure used by the Index Calculation Agent, Index values may, in accordance with the Index Rules, be calculated and published by Credit Suisse with reference to estimated or adjusted data.

With respect to any of the activities described above, except as required by applicable law and regulation (and unless caused by CS's negligence, fraud or wilful default), Credit Suisse shall not be liable to any investor in products linked to the Index.

## **Fees**

The Index is published net of 0.03% FX hedging costs and transaction costs, and net of a 1.00% per annum Index Fee, deducted on a daily basis.

**Fees may be charged at the product level by the product manufacturer.**

## **Currency Risk of the Index**

Investors may be exposed to currency risks because (i) a Base Index Component underlying investments may be denominated or priced in currencies other than the currency in which the Index is denominated, or (ii) the Index and/or such Base Index Component may be denominated in currencies other than the currency of the country in which the investor is resident. The Index levels may therefore increase or decrease as a result of fluctuations in those currencies.

## **Index performance is linked to the tomorrow-next interest rate**

The Cash Component of the notional portfolio of the Index is linked to the rate of interest that could be earned on a notional investment in the Base Currency rate. A fall in this rate may adversely impact the performance of the Index.

## **Risk associated with leverage**

The Index may comprise of leveraged positions in the Index Components through the volatility control mechanism. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts invested, they will generally also increase the risk of loss.

## **Fixed-income risks**

Where the investment objective of a Base Index Component is to track the performance of bonds, investors will be exposed to the performance of such bonds. The performance of bonds may be volatile and will be affected by, amongst other things, the time remaining to the maturity date, prevailing credit spreads, interest rates and the

creditworthiness of the bond issuers, which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

A bond's performance is dependent upon interest rates. As interest rates rise, the present value of future payments decreases and the price of a bond trading in the marketplace subsequently decreases.

Furthermore, a bond's performance is depending on the ability of the bond issuer to pay interest and principal in a timely manner. Failure to pay or negative perception of the issuer's ability to make such payment will cause the price of that bond to decline.

As such factors may adversely affect the value of a bond which is referenced by the futures contract, or in which the Base Index Component invests, such factors will similarly adversely affect the price of the Base Index Component and therefore the performance of the Index.

#### Risks associated with Funds (other than ETFs)

- (i) *Each fund is subject to its own unique risks and investors should review the offering documents of such fund including any description of risk factors - prior to making an investment decision regarding the Index*

Investors in products linked to the Index should review the relevant fund offering documents, including the description of risk factors contained therein, prior to making an investment decision regarding the Index. However, neither the Index Sponsor nor any of its affiliates takes any responsibility for any such fund offering documents. Such fund offering documents will include more complete descriptions of the risks associated with investing into the relevant fund and the investments that the relevant fund intends to make. Any investment decision must be based solely on information in the relevant fund offering documents, this document, and such investigations as the investor deems necessary, and consultation with the investor's own legal, regulatory, tax, accounting and investment advisers in order to make an independent determination of the suitability and consequences of an investment in the fund.

- (ii) *The performance of a fund is subject to many factors, including the fund strategies, underlying fund investments, the fund manager and other factors*

A fund, and any underlying fund components in which it may invest, may utilise strategies such as short-selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Funds, and any underlying fund components in which it may invest, may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated. No assurance can be given relating to the present or future performance of a fund and any underlying fund component in which it may invest. The performance of a fund and any underlying fund component in which it may invest is dependent on the performance of the fund manager in selecting underlying fund components and the management of the relevant component in respect of the underlying fund components. No assurance can be given that these persons will succeed in meeting the investment objectives of the fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which a fund has or may invest will prove accurate.

The following is a summary description of certain particular risks in relation to funds:

- Illiquidity of fund investments: The net asset value of a fund will fluctuate with, among other changes, changes in market rates of interest, general economic conditions, economic conditions in particular industries, the condition of financial markets and the performance of a fund's underlying investments. Investments by a fund in certain underlying assets will provide limited liquidity. Interests in a fund may be subject to certain transfer restrictions, including, without limitation, the requirement to obtain the fund manager's consent (which may be given or withheld in its discretion). Furthermore, the relevant fund offering

documents typically provide that interests therein may be voluntarily redeemed only on specific dates of certain calendar months, quarters or years and only if an investor has given the requisite number of days' prior notice to the fund manager. A fund may also reserve the right to suspend redemption rights or make in kind distributions in the event of market disruptions. A fund is likely to retain a portion of the redemption proceeds pending the completion of the annual audit of the financial statements of such fund, resulting in considerable delay before the full redemption proceeds are received. Such illiquidity may adversely affect the price and timing of any liquidation of a fund investment.

- Reliance on trading models: Some of the strategies and techniques used by the fund manager may employ a high degree of reliance on statistical trading models developed from historical analysis of the performance or correlations of certain companies, securities, industries, countries, or markets. There can be no assurance that historical performance that is used to determine such statistical trading models will be a good indication of future performance of a fund. If future performance or such correlations vary significantly from the assumptions in such statistical models, then the fund manager may not achieve its intended results or investment performance.
- Diversification: The number and diversity of investments held by a fund may be limited, even where such fund holds investments in other funds – particularly where such underlying funds hold similar investments or follow similar investment strategies.
- Fund leverage: The fund manager of a fund may utilise leverage techniques, including the use of borrowed funds, repurchase agreements, swaps and options and other derivative transactions. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts invested, they will generally also increase the risk of loss.
- Trading limitations and frequency: Suspensions or limits for securities listed on a public exchange could render certain strategies followed by a fund difficult to complete or continue. The frequency of a fund's trading may result in portfolio turnover and brokerage commissions that are greater than other investment entities of similar size.
- Valuations: The valuation of a fund is generally controlled by the fund manager. Valuations are performed in accordance with the terms and conditions governing the fund. Such valuations may be based upon the unaudited financial records of the fund and any accounts pertaining thereto. Such valuations may be preliminary calculations of the net asset values of the fund and accounts. The fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable prices may be difficult to obtain. In consequence, the fund may vary certain quotations for such investments held by the fund in order to reflect its judgement as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustments upward or downward. Uncertainties as to the valuation of the fund assets and/or accounts may have an adverse effect on the net asset value of the fund where such judgements regarding valuations prove to be incorrect.
- Dependence on the expertise of key persons: The performance of a fund will depend greatly on the experience of the investment professionals associated with the fund manager. The loss of one or more of such individuals could have a material adverse effect on the performance of a fund.

## Index Disclaimer

This disclaimer extends to Credit Suisse International ("**CS**"), its affiliates or designates in any of its capacities. CS is the sponsor of the Index (the "Index Sponsor"). The Index Sponsor also acts as the administrator of the Index for the purposes of the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**") (the "**Index Administrator**"). The Index Rules and the Index Description are published by CS or its affiliates. CS is authorised by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority ("**FCA**") and the PRA. Notwithstanding that CS is so regulated, the rules of neither the FCA nor the PRA are incorporated into this document.

The Index Administrator and Index Calculation Agent are part of the same group. CS or its affiliates may also offer securities or other financial products ("Investment Products") the return of which is linked to the performance of the Index. CS or its affiliates may, therefore, in each of its capacities face a conflict in its obligations carrying out such role with investors in the Investment Products.

In addition, the Index Rules and the Index Description are not to be used or considered as an offer or solicitation to buy or subscribe for such Investment Products nor are they to be considered to be or to contain any advice or a recommendation with respect to such products. Before making an investment decision in relation to such products one should refer to the prospectus or other disclosure document relating to such products.

The Index Rules and the Index Description are published for information purposes only and CS and its affiliates expressly disclaim (to the fullest extent permitted by applicable law and regulation except for where loss caused by the Fault of CS or its affiliates) all warranties (express, statutory or implied) regarding this document and the Index, including but not limited to all warranties of merchantability, fitness for a particular purpose of use and all warranties arising from course of performance, course of dealing or usage of trade and their equivalents under applicable laws of any jurisdiction unless losses result from the breach of such warranties where such losses are caused by the Fault of CS or its affiliates. "Fault" means negligence, fraud or wilful default.

CS is described as Index Administrator, Index Sponsor and Index Calculation Agent under the Index Rules.

CS may transfer or delegate to another entity, at its discretion and in compliance with applicable law and regulation, some or all of the functions and calculations associated with the role of Index Administrator, Index Sponsor and Index Calculation Agent respectively under the Index Rules.

CS as Index Administrator is the final authority on the Index and the interpretation and application of the Index Rules.

CS as Index Administrator may supplement, amend (in whole or in part), revise or terminate these Index Rules in compliance with applicable law and regulation at any time. The Index Rules may change without prior notice.

CS will apply the Rules in its discretion exercised in good faith and a commercially reasonable manner and (where there is a corresponding applicable regulatory obligation) shall act independently and honestly in its capacity as the Index Administrator and take into account whether fair treatment is achieved by any such exercise of discretion in accordance with its applicable regulatory obligations, and in doing so may rely upon other sources of market information.

Neither CS as Index Administrator nor CS as Index Calculation Agent warrants or guarantees the accuracy or timeliness of calculations of Index values or the availability of an Index value on any particular date or at any particular time.

Neither CS nor any of its affiliates (including their respective officers, employees and delegates) shall be under any liability to any party on account of any loss suffered by such party (however such loss may have been incurred) in connection with anything done, determined, interpreted, amended or selected (or omitted to be done, determined or selected) by it in connection with the Index and the Index Rules, unless such loss is caused by CS or any of its affiliates' Fault. Without prejudice to the generality of the foregoing and unless caused by CS or any of its affiliates' Fault, neither CS nor any of its affiliates shall be liable for any loss suffered by any party as a result of any determination, calculation, interpretation, amendment or selection it makes (or fails to make) in relation to the construction or the valuation of the Index and the application of the Index Rules and, once made, neither CS nor any of its affiliates shall be under any obligation to revise any calculation, determination, amendment, interpretation and selection made by it for any reason. Neither CS nor any of its affiliates makes any warranty or representation whatsoever, express or implied, as to the results to be obtained from the use of the Index, or as to the performance and/or the value thereof at any time (past, present or future).

The strategy underlying the Index (the "**Index Strategy**") is a proprietary strategy of the Index Administrator. The Index Strategy is subject to change at any time by the Index Administrator or otherwise as required by applicable law and regulations. Neither CS nor its affiliates shall be under any liability to any party on account of any loss suffered by such party, unless such loss is caused by CS or any of its affiliates' Fault in connection with any change in any such strategy, or determination or omission in respect of such strategy.

Neither CS nor any of its affiliates is under any obligation to monitor whether or not an Index Disruption Event has occurred and shall not be liable for any losses unless caused by CS or any of its affiliates' Fault resulting from (i) any determination that an Index Disruption Event has occurred or has not occurred, (ii) the timing relating to the determination that an Index Disruption Event has occurred or (iii) any actions taken or not taken by CS or any of its affiliates as a result of such determination.

Unless otherwise specified, CS shall make all calculations, determinations, amendments, interpretations and selections in respect of the Index. Neither CS nor any of its affiliates (including their respective officers, employees and delegates) shall have any responsibility for good faith errors or omissions in its calculations, determinations, amendments, interpretations and selections as provided in the Rules unless caused by CS or any of its affiliates' Fault. The calculations, determinations, amendments, interpretations and selections of CS shall be made by it in accordance with the Index Rules, acting in good faith and in a commercially reasonable manner and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such

calculation, determination, amendment, interpretation and selections in accordance with its applicable regulatory obligations (having regard in each case to the criteria stipulated herein and (where relevant) on the basis of information provided to or obtained by employees or officers of CS responsible for making the relevant calculations, determinations, amendments, interpretations and selections). For the avoidance of doubt, any calculations or determinations made by CS under the Index Rules on an estimated basis may not be revised following the making of such calculation or determination.

No person may reproduce or disseminate the Index Rules, any Index Value and any other information contained in this document without the prior written consent of CS or its affiliates (where applicable). The Index Rules are not intended for distribution to, or use by any person in a jurisdiction where such distribution or use is prohibited by law or regulation. No one other than CS or its affiliates (where applicable) is permitted to use the Index Rules or any Index Value in connection with the writing, trading, marketing, or promotion of any financial instruments or products or to create any indices.

These disclaimers are subject to mandatory provisions of applicable law and regulation which apply to the Index Administrator or the Index Calculation Agent and nothing in these disclaimers shall exclude or limit liability to the extent such exclusion or limitation is not permitted by such law or regulation. Save for the foregoing these disclaimers shall apply to the fullest extent permitted by applicable law and regulation.

The Index Administrator may make any change or modification to the Index and/or the Index Rules which may be necessary or desirable for the purposes of ensuring compliance by the Index Administrator with its obligations under the BMR and any successor or additional benchmarks legislation or regulation applicable in the United Kingdom.

The Index Rules shall be governed by and construed in accordance with English law.

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# Selling Restrictions

## General

Any Certificate purchased by any person may not be offered or sold or any offering materials relating thereto distributed in any country or jurisdiction, unless the offeror has complied and will comply with all applicable laws and regulations in such country or jurisdiction.

## USA, US persons

The Certificates have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.

## European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each purchaser of the Certificates acknowledges that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) no offer of the Certificates may be made to the public in that Relevant Member State other than:

- if the final terms in relation to the Certificates specify that an offer of those Certificates may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a Non-exempt Offer), following the date of publication of a prospectus in relation to such Certificates which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in the drawdown prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive.

provided that no such offer of Certificates shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the provision above, the expression an offer of Certificates to the public in relation to any Certificates in any Relevant Member State means the communication in any form and by means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

# IMPORTANT NOTICE – PLEASE READ

This Term Sheet has been issued by Credit Suisse

Credit Suisse International is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Credit Suisse Securities Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

This Term Sheet is not for distribution to Retail Clients, as defined by the FCA Rules.

By signing this Term Sheet or entering into the transaction described in this Term Sheet you acknowledge that you have read and understood the following terms:

(1) CREDIT SUISSE IS ACTING SOLELY AS AN ARM'S LENGTH CONTRACTUAL COUNTERPARTY AND NOT AS A FINANCIAL ADVISER (OR IN ANY OTHER ADVISORY CAPACITY INCLUDING TAX, LEGAL, ACCOUNTING OR OTHERWISE) OR IN A FIDUCIARY CAPACITY. ANY INFORMATION PROVIDED DOES NOT CONSTITUTE ADVICE OR A RECOMMENDATION TO ENTER INTO OR CONCLUDE ANY TRANSACTION (WHETHER ON THESE INDICATIVE TERMS OR OTHERWISE).

(2) BEFORE ENTERING INTO ANY TRANSACTION (INCLUDING, WITHOUT LIMITATION, THE PROPOSED TRANSACTIONS SET OUT IN THIS TERM SHEET) WITH CS OR AN AFFILIATE OF CS, YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE POTENTIAL RISKS AND REWARDS AND INDEPENDENTLY DETERMINE THAT IT IS APPROPRIATE FOR YOU GIVEN YOUR OBJECTIVES, EXPERIENCE, FINANCIAL AND OPERATIONAL RESOURCES, AND OTHER RELEVANT CIRCUMSTANCES. YOU SHOULD CONSULT WITH SUCH ADVISERS (INCLUDING, WITHOUT LIMITATION, TAX ADVISERS, LEGAL ADVISERS AND ACCOUNTANTS) AS YOU DEEM NECESSARY IN MAKING THESE DETERMINATIONS.

(3) CS or its affiliates (i) may provide debt financing, equity capital or other services to other persons with whom you or your affiliates may have conflicting interests in respect of the transactions referred to in this Term Sheet or other transactions; (ii) may act in more than one capacity in relation to the proposed transactions referred to in this Term Sheet and may have conflicting interests in respect of such different capacities; and (iii) has no obligation to use any information obtained from another source for the purposes of the proposed transactions set out in this Term Sheet or to furnish such information to you or your affiliates.

(4) Any indicative price quotations, disclosure materials or analyses provided to you in connection with the proposed transactions set out in this Term Sheet have been prepared on assumptions and parameters that reflect good faith determinations by CS or that have been expressly specified by you and do not constitute advice by CS. The assumptions and parameters used are not the only ones that might reasonably have been selected and, therefore, no guarantee, representation or warranty is given as to the accuracy, completeness, or reasonableness of any such quotations, disclosure or analyses. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. We assume no responsibility for independent verification of such information and have relied on such information being complete and accurate in all material respects. The price and value of investments mentioned and any income that might accrue may fluctuate and may fall or rise. If an investment is denominated in a currency other than your base currency, changes in the rate of exchange may have an adverse effect on value, price or income.

(5) No representation or warranty is made or given by CS or any of its affiliates that any indicative performance or return indicated in connection with the proposed transactions set out in this Term Sheet will be achieved in the future.

(6) To the extent that this Term Sheet sets out the terms of structured securities or other forms of structured derivatives or other products, such instruments are complex instruments, typically involving a high degree of risk and are intended for sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security or structured derivative or other product may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in this transaction should conduct its own investigation and analysis of this transaction and consult with its own professional advisers as to the risks involved.

(7) These terms are provided solely for informational purposes, are intended for your use only and do not constitute an offer or commitment, a solicitation of an offer or commitment, or any advice or personal recommendation to enter into or conclude any transaction (whether on the indicative terms or otherwise) by CS or its affiliates.

For the purpose of this Term Sheet, "affiliates" means in relation to a person, a subsidiary or holding company of that person and a subsidiary of any such holding company.