IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES EXCEPT FOR QUALIFIED INSTITUTIONAL BUYERS.

IMPORTANT: You must read the following before continuing. The following disclaimer applies to the Information Memorandum following this page (the "**Information Memorandum**"), and you are therefore advised to read this carefully before reading, accessing or making any other use of the Information Memorandum. In accessing the Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access. You acknowledge that you will not forward this electronic transmission or the Information Memorandum to any other person.

THE INFORMATION MEMORANDUM AND ITS CONTENTS ARE CONFIDENTIAL AND MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE INFORMATION MEMORANDUM IN WHOLE OR IN PART IS PROHIBITED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THE INFORMATION MEMORANDUM CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN (THE "**SECURITIES**").

EXCEPT AS DESCRIBED BELOW, NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A "QUALIFIED INSTITUTIONAL BUYER" WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT (A "**QIB**") THAT IS ACQUIRING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION TO A NON-U.S. PERSON IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

Confirmation of your Representation: You have been sent the Information Memorandum on the basis that you have confirmed to the managers in relation to the offering (or their affiliates) (together, the "**Managers**"), being the senders of the attached, that: (i) you have understood and agree to the terms set out herein, (ii) you are either (a) not a U.S. person (within the meaning of Regulation S under the Securities Act), and are not acting for the account or benefit of any U.S. person, and that you and the electronic mail address that you have given us and to which this e-mail has been delivered are not located in the United States, its territories and possessions, or (b) a person that is a QIB,

(iii) you consent to delivery by electronic transmission, (iv) you will not transmit the Information Memorandum (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the relevant Manager, (v) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for, or purchase any of, the securities and (vi) if you are a person in the United Kingdom, then you are a person who (x) has professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Order**") or (y) is a high net worth entity or other persons to whom the Information Memorandum may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). The Securities are only available to, and any invitation, offer, or agreement to subscribe, purchase or otherwise acquire the Securities will be engaged in only with Relevant Persons. In the United Kingdom, the Information Memorandum may only be communicated or caused to be communicated to persons in circumstances where Section 21(1) of the Financial Services and Markets Act 2000 does not apply and may only be distributed to Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Information Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

You are reminded that the Information Memorandum has been delivered to you on the basis that you are a person into whose possession the Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Information Memorandum to any other person.

The Information Memorandum does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and a Manager, or any affiliate of such Manager, is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Manager or such affiliate on behalf of Credit Suisse Group AG in such jurisdiction.

The Information Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Credit Suisse Group AG, the Managers nor any person who controls them nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Information Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Managers.

CREDIT SUISSE

Credit Suisse Group AG

(incorporated with limited liability in Switzerland)

U.S.$1,500,000,000 7.250 per cent. Perpetual Tier 1 Contingent Write-down Capital Notes

Issue Price: 100.000 per cent.

The U.S.$1,500,000,000 7.250 per cent. Perpetual Tier 1 Contingent Write-down Capital Notes (the ''**Notes**'') will be issued by Credit Suisse Group AG (the ''**Issuer**'' or ''**CSG**'') on 12 September 2018 (the ''**Issue Date**''). Interest on the Notes will accrue from (and including) the Issue Date to (but excluding) the First Optional Redemption Date (as defined in ''*Terms and Conditions of the Notes—Part B*''), at a fixed rate of 7.250 per cent. per annum, and from (and including) the First Optional Redemption Date, at the applicable Reset Rate (as defined in ''*Terms and Conditions of the Notes—Interest Calculations—Interest on Fixed Rate Reset Notes*''), each payable, subject as provided herein, in equal instalments semi-annually in arrear. Payments on the Notes will be made without deduction for or on account of taxes of Switzerland to the extent described herein under ''*Terms and Conditions of the Notes—Taxation*''. **Payments of interest will be made at the sole discretion of the Issuer and may be subject to mandatory cancellation, as more particularly described herein under ''*Terms and Conditions of the Notes—Interest Calculations—Cancellation of Interest; Prohibited Interest*''. Any interest not paid as foresaid will not accumulate.**

The Notes are perpetual securities and have no fixed or final redemption date. Unless previously redeemed or purchased and cancelled, and provided that no Write-down Event (as defined in ''*Terms and Conditions of the Notes*'' (the ''**Conditions**'')) has occurred, the Notes may, subject to the satisfaction of certain conditions described herein and applicable law, be redeemed at the option of the Issuer, on the First Optional Redemption Date (as defined in the Conditions) or on any Reset Date (as defined in the Conditions) thereafter, in whole but not in part, at 100 per cent. of their aggregate principal amount plus accrued but unpaid interest thereon. The Notes are also subject to redemption in whole, but not in part, at the option of the Issuer, upon the occurrence of a Tax Event or upon the occurrence of a Capital Event (each as defined in the Conditions), as more particularly described in ''*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*''. The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and shall rank at all times *pari passu* and without any preference among themselves, as more particularly described herein under ''*Terms and Conditions of the Notes—Status of the Notes*'' and ''*Terms and Conditions of the Notes—Subordination of the Notes*''.

If a Write-down Event occurs, a Write-down (as defined in the Conditions) shall occur on the relevant Write-down Date (as defined in the Conditions), as more particularly described in ''*Terms and Conditions of the Notes—Write-down*''. In such circumstances, interest on the Notes shall cease to accrue, the full principal amount of each Note will automatically and permanently be written-down to zero, Holders (as defined in the Conditions) will lose their entire investment in the Notes and all rights of any Holder for payment of any accrued but unpaid interest or any other amounts under or in respect of the Notes will become null and void. See ''*Risk Factors—The likelihood of an occurrence of a write-down of the Notes is material for the purpose of assessing an investment in the Notes. The Notes may be subject to a Write-down and upon the occurrence of such an event Holders will lose the entire amount of their investment in the Notes*''. Each Holder and beneficial owner of a Note agrees, by accepting a direct or beneficial interest in such Note, to be bound by and consents to the application of the Write-down.

The Notes are expected to be provisionally admitted to trading on the SIX Swiss Exchange from 12 September 2018. The last trading day is expected to be the second trading day prior to the date on which the Notes are fully redeemed or the Write-down Date, as applicable, in accordance with the Conditions. Application will be made to SIX Exchange Regulation AG for listing of the Notes on the SIX Swiss Exchange. This Information Memorandum is an advertisement and not a prospectus for the purposes of Directive 2003/71/EC (as amended, the ''**Prospectus Directive**'').

The Notes are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients in the European Economic Area (the ''EEA''), as defined in the rules set out in the Markets in Financial Instruments Directive 2014/65/EU (as amended) (''MiFID II''). No key information document required by Regulation (EU) No. 1286/2014 (the ''PRIIPs Regulation'') has been prepared. Prospective investors are referred to the section headed ''Restrictions on marketing and sales to retail investors'' on page 2 of this Information Memorandum for further information.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the ''**Securities Act**''). The Notes may not be offered or sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (''**Regulation S**'')), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold only in global form (A) in the United States to persons reasonably believed to be ''qualified institutional buyers'' (as defined in Rule 144A under the Securities Act (''**Rule 144A**'')) in reliance on Rule 144A and (B) in ''offshore transactions'' to non-U.S. persons (as defined in Regulation S) in reliance on Regulation S. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A or Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of the Notes and distribution of this Information Memorandum, see ''*Notice to Investors*'' and ''*ERISA Considerations*''.

Delivery of the Notes in book-entry form will be made through The Depository Trust Company (''**DTC**''), on or about 12 September 2018. A purchaser may elect to hold interests in the Notes through either DTC (in the United States), or Clearstream Banking S.A. (''**Clearstream, Luxembourg**''), or Euroclear Bank SA/NV, or its successor, as operator of the Euroclear System (''**Euroclear**'') (outside the United States), if a purchaser is a direct participant of such systems, or indirectly through organisations which are participants in such systems. Interests held through Clearstream, Luxembourg and Euroclear will be recorded on DTC's books as being held by the U.S. depositary for each of Clearstream, Luxembourg and Euroclear, which U.S. depositaries will in turn hold interests on behalf of their participants' customers' securities accounts.

The Notes are expected upon issue to be rated BB by Fitch Ratings Ltd. (''**Fitch**'') and BB- by S&P Global Ratings Europe Limited (Niederlassung Deutschland) (''**S&P**''). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time by the assigning rating agency.

An investment in Notes involves certain risks, including the risk that Holders will lose their entire investment in the Notes. For a discussion of certain of the risks that potential investors should carefully consider before deciding to invest in the Notes, see ''*Risk Factors*''.

Sole Book-Running Manager

Credit Suisse

Joint Lead Managers

ABN AMRO **ING** **Lloyds Securities** **RBC Capital Markets**

Société Générale Corporate & Investment Banking **TD Securities** **Wells Fargo Securities**

Co-Managers

CaixaBank **Capital One Securities** **Citizens Capital Markets** **Commerzbank**

Danske Bank **Natixis** **Rabo Securities** **SunTrust Robinson Humphrey**

BB&T Capital Markets **BMO Capital Markets** **BNY Mellon Capital Markets, LLC** **CIBC Capital Markets**

Citigroup **Deutsche Bank Securities** **Fifth Third Securities** **HSBC** **Huntington Capital Markets**

KeyBanc Capital Markets **Morgan Stanley** **nabSecurities, LLC** **Regions Securities LLC** **Scotiabank**

The date of this Information Memorandum is 5 September 2018.

This Information Memorandum may only be used for the purposes for which it has been published.

The Issuer accepts responsibility (including for the purposes of Article 27 of the listing rules of the SIX Swiss Exchange and section 4 of Scheme E thereunder) for all information contained in this Information Memorandum. The information contained in this Information Memorandum is, to the best of the Issuer's knowledge, correct and no material facts or circumstances have been omitted herefrom.

This Information Memorandum is to be read in conjunction with all documents that are incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Information Memorandum shall be read and construed on the basis that such documents are incorporated and form part of this Information Memorandum.

The managers in relation to the offering (or their affiliates) (together, the "**Managers**") have not verified the information contained herein. Additionally, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated in this Information Memorandum or any other information provided by the Issuer in connection with the Notes.

No person is or has been authorised by the Issuer or the Managers to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Managers.

To the fullest extent permitted by law, the Managers accept no responsibility whatsoever for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer or the issue and offering of the Notes. The Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) that they might otherwise have in respect of this Information Memorandum or any such statement.

Neither this Information Memorandum nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Managers that any recipient of this Information Memorandum or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Information Memorandum nor any other information supplied in connection with the issue of the Notes constitutes an offer or invitation by or on behalf of the Issuer or the Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Information Memorandum nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the Notes is correct as of any time subsequent to the date indicated in the document containing the same. Each Manager expressly does not undertake to review the financial condition or affairs of the Issuer during the life of the Notes or to advise any investor in the Notes of any information coming to its attention.

RESTRICTIONS ON MARKETING AND SALES TO RETAIL INVESTORS IN THE EEA

PRIIPs Regulation / Prohibition of sales to EEA retail investors—The Notes are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer

within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance—A distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and determining appropriate distribution channels.

STABILISATION

In connection with the issue of the Notes, Credit Suisse Securities (USA) LLC (the "**Stabilising Manager**") (or any person acting on behalf of the Stabilising Manager) may over-allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE NOTES OR POSSESSES OR DISTRIBUTES THIS INFORMATION MEMORANDUM AND MUST OBTAIN ANY CONSENT, APPROVAL, OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND THE ISSUER AND THE MANAGERS SHALL NOT HAVE ANY RESPONSIBILITY THEREFOR.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and within the United States to persons reasonably believed to be QIBs in reliance on Rule 144A. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or the adequacy of this Information Memorandum. Any representation to the contrary is a criminal offence under the laws of the United States.

AVAILABLE INFORMATION

For as long as any of the Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer has agreed that it will, during any period in which it is neither subject to nor in compliance with the reporting requirements of Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, furnish, upon request, to any person in whose name such restricted securities are registered, to any owner of a beneficial interest in such restricted securities, and to any prospective purchaser of such restricted securities or beneficial interest therein designated by any such person or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

By requesting copies of the documents referred to herein or by making any other requests for additional information relating to the issue of the Notes or to the Issuer, each potential investor agrees to keep confidential the various documents and all written information which from time to time has been or will be disclosed to it, to the extent that such documents or information are not otherwise publicly available, and agrees not to disclose any portion of such information to any person except in connection with the proposed resale of the Notes or as required by law.

NOTICE TO U.S. INVESTORS

With respect to the issue and sale of the Notes in the United States, this Information Memorandum is confidential and has been prepared by the Issuer solely for use in connection with the issue of the Notes. In the United States, this Information Memorandum is personal to each person or entity to whom it has been delivered by the Issuer or the Managers or affiliates thereof. Distribution in the United States of this Information Memorandum to any person other than such persons or entities and those persons or entities, if any, retained to advise such persons or entities is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Each prospective purchaser in the United States, by accepting delivery of this Information Memorandum, agrees to the foregoing and agrees not to reproduce all or any part of this Information Memorandum. This Information Memorandum is not a prospectus for the purposes of Section 12(a)(2) or any other provision of or rule under the Securities Act.

Additionally, each purchaser of any of the Notes will be deemed to have made the representations, warranties and acknowledgements that are intended to restrict the resale or other transfer of such Notes and are described in this Information Memorandum (see "*Notice to Investors*"). The Notes have not been nor will they be registered under the Securities Act, and they are therefore subject to certain restrictions on transfer. If any Notes are transferred pursuant to Rule 144A, prospective investors are hereby notified that the seller of any Notes may be relying upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain further restrictions on resale or transfer of the Notes, see "*Notice to Investors*" below.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

Any dispute that might arise under the Notes shall fall within the exclusive jurisdiction of the Courts of Zurich, Switzerland. Furthermore, the Issuer is a corporation organised under the laws of Switzerland. Most of the officers and directors named herein reside outside the United States and all or a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside Switzerland upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside Switzerland predicated upon civil liabilities of the Issuer or such directors and officers under laws other than Swiss law, including any judgment predicated upon United States federal securities laws.

WARNING

This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in such jurisdiction. The distribution of this Information Memorandum and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Neither the Issuer nor the Managers represent that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Managers that is intended to permit a public offering of any Notes or distribution of this Information

Memorandum in any jurisdiction where action for that purpose is required other than Switzerland. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Information Memorandum and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Information Memorandum and the offer or sale of Notes in the United States, the EEA, the United Kingdom, Hong Kong, Japan, Singapore and Canada, see "*Notice to Investors*".

All references in this document to "**U.S. dollars**", "**USD**" and "**U.S.$**" refer to United States dollars and to "**CHF**" refer to Swiss francs. In addition, all references to "**euro**" and "**EUR**" refer to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

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SUMMARY

This summary must be read as an introduction to this Information Memorandum and any decision to invest in the Notes should be based on a consideration of this Information Memorandum as a whole, including the documents incorporated herein by reference.

Words and expressions defined in the Conditions shall have the same meanings when used in this summary.

Issuer	Credit Suisse Group AG. Credit Suisse Group AG (together with its consolidated subsidiaries, the "**Group**") is a global financial services company domiciled in Switzerland.
Notes	U.S.$1,500,000,000 7.250 per cent. Perpetual Tier 1 Contingent Write-down Capital Notes.
Risk Factors	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes. Certain of these factors are set out under "*Risk Factors*" below and include liquidity risks, market risks, credit risks, country and currency exchange risks, operational risks, legal and regulatory risks and competition risks, among others. In addition, there are certain factors that are material for the purpose of assessing the risks associated with the Notes. These include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of the Notes including that they are subject to a Write-down upon the occurrence of a Write-down Event, which will result in holders' loss of their entire investment in the Notes, risks relating to a Reset Rate based on a "benchmark" related to LIBOR, which could be discontinued or reformed, and certain market risks.
Sole Book-Running Manager	Credit Suisse Securities (USA) LLC.
Joint Lead Managers	ABN AMRO Securities (USA) LLC, ING Financial Markets LLC, Lloyds Securities Inc., RBC Capital Markets, LLC, Société Générale, TD Securities (USA) LLC and Wells Fargo Securities, LLC.
Co-Managers	CaixaBank, S.A., Capital One Securities, Inc., Citizens Capital Markets, Inc., Commerzbank Aktiengesellschaft, Danske Bank A/S, Natixis Securities Americas LLC, Rabo Securities USA, Inc., SunTrust Robinson Humphrey, Inc., BB&T Capital Markets, a division of BB&T Securities, LLC, BMO Capital Markets Corp., BNY Mellon Capital Markets, LLC, CIBC World Markets Corp., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Fifth Third Securities, Inc., HSBC Securities (USA) Inc., The Huntington Investment Company, KeyBanc Capital Markets Inc., Morgan Stanley & Co. LLC, nabSecurities, LLC, Regions Securities LLC and Scotia Capital (USA) Inc.
Principal Paying Agent, Custodian and Transfer Agent	Citibank, N.A., London Branch.

Swiss Paying Agent, Calculation Agent and Listing Agent	Credit Suisse AG.
Registrar	Citigroup Global Markets Europe AG.
Currency	United States dollars.
Maturity Date	The Notes are perpetual securities and have no fixed or final redemption date. Unless previously redeemed or purchased and cancelled, and provided that no Write-down Event has occurred and subject to the satisfaction of certain conditions described herein and applicable law, the Notes may be redeemed at the option of the Issuer on the First Optional Redemption Date or on any Reset Date thereafter, in whole but not in part, at 100 per cent. of their aggregate principal amount plus accrued but unpaid interest thereon.
Issue Price	100.000 per cent.
Form of Notes	Registered. The Notes that are sold outside the United States in an "offshore transaction" within the meaning of Regulation S will initially be represented by a Regulation S Global Certificate, without interest coupons, which will be deposited with a Custodian for, and registered in the name of Cede & Co. as nominee for, DTC. The Notes that are sold in the United States only to persons reasonably believed to be QIBs within the meaning of Rule 144A will initially be represented by one or more Rule 144A Global Certificates, without interest coupons, which will be deposited with a Custodian for, and registered in the name of Cede & Co. as nominee for, DTC. The provisions governing the exchange of beneficial interests in Notes represented by Global Certificates for beneficial interests in Notes represented by other Global Certificates and definitive Certificates are described in "*Terms and Conditions of the Notes—Amount, Denomination and Interest Basis and Form*" and "*Terms and Conditions of the Notes—Transfers of Notes*".
Denominations	U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Interest and Interest Payment Dates	The Notes will bear interest at an initial rate of 7.250 per cent. per annum from (and including) the Issue Date to (but excluding) the First Optional Redemption Date, and thereafter at the applicable Reset Rate to be determined by the Calculation Agent, based on the Mid-Swap Rate plus 4.332 per cent. per annum, payable, subject as provided herein, in equal instalments semi-annually in arrear on 12 March and 12 September in each year, commencing on 12 March 2019.

Discretionary Interest Payments	Payments of interest will be made at the sole discretion of the Issuer and will be subject to mandatory cancellation if CSG does not have sufficient distributable profits, does not satisfy minimum regulatory capital adequacy requirements or the Regulator prohibits such payment, as more particularly described in "*Terms and Conditions of the Notes—Interest Calculations—Cancellation of Interest; Prohibited Interest*". The cancellation or non-payment of interest shall not constitute a default for any purpose. Any interest not paid on any relevant Interest Payment Date shall not accumulate or be payable at any time thereafter, and Holders shall have no right thereto.
Status of the Notes	The Notes will constitute direct, unsecured and subordinated obligations of the Issuer and will rank *pari passu* and without any preference among themselves. The rights and claims of Holders are subordinated as described in "*Terms and Conditions of the Notes—Subordination of the Notes*". In the event of an order being made, or an effective resolution being passed, for the liquidation or winding-up of the Issuer, subject to certain exceptions as described herein under "*Terms and Conditions of the Notes—Subordination of the Notes—Subordination*", the claims of Holders against the Issuer in respect of or arising under (including, without limitation, any damages awarded for breach of any obligation under) the Notes shall rank (i) junior to all claims of Priority Creditors, (ii) *pari passu* with Parity Obligations and (iii) senior to the rights and claims of all holders of Junior Capital. "**Junior Capital**" means (i) all classes of paid-in capital in relation to shares (and participation certificates, if any) of the Issuer and (ii) all other obligations of the Issuer that rank, or are expressed to rank, junior to claims in respect of the Notes and/or any Parity Obligation; "**Parity Obligations**" means (i) all obligations of the Issuer in respect of CSG Tier 1 Instruments (excluding any such obligations that rank, or are expressed to rank, junior to claims in respect of the Notes) and (ii) any other securities or obligations (including any guarantee, credit support agreement or similar undertaking) of the Issuer that rank, or are expressed to rank, *pari passu* with the obligations of the Issuer under the Notes and/or any other Parity Obligation; and "**Priority Creditors**" means creditors of the Issuer whose claims are in respect of debt and other obligations (including those in respect of bonds, notes, debentures and guarantees) that are unsubordinated, or that are subordinated (including, but not limited to, CSG Tier 2 Instruments) and that do not, or are not expressly stated to, rank *pari passu* with, or junior to, the obligations of the Issuer under the Notes and/or any Parity Obligation.

Redemption, Substitution or Variation	Unless previously redeemed or purchased and cancelled, and provided that a Write-down Event has not occurred on or prior to the applicable date of notice or date fixed for redemption and subject to certain conditions as described herein under "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*", the Notes will be redeemable at the option of the Issuer, in whole but not in part, upon giving not less than 30 nor more than 60 days' notice to Holders notifying the date fixed for redemption, in the following circumstances: (i) at 100 per cent. of their aggregate principal amount plus accrued but unpaid interest thereon, on the First Optional Redemption Date or on any Reset Date thereafter; (ii) at 100 per cent. of their aggregate principal amount plus accrued but unpaid interest thereon, if a Tax Event occurs; or (iii) at 100 per cent. of their aggregate principal amount plus accrued but unpaid interest thereon, if a Capital Event occurs. If a Tax Event or a Capital Event has occurred and is continuing, the Issuer may, subject to certain conditions as described herein under "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*", at its option and without any requirement for the consent or approval of Holders (unless required by the mandatory provisions of Swiss law), either substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that the Notes remain or, as appropriate, become, Compliant Securities (and provided such Tax Event or, as the case may be, Capital Event, no longer continues following, and no other Tax Event or Capital Event arises as a result of, such substitution or variation), as more particularly described in "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*". A "**Tax Event**" will be deemed to have occurred if in making any payments on the Notes, the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts or has paid, or will or would be required to pay, any additional tax in respect of the Notes, as more fully described under "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*". A "**Capital Event**" will be deemed to have occurred if a change in National Regulations and/or BIS Regulations occurs on or after the Issue Date having the effect that the entire principal amount of Notes ceases to be eligible to be both (i) treated as Additional Tier 1 Capital under BIS Regulations and (ii) counted towards the Going Concern Requirement.

Write-down	**Following the occurrence of a Write-down Event, a Write-down will occur and the full principal amount of the Notes will automatically and permanently be written-down to zero on the Write-down Date.** A Write-down will result in the full principal amount of the Notes being automatically and permanently written-down to zero and all rights of Holders for payment of any accrued but unpaid interest or any other amounts under or in respect of the Notes (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) becoming null and void, irrespective of whether such amounts became due and payable prior to the occurrence of the Write-down Event, the date of the Write-down Notice or the Write-down Date. As a result, holders will lose their entire investment in the Notes. A "**Write-down Event**" means either a Contingency Event or a Viability Event. A "**Contingency Event**" will occur if CSG (or any Substitute Issuer) gives Holders a Contingency Event Notice. CSG (or any Substitute Issuer) is required to give Holders a Contingency Event Notice (within the required notice period) if as at any Reporting Date, the CET1 Ratio contained in the relevant Financial Report is below 7.00 per cent. Notwithstanding the above, if the Regulator (being, at the Issue Date, the Swiss Financial Market Supervisory Authority FINMA), at the request of CSG, has agreed on or prior to the publication of the relevant Financial Report that a Write-down shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the CET1 Ratio to a level above 7.00 per cent. that the Regulator and CSG deem, in their absolute discretion, to be adequate at such time, CSG (or any Substitute Issuer) will not be required to give Holders a Contingency Event Notice and no Contingency Event in relation thereto shall be deemed to have occurred. Subject to the above, CSG (or any Substitute Issuer) is required to give Holders a Contingency Event Notice no later than the fifth Business Day after the date of publication of the relevant Financial Report.

A "**Viability Event**" will occur if prior to a Statutory Loss Absorption Date (if any) either:

(a) the Regulator has notified CSG that it has determined that a write-down of the Notes, together with the conversion or write-down/off of holders' claims in respect of any and all other Going Concern Capital Instruments, Tier 1 Instruments and Tier 2 Instruments that, pursuant to their terms or by operation of law, are capable of being converted into equity or written down/off at that time is, because customary measures to improve CSG's capital adequacy are at the time inadequate or unfeasible, an essential requirement to prevent CSG from becoming insolvent, bankrupt or unable to pay a material part of its debts as they fall due, or from ceasing to carry on its business; or

(b) customary measures to improve CSG's capital adequacy being at the time inadequate or unfeasible, CSG has received an irrevocable commitment of extraordinary support from the Public Sector (beyond customary transactions and arrangements in the ordinary course) that has, or imminently will have, the effect of improving CSG's capital adequacy and without which, in the determination of the Regulator, CSG would have become insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business.

Following the occurrence of a Viability Event, CSG (or any Substitute Issuer) is required to give notice to Holders no later than three Business Days after the occurrence thereof.

See "*Terms and Conditions of the Notes—Write-down*" for more information.

Each Holder and Indirect Holder agrees, by accepting an interest in such Note, to be bound by and consents to the application of the Write-down.

Taxation . . . . . The Issuer will pay such Additional Amounts as may be necessary in order that the net payment received by each Holder in respect of the Notes, after withholding for any taxes imposed on the Issuer by tax authorities in Switzerland (or in any political subdivision thereof or therein having power to tax) upon payments made by or on behalf of the Issuer under the Notes will equal the amount that would have been received in the absence of any such withholding taxes, save in certain limited circumstances as more particularly set out in "*Terms and Conditions of the Notes—Taxation*". For a discussion of the U.S. federal income tax treatment of the Notes, see "*Taxation—United States*".

ERISA	Each purchaser of a Note and/or Holder and each transferee thereof will be deemed to have made certain representations regarding certain employee benefit matters. See "*Notice to Investors*" and "*ERISA Considerations*".
Events of Default	It will be an Event of Default if payment is not made for a period of 10 days or more in the case of principal due in respect of the Notes or 30 days or more in the case of interest due in respect of the Notes or certain measures are taken under Swiss bankruptcy, insolvency or other similar law with respect to the Issuer as more particularly described in "*Terms and Conditions of the Notes—Events of Default*". Holders have limited enforcement remedies, as more particularly described in "*Terms and Conditions of the Notes—Events of Default*".
Enforcement	Upon an Event of Default in respect of the Notes, Holders will have only limited enforcement remedies in the case of enforcing payment of sums due. Following an Event of Default and non payment of the relevant sums due within a statutory period following the issue of a writ of payment as required by Swiss insolvency laws, Holders may only institute proceedings against CSG in Switzerland (but not elsewhere) to enforce their rights under Swiss insolvency laws.
Issuer Substitution	The Issuer may at any time, at the discretion of the Issuer and without any requirement for the further consent of Holders, be substituted as Issuer by another entity, provided certain conditions (including the giving by CSG of a subordinated guarantee) are satisfied, as more particularly described in "*Terms and Conditions of the Notes—Meetings of Holders, Modification and Substitution—Issuer Substitution*".
Use of Proceeds	The net proceeds from the Notes, amounting to U.S.$1,477,500,000, will be used by the Issuer for its general corporate purposes, which could include investments in its subsidiaries.
Expected Rating	The Notes are expected upon issue to be rated BB by Fitch and BB- by S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time by the assigning rating agency.
Listing and Admission to Trading	Application will be made to SIX Exchange Regulation AG for listing of the Notes on the SIX Swiss Exchange. The Notes are expected to be provisionally admitted to trading on the SIX Swiss Exchange from 12 September 2018. The last trading day for the Notes is expected to be the second trading day prior to the date on which the Notes are fully redeemed or the Write-down Date, as applicable, in accordance with the Conditions.

Clearing Systems	The Notes shall be accepted for clearing through, in the United States, DTC and, outside the United States, the systems operated by Euroclear, Clearstream, Luxembourg, SIX SIS AG or any other clearing system. As the Global Certificates are to be held by, or on behalf of, DTC, Indirect Holders will have to rely on their procedures for transfers of, and payments on, the Notes and communications with the Issuer.
Governing Law/Jurisdiction	Swiss law/City of Zurich, Switzerland.
Transfer Restrictions and Selling Restrictions	The Notes are subject to restrictions on their offering, sale, delivery and transfer both generally and specifically in the United States, the EEA, the United Kingdom, Hong Kong, Japan, Singapore, Canada, Taiwan, Korea and People's Republic of China. These restrictions are described under "*Notice to Investors*" and "*Plan of Distribution*".
Rule 144A	Offers and sales in accordance with Rule 144A will be permitted, subject to compliance with all relevant, legal and regulatory requirements of the United States.
Regulation S	Offers and sales in accordance with Regulation S will be permitted, subject to compliance with all relevant, legal and regulatory requirements of the United States.
Security Codes	*Rule 144A Notes* ISIN: US225401AK46 Common Code: 187922941 CUSIP: 225401 AK4 Swiss Security Number: 43586031 *Regulation S Notes* ISIN: USH3698DBZ62 Common Code: 187922976 CUSIP: H3698D BZ6 Swiss Security Number: 43586047

RISK FACTORS

Investing in the Notes involves risk, including the risk of loss of a holder's entire investment in the Notes. Investors should reach their own investment decision with regard to the Notes only after consultation with their own financial and legal advisers about risks associated with an investment in the Notes and the suitability of investing in the Notes in light of their particular circumstances.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under, and may affect the likelihood of an occurrence of a write-down of, the Notes.

In addition, certain factors that are material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes or a Write-down Event triggering a Write-down may occur for other reasons that may not be considered significant risks by the Issuer based on information currently available to it or that it may not currently anticipate. Prospective investors should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the Notes. The information is not intended to be an exhaustive list of all potential risks associated with an investment in the Notes. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

Capitalised terms used in this section but not defined herein shall have the meanings assigned to them in the Conditions or elsewhere in this Information Memorandum. As used below, the terms "holders" and "holders of Notes" refer to both Holders and Indirect Holders of Notes unless otherwise specified.

Factors that are material for the purpose of assessing an investment in the Notes

The likelihood of an occurrence of a Write-down is material for the purpose of assessing an investment in the Notes. The Notes may be subject to a Write-down and upon the occurrence of such an event holders will lose the entire amount of their investment in the Notes.

Upon the occurrence of a Write-down Event, a Write-down will occur and the full principal amount of the Notes will be automatically and permanently written-down to zero. As a result, holders will lose the entire amount of their investment in the Notes. On the Write-down Date, (i) the full principal amount of, and any accrued interest on, the Notes will be written-down to zero, (ii) the Holders will be deemed to have irrevocably waived their rights to, and will no longer have any rights against the Issuer with respect to, repayment of the aggregate principal amount of the Notes, and the holders will be deemed to have agreed to the foregoing, (iii) all rights of any holder for payment of any accrued but unpaid interest or any other amounts under or in respect of the Notes (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) will become null and void, irrespective of whether such amounts have become due and payable prior to the occurrence of the Write-down Event, the date of the Write-down Notice or the Write-down Date, and (iv) the Notes will be permanently cancelled.

Furthermore, any Write-down will be irrevocable and, upon the occurrence of a Write-down, holders will not (i) receive any shares or other participation rights in CSG or be entitled to any other participation in the upside potential of any equity or debt securities issued by CSG or any other member of the Group, or (ii) be entitled to any write-up or any other compensation in the event of a potential recovery of CSG or any other member of the Group or any subsequent change in the CET1 Ratio or financial condition thereof. The Write-down may occur even if existing preference shares, participation certificates, if any, and ordinary shares of CSG remain outstanding.

A Write-down Event will occur if, at any time while the Notes are outstanding, a Contingency Event or Viability Event occurs.

A Contingency Event will occur if the Issuer or, following any substitution under Condition 13(c), the Substitute Issuer or CSG gives Holders a Contingency Event Notice. A Contingency Event Notice shall be required to be given if the CET1 Ratio, calculated as of any Reporting Date, falls below 7.00 per cent., unless the Regulator, at the request of CSG, agrees that a Write-down should not occur—for more information, see "*Terms and Conditions of the Notes—Write-down*".

A Viability Event will occur if, prior to a Statutory Loss Absorption Date (if any), the Regulator makes the determination that the circumstances described in paragraph (A) or paragraph (B) of the definition of "Viability Event" has occurred—for more information, see "*Terms and Conditions of the Notes—Write-down*". Any such event could occur before formal insolvency proceedings would be commenced in respect of CSG.

Investors should understand that the determination of whether a Write-down Event has occurred will be made on the basis of the CET1 Ratio calculated by CSG with respect to the Group and other circumstances relating to CSG. For more information on CSG, see "*Credit Suisse Group AG*" below, and for more information on the possibility of the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**") having increased authority in case of resolution proceedings involving banks, and bank holding companies in Switzerland, see "*Risk Factors—Legal and regulatory risks—Regulatory changes may adversely affect the Group's business and ability to execute its strategic plans*".

Investors should note that, as at the date hereof, the agreed-upon procedures referred to in the definition of Interim Capital Report in Condition 18 will be provided solely for the exclusive use of FINMA and cannot be relied upon by any person other than FINMA without the written consent of the Auditor.

Each Holder and beneficial owner of a Note agrees, by accepting a direct or beneficial interest in such Note, to be bound by and consents to the application of the Write-down.

The circumstances triggering a Write-down are unpredictable. Future regulatory or accounting changes to the calculation of the CET1 Amount and/or RWA Amount may negatively affect the CET1 Ratio and thus increase the risk of a Contingency Event, which will lead to a Write-down, as a result of which holders will lose the entire amount of their investment in the Notes.

The occurrence of a Contingency Event or Viability Event is inherently unpredictable and depends on a number of factors, many of which are outside of the Issuer's control.

The occurrence of a Contingency Event depends, in part, on the calculation of the CET1 Ratio, which can be affected, among other things, by the growth of CSG's business and its future earnings; expected dividend payments by CSG; regulatory changes (including possible changes in regulatory capital definitions and calculations) and CSG's ability to mitigate risk weighted assets ("**RWA**") in exit businesses, structured products, emerging markets and derivatives. The calculation may also be affected by changes in applicable accounting rules, or by changes to regulatory adjustments modifying the regulatory capital impact of accounting rules. Moreover, even if changes in applicable accounting rules or the related changes to regulatory adjustments are not applicable as of the relevant calculation date, the Regulator could require CSG to reflect such changes in any particular calculation of the CET1 Ratio. Those accounting changes or regulatory changes may have a material adverse impact on the calculation of the CET1 Amount and RWA Amount used to calculate the CET1 Ratio. Moreover, pursuant to the Ordinance concerning Capital Adequacy and Risk Diversification for Banks and Securities Dealers dated 1 June 2012, as amended (the "**Capital Adequacy Ordinance**"), CSG is permitted, insofar as its Going Concern Requirement is met, and in line with international requirements, to allocate capital, including Common Equity Tier 1 Capital, to gone concern capital (see

"*Information Regarding the CET1 Ratio and Swiss Capital Ratios—Regulatory Capital Framework—Swiss Requirements*" for more information on gone concern capital and the gone concern requirement under the Capital Adequacy Ordinance). If it were to choose to do so, any such Common Equity Tier 1 Capital would no longer be included in the CET1 Ratio and the CET1 Ratio would be reduced accordingly. Any such re-allocation could make the occurrence of a Contingency Event more likely and would not be subject to any approval or consent by Holders or any beneficial owner of a Note. Furthermore, although CSG reports the CET1 Ratio only as of each quarterly period end, the Regulator as part of its supervisory activity may instruct CSG to calculate the CET1 Ratio as of any date during such periods. The CET1 Ratio and other capital metrics fluctuate during any reporting period in the ordinary course of business. A Contingency Event could, therefore, occur at any time if the CET1 Ratio as of any such date is below 7.00 per cent. For additional information on CSG's capital ratios and the relevant regulatory framework including expected effects of the phase-in requirements on the calculation of the CET1 Ratio, see "*Information Regarding the CET1 Ratio and Swiss Capital Ratios*" below.

Furthermore, regulatory changes that may occur that affect the basis of CSG's calculation of the CET1 Ratio subsequent to the date of this Information Memorandum may individually or in the aggregate negatively affect the CET1 Ratio and thus increase the risk of a Write-down, as a result of which Holders will lose the entire amount of their investment in the Notes and have no further rights against the Issuer with respect to the repayment of the principal amount of, or the payment of interest on, the Notes.

The occurrence of a Viability Event, and a Write-down resulting therefrom, is subject to, *inter alia*, a subjective determination by the Regulator as more particularly described below and in "*Terms and Conditions of the Notes—Write-down—Write-down Event—Viability Event*". As a result, the Regulator may require and/or the federal government may take actions contributing to the occurrence of a Write-down in circumstances that are beyond the control of CSG and with which CSG does not agree.

The Regulator may notify CSG that it has determined that a write-down of the Notes, together with the conversion or write-down/off of holders' claims in respect of any and all other Going Concern Capital Instruments, Tier 1 Instruments and Tier 2 Instruments that, pursuant to their terms or by operation of law, are capable of being converted into equity or written-down/off at that time, is, because customary measures to improve CSG's capital adequacy are at the time inadequate or unfeasible, an essential requirement to prevent CSG from becoming insolvent, bankrupt or unable to pay a material part of its debts as they fall due, or from ceasing to carry on its business. Additionally, if measures to improve CSG's capital adequacy are at the time inadequate or unfeasible and if CSG has received an irrevocable commitment of extraordinary support from the federal or central government or central bank in CSG's country of incorporation (beyond customary transactions and arrangements in the ordinary course) that has, or imminently will have, the effect of improving CSG's capital adequacy, the Regulator may determine that, without such irrevocable commitment, CSG would have become insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business. Such a notification or determination by the Regulator will constitute a Viability Event.

Because of the inherent uncertainty regarding the determination as to whether a Contingency Event or a Viability Event has occurred, it will be difficult to predict when, if at all, a Write-down will occur. Accordingly, trading behaviour in respect of the Notes is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that CSG is trending towards a condition that could trigger a Contingency Event or a Viability Event can be expected to have a material adverse effect on the market price of the Notes.

Payments of interest are discretionary and cancellation of interest is mandatory in certain circumstances.

Payment of interest on any Interest Payment Date is at the discretion of the Issuer. The Issuer may elect not to pay interest, in whole or in part, on any Interest Payment Date. The Issuer may make such election for any reason. The Issuer will be obliged to cancel interest payments if CSG does not have sufficiently distributable profits, does not satisfy minimum regulatory capital adequacy requirements or the Regulator prohibits such payment, as more particularly described in "*Terms and Conditions of the Notes—Interest Calculations—Cancellation of Interest; Prohibited Interest*".

Any interest that is not paid on the applicable Interest Payment Date shall not accumulate or be payable at any time thereafter and Holders shall have no right thereto. Thus, any interest not paid as a result of any of the above described reasons will be lost and the Issuer will have no obligation to make payment of such interest or to pay interest thereon.

Furthermore, if the Issuer is prohibited from making interest payments or exercises its discretion not to pay interest on any Interest Payment Date, the Issuer will not be restricted from making distributions or any other payments to the holders of any securities ranking *pari passu* with the Notes.

See "*Terms and Conditions of the Notes—Interest Calculations*".

Other regulatory capital instruments may not be subject to conversion into equity or a write-down.

The terms and conditions of other regulatory capital instruments already in issue or to be issued after the date hereof by CSG or any of its Subsidiaries may vary and accordingly such instruments may not convert into equity or be written-down at the same time, or to the same extent, as the Notes, or at all.

The Notes are a novel form of security and may not be a suitable investment for all investors.

The Notes are a novel form of security. As a result, an investment in the Notes will involve increased risks. Each potential investor in the Notes must determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Notes, such as the provisions governing a Contingency Event, particularly the calculation of CSG's capital ratios (including the CET1 Ratio, the CET1 Amount and the RWA Amount), or a Viability Event, and be familiar with the behaviour of any relevant financial markets and their potential impact on the likelihood of a Write-down Event occurring; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment, a Write-down, and its ability to bear the applicable risks.

The Notes are novel and complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase

complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of a Write-down, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Information Memorandum or incorporated by reference herein.

The Issuer may, in its sole discretion, elect to redeem the Notes on the First Optional Redemption Date or on any Reset Date thereafter or upon the occurrence of certain events.

The Notes may be redeemed, subject to the conditions described under "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*" (including the approval of the Regulator, which is subject to, among others, the remaining regulatory capital following such redemption still satisfying the Swiss requirements or the issuance of a sufficient amount of regulatory capital that is at least equivalent to the regulatory capital being redeemed), in the Issuer's sole discretion, in whole but not in part, at 100 per cent. of their aggregate principal amount, together with accrued but unpaid interest, on the First Optional Redemption Date or on any Reset Date thereafter, or at any time upon the occurrence of a Tax Event or a Capital Event. The Notes may not be repurchased or redeemed by CSG at the option of the Holder.

CSG may be expected to exercise its right to redeem all or part of the Notes when its cost of alternative borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider whether and how to reinvest the proceeds of such redemption in light of other investments available at that time. There can be no assurance that holders will be able to reinvest the redemption proceeds at a rate that will provide the same rate of return as their investment in the Notes.

In addition, the redemption feature of the Notes is likely to affect their market value. During any period when the Issuer has the right to elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed.

There is no requirement to redeem the Notes or any other capital instruments of the Group on a *pro rata* basis upon the occurrence of any event giving the Issuer the right to redeem the Notes. Also, upon the occurrence of any event giving the Issuer the right to redeem the Notes, the Issuer or any other member of the Group, as applicable, may, instead of redeeming the Notes, choose to redeem other outstanding capital instruments if the terms of those capital instruments so provide, leaving holders subject to the risk of a Write-down while other investors are redeemed at par or other advantageous prices.

For further information, please see "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*".

The Notes have a Reset Rate based on a "benchmark", and any discontinuation or reform of such benchmark may adversely affect the value of and return on the Notes.

The Reset Rate for a Reset Period is the aggregate of the Reset Margin and the Mid-Swap Rate for that Reset Period. The Mid-Swap Rate (which is currently the rate displayed on USDSFIX) is calculated by reference to the London interbank offered rate ("**LIBOR**"), a "benchmark" that is the subject of ongoing national and international regulatory scrutiny and reform. On 27 July 2017, the United Kingdom Financial Conduct Authority (the "**FCA**") announced that it intends to stop

persuading or compelling banks to submit rates for the calculation of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. These reforms may cause LIBOR (and, as a consequence, the Mid-Swap Rate) to perform differently to how it has performed in the past or to be discontinued entirely and may have other consequences that cannot be predicted. Any such consequences could adversely affect the value of and return on the Notes.

Any of the proposals for reform or the general increased regulatory scrutiny of LIBOR could increase the costs and risks of administering or otherwise participating in the setting of LIBOR and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to LIBOR, trigger changes in the rules or methodologies used in LIBOR or lead to the discontinuation or unavailability of quotes of LIBOR and, therefore, the Mid-Swap Rate.

To the extent the rate that appears on the Relevant Reset Screen Page for purposes of determining the Mid-Swap Rate (the "**Existing Rate**") does not appear on the Relevant Reset Screen Page at the relevant time on any Reset Determination Date, the Mid-Swap Rate for the relevant Reset Period will be determined using the alternative methods described in the definition of "Mid-Swap Rate" found in Condition 6(d). Any of these alternative methods may result in interest payments that are lower than or that do not otherwise correlate over time with the payments that would have been made on the Notes if the Existing Rate was available in its current form. Further, the same costs and risks that may lead to the discontinuation or unavailability of LIBOR (and as a consequence, the Existing Rate) may make one or more of these alternative methods impossible or impracticable to determine. The final alternative method set forth in the Conditions sets the Mid-Swap Rate for a Reset Period at the same rate as the immediately preceding Reset Period (or, if none, the Initial Fall-Back Mid-Swap Rate), effectively eliminating the reset of the Initial Interest Rate, with the Notes maintaining the same rate of interest for the remaining life of the Notes. Any of the foregoing may have an adverse effect on the value of the Notes.

Notwithstanding the alternative methods for determining the Mid-Swap Rate described in Condition 6(d), if the Calculation Agent determines at any time that the Existing Rate has been discontinued, then it will determine whether to use a substitute or successor rate that it has determined in its sole discretion is most comparable to the Existing Rate (such substitute or successor rate, the "**Replacement Rate**") for purposes of determining the Mid-Swap Rate on each Reset Determination Date falling on or thereafter. If the Calculation Agent determines to use a substitute or successor rate pursuant to the immediately preceding sentence, it shall select such rate in its sole discretion, provided that, if it determines that there is an appropriate industry-accepted successor rate to the Existing Rate, it shall select such industry-accepted successor rate. Furthermore, if the Calculation Agent has determined to use a Replacement Rate, (a) the Calculation Agent will in its sole discretion determine (i) the method for obtaining the Replacement Rate (including any alternative method for determining the Replacement Rate if such substitute or successor rate is unavailable on the relevant Reset Determination Date), which method must be consistent with industry-accepted practices for the Replacement Rate, and (ii) any adjustment factor as may be necessary to make the Replacement Rate comparable to the Existing Rate had it not been discontinued, consistent with industry-accepted practices for the Replacement Rate; (b) references to the Mid-Swap Rate shall be deemed to be references to the Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in sub-clause (a) above; and (c) if the Calculation Agent in its sole discretion determines that changes to the definitions of Business Day, Day Count Fraction, Reset Determination Date, Relevant Reset Screen Page or Specified Time are necessary in order to implement the Replacement Rate as the Mid-Swap Rate, such definitions shall be amended as contemplated in Condition 13(b) to reflect such changes. The use of a Replacement Rate, including the determination to use (or not use) an adjustment factor, may result in interest payments that are lower

than or that do not otherwise correlate over time with the payments that could have been made on the Notes if the Existing Rate was still available in the form it was available as of the Issue Date. Furthermore, any exercise by the Calculation Agent of the discretion described herein could adversely affect the market price for the Notes. In addition, the Calculation Agent is an affiliate of the Issuer and any exercise of such discretion may present the Issuer or the Calculation Agent with a conflict of interest. If the Existing Rate has been discontinued and the Calculation Agent does not determine a Replacement Rate, then the Mid-Swap Rate will be determined using the alternative methods described in the immediately preceding paragraph. In such case, such alternative methods may not only have the effects described in such paragraph, but may also result in interest payments that are lower than those that would have been made on the Notes if a Replacement Rate had been determined.

The Notes are subject to the provisions of the laws of Switzerland, which may change and have a material adverse effect on the terms and market value of the Notes.

The Conditions of the Notes are based on Swiss law. No assurance can be given as to the impact of any possible judicial decision or change to Swiss law or administrative practice after the date of this Information Memorandum.

Changes in the laws of Switzerland after the date hereof may also affect the rights and effective remedies of Holders as well as the market value of the Notes. Such changes in law may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on investment in the Notes.

In particular, any amendment of the Swiss Banking Act or any amendment or implementation of an implementing ordinance in respect of the provisions in the Swiss Banking Act could impact the calculation of the CET1 Ratio, the CET1 Amount and the RWA Amount. Because the occurrence of a Contingency Event depends, in part, on the calculation of the CET1 Ratio, any change in Swiss law that could affect the calculation of the CET1 Ratio could also affect the determination of whether a Contingency Event has occurred. This uncertainty relates to one of the principal terms of the Notes and any uncertainty regarding this term can be expected to have an adverse effect on the market value of the Notes.

In addition, any change in the National Regulations and/or BIS Regulations that occurs on or after the Issue Date having the effect that the entire principal amount of the Notes ceases to be eligible to be treated as both Going Concern Capital under National Regulations and Additional Tier 1 Capital under BIS Regulations, would trigger a Capital Event, and any change under the laws or regulations of Switzerland, including any treaty to which Switzerland is a party, or any change in the generally published application or interpretation of such laws, including a decision of any court or tribunal or any relevant tax authority, that would cause the Issuer to have to pay Additional Amounts under the Notes would trigger a Tax Event, at which time the Issuer has the option, subject to certain conditions (a) to substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Compliant Securities, or (b) to redeem the Notes in whole but not in part. In any such case, the Notes could cease to be outstanding, which could materially and adversely affect investors and frustrate investment strategies and goals.

In addition, such legislative and regulatory uncertainty could affect an investor's ability accurately to value the Notes and therefore affect the trading price of the Notes given the extent and impact on the Notes of one or more regulatory or legislative changes, including the ones described above.

In certain instances, the Issuer could substitute or vary the terms of the Notes and Holders may be bound by certain other amendments to the Notes to which they did not consent.

If at any time a Capital Event or a Tax Event (each as defined in the Conditions) occurs and is continuing, in addition to its option to redeem the Notes, the Issuer has the option, without the need

for any consent of Holders (unless then so required by the mandatory provisions of Swiss law), to substitute all (but not some only) of the Notes for, or vary the terms of the Notes so that they remain or, as appropriate, become, Compliant Securities, as described under "*Terms and Conditions of the Notes—Redemption, Substitution, Variation and Purchase*". While the Issuer cannot so substitute the Notes for securities that have, or so vary the terms of the Notes so that they have, economic terms materially less favourable to a Holder than the terms of the Notes, no assurance can be given as to whether any such substitution or variation will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such substituted or varied Notes could be different for some categories of holders from the tax and stamp duty consequences for them of holding the Notes.

Furthermore, if the Calculation Agent determines that the Existing Rate has been discontinued, it will determine whether to use a substitute or successor rate for purposes of determining the Mid-Swap Rate on each Reset Determination Date falling on or thereafter that it has determined in its sole discretion is most comparable to such discontinued rate, and the terms of the Notes will be amended accordingly, without the need for any consent of Holders. See "*Risk Factors—The Notes have a Reset Rate based on a "benchmark", and any discontinuation or reform of such benchmark may adversely affect the value of and return on the Notes*".

In addition, the Issuer may, subject to certain conditions, without the consent of the Holders, substitute any Subsidiary of CSG (whether or not such entity is organised under the laws of Switzerland) for itself as principal debtor under the Notes upon giving no more than 30 and no less than 10 days' notice to the Holders in accordance with Condition 17, all as more fully described in Condition 13(c).

The Notes are also subject to statutory provisions of Swiss law allowing for the calling of meetings of Holders to consider matters affecting their interests. These provisions permit defined majorities to bind all Holders, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

Pursuant to the mandatory provisions of Swiss law currently in effect, (i) the Issuer will be required to provide Holders with at least ten days' notice of any meeting of Holders, (ii) the Issuer will be required to call a meeting of Holders within 20 days if it is requested to do so by Holders holding Notes in an aggregate principal amount that represents at least one-twentieth of the outstanding aggregate principal amount of the Notes, and (iii) only Holders or their proxies will be entitled to attend, or vote at, a meeting of Holders.

In addition, the requirements under Swiss law currently in effect regarding the approval by Holders of amendments to the Conditions will depend on the type of amendment. Pursuant to Article 1170 of the Swiss Code of Obligations, the consent of Holders representing at least two-thirds of the outstanding aggregate principal amount of the Notes is required for any resolution limiting Holders' rights under the Conditions (such as a moratorium on interest or capital and certain amendments to the interest provisions). In addition, in order to become effective and binding on the non-consenting Holders, any such resolution must be approved by the competent superior cantonal composition court. In the case of resolutions that do not limit Holders' rights under the Conditions, pursuant to Article 1181 of the Swiss Code of Obligations, an absolute majority of the votes represented at a meeting of Holders is sufficient to approve any such resolution, unless Article 1170 of the Swiss Code of Obligations or the Conditions provide for more stringent requirements.

Holders will bear the risk of fluctuations in the CET1 Ratio.

The market price of the Notes is expected to be affected by fluctuations in the CET1 Ratio. Fluctuations in the CET1 Ratio may be caused by changes in the CET1 Amount and/or the RWA Amount (each of which shall be calculated by CSG on a consolidated basis), as well as changes to their respective definitions under relevant capital adequacy standards and guidelines. Any indication that the CET1 Ratio is trending towards a Contingency Event can be expected to have a material adverse effect on the market price of the Notes.

The interest rate on the Notes will reset on the First Optional Redemption Date and on each fifth anniversary thereafter, which can be expected to affect the market value of the Notes.

The Notes will initially bear interest from and including the Issue Date to (but excluding) the First Optional Redemption Date at an initial rate of 7.250 per cent. per annum, and thereafter at the applicable Reset Rate to be determined by the Calculation Agent, based on the Mid-Swap Rate plus 4.332 per cent. per annum, in each case, payable, as described herein, in equal instalments semi-annually in arrear on 12 March and 12 September in each year. Any Reset Rate could be less than the initial interest rate of 7.250 per cent. per annum and could therefore adversely affect the market value of an investment in the Notes. See also "*Risk Factors—The Notes have a Reset Rate based on a "benchmark", and any discontinuation or reform of such benchmark may adversely affect the value of and return on the Notes*".

The Notes are perpetual securities and have no fixed or final redemption date.

The Notes are perpetual securities, which means they have no scheduled repayment date. The Issuer is under no obligation to redeem the Notes at any time before the date on which voluntary or involuntary liquidation proceedings are instituted in respect of the Issuer (should such proceedings ever be instituted). Holders will have no right to call for the Notes' redemption.

The obligations of the Issuer under the Notes are subordinated.

In the event of the liquidation, dissolution or winding-up of CSG prior to a Write-down having occurred, the rights and claims of Holders against CSG in respect of or arising under (including, without limitation, any damages awarded for breach of any obligation under) the Notes shall rank junior to all claims of Priority Creditors, *pari passu* with Parity Obligations and senior to the rights and claims of all holders of Junior Capital.

Therefore, if CSG were liquidated, dissolved or wound-up, CSG's liquidator would first apply assets of CSG to satisfy all claims of Priority Creditors. If CSG does not have sufficient assets to settle claims of Priority Creditors in full, the claims of Holders will not be settled and, as a result, holders will lose the entire amount of their investment in the Notes. The Notes will share equally in payment with the subordinated obligations of CSG in respect of CSG Tier 1 Instruments, or Parity Obligations, if CSG does not have sufficient funds to make full payments on all of them. In such a situation, holders could lose all or part of their investment in the Notes.

Additionally, under certain circumstances, FINMA has the power to open restructuring proceedings with respect to CSG under Swiss banking laws (see "*Risk Factors—CSG is subject to the resolution regime under Swiss banking laws and regulations*" below), and, if the Notes have not already been subject to a Write-down, could convert the Notes into equity or cancel the Notes, in each case, in whole or in part. Holders should be aware that, in the case of any such conversion into equity, FINMA would follow the order of priority set out under Swiss banking laws, which means, among other things, that the Notes would have to be converted prior to the conversion of any of CSG's subordinated debt that does not qualify as regulatory capital with a contractual write-down or conversion feature. Furthermore, in the case of any such cancellation, FINMA may not be required to follow any order of priority, which means, among other things, that the Notes could be cancelled in whole or in part prior to the cancellation of any or all of CSG's equity capital.

In addition, upon the occurrence of a Write-down prior to the liquidation, dissolution or winding-up of CSG, the full principal amount of, and any accrued interest on, the Notes will be automatically and permanently written-down to zero on the Write-down Date, and, as a result, each Holder will lose the entire amount of its investment in the Notes, and will not have any rights against CSG with respect to repayment of the principal amount of the Notes (whether or not such principal amount has become due) or the payment of interest on such Notes (or any related Additional Amounts), irrespective of whether CSG has sufficient assets available to settle the claims of Holders

under the Notes or other securities subordinated to the same or greater extent than the Notes, in liquidation, dissolution or winding-up proceedings or otherwise.

There are limited remedies available under the Notes.

In accordance with the Basel III requirements for additional tier 1 instruments, and as more particularly described in "*Terms and Conditions of the Notes—Events of Default*", the Notes contain limited Events of Default, confined to non-payment of sums due on the Notes for specified periods and the commencement of proceedings for the winding up, dissolution or liquidation of CSG or, *inter alia*, the taking of certain proceedings under Swiss bankruptcy and insolvency laws in relation to CSG.

Upon an Event of Default, Holders have only limited enforcement remedies. In the case of enforcing payment of sums due, Holders are limited to the institution of proceedings in Switzerland (but not elsewhere) to enforce their rights under Swiss insolvency laws. Following an Event of Default and non-payment of the relevant sums due within a statutory period following the issue of a writ of payment as required by Swiss insolvency laws, Holders may only institute proceedings against CSG in Switzerland (but not elsewhere) to enforce their rights under Swiss insolvency laws.

There is no restriction on the amount or type of further securities or indebtedness that CSG may issue.

There is no restriction on the amount or type of further securities or indebtedness that CSG may issue, incur or guarantee, as the case may be, that rank senior to, or *pari passu* with, the Notes. The issue or guaranteeing of any such further securities or indebtedness may limit the ability of CSG to meet its obligations under the Notes. In addition, the Notes do not contain any restriction on the Issuer issuing securities with similar, different or no Contingency Event or Viability Event provisions.

Credit ratings may not reflect all risks. Changes to the credit ratings could affect the value of the Notes.

One or more independent credit rating agencies may assign credit ratings to the Issuer or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. The Notes are expected upon issue to be rated BB by Fitch and BB- by S&P. There can be no assurance that the methodology of these rating agencies will not evolve or that such ratings will not be suspended, reduced or withdrawn at any time by Fitch or S&P. Further, such credit rating may be revised downwards in the event of a deterioration in the capital position or viability of CSG. A rating is not a recommendation to buy, hold or sell securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The Global Certificates are held by or on behalf of DTC and investors will have to rely on their procedures for transfer, payment, voting and communication with the Issuer.

The Notes will be represented by Global Certificates deposited with the Custodian for DTC. Except in certain limited circumstances described in the Global Certificates, investors will not be entitled to receive Notes in definitive form. DTC will maintain records of the beneficial interests in the Global Certificates. While the Notes are represented by one or more Global Certificates, investors will be able to trade their beneficial interests only through DTC or any other clearing system, as applicable.

Delivery of the Notes in book-entry form will be made through DTC. Purchasers may elect to hold interests in the Notes through either DTC (in the United States), or Clearstream, Luxembourg or Euroclear (outside of the United States), if such purchasers are participants of such systems, or indirectly through organisations which are participants in such systems. Interests held through Clearstream, Luxembourg and Euroclear will be recorded on DTC's books as being held by the U.S. depositary for each of Clearstream, Luxembourg and Euroclear, which U.S. depositaries will in turn hold interests on behalf of their participants' customers' securities accounts.

A holder of a beneficial interest in a Global Certificate (i.e., an Indirect Holder) must rely on the procedures of DTC or any other clearing system to receive payments under the Notes. CSG has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificates.

Holders of beneficial interests in the Global Certificates will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are authorised to do by DTC through the granting of written proxies as described in Condition 2(b)(i)(c) and Condition 13(a).

Any transfer of Notes that is initiated prior to the delivery of a Write-down Notice to DTC specifying the occurrence of a Write-down Event but that is scheduled to settle after receipt of the Write-down Notice by DTC will be rejected by DTC and will not settle within DTC.

Following the receipt of the Write-down Notice by DTC, DTC shall suspend all clearance and settlement of the Notes. As a result, holders will not be able to settle the transfer of any Notes following the receipt of the Write-down Notice by DTC due to the suspension of settlement activities with respect to the Notes within DTC. In addition, any sale or other transfer of Notes or any beneficial interest therein that a holder may have initiated prior to the receipt of the Write-down Notice by DTC that is scheduled to settle following the receipt of the Write-down Notice by DTC will be rejected by DTC and will not be settled within DTC. In this circumstance, transferors of any such Notes or any beneficial interest therein would not receive any consideration through DTC in respect of such intended transfer because DTC will not settle such transfer.

The Notes are not covered by any government compensation or insurance scheme and do not have the benefit of any government guarantee.

An investment in the Notes will not be covered by any compensation or insurance scheme of any government agency of Switzerland or any other jurisdiction and the Notes do not have the benefit of any government guarantee. The Notes are the obligations of CSG only and Holders must solely look to CSG for the performance of CSG's obligations under the Notes. In the event of the insolvency of CSG, a holder may lose all or some of its investment in the Notes.

CSG is a holding company and relies on its subsidiaries for all funds necessary to meet its financial obligations.

CSG is a holding company and its direct and indirect subsidiaries conduct all of its operations and own all of its assets. CSG has no significant assets other than the partnership interests, stock and other equity interests in its subsidiaries, and any claims under any loans to or other investments it makes in members of the Group from time to time, including those that it may make with the net proceeds it receives from the issuance of the Notes. CSG's direct and indirect subsidiaries are separate and distinct legal entities and, under certain circumstances, legal and contractual restrictions may limit the ability of these subsidiaries to provide CSG with funds for its payment obligations under the Notes, whether by dividends, distributions, loans or other payments. For example, there are various regulatory requirements applicable to some of CSG's subsidiaries that limit their ability to pay dividends and make loans and advances to CSG. Any distribution of earnings to CSG from its subsidiaries, or advances or other distributions of funds by these subsidiaries to CSG, all of which are subject to statutory or contractual restrictions, are contingent upon the subsidiaries' earnings and are subject to various business considerations.

Moreover, certain of the CSG's direct and indirect subsidiaries may be subject to (or may be subject to the exercise of statutory powers of a regulator that are similar to) the write-down and conversion powers of the Regulator that may be exercised during restructuring proceedings opened with respect to the relevant subsidiary and/or the Regulator's power to order protective measures (in each

case as described under "*Risk Factors—CSG is subject to the resolution regime under Swiss banking laws and regulations*" below) and/or requirements with respect to loss-absorbing capacity that could impact their ability to repay any loans CSG has made to, or other investments CSG has made in, such subsidiary, including those that it may make with the net proceeds it receives from the issuance of the Notes. These requirements and/or limitations could impact CSG's ability to pay amounts due under the Notes.

Additionally, since the creditors of any of CSG's subsidiaries would generally have a right to receive payment that is superior to CSG's right to receive payment as shareholder from the assets of that subsidiary, Holders will be effectively subordinated to creditors of CSG's subsidiaries.

CSG is subject to the resolution regime under Swiss banking laws and regulations.

CSG is the Swiss parent company of a financial group, which means that under the Swiss Banking Act, FINMA is able to exercise its broad statutory powers thereunder with respect to CSG, including its powers to order protective measures, institute restructuring proceedings (and exercise any Swiss resolution powers in connection therewith), and institute liquidation proceedings, if there is justified concern that CSG is over-indebted, has serious liquidity problems or, after the expiry of a deadline, no longer fulfils capital adequacy requirements.

Protective measures may be ordered even before a Write-down Event has occurred. Such protective measures may include (a) giving instructions to the governing bodies of CSG, (b) appointing an investigating agent, (c) stripping governing bodies of CSG of their power to legally represent CSG or remove them from office, (d) removing the regulatory or company-law audit firm from office, (e) limiting CSG's business activities, (f) forbidding CSG to make or accept payments or undertake security trades, (g) closing down CSG, or (h) except for mortgage-secured receivables of central mortgage bond institutions, ordering a moratorium or deferral of payments. CSG will have limited ability to challenge any such protective measures. Additionally, holders of the Notes would have no right under Swiss law and in Swiss courts to reject, seek the suspension of, or to challenge the imposition of any such protective measures.

Resolution powers that may be exercised during restructuring proceedings with respect to CSG include the power to (a) transfer the assets, or portions thereof, together with debt and other liabilities, or portions thereof, and contracts, to another entity, (b) stay (for a maximum of two business days) the termination of, and the exercise of rights to terminate, netting rights, rights to enforce or dispose of certain types of collateral or rights to transfer claims, liabilities or certain collateral under, contracts to which the entity subject to such restructuring proceedings is a party, and/or (c) partially or fully convert into equity of CSG and/or write-down the obligations of CSG, including the Notes, if not already written-down pursuant to their terms. Creditors, including holders of the Notes, will have no right to reject, or to seek the suspension of, any restructuring plan pursuant to which such resolution powers are exercised with respect to CSG. Holders of the Notes will have only limited rights to challenge any decision to exercise resolution powers with respect to CSG or to have that decision reviewed by a judicial or administrative process or otherwise.

While the terms of the Notes provide for a contractual write-down of the full principal amount of the Notes upon the occurrence of a Write-down Event, there can be no assurance that the taking of any actions by FINMA, or any other authority in Switzerland that is competent at the relevant time, with respect to CSG would not as well or instead of the contractual write-down adversely affect the rights of holders of the Notes, the price or value of an investment in the Notes and/or CSG's ability to satisfy its obligations under the Notes.

International Exchange of Information in Tax Matters.

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters, which applies to all 28 EU member states and some

other jurisdictions. In addition, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**"), and based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on such agreements and the implementing laws of Switzerland, depending on the date of effectiveness of the applicable agreement, Switzerland began in 2017, or will begin at a later date, to collect data in respect of financial assets (including Notes) held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state, and began in 2018, or will at a later date begin, as the case may be, to exchange it with the authorities in the relevant jurisdiction. In addition, Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements to which Switzerland is a party can be found on the website of the State Secretariat for International Financial Matters (SIF).

In addition, if the financial institution through which an investor holds its account is located in a jurisdiction that has entered into an intergovernmental agreement to implement FATCA, or a jurisdiction that has committed to the implementation of the OECD Standard for Automatic Exchange of Financial Account Information—Common Reporting Standard (the "**CRS**"), the financial institution may be required to determine whether accounts held in the financial institution are held directly or indirectly by U.S. persons (in the case of FATCA) or by residents of the jurisdictions that have implemented CRS (in the case of CRS). Accordingly, investors may be required to provide the financial institution through which the investor holds its account with information about the investor's identity, tax status, and if required, the investor's direct and indirect owners. This information may be provided, directly or indirectly, to the investor's home taxing jurisdiction, and may also be provided to the jurisdiction in which the investor holds its account, if different. Investors should consult their own tax advisers regarding the potential implications of AEOI, FATCA, CRS and other similar systems for collecting and reporting account information.

Potential changes in Swiss withholding tax legislation.

On 4 November 2015, the Swiss Federal Council announced that it had mandated the Swiss Federal Finance Department to appoint a group of experts to prepare a proposal for a reform of the Swiss withholding tax system. The proposal is expected to, among other things, replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. This paying agent-based regime is expected to be similar to the one contained in the draft legislation published by the Swiss Federal Council on 17 December 2014, which was subsequently withdrawn on 24 June 2015. Further, on 23 October 2017, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council filed a parliamentary initiative reintroducing the request to replace the current debtor-based regime applicable to interest payments with a paying agent-based system for Swiss withholding tax. The initiative requests a paying agent-based system that (i) subjects all interest payments made by paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) provides an exemption from Swiss withholding tax for interest payments to all other persons (including Swiss corporations). If such a new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any interest payments in respect of a Note by any person other than the Issuer, the Holder would not be entitled to receive any Additional Amounts as a result of such deduction or withholding under the terms of the Notes.

The Notes have a minimum denomination.

The Notes consist of a minimum Specified Denomination of U.S.$200,000 plus integral multiples of U.S.$1,000 in excess thereof and it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. Holders should be aware that Notes held in an amount that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade. In addition, a holder who holds an amount which is less than the

minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

No public market exists for the Notes, and there are uncertainties regarding the existence of any trading market for the Notes.

The Notes are new securities that may not be widely distributed and for which there is currently no active trading market. If the Notes are traded after their initial issuance, they may trade at a discount to their issue price, depending upon prevailing interest rates, the market for similar securities, general economic conditions, CSG's results of operations and fluctuations in CSG's capital ratios. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for the Notes as they are especially sensitive to interest rate, currency and market risks, are designed for specific objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

Although application will be made for the admission to trading and listing of the Notes on the SIX Swiss Exchange, there can be no assurance that such application will be accepted or that an active trading market in the Notes will develop. Accordingly, there can be no assurance as to the development or liquidity of any trading market for the Notes. Illiquidity may have a severely adverse effect on the market value of the Notes.

The market value of the Notes may be influenced by unpredictable factors.

Many factors, most of which are beyond CSG's control, will influence the value of the Notes and the price, if any, at which securities dealers may be willing to purchase or sell the Notes in the secondary market, including:

(i) the creditworthiness of CSG and, in particular, the level of CSG's capital ratios from time to time;

(ii) supply and demand for the Notes, including inventory with any securities dealer; and

(iii) economic, financial, political or regulatory events or judicial decisions that affect CSG and the Group or the financial markets generally.

Accordingly, if a holder sells its Notes in the secondary market, it may not be able to obtain a price equal to the principal amount of the Notes or a price equal to the price that it paid for the Notes.

The U.S. dollar exchange rate may have an effect on the value of the Notes.

The Issuer will pay principal and interest on the Notes in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of U.S. dollars or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to U.S. dollars would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of any principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal. Any of the foregoing events could adversely affect the price of the Notes.

Holders are subject to interest rate risks.

Because the Notes bear a fixed rate of interest from the Issue Date to (but excluding) the First Optional Redemption Date, investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes during this period. See also "*Risk Factors—The Notes have a Reset Rate based on a "benchmark", and any discontinuation or reform of such benchmark may adversely affect the value of and return on the Notes*".

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to assess the terms of the Notes (including as to a Write-down) and to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Factors that may affect the ability of the Issuer to fulfil its obligations under the Notes and/or the likelihood of a Write-down Event

CSG is exposed to a variety of risks that could adversely affect its results of operations or financial condition, including, among others, those described below. Unless indicated otherwise, all references to CSG in the risk factors set out under this section "*Factors that may affect the ability of the Issuer to fulfil its obligations under the Notes and/or the likelihood of a Write-down Event"* are describing the consolidated businesses carried on by CSG and its subsidiaries.

Liquidity risk

Liquidity, or ready access to funds, is essential to the Group's business, particularly the Group's investment banking businesses. The Group seeks to maintain available liquidity to meet its obligations in a stressed liquidity environment. For information on the Group's liquidity management, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Liquidity and funding management*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet*" in each of the 2018 Quarterly Reports (as defined herein).

The Group's liquidity could be impaired if it were unable to access the capital markets, sell its assets or its liquidity costs increase.

The Group's ability to borrow on a secured or unsecured basis and the cost of doing so can be affected by increases in interest rates or credit spreads, the availability of credit, regulatory requirements relating to liquidity or the market perceptions of risk relating to the Group, certain of its counterparties or the banking sector as a whole, including the Group's perceived or actual creditworthiness. An inability to obtain financing in the unsecured long-term or short-term debt capital markets, or to access the secured lending markets, could have a substantial adverse effect on the Group's liquidity. In challenging credit markets, the Group's funding costs may increase or it may be unable to raise funds to support or expand its businesses, adversely affecting its results of operations. Following the financial crisis in 2008 and 2009, the Group's costs of liquidity have been significant and it expects to incur ongoing costs as a result of regulatory requirements for increased liquidity. In

addition, on 27 July 2017, the FCA, which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. As such, LIBOR may be modified and could potentially be discontinued after 2021. Any such developments or future changes in the administration of benchmarks could result in adverse consequences to the return on, value of and market for securities and other instruments whose returns are linked to any such benchmark, including those issued by the Group.

If the Group is unable to raise needed funds in the capital markets (including through offerings of equity, debt and regulatory capital securities), it may need to liquidate unencumbered assets to meet its liabilities. In a time of reduced liquidity, the Group may be unable to sell some of its assets, or it may need to sell assets at depressed prices, which in either case could adversely affect its results of operations and financial condition.

The Group's businesses rely significantly on its deposit base for funding.

The Group's businesses benefit from short-term funding sources, including primarily demand deposits, inter-bank loans, time deposits and cash bonds. Although deposits have been, over time, a stable source of funding, this may not continue. In that case, the Group's liquidity position could be adversely affected and it might be unable to meet deposit withdrawals on demand, or at their contractual maturity, to repay borrowings as they mature or to fund new loans, investments and businesses.

Changes in the Group's ratings may adversely affect its business.

Ratings are assigned by rating agencies. They may lower, indicate their intention to lower or withdraw their ratings at any time. The major rating agencies remain focused on the financial services industry, particularly on uncertainties as to whether firms pose systemic risk in a financial or credit crisis, and on such firms' potential vulnerability to market sentiment and confidence, particularly during periods of severe economic stress. In January 2016, Moody's Investors Service lowered its senior long-term debt ratings of Credit Suisse AG and Credit Suisse Group AG by one notch. Any downgrades in the Group's ratings, could increase its borrowing costs, limit its access to capital markets, increase its cost of capital and adversely affect the ability of its businesses to sell or market their products, engage in business transactions—particularly financing and derivatives transactions—and retain its clients.

Market risk

The Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

Although the Group continued to strive to reduce its balance sheet and made significant progress in implementing its strategy in 2017, it continues to maintain large trading and investment positions and hedges in the debt, currency and equity markets, and in private equity, hedge funds, real estate and other assets. These positions could be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. To the extent that the Group owns assets, or has net long positions, in any of those markets, a downturn in those markets could result in losses from a decline in the value of its net long positions. Conversely, to the extent that the Group has sold assets that it does not own or has net short positions, in any of those markets, an upturn in those markets could expose it to potentially significant losses as it attempts to cover its net short positions by acquiring assets in a rising market. Market fluctuations, downturns and volatility can adversely affect the fair value of the Group's positions and its results of operations. Adverse market or economic conditions or trends have caused, and in the future may cause, a significant decline in the Group's net revenues and profitability.

The Group's businesses and organisation are subject to the risk of loss from adverse market conditions and unfavourable economic, monetary, political, legal, regulatory and other developments in the countries it operates in.

As a global financial services company, the Group's businesses are materially affected by conditions in the financial markets, economic conditions generally and other developments in Europe, the U.S., Asia and elsewhere around the world. The recovery from the economic crisis of 2008 and 2009 continues to be sluggish in several key developed markets. The European sovereign debt crisis as well as U.S. debt levels and the federal budget process have not been permanently resolved. In addition, commodity price volatility and concerns about emerging markets have affected financial markets. The Group's financial condition and results of operations could be materially adversely affected if these conditions do not improve, or if they stagnate or worsen. Further, various countries in which the Group operates or invests have experienced severe economic disruptions particular to that country or region, including extreme currency fluctuations, high inflation, or low or negative growth, among other negative conditions. Concerns about weaknesses in the economic and fiscal condition of certain European countries have continued, especially with regard to how such weaknesses might affect other economies as well as financial institutions (including the Group) which lent funds to or did business with or in those countries.

Continued concern about European economies, including the refugee crisis and political uncertainty, as well as in relation to the UK's withdrawal from the EU, could cause disruptions in market conditions in Europe and around the world. UK Prime Minister Theresa May initiated the two-year process of negotiations for withdrawal from the EU in March 2017, with an expected date of withdrawal in early 2019 (subject to any transitional arrangements that may be agreed between the EU and the UK). The results of this negotiation and the macroeconomic impact of this decision are difficult to predict and are expected to remain uncertain for a prolonged period. Among the significant global implications of the referendum was the increased uncertainty concerning a potentially more persistent and widespread imposition by central banks of negative interest rate policies. The Group cannot accurately predict the impact of the UK leaving the EU on the Group and such impact may negatively affect its future results of operations and financial condition. The Group's legal entities that are organised or operate in the UK could face limitations on providing services or otherwise conducting business in the EU following the UK's withdrawal, which may require the Group to implement potentially significant changes to its legal entity structure and locations in which it conducts certain operations. While the execution of the programme evolving the Group's legal entity structure to meet developing and future regulatory requirements has continued to progress and the Group has reached a number of significant milestones, this programme remains subject to a number of uncertainties that may affect its feasibility, scope and timing. Significant legal and regulatory changes affecting the Group and its operations may require it to make further changes in its legal structure. The implementation of these changes may require significant time and resources and may potentially increase operational, capital, funding and tax costs as well as its counterparties' credit risk. The environment of political uncertainty in continental Europe may also affect the Group's business. The popularity of nationalistic sentiments may result in significant shifts in national policy and a move away from European integration and the eurozone. Similar uncertainties exist regarding the impact of proposed changes in U.S. policies on trade, immigration, climate change and foreign relations. For information on the Group's legal entity structure, refer to "*I—Information on the company—Strategy—Evolution of legal entity structure*" in the Annual Report 2017.

Economic disruption in other countries, even in countries in which the Group does not currently conduct business or have operations, could adversely affect its businesses and results. Adverse market and economic conditions continue to create a challenging operating environment for financial services companies. In particular, the impact of interest and currency exchange rates, the risk of geopolitical events, fluctuations in commodity prices and concerns about European stagnation have affected

financial markets and the economy. In recent years, the low interest rate environment has adversely affected the Group's net interest income and the value of its trading and non-trading fixed income portfolios. Future changes in interest rates, including increasing interest rates or changes in the current negative short-term interest rates in the Group's home market, could adversely affect its businesses and results. In addition, movements in equity markets have affected the value of the Group's trading and non-trading equity portfolios, while the historical strength of the Swiss franc has adversely affected the Group's revenues and net income. Further, diverging monetary policies among the major economies in which the Group operates, in particular among the U.S. Federal Reserve, the European Central Bank and the Swiss National Bank (the "**SNB**"), may adversely affect its results.

Such adverse market or economic conditions may reduce the number and size of investment banking transactions in which the Group provides underwriting, mergers and acquisitions advice or other services and, therefore, may adversely affect its financial advisory and underwriting fees. Such conditions may adversely affect the types and volumes of securities trades that the Group executes for customers and may adversely affect the net revenues it receives from commissions and spreads. In addition, several of the Group's businesses engage in transactions with, or trade in obligations of, governmental entities, including supranational, national, state, provincial, municipal and local authorities. These activities can expose the Group to enhanced sovereign, credit-related, operational and reputational risks, including the risks that a governmental entity may default on or restructure its obligations or may claim that actions taken by government officials were beyond the legal authority of those officials, which could adversely affect the Group's financial condition and results of operations.

Unfavourable market or economic conditions have affected the Group's businesses over the last years, including the low interest rate environment, continued cautious investor behaviour and changes in market structure, particularly in the Group's macro businesses. These negative factors have been reflected in lower commissions and fees from the Group's client-flow sales and trading and asset management activities, including commissions and fees that are based on the value of the Group's clients' portfolios. Investment performance that is below that of competitors or asset management benchmarks could result in a decline in assets under management and related fees and make it harder to attract new clients. There has been a fundamental shift in client demand away from more complex products and significant client deleveraging, and the Group's results of operations related to private banking and asset management activities have been and could continue to be adversely affected as long as this continues.

Adverse market or economic conditions have also negatively affected the Group's private equity investments since, if a private equity investment substantially declines in value, the Group may not receive any increased share of the income and gains from such investment (to which the Group is entitled in certain cases when the return on such investment exceeds certain threshold returns), may be obligated to return to investors previously received excess carried interest payments and may lose its pro rata share of the capital invested. In addition, it could become more difficult to dispose of the investment, as even investments that are performing well may prove difficult to exit.

In addition to the macroeconomic factors discussed above, other events beyond the Group's control, including terrorist attacks, cyber attacks, military conflicts, economic or political sanctions, disease pandemics, political unrest or natural disasters could have a material adverse effect on economic and market conditions, market volatility and financial activity, with a potential related effect on the Group's businesses and results.

The Group may incur significant losses in the real estate sector.

The Group finances and acquires principal positions in a number of real estate and real estate-related products, primarily for clients, and originates loans secured by commercial and residential properties. As of 31 December 2017, the Group's real estate loans as reported to the SNB totalled

approximately CHF 144 billion. The Group also securitises and trades in commercial and residential real estate and real estate-related whole loans, mortgages, and other real estate and commercial assets and products, including commercial mortgage-backed securities and residential mortgage-backed securities. The Group's real estate-related businesses and risk exposures could be adversely affected by any downturn in real estate markets, other sectors and the economy as a whole. In particular, the risk of potential price corrections in the real estate market in certain areas of Switzerland could have a material adverse effect on the Group's real estate-related businesses.

Holding large and concentrated positions may expose the Group to large losses.

Concentrations of risk could increase losses, given that the Group has sizeable loans to, and securities holdings in, certain customers, industries or countries. Decreasing economic growth in any sector in which the Group makes significant commitments, for example, through underwriting, lending or advisory services, could also negatively affect the Group's net revenues.

The Group has significant risk concentration in the financial services industry as a result of the large volume of transactions it routinely conducts with broker-dealers, banks, funds and other financial institutions, and in the ordinary conduct of its business it may be subject to risk concentration with a particular counterparty. The Group, like other financial institutions, continues to adapt its practices and operations in consultation with its regulators to better address an evolving understanding of its exposure to, and management of, systemic risk and risk concentration to financial institutions. Regulators continue to focus on these risks, and there are numerous new regulations and government proposals, and significant ongoing regulatory uncertainty, about how best to address them. There can be no assurance that the changes in the Group's industry, operations, practices and regulation will be effective in managing this risk. For further information, refer to "*I—Information on the company—Regulation and supervision*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet—Capital management—Regulatory Capital Framework*" in each of the 2018 Quarterly Reports.

Risk concentration may cause the Group to suffer losses even when economic and market conditions are generally favourable for others in its industry.

The Group's hedging strategies may not prevent losses.

If any of the variety of instruments and strategies the Group uses to hedge its exposure to various types of risk in its businesses is not effective, it may incur losses. The Group may be unable to purchase hedges or be only partially hedged, or its hedging strategies may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk.

Market risk may increase the other risks that the Group faces.

In addition to the potentially adverse effects on the Group's businesses described above, market risk could exacerbate the other risks that the Group faces. For example, if the Group were to incur substantial trading losses, its need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with another market downturn, the Group's customers and counterparties could also incur substantial losses of their own, thereby weakening their financial condition and increasing the Group's credit and counterparty risk exposure to them.

Credit risk

The Group may suffer significant losses from its credit exposures.

The Group's businesses are subject to the fundamental risk that borrowers and other counterparties will be unable to perform their obligations. The Group's credit exposures exist across a

wide range of transactions that it engages in with a large number of clients and counterparties, including lending relationships, commitments and letters of credit, as well as derivative, currency exchange and other transactions. The Group's exposure to credit risk can be exacerbated by adverse economic or market trends, as well as increased volatility in relevant markets or instruments. In addition, disruptions in the liquidity or transparency of the financial markets may result in its inability to sell, syndicate or realise the value of its positions, thereby leading to increased concentrations. Any inability to reduce these positions may not only increase the market and credit risks associated with such positions, but also increase the level of RWA on the Group's balance sheet, thereby increasing its capital requirements, all of which could adversely affect its businesses. For information on management of credit risk, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management—Risk coverage and management—Credit risk*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet—Risk management*" in each of the 2018 Quarterly Reports.

The Group's regular review of the creditworthiness of clients and counterparties for credit losses does not depend on the accounting treatment of the asset or commitment. Changes in creditworthiness of loans and loan commitments that are fair valued are reflected in trading revenues.

Management's determination of the provision for loan losses is subject to significant judgment. The Group's banking businesses may need to increase their provisions for loan losses or may record losses in excess of the previously determined provisions if its original estimates of loss prove inadequate, which could have a material adverse effect on its results of operations. For information on provisions for loan losses and related risk mitigation refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management—Risk coverage and management*" and "*Note 1—Summary of significant accounting policies*", "*Note 9—Provision for credit losses*" and "*Note 18—Loans, allowance for loan losses and credit quality*", each in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet—Risk management*" and "*Note 9—Provision for credit losses*" and "*Note 18—Loans, allowance for loan losses and credit quality*", each in "*III—Condensed consolidated financial statements-unaudited*" in each of the 2018 Quarterly Reports.

Under certain circumstances, the Group may assume long-term credit risk, extend credit against illiquid collateral and price derivative instruments aggressively based on the credit risks that it takes. As a result of these risks, its capital and liquidity requirements may continue to increase.

Defaults by one or more large financial institutions could adversely affect financial markets generally and the Group specifically.

Concerns or even rumours about or a default by one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships between institutions. This risk is sometimes referred to as systemic risk. Concerns about defaults by and failures of many financial institutions, particularly those in or with significant exposure to the eurozone, continued in 2017 and could continue to lead to losses or defaults by financial institutions and financial intermediaries with which the Group interacts on a daily basis, such as clearing agencies, clearing houses, banks, securities firms and exchanges. The Group's credit risk exposure will also increase if the collateral it holds cannot be realised or can only be liquidated at prices insufficient to cover the full amount of exposure.

The information that the Group uses to manage its credit risk may be inaccurate or incomplete.

Although the Group regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as fraud. The Group

may also lack correct and complete information with respect to the credit or trading risks of a counterparty or risk associated with specific industries, countries and regions or misinterpret such information that is received or otherwise incorrectly assess a given risk situation. Additionally, there can be no assurance that measures instituted to manage such risk will be effective in all instances.

Risks relating to the Group's strategy

The Group may not achieve all of the expected benefits of its strategic initiatives.

In October 2015, the Group announced a comprehensive new strategic direction, structure and organisation of the Group, which the Group updated in 2016 and 2017. The Group's ability to implement its strategic direction, structure and organisation is based on a number of key assumptions regarding the future economic environment, the economic growth of certain geographic regions, the regulatory landscape, the Group's ability to meet certain ambitions, objectives and targets, anticipated interest rates and central bank action, among other things. If any of these assumptions (including but not limited to its ability to meet certain ambitions, objectives and targets) prove inaccurate in whole or in part, the Group's ability to achieve some or all of the expected benefits of this strategy could be limited, including its ability to meet its stated financial goals, keep related restructuring charges within the limits currently expected and retain key employees. Factors beyond the Group's control, including but not limited to the market and economic conditions, changes in laws, rules or regulations, execution risk related to the implementation of its strategy and other challenges and risk factors discussed in this Information Memorandum, could limit its ability to achieve some or all of the expected benefits of this strategy. The breadth of the changes that the Group announced increases the execution risk of its strategy as the Group continues to work to change the strategic direction of the Group. If the Group is unable to implement this strategy successfully in whole or in part or should the components of the strategy that are implemented fail to produce the expected benefits, its financial results and Credit Suisse Group AG's share price may be materially and adversely affected. For further information on the Group's strategic direction, refer to "*I—Information on the company—Strategy*" in the Annual Report 2017.

Additionally, part of the Group's strategy involves a change in focus within certain areas of its business, which may have unanticipated negative effects in other areas of the business and may result in an adverse effect on its business as a whole.

The implementation of the Group's strategy may increase its exposure to certain risks, including but not limited to, credit risks, market risks, operational risks and regulatory risks. The Group also seeks to achieve certain ambitions, objectives and targets, for example in relation to cost savings, which may or may not be successful. There is no guarantee the Group will be able to achieve these goals in the form described or at all. Finally, changes to the organisational structure of the Group's business, as well as changes in personnel and management, may lead to temporary instability of its operations.

In addition, acquisitions and other similar transactions the Group undertakes as part of its strategy subject it to certain risks. Even though the Group reviews the records of companies it plans to acquire, it is generally not feasible for the Group to review all such records in detail. Even an in-depth review of records may not reveal existing or potential problems or permit the Group to become familiar enough with a business to assess fully its capabilities and deficiencies. As a result, the Group may assume unanticipated liabilities (including legal and compliance issues), or an acquired business may not perform as well as expected. The Group also faces the risk that it will not be able to integrate acquisitions into its existing operations effectively as a result of, among other things, differing procedures, business practices and technology systems, as well as difficulties in adapting an acquired company into its organisational structure. The Group faces the risk that the returns on acquisitions will not support the expenditures or indebtedness incurred to acquire such businesses or the capital expenditures needed to develop such businesses. The Group also faces the risk that unsuccessful

acquisitions will ultimately result in its having to write down or write off any goodwill associated with such transactions. For example, the Group's results for the fourth quarter of 2015 included a goodwill impairment charge of CHF 3,797 million, the most significant component of which arose from the acquisition of Donaldson, Lufkin & Jenrette Inc. in 2000. The Group continues to have a significant amount of goodwill relating to this and other transactions recorded on its balance sheet that could result in additional goodwill impairment charges.

The Group may also seek to engage in new joint ventures (within the Group and with external parties) and strategic alliances. Although the Group endeavours to identify appropriate partners, its joint venture efforts may prove unsuccessful or may not justify its investment and other commitments.

Risks from estimates and valuations

The Group makes estimates and valuations that affect its reported results, including measuring the fair value of certain assets and liabilities, establishing provisions for contingencies and losses for loans, litigation and regulatory proceedings, accounting for goodwill and intangible asset impairments, evaluating its ability to realise deferred tax assets, valuing equity-based compensation awards, modelling its risk exposure and calculating expenses and liabilities associated with its pension plans. These estimates are based upon judgment and available information, and the Group's actual results may differ materially from these estimates. For information on these estimates and valuations, refer to "*II—Operating and financial review—Critical accounting estimates*" and "*Note 1—Summary of significant accounting policies*" in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017.

The Group's estimates and valuations rely on models and processes to predict economic conditions and market or other events that might affect the ability of counterparties to perform their obligations to the Group or impact the value of assets. To the extent the Group's models and processes become less predictive due to unforeseen market conditions, illiquidity or volatility, its ability to make accurate estimates and valuations could be adversely affected.

Risks relating to off-balance sheet entities

The Group enters into transactions with special purpose entities ("**SPEs**") in its normal course of business, and certain SPEs with which the Group transacts business are not consolidated and their assets and liabilities are off-balance sheet. The Group may have to exercise significant management judgment in applying relevant accounting consolidation standards, either initially or after the occurrence of certain events that may require the Group to reassess whether consolidation is required. Accounting standards relating to consolidation, and their interpretation, have changed and may continue to change. If the Group is required to consolidate an SPE, its assets and liabilities would be recorded on its consolidated balance sheets and the Group would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on its results of operations and capital and leverage ratios. For information on the Group's transactions with and commitments to SPEs, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Balance sheet, off-balance sheet and other contractual obligations—Off-balance sheet*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet—Balance sheet and off-balance sheet—Off-balance sheet*" in each of the 2018 Quarterly Reports.

Country and currency exchange risk

Country risks may increase market and credit risks the Group faces.

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may in the future be materially affected by such risks. Economic or political pressures in a country or region, including those arising from local market

disruptions, currency crises, monetary controls or other factors, may adversely affect the ability of clients or counterparties located in that country or region to obtain foreign currency or credit and, therefore, to perform their obligations to the Group, which in turn may have an adverse impact on its results of operations.

The Group may face significant losses in emerging markets.

A key element of the Group's strategy is to scale up its private banking businesses in emerging market countries. The Group's implementation of that strategy will necessarily increase its existing exposure to economic instability in those countries. The Group monitors these risks, seek diversity in the sectors in which the Group invests and emphasise client-driven business. The Group's efforts at limiting emerging market risk, however, may not always succeed. In addition, various emerging market countries, in particular Brazil during 2017, have experienced and may continue to experience severe economic, financial and political disruptions or slower economic growth than in prior years. In addition, sanctions have been imposed on certain individuals and companies in Russia and further sanctions are possible. The possible effects of any such disruptions may include an adverse impact on the Group's businesses and increased volatility in financial markets generally.

Currency fluctuations may adversely affect the Group's results of operations.

The Group is exposed to risk from fluctuations in exchange rates for currencies, particularly the U.S. dollar. In particular, a substantial portion of the Group's assets and liabilities are denominated in currencies other than the Swiss franc, which is the primary currency of its financial reporting. The Group's capital is also stated in Swiss francs, and the Group does not fully hedge its capital position against changes in currency exchange rates. The Swiss franc remained strong against the U.S. dollar and weakened against the euro in 2017.

As the Group incurs a significant part of its expenses in Swiss francs while it generates a large proportion of its revenues in other currencies, its earnings are sensitive to changes in the exchange rates between the Swiss franc and other major currencies. Although the Group has implemented a number of measures designed to offset the impact of exchange rate fluctuations on its results of operations, the appreciation of the Swiss franc in particular and exchange rate volatility in general have had an adverse impact on its results of operations and capital position in recent years and may have such an effect in the future.

Operational risk

The Group is exposed to a wide variety of operational risks, including cybersecurity and other information technology risks.

Operational risk is the risk of financial loss arising from inadequate or failed internal processes, people or systems or from external events. In general, although the Group has business continuity plans, its businesses face a wide variety of operational risks, including technology risk that stems from dependencies on information technology, third-party suppliers and the telecommunications infrastructure as well as from the interconnectivity of multiple financial institutions with central agents, exchanges and clearing houses. As a global financial services company, the Group relies heavily on its financial, accounting and other data processing systems, which are varied and complex. The Group's business depends on its ability to process a large volume of diverse and complex transactions, including derivatives transactions, which have increased in volume and complexity. The Group is exposed to operational risk arising from errors made in the execution, confirmation or settlement of transactions or from transactions not being properly recorded or accounted for. Cybersecurity and other information technology risks for financial institutions have significantly increased in recent years. Regulatory requirements in these areas have increased and are expected to increase further.

Information security, data confidentiality and integrity are of critical importance to the Group's businesses. Despite the Group's wide array of security measures to protect the confidentiality, integrity and availability of its systems and information, it is not always possible to anticipate the evolving threat landscape and mitigate all risks to its systems and information. The Group could also be affected by risks to the systems and information of clients, vendors, service providers, counterparties and other third parties. In addition, the Group may introduce new products or services or change processes, resulting in new operational risk that it may not fully appreciate or identify.

These threats may derive from human error, fraud or malice, or may result from accidental technological failure. There may also be attempts to fraudulently induce employees, clients, third parties or other users of the Group's systems to disclose sensitive information in order to gain access to its data or that of its clients.

A cyber attack, information or security breach or technology failure could cause the unauthorised release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information relating to the Group, its clients, vendors, service providers, counterparties or other third parties. Given the Group's global footprint and the high volume of transactions the Group processes, the large number of clients, partners and counterparties with which the Group does business, its growing use of digital, mobile and internet-based services, and the increasing sophistication of cyber attacks, a cyber attack, information or security breach or technology failure could occur without detection for an extended period of time. In addition, the Group expects that any investigation of a cyber attack, information or security breach or technology failure will be inherently unpredictable and it may take time before any investigation is complete. During such time, the Group may not know the extent of the harm or how best to remediate it and certain errors or actions may be repeated or compounded before they are discovered and rectified, all or any of which would further increase the costs and consequences of a cyber attack, information or security breach or technology failure.

If any of the Group's systems do not operate properly or are compromised as a result of cyber attacks, information or security breaches, technology failures, unauthorised access, loss or destruction of data, unavailability of service, computer viruses or other events that could have an adverse security impact, the Group could be subject to litigation or suffer financial loss not covered by insurance, a disruption of its businesses, liability to its clients, damage to relationships with its vendors, regulatory intervention or reputational damage. Any such event could also require the Group to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures. The Group may also be required to expend resources to comply with new and increasingly expansive regulatory requirements related to cybersecurity.

The Group may suffer losses due to employee misconduct.

The Group's businesses are exposed to risk from potential non-compliance with policies or regulations, employee misconduct or negligence and fraud, which could result in civil or criminal investigations and charges, regulatory sanctions and serious reputational or financial harm. In recent years, a number of multinational financial institutions have suffered material losses due to, for example, the actions of traders performing unauthorised trades or other employee misconduct. It is not always possible to deter employee misconduct and the precautions the Group takes to prevent and detect this activity may not always be effective.

Risk management

The Group has risk management procedures and policies designed to manage its risk. These techniques and policies, however, may not always be effective, particularly in highly volatile markets. The Group continues to adapt its risk management techniques, in particular value-at-risk and economic capital, which rely on historical data, to reflect changes in the financial and credit markets. No risk

management procedures can anticipate every market development or event, and its risk management procedures and hedging strategies, and the judgments behind them, may not fully mitigate its risk exposure in all markets or against all types of risk. For information on its risk management, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet—Risk management*" in each of the 2018 Quarterly Reports.

Legal and regulatory risks

The Group's exposure to legal liability is significant.

The Group faces significant legal risks in its businesses, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms continue to increase in many of the principal markets in which the Group operates.

Credit Suisse Group AG and its subsidiaries are subject to a number of material legal proceedings, regulatory actions and investigations, and an adverse result in one or more of these proceedings could have a material adverse effect on the Group's operating results for any particular period, depending, in part, upon its results for such period. For information relating to these and other legal and regulatory proceedings involving the Group's investment banking and other businesses, refer to "*Note 38—Litigation*" in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017 and "*Note 32—Litigation*" in "*III—Condensed consolidated financial statements—unaudited*" in each of the 2018 Quarterly Reports.

It is inherently difficult to predict the outcome of many of the legal, regulatory and other adversarial proceedings involving the Group's businesses, particularly those cases in which the matters are brought on behalf of various classes of claimants, seek damages of unspecified or indeterminate amounts or involve novel legal claims. Management is required to establish, increase or release reserves for losses that are probable and reasonably estimable in connection with these matters, all of which requires significant judgement. For more information, refer to "*II—Operating and financial review—Critical accounting estimates*" and "*Note 1—Summary of significant accounting policies*" in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017.

Regulatory changes may adversely affect the Group's business and ability to execute its strategic plans.

As a participant in the financial services industry, the Group is subject to extensive regulation by governmental agencies, supervisory authorities and self-regulatory organisations in Switzerland, the EU, the UK, the U.S. and other jurisdictions in which the Group operates around the world. Such regulation is increasingly more extensive and complex and, in recent years, costs related to the Group's compliance with these requirements and the penalties and fines sought and imposed on the financial services industry by regulatory authorities have all increased significantly and may increase further. These regulations often serve to limit its activities, including through the application of increased or enhanced capital, leverage and liquidity requirements, the addition of capital surcharges for risks related to operational, litigation, regulatory and similar matters, customer protection and market conduct regulations and direct or indirect restrictions on the businesses in which the Group may operate or invest. Such limitations can have a negative effect on its business and its ability to implement strategic initiatives. To the extent the Group is required to divest certain businesses, it could incur losses, as it may be forced to sell such businesses at a discount, which in certain instances could be substantial, as a result of both the constrained timing of such sales and the possibility that other financial institutions are liquidating similar investments at the same time.

Since 2008, regulators and governments have focused on the reform of the financial services industry, including enhanced capital, leverage and liquidity requirements, changes in compensation practices (including tax levies) and measures to address systemic risk, including ring-fencing certain

activities and operations within specific legal entities. The Group is already subject to extensive regulation in many areas of its business and expects to face increased regulation and regulatory scrutiny and enforcement. These various regulations and requirements could require the Group to reduce assets held in certain subsidiaries, inject capital or other funds into or otherwise change its operations or the structure of its subsidiaries and Group. The Group expects such increased regulation to continue to increase its costs, including, but not limited to, costs related to compliance, systems and operations, as well as affect its ability to conduct certain types of business, which could adversely affect its profitability and competitive position. Variations in the details and implementation of such regulations may further negatively affect the Group, as certain requirements currently are not expected to apply equally to all of its competitors or to be implemented uniformly across jurisdictions.

For example, the additional requirements related to minimum regulatory capital, leverage ratios and liquidity measures imposed by Basel III, together with more stringent requirements imposed by the Swiss "Too Big To Fail" legislation and its implementing ordinances and related actions by the Group's regulators, have contributed to its decision to reduce RWA and the size of its balance sheet, and could potentially impact its access to capital markets and increase its funding costs. In addition, the ongoing implementation in the U.S. of the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), including the "Volcker Rule", derivatives regulation, and other regulatory developments described in "*I—Information on the company—Regulation and supervision*" in the Annual Report 2017 and in "*I—Credit Suisse results—Credit Suisse—Regulatory Developments and Proposals*" and "*II—Treasury, risk, balance sheet and off-balance sheet—Capital management—Regulatory Capital Framework*" in each of the 2018 Quarterly Reports, have imposed, and will continue to impose, new regulatory burdens on certain of the Group's operations. These requirements have contributed to the Group's decision to exit certain businesses (including a number of its private equity businesses) and may lead the Group to exit other businesses. Recent Commodity Futures Trading Commission and SEC rules and proposals could materially increase the operating costs, including margin requirements, compliance, information technology and related costs, associated with the Group's derivatives businesses with U.S. persons, while at the same time making it more difficult for the Group to transact derivatives business outside the U.S. Further, in 2014, the Board of Governors of the Federal Reserve System (the "**Fed**") adopted a final rule under the Dodd-Frank Act that created a new framework for regulation of the U.S. operations of foreign banking organisations such as the Group's. Although the final impact of the rule cannot be fully predicted at this time, it is expected to result in the Group incurring additional costs and to affect the way it conducts its business in the U.S., including through its U.S. intermediate holding company. Certain of these proposals are not final, and the ultimate impact of any final requirements cannot be predicted at this time. Further, already enacted and possible future cross-border tax regulation with extraterritorial effect, such as the U.S. Foreign Account Tax Compliance Act, and other bilateral or multilateral tax treaties and agreements on the automatic exchange of information in tax matters, impose detailed reporting obligations and increased compliance and systems-related costs on its businesses. In addition, the U.S. tax reform enacted on 22 December 2017 introduced substantial changes to the U.S. tax system, including the lowering of the corporate tax rate and the introduction of the base erosion and anti-abuse tax. Additionally, implementation of the European Market Infrastructure Regulation ("**EMIR**") and its Swiss counterpart, the Federal Act on Financial Market Infrastructure and Market Conduct in Securities and Derivatives Trading, the Capital Requirements Directive IV and Capital Requirements Regulation ("**CRD IV**"), MiFID II and the Markets in Financial Instruments Regulation reforms may negatively affect the Group's business activities. If Switzerland does not pass legislation that is deemed equivalent to MiFID II in a timely manner or if Swiss regulation already passed is not deemed equivalent to EMIR, Swiss banks, including the Group, may be limited from participating in businesses regulated by such laws. Finally, the Group expects that total loss-absorbing capacity requirements, which were finalised in Switzerland and the U.S. in 2016 and are being finalised in many other jurisdictions, including the EU, as well as new requirements and rules with respect to the internal total loss-absorbing capacity of global systemically

important banks ("**G-SIBs**"), may increase its cost of funding and restrict its ability to deploy capital and liquidity on a global basis as needed when they are implemented. Further, following the formal notification by the UK of its decision to leave the EU, negotiations have commenced on the withdrawal agreement. This includes the renegotiation, either during a transitional period or more permanently, of a number of regulatory and other arrangements between the EU and the UK that could directly impact the Group's business. Adverse changes to any of these arrangements, and even uncertainty over potential changes during the period of negotiation, could potentially impact the Group's results.

The Group expects the financial services industry and its members, including the Group, to continue to be affected by the significant uncertainty over the scope and content of regulatory reform in 2018 and beyond. The uncertainty about the future U.S. regulatory agenda, which includes a variety of proposals to change existing regulations or the approach to regulation of the financial industry, potential changes in regulation following a UK withdrawal from the EU and the results of national elections in Europe may result in significant changes in the regulatory direction and policies applicable to the Group. Changes in laws, rules or regulations, or in their interpretation or enforcement, or the implementation of new laws, rules or regulations, may adversely affect the Group's results of operations.

Despite the Group's best efforts to comply with applicable regulations, a number of risks remain, particularly in areas where applicable regulations may be unclear or inconsistent among jurisdictions or where regulators revise their previous guidance or courts overturn previous rulings. Authorities in many jurisdictions have the power to bring administrative or judicial proceedings against the Group, which could result in, among other things, suspension or revocation of its licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially adversely affect its results of operations and seriously harm its reputation. For a description of the Group's regulatory regime and a summary of some of the significant regulatory and government reform proposals affecting the financial services industry, refer to "*I—Information on the company—Regulation and supervision*" in the Annual Report 2017. For information regarding the Group's current regulatory framework and expected changes to this framework affecting capital and liquidity standards, refer to "*Liquidity and funding management*" and "*Capital management*", each in "*III—Treasury, Risk, Balance sheet and Off-balance sheet*" in the Annual Report 2017 and "*II—Treasury, risk, balance sheet and off-balance sheet*" in each of the 2018 Quarterly Reports.

Swiss resolution proceedings and resolution planning requirements may affect the Group's shareholders and creditors.

Pursuant to Swiss banking laws, FINMA has broad powers and discretion in the case of resolution proceedings with respect to a Swiss bank, such as Credit Suisse AG or Credit Suisse (Schweiz) AG, and to a Swiss parent company of a financial group, such as Credit Suisse Group AG. These broad powers include the power to open restructuring proceedings with respect to Credit Suisse AG, Credit Suisse (Schweiz) AG or Credit Suisse Group AG and, in connection therewith, cancel the outstanding equity of the entity subject to such proceedings, convert such entity's debt instruments and other liabilities into equity and/or cancel such debt instruments and other liabilities, in each case, in whole or in part, and stay (for a maximum of two business days) certain rights under contracts to which such entity is a party, as well as the power to order protective measures, including the deferment of payments, and institute liquidation proceedings with respect to Credit Suisse AG, Credit Suisse (Schweiz) AG or Credit Suisse Group AG. The scope of such powers and discretion and the legal mechanisms that would be utilised are subject to development and interpretation.

The Group is currently subject to resolution planning requirements in Switzerland, the U.S. and the UK and may face similar requirements in other jurisdictions. If a resolution plan is determined by the relevant authority to be inadequate, relevant regulations may allow the authority to place limitations on the scope or size of the Group's business in that jurisdiction, require the Group to hold

higher amounts of capital or liquidity, require the Group to divest assets or subsidiaries or to change its legal structure or business to remove the relevant impediments to resolution.

For a description of the current resolution regime under Swiss banking laws as it applies to Credit Suisse AG, Credit Suisse (Schweiz) AG and Credit Suisse Group AG, see *"Recent regulatory developments and proposals—Switzerland"* and *"—Regulatory framework—Switzerland—Resolution regime"*, each in *"I—Information on the company—Regulation and supervision"* in the Annual Report 2017 and the risk factor titled *"CSG is subject to the resolution regime under Swiss banking laws and regulations"* in this Information Memorandum.

Changes in monetary policy are beyond the Group's control and difficult to predict.

The Group is affected by the monetary policies adopted by the central banks and regulatory authorities of Switzerland, the U.S. and other countries. The actions of the SNB and other central banking authorities directly impact the Group's cost of funds for lending, capital raising and investment activities and may impact the value of financial instruments the Group holds and the competitive and operating environment for the financial services industry. Many central banks, including the U.S. Federal Reserve System, have implemented significant changes to their monetary policy or have experienced significant changes in their management and may implement or experience further changes. The Group cannot predict whether these changes will have a material adverse effect on the Group or its operations. In addition, changes in monetary policy may affect the credit quality of the Group's customers. Any changes in monetary policy are beyond the Group's control and difficult to predict.

Legal restrictions on the Group's clients may reduce the demand for the Group's services.

The Group may be materially affected not only by regulations applicable to it as a financial services company, but also by regulations and changes in enforcement practices applicable to its clients. The Group's business could be affected by, among other things, existing and proposed tax legislation, antitrust and competition policies, corporate governance initiatives and other governmental regulations and policies, and changes in the interpretation or enforcement of existing laws and rules that affect business and the financial markets. For example, focus on tax compliance and changes in enforcement practices could lead to further asset outflows from the Group's private banking businesses.

Competition

The Group faces intense competition.

The Group faces intense competition in all financial services markets and for the products and services it offers. Consolidation through mergers, acquisitions, alliances and cooperation, including as a result of financial distress, has increased competitive pressures. Competition is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve client needs. Consolidation has created a number of firms that, like the Group, have the ability to offer a wide range of products, from loans and deposit-taking to brokerage, investment banking and asset management services. Some of these firms may be able to offer a broader range of products than the Group does, or offer such products at more competitive prices. Current market conditions have resulted in significant changes in the competitive landscape in the Group's industry as many institutions have merged, altered the scope of their business, declared bankruptcy, received government assistance or changed their regulatory status, which will affect how they conduct their business. In addition, current market conditions have had a fundamental impact on client demand for products and services. Some new competitors in the financial technology sector have sought to target existing segments of the Group's

businesses that could be susceptible to disruption by innovative or less regulated business models. The Group can give no assurance that its results of operations will not be adversely affected.

The Group's competitive position could be harmed if its reputation is damaged.

In the highly competitive environment arising from globalisation and convergence in the financial services industry, a reputation for financial strength and integrity is critical to the Group's performance, including its ability to attract and retain clients and employees. The Group's reputation could be harmed if its comprehensive procedures and controls fail, or appear to fail, to address conflicts of interest, prevent employee misconduct, produce materially accurate and complete financial and other information or prevent adverse legal or regulatory actions. For more information, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management—Risk coverage and management—Reputational risk*" in the Annual Report 2017.

The Group must recruit and retain highly skilled employees.

The Group's performance is largely dependent on the talents and efforts of highly skilled individuals. Competition for qualified employees is intense. The Group has devoted considerable resources to recruiting, training and compensating employees. The Group's continued ability to compete effectively in its businesses depends on its ability to attract new employees and to retain and motivate its existing employees. The continued public focus on compensation practices in the financial services industry, and related regulatory changes, may have an adverse impact on the Group's ability to attract and retain highly skilled employees. In particular, limits on the amount and form of executive compensation imposed by regulatory initiatives, including the Swiss Ordinance Against Excessive Compensation with respect to Listed Stock Corporations (Compensation Ordinance) in Switzerland and the implementation of CRD IV in the UK, could potentially have an adverse impact on its ability to retain certain of its most highly skilled employees and hire new qualified employees in certain businesses.

The Group faces competition from new trading technologies.

The Group's businesses face competitive challenges from new trading technologies, including trends towards direct access to automated and electronic markets, and the move to more automated trading platforms. Such technologies and trends may adversely affect the Group's commission and trading revenues, exclude its businesses from certain transaction flows, reduce its participation in the trading markets and the associated access to market information and lead to the creation of new and stronger competitors. The Group has made, and may continue to be required to make, significant additional expenditures to develop and support new trading systems or otherwise invest in technology to maintain its competitive position.

FORWARD-LOOKING STATEMENTS

This Information Memorandum contains or incorporates by reference statements that constitute forward-looking statements. In addition, in the future the Issuer, and others on its behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the Group's plans, objectives, ambitions, targets or goals, the Group's future economic performance or prospects, the potential effect on the Group's future performance of certain contingencies, and assumptions underlying any such statements.

Words such as "believes", "anticipates", "expects", "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Issuer does not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. CSG cautions Holders that a number of important factors could cause results to differ materially from the plans, objectives, ambitions, targets, expectations, estimates and intentions expressed in such forward-looking statements. These factors include: (i) the ability to maintain sufficient liquidity and access capital markets; (ii) market volatility and interest rate fluctuations and developments affecting interest rate levels; (iii) the strength of the global economy in general and the strength of the economies of the countries in which the Group conducts its operations, in particular the risk of continued slow economic recovery or downturn in the U.S. or other developed countries or in emerging markets in 2018 and beyond; (iv) the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets; (v) adverse rating actions by credit rating agencies in respect of the Group, sovereign issuers, structured credit products or other credit-related exposures; (vi) the ability to achieve the Group's strategic goals, including those related to cost efficiency, income/(loss) before taxes, capital ratios and return on regulatory capital, leverage exposure threshold, risk-weighted assets threshold, return on tangible equity and other targets, objectives and ambitions; (vii) the ability of counterparties to meet their obligations to the Group; (viii) the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies, as well as currency fluctuations; (ix) political and social developments, including war, civil unrest or terrorist activity; (x) the possibility of foreign exchange controls, expropriation, nationalisation or confiscation of assets in countries in which the Group conducts its operations; (xi) operational factors such as systems failure, human error, or the failure to implement procedures properly; (xii) the risk of cyber attacks on the Group's business or operations; (xiii) actions taken by regulators with respect to the Group's business and practices and possible resulting changes to its business organisation, practices and policies in countries in which it conducts its operations; (xiv) the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which the Group conducts its operations; (xv) the potential effects of proposed changes in the Group's legal entity structure; (xvi) competition or changes in the Group's competitive position in geographic and business areas in which it conducts its operations; (xvii) the ability to retain and recruit qualified personnel; (xviii) the ability to maintain the Group's reputation and promote the Group's brand; (xix) the ability to increase market share and control expenses; (xx) technological changes; (xxi) the timely development and acceptance of the Group's new products and services and the perceived overall value of these products and services by users; (xxii) acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; (xxiii) the adverse resolution of litigation, regulatory proceedings and other contingencies; and (xxiv) other unforeseen or unexpected events and the Group's success at managing these and the risks involved in the foregoing.

The foregoing list of important factors is not exclusive. When evaluating forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, as well as the other risks identified in this Information Memorandum.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Information Memorandum, shall be incorporated in, and form part of, this Information Memorandum:

(1) the Form 6-K of Credit Suisse Group AG filed with the SEC on 31 July 2018, which contains the CSG financial report 2Q18 (the "**Financial Report 2Q18**"), except that the information under "*Differences between Group and Bank*", Exhibits 12.2, 23.2 and 99.2 thereto and the sections of the Financial Report 2Q18 entitled "*Investor information*", "*Financial calendar and contacts*" and "*II—Treasury, risk, balance sheet and off-balance sheet—Capital management—Bank regulatory disclosures*" are not incorporated by reference;

(2) the Form 6-K of Credit Suisse Group AG filed with the SEC on 3 May 2018, which contains the CSG financial report 1Q18 (the "**Financial Report 1Q18**" and, together with the Financial Report 2Q18, the "**2018 Quarterly Reports**"), except that the sections of the Financial Report 1Q18 entitled "*Investor Information*" and "*Financial calendar and contacts*" are not incorporated by reference;

(3) the Form 6-K of Credit Suisse Group AG and Credit Suisse AG filed with the SEC on 27 April 2018, which contains a media release entitled "Annual General Meeting of Credit Suisse Group AG: Shareholders Approve All Proposals Put Forward by Board of Directors", excluding the sections of the media release entitled "Urs Rohner, Chairman of the Board of Directors of Credit Suisse Group";

(4) the Form 6-K of Credit Suisse Group AG and Credit Suisse AG filed with the SEC on 23 March 2018, which contains a media release entitled "Credit Suisse publishes its 2017 annual reporting suite, comprising the Annual Report, the Corporate Responsibility Report and the publication "Corporate Responsibility—At a Glance", as well as the Agenda for the Annual General Meeting of Shareholders on April 27, 2018";

(5) the Form 20-F of Credit Suisse AG and Credit Suisse Group AG filed with the SEC on 23 March 2018, which contains the 2017 Annual Report of the Group (the "**Annual Report 2017**");

(6) the Form 20-F of Credit Suisse AG and Credit Suisse Group AG filed with the SEC on 24 March 2017, which contains the 2016 Annual Report of the Group (the "**Annual Report 2016**"); and

(7) the Articles of Association of Credit Suisse Group AG (available on the website at *www.credit-suisse.com*).

Any statement contained in a document incorporated or deemed to be incorporated by reference in this Information Memorandum will be deemed to be modified or superseded to the extent that a statement contained herein or any other supplement (or contained in any document incorporated by reference therein) prepared and filed by the Issuer after the date the incorporated information was filed (including later-dated reports listed above). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Copies of documents incorporated by reference in this Information Memorandum as well as this Information Memorandum and any supplements thereto, if any, are available free of charge in Switzerland at the office of Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich, Switzerland (telephone: +41 (0)44 333 31 60, facsimile: +41 (0) 44 333 57 79 or e-mail newissues.fixedincome@credit-suisse.com).

Copies of documents incorporated by reference in this Information Memorandum can also be obtained, free of charge, from the registered office of CSG and on the website of CSG (*www.credit-suisse.com*). A copy of the documents filed by CSG with the SEC may also be obtained either on the SEC's website at *www.sec.gov*, at the SEC's public reference room at 100F Street, N.E., Washington, D.C. 2054, or on the website of CSG at *http://www.credit-suisse.com/investors/en/sec_filings.jsp*. Information (other than the above-mentioned information incorporated by reference) contained on the website of CSG is not incorporated by reference in this Information Memorandum.

INFORMATION REGARDING THE CET1 RATIO AND SWISS CAPITAL RATIOS

As explained in more detail in the "Terms and Conditions of the Notes—Write-down", a Contingency Event will occur and the full principal amount of the Notes will be automatically and permanently written-down to zero, if, CSG notifies Holders that, as at any Reporting Date, the CET1 Ratio as contained in the relevant Financial Report was below 7 per cent.; provided, however, that no Contingency Event Notice shall be given, and no Contingency Event in relation thereto shall be deemed to have occurred if the Regulator, at the request of CSG, has agreed on or prior to the publication of the relevant Financial Report that a Write-down shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the CET1 Ratio to a level above 7 per cent. that the Regulator and CSG deem, in their absolute discretion, to be adequate at such time.

The following information from "Regulatory Capital Framework" through (and including) "Bank Regulatory Disclosures" below regarding CSG's and Credit Suisse AG's capital ratios and metrics and the relevant regulatory framework has been primarily extracted from the Financial Report 2Q18, which is incorporated by reference herein. For purposes of this section, unless the context otherwise requires, the terms "Credit Suisse", "the Group", "we", "us" and "our" mean CSG and its consolidated subsidiaries. The term "the Bank" is used in this section when reference is being made to only Credit Suisse AG and its consolidated subsidiaries. The business of the Bank is substantially similar to the Group, and these terms are used in this section to refer to both when the subject is the same or substantially similar. Capitalised terms defined in the Financial Report 2Q18 and not otherwise defined in this section shall have the same meaning when used in this section.

Regulatory Capital Framework

Effective 1 January 2013, the Basel III framework was implemented in Switzerland along with the Swiss "Too Big to Fail" legislation and regulations thereunder (Swiss Requirements). Together with the related implementing ordinances, the legislation includes capital, liquidity, leverage and large exposure requirements and rules for emergency plans designed to maintain systemically relevant functions in the event of threatened insolvency. Our related disclosures are in accordance with our current interpretation of such requirements, including relevant assumptions. Changes in the interpretation of these requirements in Switzerland or in any of our assumptions or estimates could result in different numbers from those shown in this report. Also, our capital metrics fluctuate during any reporting period in the ordinary course of business.

References to phase-in and look-through included herein refer to Basel III capital requirements and Swiss Requirements. Phase-in reflects that, for the years 2014 - 2018, there will be a five-year (20% per annum) phase-in of goodwill, other intangible assets and other capital deductions (e.g., certain deferred tax assets) and the phase-out of an adjustment for the accounting treatment of pension plans and, for the years 2013 - 2022, there will be a phase-out of certain capital instruments. Look-through assumes the full phase-in of goodwill and other intangible assets and other regulatory adjustments and the phase-out of certain capital instruments.

Refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Capital management*" in the Annual Report 2017 for further information.

BIS Requirements

The Basel Committee on Banking Supervision ("**BCBS**"), the standard setting committee within the Bank for International Settlements ("**BIS**"), issued the Basel III framework, with higher minimum capital requirements and conservation and countercyclical buffers, revised risk-based capital measures, a leverage ratio and liquidity standards. The framework was designed to strengthen the resilience of the banking sector and requires banks to hold more capital, mainly in the form of common equity. The

new capital standards are being phased in from 2013 through 2018 and become fully effective on 1 January 2019 for those countries that have adopted Basel III.

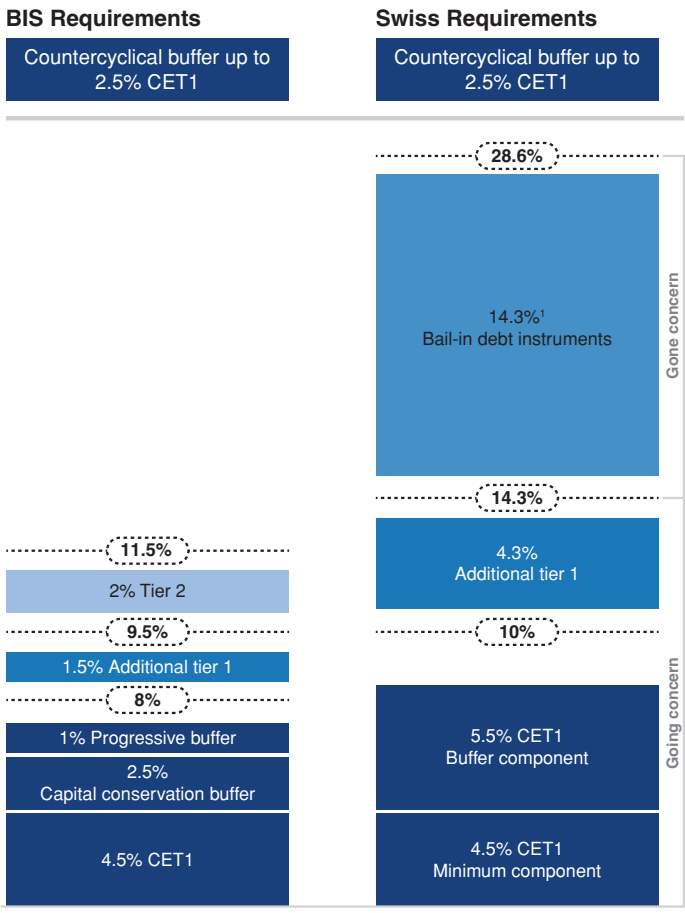
Refer to the table "*Information regarding the CET1 Ratio and Swiss Capital Ratios—BIS phase-in requirements for Credit Suisse*" below for capital requirements and applicable effective dates during the phase-in period.

Under Basel III, the minimum CET1 requirement is 4.5% of RWA. In addition, a 2.5% CET1 capital conservation buffer is required to absorb losses in periods of financial and economic stress. Banks that do not maintain this buffer will be limited in their ability to pay dividends and make discretionary bonus payments and other earnings distributions.

A progressive buffer between 1% and 2.5% (with a possible additional 1% surcharge) of CET1, depending on a bank's systemic importance, is an additional capital requirement for G-SIBs. The Financial Stability Board ("**FSB**") has identified Credit Suisse as a G-SIB. In 2017, the FSB advised that a reduced progressive buffer of 1% will apply beginning in January 2019, down from a previous requirement of 1.5%.

In addition to the CET1 requirements, there is also a requirement for 1.5% of additional tier 1 capital and 2% of tier 2 capital. These requirements may also be met with CET1 capital.

Basel III capital frameworks for Credit Suisse



(1) Does not include any rebates for resolvability and for certain tier 2 low-trigger instruments recognized in gone concern capital.

BIS phase-in requirements for Credit Suisse

For	2018	2019
Capital ratios		
CET1	4.5%	4.5%
Capital conservation buffer	1.875%(1)	2.5%
Progressive buffer for G-SIB	1.125%(1)	1.0%
Total CET1	**7.5%**	**8.0%**
Additional tier 1	1.5%	1.5%
Tier 1	**9.0%**	**9.5%**
Tier 2	2.0%	2.0%
Total capital	**11.0%**	**11.5%**
Phase-in deductions from CET1	100.0%	100.0%
Capital instruments subject to phase-out	Phased out over a 10-year horizon beginning 2013 through 2022	

(1) Indicates phase-in period.

To qualify as additional tier 1 under Basel III, capital instruments must provide for principal loss absorption through a conversion into common equity or a write-down of principal feature. The trigger for such conversion or write-down must include a CET1 ratio of at least 5.125% as well as a trigger at the point of non-viability.

Basel III further provides for a countercyclical buffer that could require banks to hold up to 2.5% of CET1. This requirement is imposed by national regulators where credit growth is deemed to be excessive and leading to the build-up of system-wide risk.

Capital instruments that do not meet the strict criteria for inclusion in CET1 are excluded. Capital instruments that would no longer qualify as tier 1 or tier 2 capital will be phased out. In addition, instruments with an incentive to redeem prior to their stated maturity, if any, are phased out at their effective maturity date, which is generally the date of the first step-up coupon.

As of 1 January 2018, banks are required to maintain a tier 1 leverage ratio of 3%.

Swiss Requirements

The legislation implementing the Basel III framework in Switzerland in respect of capital requirements for systemically relevant banks, including Credit Suisse, goes beyond the Basel III minimum standards for systemically relevant banks.

In May 2016, the Swiss Federal Council amended the Capital Adequacy Ordinance applicable to Swiss banks. The amendment recalibrates and expands the existing "Too Big to Fail" regime in Switzerland. Under the amended regime, systemically important banks operating internationally, such as Credit Suisse, are subject to two different minimum requirements for loss-absorbing capacity: G-SIBs must hold sufficient capital that absorbs losses to ensure continuity of service (going concern requirement) and they must issue sufficient debt instruments to fund an orderly resolution without recourse to public resources (gone concern requirement). Going concern capital and gone concern capital together form our total loss-absorbing capacity ("**TLAC**"). The going concern and gone concern requirements are generally aligned with the FSB's total loss-absorbing capacity standard. The amended Capital Adequacy Ordinance came into effect on 1 July 2016, subject to phase-in and grandfathering provisions for certain outstanding instruments, and has to be fully applied by 1 January 2020.

Going concern requirement

The going concern requirement applicable in 2020 for a G-SIB consists of (i) a base requirement of 12.86% of RWA and 4.5% of leverage exposure; and (ii) a surcharge, which reflects the G-SIB's systemic importance. For Credit Suisse, this currently translates into a going concern requirement of 14.3% of RWA, of which the minimum CET1 component is 10%, with the remainder to be met with a maximum of 4.3% additional tier 1 capital, which includes high-trigger capital instruments that would be converted into common equity or written down if the CET1 ratio falls below 7%. Under the going concern requirement, the Swiss leverage ratio must be 5%, of which the minimum CET1 component is 3.5%, with the remainder to be met with a maximum of 1.5% additional tier 1 capital, which includes high-trigger capital instruments.

Gone concern requirement

The gone concern requirement of a G-SIB is equal to its total going concern requirement, which in 2020, consists of a base requirement of 12.86% of RWA and 4.5% of leverage exposure, plus any surcharges applicable to the relevant G-SIB. The gone concern requirement does not include any countercyclical buffers. Credit Suisse is currently subject to a gone concern requirement of 14.3% of RWA and a 5% Swiss leverage ratio and is subject to potential capital rebates for resolvability and for certain tier 2 low-trigger instruments recognised as gone concern capital.

The gone concern requirement should primarily be fulfilled with bail-in debt instruments that are designed to absorb losses after the write-down or conversion into equity of regulatory capital of a G-SIB in a restructuring scenario, but before the write-down or conversion into equity of other senior obligations of the G-SIB. Bail-in debt instruments do not feature capital triggers that may lead to a write-down and/or a conversion into equity outside of restructuring, but only begin to bear losses once the G-SIB is formally in restructuring proceedings and FINMA orders capital measures (i.e., a write-down and/or a conversion into equity) in the restructuring plan.

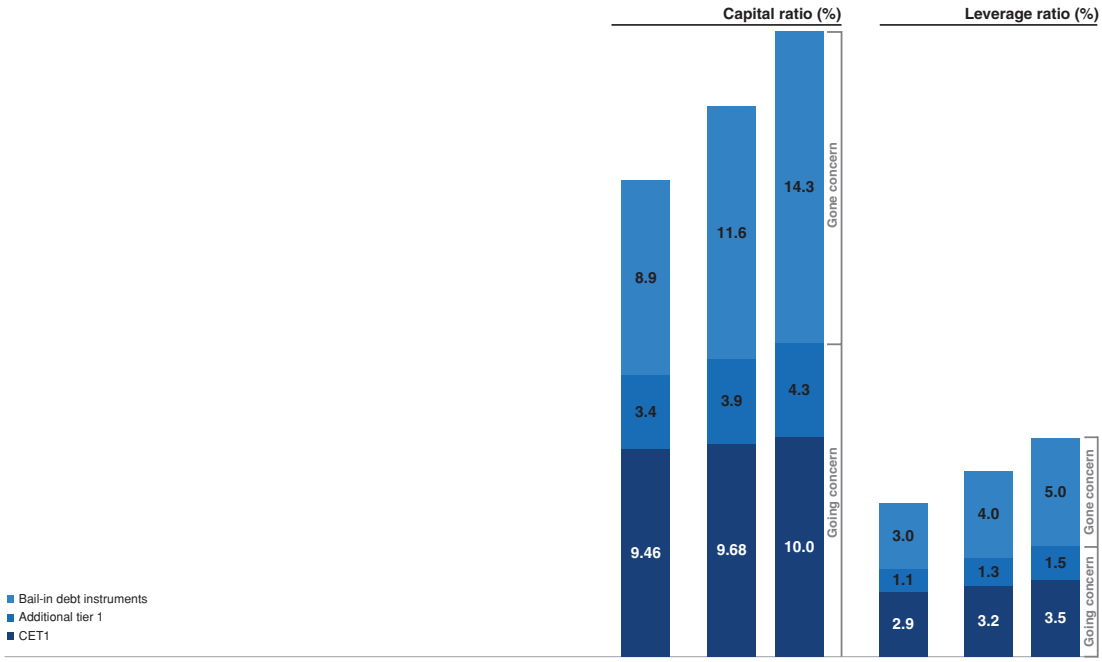
According to the amended Capital Adequacy Ordinance, bail-in debt instruments must fulfil certain criteria in order to qualify under the gone concern requirement, including FINMA approval. In addition to bail-in debt instruments, the gone concern requirement may further be fulfilled with other capital instruments, including CET1, additional tier 1 capital instruments or tier 2 capital instruments.

Grandfathering provisions

The Capital Adequacy Ordinance provides for a number of grandfathering provisions with regard to the qualification of previously issued additional tier 1 capital instruments and tier 2 capital instruments:

- Additional tier 1 capital instruments with a low trigger qualify as going concern capital until their first call date. Additional tier 1 capital instruments that no longer qualify as going concern capital pursuant to this provision qualify as gone concern capital;

Swiss capital and leverage phase-in requirements for Credit Suisse



Effective as of January 1, for the applicable year	2018	2019	2020	2018	2019	2020
Capital components (%)						
CET1 – minimum	5.4	4.9	4.5	1.9	1.7	1.5
Additional tier 1 – maximum	2.6	3.1	3.5	1.1	1.3	1.5
Minimum component	**8.0**	**8.0**	**8.0**	**3.0**	**3.0**	**3.0**
CET1 – minimum	4.06	4.78	5.5	1.0	1.5	2.0
Additional tier 1 – maximum	0.8	0.8	0.8	0.0	0.0	0.0
Buffer component	**4.86**	**5.58**	**6.3**	**1.0**	**1.5**	**2.0**
Going concern	**12.86**	**13.58**	**14.3**	**4.0**	**4.5**	**5.0**
of which base requirement	12.86	12.86	12.86	4.0	4.5	4.5
of which surcharge	0.0	0.72	1.44	0.0	0.0	0.5
Gone concern	**8.9**	**11.6**	**14.3**	**3.0**	**4.0**	**5.0**
of which base requirement	8.18	10.52	12.86	2.75	3.625	4.5
of which surcharge	0.72	1.08	1.44	0.25	0.375	0.5
Total loss-absorbing capacity	**21.76**	**25.18**	**28.6**	**7.0**	**8.5**	**10.0**

Does not include the effects of the countercyclical buffers and any rebates for resolvability and for certain tier 2 low-trigger instruments recognized in gone concern capital. As of the end of 2Q18, the Swiss countercyclical buffer for the Group and the Bank was CHF 465 million, which is equivalent to 0.2% of CET1 capital, and the required extended countercyclical buffer was insignificant. As of the end of 2Q18, the rebate for resolvability relating to the Group and the Bank's capital ratios was 1.246%, resulting in a gone concern requirement of 7.654%, and 0.42% relating to the leverage ratios, resulting in a gone concern leverage requirement of 2.58%.

- Tier 2 capital instruments with a high trigger qualify as going concern capital until the earlier of (i) their maturity date or first call date; and (ii) 31 December 2019. Tier 2 capital instruments that no longer qualify as going concern capital pursuant to this provision qualify as gone concern capital until one year before their final maturity; and
- Tier 2 capital instruments with a low trigger also qualify as going concern capital until the earlier of (i) their maturity date or first call date; and (ii) 31 December 2019. Tier 2 capital instruments that no longer qualify as going concern capital pursuant to this provision qualify as gone concern capital until one year before their final maturity.

Furthermore, to be eligible as gone concern capital, outstanding bail-in debt instruments issued before 1 July 2016 and bail-in debt instruments issued by a (Swiss or foreign) special purpose vehicle before 1 January 2017 must have been approved by FINMA.

Both the going concern and the gone concern requirements are subject to a phase-in with gradually increasing requirements and have to be fully applied by 1 January 2020.

Other requirements

Effective 1 July 2016, Switzerland implemented an extended countercyclical buffer, which is based on the BIS countercyclical buffer that could require banks to hold up to 2.5% of RWA in the form of CET1 capital. The extended countercyclical buffer relates to a requirement that can be imposed by national regulators when credit growth is deemed to be excessive and leading to the build-up of system-wide risk.

The Swiss Federal Council has not activated the BIS countercyclical buffer for Switzerland but instead requires banks to hold CET1 capital in the amount of 2% of their RWA pertaining to mortgage loans that finance residential property in Switzerland (Swiss countercyclical buffer).

In 2013, FINMA introduced increased capital charges for mortgages that finance owner occupied residential property in Switzerland (mortgage multiplier) to be phased in through 1 January 2019. The mortgage multiplier applies for purposes of both BIS and FINMA requirements.

In December 2013, FINMA issued a decree (the "**2013 FINMA Decree**"), effective since 2 February 2014, specifying capital adequacy requirements for the Bank, on a stand-alone basis (the "**Bank parent company**"), and the Bank and the Group, each on a consolidated basis, as systemically relevant institutions. In October 2017, FINMA issued an additional decree with respect to the regulatory capital requirements of the Bank parent company (the "**2017 FINMA Decree**", and together with the 2013 FINMA Decree, the "**FINMA Decrees**"), specifying the treatment of investments in subsidiaries for capital adequacy purposes.

Refer to "*Information regarding the CET1 Ratio and Swiss Capital Ratios—Regulatory developments and proposals*" below and "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Capital management*" in the Annual Report 2017 for further information on the FINMA Decrees.

Within the Basel framework for FINMA regulatory capital purposes, we implemented risk measurement models, including an incremental risk charge, stressed Value-at-Risk ("**VaR**"), risks not in VaR and advanced credit valuation adjustment (CVA).

For capital purposes, FINMA, in line with BIS requirements, uses a multiplier to impose an increase in market risk capital for every regulatory VaR backtesting exception over four in the prior rolling 12-month period. In 2Q18, our market risk capital multiplier remained at FINMA and BIS minimum levels and we did not experience an increase in market risk capital.

Refer to "*II—Treasury, risk, balance sheet and off-balance sheet—Risk management—Market risk review*" in the Financial Report 2Q18 for further information.

Regulatory Developments and Proposals

In May 2018, the BCBS published the revised standard on simple, transparent and comparable (the "**STC**") securitizations. It includes the STC criteria developed for short-term securitizations and their preferential capital treatment. The new rules were effective immediately.

In July 2018, the BCBS issued a revised assessment methodology for G-SIBs. The revised methodology is expected to be implemented by national authorities by 2021 and is expected to determine a G-SIB's applicable higher loss absorbency requirements from January 2023.

In July 2018, FINMA published revised circulars on the further implementation of Basel III in Switzerland, which, in general, become effective on 1 January 2019. This revision package is one of the final steps in the Swiss implementation of the Basel III standards and includes the following circulars:

- "Eligible capital—banks", which added final transitional guidelines for the calculation of regulatory capital related to the new current expected credit loss (CECL) model under US GAAP, which will become effective for us as of 1 January 2020;
- "Interest rate risks—banks", in which FINMA will not apply the optional standardised framework according to Basel III standards; instead it will broaden the scope of existing interest rate reporting arrangements; and
- Other minor revisions to circulars, including new disclosure tables on key metrics and interest rate risks, TLAC, remuneration and value adjustments; capital buffer and capital planning in the banking sector; calculation of unweighted leverage ratio for banks; and capital requirements for credit risks at banks.

Issuances and Redemptions

Issuances

The following callable bail-in instruments were issued by the Group in the second quarter of 2018:

- USD 1.250 billion 4.207% senior notes due 2024;
- USD 750 million floating rate senior notes due 2024; and
- USD 145 million zero coupon accreting senior notes due 2048.

Other issuances

The following callable bail-in instruments were issued by the Group in July 2018 and August 2018, respectively:

- EUR 100 million 2.455% senior notes due 2034; and
- USD 190 million zero coupon accreting senior notes due 2048.

In July 2018, the Group also issued USD 2.0 billion 7.5% perpetual additional tier 1 capital instruments.

Redemptions

In July 2018, the Group announced the redemption of tier 1 capital notes in the amount of CHF 290 million.

In August 2018, the Group announced the redemption of tier 1 capital notes in the amount of CHF 5.945 billion.

Higher Trigger Capital Amount

The capital ratio write-down triggers for certain of our outstanding capital instruments take into account the fact that other outstanding capital instruments that contain relatively higher capital ratios as part of their trigger feature are expected to convert into equity or be written down prior to the write-down of such capital instruments. The amount of additional capital that is expected to be contributed by such conversion into equity or write-down is referred to as the "**Higher Trigger Capital Amount**".

With respect to the capital instruments that specify a trigger event if the CET1 ratio were to fall below 5.125%, the Higher Trigger Capital Amount was CHF 7.8 billion and the Higher Trigger Capital Ratio (i.e., the ratio of the Higher Trigger Capital Amount to the aggregate of all RWA of the Group) was 2.8%, both as of the end of 2Q18.

With respect to the capital instruments that specify a trigger event if the CET1 ratio were to fall below 5%, the Higher Trigger Capital Amount was CHF 12.6 billion and the Higher Trigger Capital Ratio was 4.5%, both as of the end of 2Q18.

Refer to the table "*Information regarding the CET1 Ratio and Swiss Capital Ratios—BIS capital metrics—Group*" below for further information on the BIS metrics used to calculate such measures.

Refer to "*Higher Trigger Capital Amount*" in "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Capital management—Issuances and redemptions*" in the Annual Report 2017 for further information on the Higher Trigger Capital Amount.

BIS capital metrics—Group

				Phase-in				Look-through
end of	2Q18	1Q18	4Q17	% change QoQ	2Q18	1Q18	4Q17	% change QoQ
Capital and risk-weighted assets (CHF million)								
CET1 capital	35,533	35,020	36,711	1	35,533	35,020	34,824	1
Tier 1 capital	51,019	49,973	51,482	2	48,104	47,214	47,262	2
Total eligible capital	55,874	54,769	56,696	2	52,162	51,229	51,389	2
Risk-weighted assets	277,125	271,015	272,815	2	277,125	271,015	271,680	2
Capital ratios (%)								
CET1 ratio	12.8	12.9	13.5	—	12.8	12.9	12.8	—
Tier 1 ratio	18.4	18.4	18.9	—	17.4	17.4	17.4	—
Total capital ratio	20.2	20.2	20.8	—	18.8	18.9	18.9	—

BIS Capital Metrics

Our CET1 ratio was 12.8% as of the end of 2Q18 compared to 12.9% as of the end of 1Q18, reflecting higher RWA, partially offset by an increase in CET1 capital. Our tier 1 ratio was 18.4% as of the end of 2Q18, stable compared to the end of 1Q18. Our total capital ratio was 20.2% as of the end of 2Q18, stable compared to the end of 1Q18.

CET1 capital was CHF 35.5 billion as of the end of 2Q18, an increase compared to CHF 35.0 billion as of the end of 1Q18, mainly reflecting net income attributable to shareholders, a positive foreign exchange impact and a regulatory adjustment of deferred tax assets, partially offset by the settlement of share-based compensation awards and a dividend accrual.

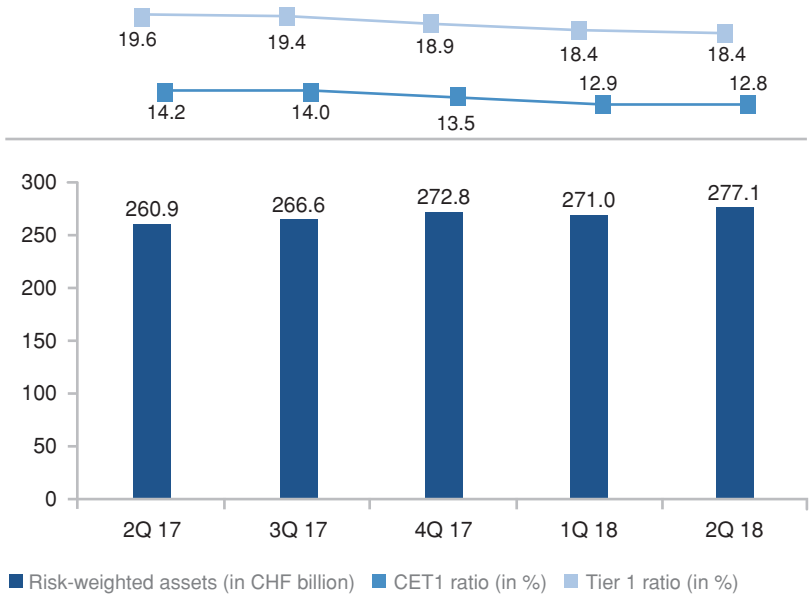
Additional tier 1 capital was CHF 15.5 billion as of the end of 2Q18, an increase compared to CHF 15.0 billion as of the end of 1Q18, mainly reflecting a positive foreign exchange impact.

Tier 2 capital was CHF 4.9 billion as of the end of 2Q18, a slight increase compared to CHF 4.8 billion as of the end of 1Q18, mainly reflecting a positive foreign exchange impact.

Total eligible capital was CHF 55.9 billion as of the end of 2Q18, an increase compared to CHF 54.8 billion as of the end of 1Q18, primarily reflecting increases in CET1 capital and additional tier 1 capital.

As of the end of 2Q18, the look-through CET1 ratio was 12.8% compared to 12.9% as of the end of 1Q18, reflecting higher RWA, partially offset by higher CET1 capital. As of the end of 2Q18, the look-through total capital ratio was 18.8%, slightly lower compared to the end of 1Q18.

Risk-weighted assets and capital ratios—Group



Eligible capital—Group

	Phase-in				Look-through			
end of	**2Q18**	1Q18	4Q17	% change QoQ	**2Q18**	1Q18	4Q17	% change QoQ
Eligible capital (CHF million)								
Total shareholders' equity	**43,470**	**42,540**	**41,902**	2	**43,470**	**42,540**	**41,902**	2
Regulatory adjustments[1]	(244)	(560)	(576)	(56)	(244)	(560)	(576)	(56)
Adjustments subject to phase-in								
Accounting treatment of defined benefit pension plans	—	—	508	—	—	—	—	—
Common share capital issued by subsidiaries and held by third parties	—	—	44	—	—	—	—	—
Goodwill[2]	(4,794)	(4,664)	(3,792)	3	(4,794)	(4,664)	(4,740)	3
Other intangible assets[2]	(56)	(57)	(48)	(2)	(56)	(57)	(60)	(2)
Deferred tax assets that rely on future profitability	(1,798)	(2,046)	(1,770)	(12)	(1,798)	(2,046)	(2,213)	(12)
Shortfall of provisions to expected losses	(447)	(463)	(402)	(3)	(447)	(463)	(503)	(3)
Gains/(losses) due to changes in own credit on fair-valued liabilities	1,331	2,228	2,152	(40)	1,331	2,228	2,690	(40)
Defined benefit pension assets[2]	(1,936)	(1,844)	(1,337)	5	(1,936)	(1,844)	(1,672)	5
Investments in own shares	(54)	(213)	(13)	(75)	(54)	(213)	(16)	(75)
Other adjustments[3]	111	99	43	12	111	99	56	12
Deferred tax assets from temporary differences (threshold-based)	(50)	0	0	—	(50)	0	(44)	—
Adjustments subject to phase-in	**(7,693)**[4]	**(6,960)**	**(4,615)**	11	**(7,693)**	**(6,960)**	**(6,502)**	11
CET1 capital	**35,533**	**35,020**	**36,711**	1	**35,533**	**35,020**	**34,824**	1
High-trigger capital instruments (7% trigger)	7,755	7,530	7,575	3	7,755	7,530	7,575	3
Low-trigger capital instruments (5.125% trigger)	4,816	4,664	4,863	3	4,816	4,664	4,863	3
Additional tier 1 instruments	**12,571**	**12,194**	**12,438**	3	**12,571**	**12,194**	**12,438**	3
Additional tier 1 instruments subject to phase-out[5]	2,915	2,759	2,778	6	—	—	—	—
Deductions from additional tier 1 capital	—	—	(445)	—	—	—	—	—
Additional tier 1 capital	**15,486**	**14,953**	**14,771**	4	**12,571**	**12,194**	**12,438**	3
Tier 1 capital	**51,019**	**49,973**	**51,482**	2	**48,104**	**47,214**	**47,262**	2
Low-trigger capital instruments (5% trigger)	4,058	4,015	4,127	1	4,058	4,015	4,127	1
Tier 2 instruments	**4,058**	**4,015**	**4,127**	1	**4,058**	**4,015**	**4,127**	1
Tier 2 instruments subject to phase-out	797	781	1,138	2	—	—	—	—
Deductions from tier 2 capital	—	—	(51)	—	—	—	—	—
Tier 2 capital	**4,855**	**4,796**	**5,214**	1	**4,058**	**4,015**	**4,127**	1
Total eligible capital	**55,874**	**54,769**	**56,696**	2	**52,162**	**51,229**	**51,389**	2

(1) Includes regulatory adjustments not subject to phase-in, including a cumulative dividend accrual.

(2) Net of deferred tax liability.

(3) Includes cash flow hedge reserve.

(4) Reflects 100% phase-in deductions, including goodwill, other intangible assets and certain deferred tax assets.

(5) Includes hybrid capital instruments that are subject to phase-out.

Capital movement—Group

2Q18	Phase-in	Look-through
CET1 capital (CHF million)		
Balance at beginning of period	**35,020**	**35,020**
Net income attributable to shareholders	647	647
Foreign exchange impact[1]	446	446
Regulatory adjustment of deferred tax assets	257	257
Other	(837)[2]	(837)
Balance at end of period	**35,533**	**35,533**
Additional tier 1 capital (CHF million)		
Balance at beginning of period	**14,953**	**12,194**
Foreign exchange impact	460	351
Other	73	26
Balance at end of period	**15,486**	**12,571**
Tier 2 capital (CHF million)		
Balance at beginning of period	**4,796**	**4,015**
Foreign exchange impact	89	70
Other	(30)	(27)
Balance at end of period	**4,855**	**4,058**
Eligible capital (CHF million)		
Balance at end of period	**55,874**	**52,162**

(1) Includes US GAAP cumulative translation adjustments and the foreign exchange impact on regulatory CET1 adjustments.

(2) Includes the net effect of share-based compensation and pensions, the impact of a dividend accrual and a change in other regulatory adjustments (e.g., the net regulatory impact of gains/(losses) on fair-valued financial liabilities due to changes in own credit risk).

Risk-Weighted Assets

Our balance sheet positions and off-balance sheet exposures translate into RWA that are categorised as credit, market and operational risk RWA. When assessing RWA, it is not the nominal size, but rather the nature (including risk mitigation such as collateral or hedges) of the balance sheet positions or off-balance sheet exposures that determines the RWA. Credit risk RWA reflect the capital requirements for the possibility of a loss being incurred as the result of a borrower or counterparty failing to meet its financial obligations or as a result of a deterioration in the credit quality of the borrower or counterparty. Capital requirements for premises and equipment, real estate and investments in real estate entities are also included in credit risk. Under Basel III, certain regulatory capital adjustments are dependent on the level of CET1 capital (thresholds). The amount above the threshold is deducted from CET1 capital and the amount below the threshold is risk-weighted. RWA subject to such threshold adjustments are included in credit risk RWA. Market risk RWA reflect the capital requirements of potential changes in the fair values of financial instruments in response to market movements inherent in both balance sheet and off-balance sheet items. Operational risk RWA

reflect the capital requirements for the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

RWA increased 2% to CHF 277.1 billion as of the end of 2Q18 compared to CHF 271.0 billion as of the end of 1Q18, mainly driven by a positive foreign exchange impact, methodology and policy changes and increases resulting from movements in risk levels in credit risk and by model and parameter updates in credit risk and market risk. These increases were partially offset by decreases resulting from movements in risk levels, mainly in market risk.

Excluding the foreign exchange impact, the increase in **credit risk** was primarily driven by methodology and policy changes, movements in risk levels attributable to book size and model and parameter updates. The increase in methodology and policy changes was primarily due to the additional phase-in of the multipliers on income producing real estate (IPRE) and non-IPRE exposures, both within Swiss Universal Bank, and on certain investment banking corporate exposures in Global Markets, Investment Banking & Capital Markets and Asia Pacific. There was also additional phase in for the implementation of the Basel III revised rules for banking book securitizations across the divisions. The increase in risk levels attributable to book size was mainly due to increases in lending risk exposures primarily in Investment Banking & Capital Markets, International Wealth Management, Corporate Center and Asia Pacific, banking book securitizations and security exposures in Global Markets, derivative exposures primarily driven by loss of hedging benefits in Corporate Center and equity exposures in Asia Pacific. These increases were partially offset by decreases in derivative exposures in Strategic Resolution Unit, Global Markets and Investment Banking & Capital Markets, securitization exposures in International Wealth Management and lending risk exposures in Swiss Universal Bank and Global Markets. The increase from model and parameter updates was related to advanced credit valuation adjustment resulting from increased market volatility in the VaR model, primarily in Strategic Resolution Unit and Swiss Universal Bank.

Excluding the foreign exchange impact, the decrease **in market risk** was primarily driven by movements in risk levels, partially offset by an increase from model and parameter updates. The movements in risk levels were primarily in Asia Pacific, Global Markets and Strategic Resolution Unit. The increase from model and parameter updates was due to VaR and risk not in VaR changes, mainly impacting Asia Pacific and Global Markets.

The decrease in **operational risk** was mainly driven by movements in risk levels due to increased insurance benefits attributed primarily to Global Markets and Asia Pacific.

Risk-weighted asset movement by risk type—Group

2Q18 (CHF million)	Swiss Universal Bank	International Wealth Management	Asia Pacific	Global Markets	Investment Banking & Capital Markets	Strategic Resolution Unit	Corporate Center	Total
Credit risk								
Balance at beginning of period	**57,842**	**24,622**	**21,444**	**32,010**	**17,093**	**9,449**	**13,803**	**176,263**
Foreign exchange impact	331	377	652	732	629	303	238	3,262
Movements in risk levels	(30)	36	663	1,389	906	(2,553)	1,573	1,984
of which credit risk—book size[1]	(274)	214	766	1,487	876	(2,586)	1,497	1,980
of which credit risk—book quality[2]	244	(178)	(103)	(98)	30	33	76	4
Model and parameter updates	493	315	37	(253)	(125)	694	(4)	1,157
Methodology and policy changes[4]	1,033	180	482	249	315	73	0	2,332
Balance at end of period—phase-in	**59,669**	**25,530**	**23,278**	**34,127**	**18,818**	**7,966**	**15,610**	**184,998**
Market risk								
Balance at beginning of period	**842**	**1,121**	**5,362**	**10,839**	**125**	**2,003**	**1,347**	**21,639**
Foreign exchange impact	6	8	51	151	1	26	7	250
Movements in risk levels	297	112	(2,249)	(1,314)	3	(444)	119	(3,476)
Model and parameter updates	20	191	441	284	3	110	103	1,152
Balance at end of period—phase-in	**1,165**	**1,432**	**3,605**	**9,960**	**132**	**1,695**	**1,576**	**19,565**
Operational risk								
Balance at beginning of period	**11,874**	**11,837**	**6,841**	**15,141**	**3,648**	**10,787**	**12,985**	**73,113**
Movements in risk levels	(8)	(8)	(147)	(310)	(78)	0	0	(551)
Balance at end of period—phase-in	**11,866**	**11,829**	**6,694**	**14,831**	**3,570**	**10,787**	**12,985**	**72,562**
Total								
Balance at beginning of period	**70,558**	**37,580**	**33,647**	**57,990**	**20,866**	**22,239**	**28,135**	**271,015**
Foreign exchange impact	337	385	703	883	630	329	245	3,512
Movements in risk levels	259	140	(1,733)	(235)	831	(2,997)	1,692	(2,043)
Model and parameter updates[3]	513	506	478	31	(122)	804	99	2,309
Methodology and policy changes[4]	1,033	180	482	249	315	73	0	2,332
Balance at end of period—phase-in	**72,700**	**38,791**	**33,577**	**58,918**	**22,520**	**20,448**	**30,171**	**277,125**
Balance at end of period—look-through	**72,700**	**38,791**	**33,577**	**58,918**	**22,520**	**20,448**	**30,171**	**277,125**

(1) Represents changes in portfolio size.

(2) Represents changes in average risk weighting across credit risk classes.

(3) Represents movements arising from updates to models and recalibrations of parameters and internal changes impacting how exposures are treated.

(4) Represents externally prescribed regulatory changes impacting how exposures are treated.

Risk-weighted assets—Group

end of	Swiss Universal Bank	International Wealth Management	Asia Pacific	Global Markets	Investment Banking & Capital Markets	Strategic Resolution Unit	Corporate Center	Group
2Q18 (CHF million)								
Credit risk	59,669	25,530	23,278	34,127	18,818	7,966	15,610	**184,998**
Market risk	1,165	1,432	3,605	9,960	132	1,695	1,576	**19,565**
Operational risk	11,866	11,829	6,694	14,831	3,570	10,787	12,985	**72,562**
Risk-weighted assets—phase-in	**72,700**	**38,791**	**33,577**	**58,918**	**22,520**	**20,448**	**30,171**	**277,125**
Risk-weighted assets—look-through	**72,700**	**38,791**	**33,577**	**58,918**	**22,520**	**20,448**	**30,171**	**277,125**
4Q17 (CHF million)								
Credit risk	52,776	24,641	20,510	34,185	17,362	12,078	14,960	**176,512**
Market risk	737	1,101	5,128	11,334	121	1,875	994	**21,290**
Operational risk	12,059	12,514	5,836	13,339	2,575	19,660	9,030	**75,013**
Risk-weighted assets—phase-in	**65,572**	**38,256**	**31,474**	**58,858**	**20,058**	**33,613**	**24,984**	**272,815**
Look-through adjustment	—	—	—	—	—	—	(1,135)	**(1,135)**
Risk-weighted assets—look-through	**65,572**	**38,256**	**31,474**	**58,858**	**20,058**	**33,613**	**23,849**	**271,680**

Leverage Metrics

Credit Suisse has adopted the BIS leverage ratio framework, as issued by the BCBS and implemented in Switzerland by FINMA. Under the BIS framework, the leverage ratio measures tier 1 capital against the end-of-period exposure. BIS leverage amounts are calculated based on our interpretation of, and assumptions and estimates related to, the BIS requirements as implemented in Switzerland by FINMA. Changes in the interpretation of these requirements in Switzerland or in any of our interpretations, assumptions or estimates could result in different numbers from those shown here.

As used herein, leverage exposure consists of period-end balance sheet assets and prescribed regulatory adjustments.

The look-through leverage exposure was CHF 920.0 billion as of the end of 2Q18, a decrease compared to CHF 932.1 billion as of the end of 1Q18, mainly reflecting lower operating activities, partially offset by the foreign exchange translation impact.

Refer to "*II—Treasury, risk, balance sheet and off-balance sheet—Balance sheet and off-balance sheet*" in the Financial Report 2Q18 for further information on the reduction in the Group's consolidated balance sheet.

Look-through leverage exposure—Group

end of	2Q18	1Q18	4Q17
Look-through leverage exposure (CHF million)			
Swiss Universal Bank	252,173	246,997	257,054
International Wealth Management	99,109	93,921	99,267
Asia Pacific	117,721	115,709	105,585
Global Markets	266,020	282,778	283,809
Investment Banking & Capital Markets	43,441	38,731	43,842
Strategic Resolution Unit	38,692	43,168	59,934
Corporate Center	102,846	110,767	67,034
Leverage exposure	**920,002**	**932,071**	**916,525**

BIS leverage ratios—Group

The CET1 leverage ratio was 3.9% as of the end of 2Q18 compared to 3.8% as of the end of 1Q18, and the tier 1 leverage ratio was 5.5% as of the end of 2Q18 compared to 5.4% as of the end of 1Q18, reflecting lower leverage exposure and increases in CET1 capital and tier 1 capital.

On a look-through basis, the tier 1 leverage ratio was 5.2% as of the end of 2Q18 compared to 5.1% as of the end of 1Q18, reflecting an increase in look-through tier 1 capital and lower leverage exposure, with a CET1 component of 3.9%.

Leverage exposure components—Group

	Phase-in				Look-through			
end of	2Q18	1Q18	4Q17	% change QoQ	2Q18	1Q18	4Q17	% change QoQ
Leverage exposure (CHF million)								
Balance sheet assets	**798,158**	**809,052**	**796,289**	(1)	**798,158**	**809,052**	**796,289**	(1)
Adjustments								
Difference in scope of consolidation and tier 1 capital deductions[1]	(13,519)	(14,060)	(11,873)	(4)	**(13,519)**	**(14,060)**	**(14,401)**	(4)
Derivative financial instruments	86,296	89,949	85,210	(4)	**86,296**	**89,949**	**85,210**	(4)
Securities financing transactions	(34,790)	(30,269)	(27,138)	15	**(34,790)**	**(30,269)**	**(27,138)**	15
Off-balance sheet exposures	83,857	77,399	76,565	8	**83,857**	**77,399**	**76,565**	8
Total adjustments	**121,844**	**123,019**	**122,764**	(1)	**121,844**	**123,019**	**120,236**	(1)
Leverage exposure	**920,002**	**932,071**	**919,053**	(1)	**920,002**	**932,071**	**916,525**	(1)

(1) Includes adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation and tier 1 capital deductions related to balance sheet assets.

BIS leverage metrics—Group

	Phase-in				Look-through			
end of	2Q18	1Q18	4Q17	% change QoQ	2Q18	1Q18	4Q17	% change QoQ
Capital and leverage exposure (CHF million)								
CET1 capital	35,533	35,020	36,711	1	35,533	35,020	34,824	1
Tier 1 capital	51,019	49,973	51,482	2	48,104	47,214	47,262	2
Leverage exposure	920,002	932,071	919,053	(1)	920,002	932,071	916,525	(1)
Leverage ratios (%)								
CET1 leverage ratio	3.9	3.8	4.0	—	3.9	3.8	3.8	—
Tier 1 leverage ratio	5.5	5.4	5.6	—	5.2	5.1	5.2	—

Swiss Capital and Leverage Metrics

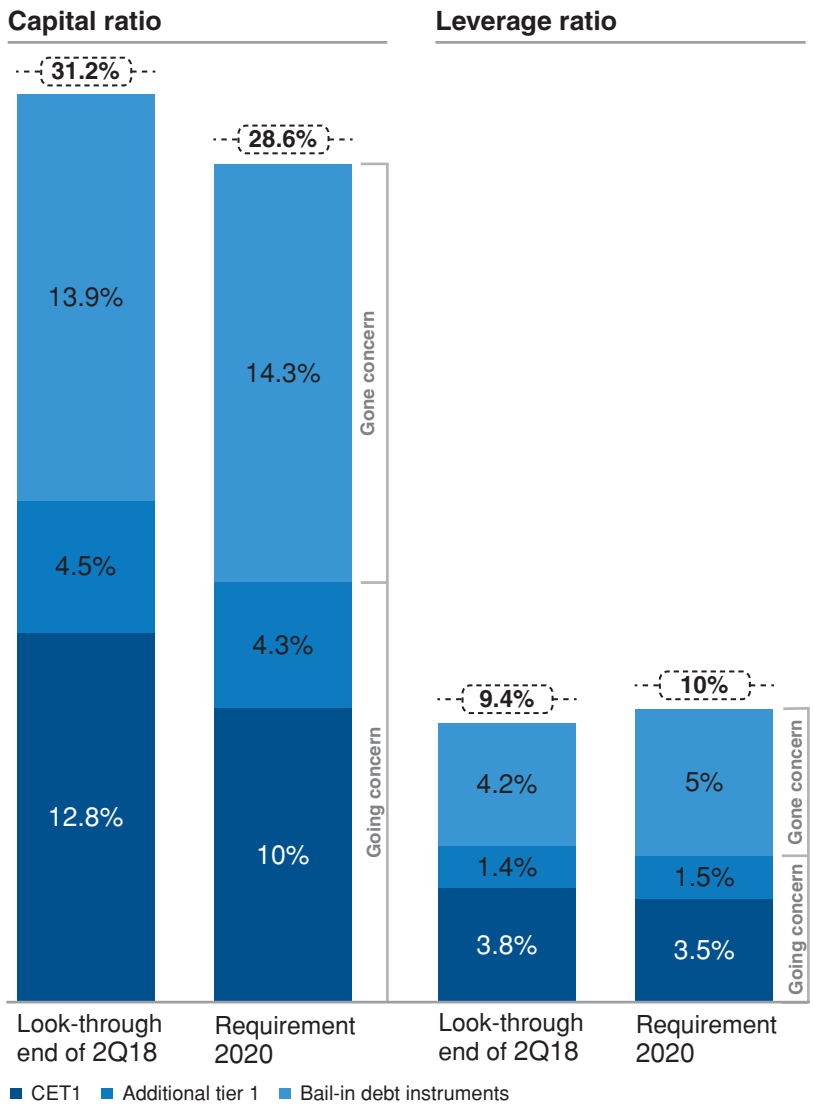
Swiss capital metrics

Refer to "*Information regarding the CET1 Ratio and Swiss Capital Ratios—Swiss Requirements*" for further information on Swiss regulatory requirements.

As of the end of 2Q18, our Swiss CET1 ratio was 12.8%, our going concern capital ratio was 18.7%, our gone concern capital ratio was 14.1% and our TLAC ratio was 32.8%.

On a look-through basis, as of the end of 2Q18, our Swiss CET1 capital was CHF 35.4 billion and our Swiss CET1 ratio was 12.8%. Our going concern capital was CHF 48.0 billion and our going concern capital ratio was 17.3%. Our gone concern capital was CHF 38.7 billion and our gone concern capital ratio was 13.9%. Our total loss-absorbing capacity was CHF 86.7 billion and our TLAC ratio was 31.2%.

Swiss capital and leverage ratios for Credit Suisse



Rounding differences may occur. Does not include the effects of the countercyclical buffers and any rebates for resolvability and for certain tier 2 low-trigger instruments recognized in gone concern capital.

Swiss capital metrics—Group

	Phase-in				Look-through			
end of	2Q18	1Q18	4Q17	% change QoQ	2Q18	1Q18	4Q17	% change QoQ
Swiss capital and risk-weighted assets (CHF million)								
Swiss CET1 capital	35,419	34,907	36,567	1	35,419	34,907	34,665	1
Going concern capital	52,049	51,116	53,131	2	47,991	47,101	47,102	2
Gone concern capital	39,098	36,218	35,712	8	38,711	35,974	35,226	8
Total loss-absorbing capacity (TLAC)	91,147	87,334	88,843	4	86,702	83,075	82,328	4
Swiss risk-weighted assets	277,658	271,584	273,436	2	277,658	271,584	272,265	2
Swiss capital ratios (%)								
Swiss CET1 ratio	12.8	12.9	13.4	—	12.8	12.9	12.7	—
Going concern capital ratio	18.7	18.8	19.4	—	17.3	17.3	17.3	—
Gone concern capital ratio	14.1	13.3	13.1	—	13.9	13.2	12.9	—
TLAC ratio	32.8	32.2	32.5	—	31.2	30.6	30.2	—

Swiss capital and risk-weighted assets—Group

	Phase-in				Look-through			
end of	**2Q18**	1Q18	4Q17	% change QoQ	**2Q18**	1Q18	4Q17	% change QoQ
Swiss capital (CHF million)								
CET1 capital—BIS	35,533	35,020	36,711	1	35,533	35,020	34,824	1
Swiss regulatory adjustments[1]	(114)	(113)	(144)	1	(114)	(113)	(159)	1
Swiss CET1 capital	**35,419**	**34,907**	**36,567**	1	**35,419**	**34,907**	**34,665**	1
Additional tier 1 high-trigger capital instruments	7,756	7,530	7,574	3	7,756	7,530	7,574	3
Grandfathered capital instruments	8,874	8,679	8,990	2	4,816	4,664	4,863	3
of which additional tier 1 low-trigger capital instruments	4,816	4,664	4,863	3	4,816	4,664	4,863	3
of which tier 2 low-trigger capital instruments	4,058	4,015	4,127	1	—	—	—	—
Swiss additional tier 1 capital	**16,630**	**16,209**	**16,564**	3	**12,572**	**12,194**	**12,437**	3
Going concern capital	**52,049**	**51,116**	**53,131**	2	**47,991**	**47,101**	**47,102**	2
Bail-in debt instruments	34,653	31,959	31,099	8	34,653	31,959	31,099	8
Additional tier 1 instruments subject to phase-out	2,915	2,759	2,778	6	—	—	—	—
Tier 2 instruments subject to phase-out	797	782	1,138	2	—	—	—	—
Tier 2 amortization component	733	718	1,193	2	—	—	—	—
Tier 2 low-trigger capital instruments	—	—	—	—	4,058	4,015	4,127	1
Deductions	—	—	(496)	—	—	—	—	—
Gone concern capital	**39,098**	**36,218**	**35,712**	8	**38,711**	**35,974**	**35,226**	8
Total loss-absorbing capacity	**91,147**	**87,334**	**88,843**	4	**86,702**	**83,075**	**82,328**	4
Risk-weighted assets (CHF million)								
Risk-weighted assets—BIS	277,125	271,015	272,815	2	277,125	271,015	271,680	2
Swiss regulatory adjustments[2]	533	569	621	(6)	533	569	585	(6)
Swiss risk-weighted assets	**277,658**	**271,584**	**273,436**	2	**277,658**	**271,584**	**272,265**	2

(1) Includes adjustments for certain unrealised gains outside the trading book.

(2) Primarily includes differences in the credit risk multiplier.

Swiss leverage metrics—Group

end of	Phase-in				Look-through			
	2Q18	1Q18	4Q17	% change QoQ	2Q18	1Q18	4Q17	% change QoQ
Swiss capital and leverage exposure (CHF million)								
Swiss CET1 capital	35,419	34,907	36,567	1	35,419	34,907	34,665	1
Going concern capital	52,049	51,116	53,131	2	47,991	47,101	47,102	2
Gone concern capital	39,098	36,218	35,712	8	38,711	35,974	35,226	8
Total loss-absorbing capacity	91,147	87,334	88,843	4	86,702	83,075	82,328	4
Leverage exposure	920,002	932,071	919,053	(1)	920,002	932,071	916,525	(1)
Swiss leverage ratios (%)								
Swiss CET1 leverage ratio	3.8	3.7	4.0	—	3.8	3.7	3.8	—
Going concern leverage ratio	5.7	5.5	5.8	—	5.2	5.1	5.1	—
Gone concern leverage ratio	4.2	3.9	3.9	—	4.2	3.9	3.8	—
TLAC leverage ratio	9.9	9.4	9.7	—	9.4	8.9	9.0	—

Rounding differences may occur.

Swiss leverage metrics

The leverage exposure used in the Swiss leverage ratios is measured on the same period-end basis as the leverage exposure for the BIS leverage ratio.

As of the end of 2Q18, our Swiss CET1 leverage ratio was 3.8%, our going concern leverage ratio was 5.7%, our gone concern leverage ratio was 4.2% and our TLAC leverage ratio was 9.9%.

On a look-through basis, as of the end of 2Q18, our Swiss CET1 leverage ratio was 3.8%, our going concern leverage ratio was 5.2%, our gone concern leverage ratio was 4.2% and our TLAC leverage ratio was 9.4%.

Bank Regulatory Disclosures

The following capital, RWA and leverage disclosures apply to the Bank. The business of the Bank is substantially the same as that of the Group, including business drivers and trends relating to capital, RWA and leverage metrics.

BIS capital and leverage metrics—Bank

Refer to "*Information regarding the CET1 Ratio and Swiss Capital Ratios—BIS Capital Metrics*", "*—Risk-Weighted Assets*" and "*—Leverage Metrics*" for further information.

BIS capital metrics—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Capital and risk-weighted assets (CHF million)				
CET1 capital	38,354	37,696	38,433	2
Tier 1 capital	52,960	51,813	52,378	2
Total eligible capital	57,815	56,609	57,592	2
Risk-weighted assets	279,008	272,040	272,720	3
Capital ratios (%)				
CET1 ratio	13.7	13.9	14.1	—
Tier 1 ratio	19.0	19.0	19.2	—
Total capital ratio	20.7	20.8	21.1	—

Eligible capital and risk-weighted assets—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Eligible capital (CHF million)				
Total shareholders' equity	**44,339**	**43,307**	**42,670**	2
Regulatory adjustments[1]	(23)	(56)	(46)	(59)
Adjustments subject to phase-in	(5,962)[2]	(5,555)	(4,191)	7
CET1 capital	**38,354**	**37,696**	**38,433**	2
Additional tier 1 instruments	11,691[3]	11,358	11,579	3
Additional tier 1 instruments subject to phase-out[4]	2,915	2,759	2,778	6
Deductions from additional tier 1 capital	—	—	(412)	—
Additional tier 1 capital	**14,606**	**14,117**	**13,945**	3
Tier 1 capital	**52,960**	**51,813**	**52,378**	2
Tier 2 instruments	4,058[5]	4,015	4,127	1
Tier 2 instruments subject to phase-out	797	781	1,138	2
Deductions from tier 2 capital	—	—	(51)	—
Tier 2 capital	**4,855**	**4,796**	**5,214**	1
Total eligible capital	**57,815**	**56,609**	**57,592**	2
Risk-weighted assets by risk type (CHF million)				
Credit risk	186,881	177,288	176,417	5
Market risk	19,565	21,640	21,290	(10)
Operational risk	72,562	73,112	75,013	(1)
Risk-weighted assets	**279,008**	**272,040**	**272,720**	3

(1) Includes regulatory adjustments not subject to phase-in, including a cumulative dividend accrual.

(2) Primarily reflects 100% phase-in deductions, including goodwill, other intangible assets and certain deferred tax assets.

(3) Consists of high-trigger and low-trigger capital instruments. Of this amount, CHF 7.7 billion consists of capital instruments with a capital ratio write-down trigger of 7% and CHF 3.9 billion consists of capital instruments with a capital ratio write-down trigger of 5.125%.

(4) Includes hybrid capital instruments that are subject to phase-out.

(5) Consists of low-trigger capital instruments with a capital ratio write-down trigger of 5%.

Leverage exposure components—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Leverage exposure (CHF million)				
Balance sheet assets	**800,628**	**811,229**	**798,372**	(1)
Adjustments				
Difference in scope of consolidation and tier 1 capital deductions[1]	(11,710)	(12,527)	(11,569)	(7)
Derivative financial instruments	86,373	90,285	85,559	(4)
Securities financing transactions	(34,790)	(30,269)	(27,138)	15
Off-balance sheet exposures	83,864	77,406	76,569	8
Total adjustments	**123,737**	**124,895**	**123,421**	(1)
Leverage exposure	**924,365**	**936,124**	**921,793**	(1)

(1) Includes adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation and tier 1 capital deductions related to balance sheet assets.

BIS leverage metrics—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Capital and leverage exposure (CHF million)				
CET1 capital	38,354	37,696	38,433	2
Tier 1 capital	52,960	51,813	52,378	2
Leverage exposure	924,365	936,124	921,793	(1)
Leverage ratios (%)				
CET1 leverage ratio	4.1	4.0	4.2	—
Tier 1 leverage ratio	5.7	5.5	5.7	—

Swiss capital and leverage metrics—Bank

Refer to "*Information regarding the CET1 Ratio and Swiss Capital Ratios—Swiss Capital and Leverage Metrics*" for further information.

Swiss capital metrics—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Swiss capital and risk-weighted assets (CHF million)				
Swiss CET1 capital	38,251	37,583	38,288	2
Going concern capital	54,000	52,956	53,995	2
Gone concern capital	39,126	36,220	35,771	8
Total loss-absorbing capacity	93,126	89,176	89,766	4
Swiss risk-weighted assets	279,557	272,599	273,332	3
Swiss capital ratios (%)				
Swiss CET1 ratio	13.7	13.8	14.0	—
Going concern capital ratio	19.3	19.4	19.8	—
Gone concern capital ratio	14.0	13.3	13.1	—
TLAC ratio	33.3	32.7	32.8	—

Swiss capital and risk-weighted assets—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Swiss capital (CHF million)				
CET1 capital—BIS	38,354	37,696	38,433	2
Swiss regulatory adjustments[1]	(103)	(113)	(145)	(9)
Swiss CET1 capital	**38,251**	**37,583**	**38,288**	2
Additional tier 1 high-trigger capital instruments	7,777	7,568	7,631	3
Grandfathered capital instruments	7,972	7,805	8,076	2
of which additional tier 1 low-trigger capital instruments	3,914	3,790	3,949	3
of which tier 2 low-trigger capital instruments	4,058	4,015	4,127	1
Swiss additional tier 1 capital	**15,749**	**15,373**	**15,707**	2
Going concern capital	**54,000**	**52,956**	**53,995**	2
Bail-in debt instruments	34,681	31,962	31,125	9
Additional tier 1 instruments subject to phase-out	2,915	2,759	2,778	6
Tier 2 instruments subject to phase-out	797	781	1,138	2
Tier 2 amortization component	733	718	1,193	2
Deductions	—	—	(463)	—
Gone concern capital	**39,126**	**36,220**	**35,771**	8
Total loss-absorbing capacity	**93,126**	**89,176**	**89,766**	4
Risk-weighted assets (CHF million)				
Risk-weighted assets—BIS	279,008	272,040	272,720	3
Swiss regulatory adjustments[2]	549	559	612	(2)
Swiss risk-weighted assets	**279,557**	**272,599**	**273,332**	3

(1) Includes adjustments for certain unrealised gains outside the trading book.

(2) Primarily includes differences in the credit risk multiplier.

Swiss leverage metrics—Bank

end of	2Q18	1Q18	4Q17	Phase-in % change QoQ
Swiss capital and leverage exposure (CHF million)				
Swiss CET1 capital	38,251	37,583	38,288	2
Going concern capital	54,000	52,956	53,995	2
Gone concern capital	39,126	36,220	35,771	8
Total loss-absorbing capacity	93,126	89,176	89,766	4
Leverage exposure	924,365	936,124	921,793	(1)
Swiss leverage ratios (%)				
Swiss CET1 leverage ratio	4.1	4.0	4.2	—
Going concern leverage ratio	5.8	5.7	5.9	—
Gone concern leverage ratio	4.2	3.9	3.9	—
TLAC leverage ratio	10.1	9.5	9.7	—

Other Regulatory Disclosures

In connection with the implementation of Basel III, certain regulatory disclosures for the Group and certain of its subsidiaries are required. The Group's Pillar 3 disclosure, regulatory disclosures, additional information on capital instruments, including the main features and terms and conditions of regulatory capital instruments that form part of the eligible capital base, G-SIB financial indicators, reconciliation requirements, leverage ratios and certain liquidity disclosures as well as regulatory disclosures for subsidiaries can be found on our website.

Refer to *credit-suisse.com/regulatorydisclosures* for additional information.

Shareholders' Equity and Share Metrics

Total shareholders' equity

Our total shareholders' equity increased to CHF 43.5 billion as of the end of 2Q18 from CHF 42.5 billion as of the end of 1Q18. Total shareholders' equity was positively impacted by gains on fair value elected liabilities relating to credit risk, net income attributable to shareholders and foreign exchange-related movements on cumulative translation adjustments, partially offset by transactions relating to the settlement of share-based compensation awards and dividends paid.

Refer to the "*Consolidated statements of changes in equity (unaudited)*" in "*III—Condensed consolidated financial statements—unaudited*" in the Financial Report 2Q18 for further information on shareholders' equity.

Shareholders' equity and share metrics

end of	2Q18	1Q18	4Q17	% change QoQ
Shareholders' equity (CHF million)				
Common shares	102	102	102	0
Additional paid-in capital	34,678	35,933	35,668	(3)
Retained earnings	26,290	25,643	24,973	3
Treasury shares, at cost	(96)	(287)	(103)	(67)
Accumulated other comprehensive loss	(17,504)	(18,851)	(18,738)	(7)
Total shareholders' equity	**43,470**	**42,540**	**41,902**	2
Goodwill	(4,797)	(4,667)	(4,742)	3
Other intangible assets	(212)	(212)	(223)	0
Tangible shareholders' equity[1]	**38,461**	**37,661**	**36,937**	2
Shares outstanding (million)				
Common shares issued	2,556.0	2,556.0	2,556.0	0
Treasury shares	(6.0)	(16.4)	(5.7)	(63)
Shares outstanding	**2,550.0**	**2,539.6**	**2,550.3**	0
Par value (CHF)				
Par value	**0.04**	**0.04**	**0.04**	0
Book value per share (CHF)				
Total book value per share	**17.05**	**16.75**	**16.43**	2
Goodwill per share	(1.88)	(1.84)	(1.86)	2
Other intangible assets per share	(0.09)	(0.08)	(0.09)	13
Tangible book value per share[1]	**15.08**	**14.83**	**14.48**	2

(1) Management believes that tangible shareholders' equity and tangible book value per share, both non-GAAP financial measures, are meaningful as they are measures used and relied upon by industry analysts and investors to assess valuations and capital adequacy.

TERMS AND CONDITIONS OF THE NOTES

The following (excluding this paragraph) is the text of the terms and conditions (the "Conditions") that shall be applicable to the Notes. The full text of the Conditions, including the provisions of the Pricing Schedule (as defined below) shall be attached to the Certificates.

PART A

The U.S.$1,500,000,000 7.250 per cent. Perpetual Tier 1 Contingent Write-down Capital Notes ("**Notes**") are issued by Credit Suisse Group AG (the "**Issuer**" or "**CSG**") and are subject to these terms and conditions (the "**Conditions**"), which expression shall, unless the context otherwise requires, include the detailed provisions of the pricing schedule relating to the Notes as set forth in Part B of these Conditions (the "**Pricing Schedule**"). All capitalised terms that are not defined in Part A of these Conditions will have the meanings given to them in the Pricing Schedule, the absence of any such meaning indicating that such term is not applicable to the Notes. In the event of any inconsistency between Part A of these Conditions and the Pricing Schedule, the Pricing Schedule shall prevail. The form of the Certificates referred to below are set out in an English law governed Agency Agreement (the "**Agency Agreement**") dated the Issue Date between the Issuer, Citigroup Global Markets Europe AG as registrar, Citibank, N.A., London Branch as principal paying agent and transfer agent, Credit Suisse AG as calculation agent and the other paying agents named in it. The principal paying agent, the other paying agents, the registrar, the other transfer agents and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the "**Principal Paying Agent**", the "**Paying Agents**" (which expression shall include the Principal Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar), the "**Agents**" (which expression shall include the Paying Agents and the Transfer Agents) and the "**Calculation Agent(s)**" (each such expression shall include any successors or additional such agents as the Issuer may appoint from time to time under the Agency Agreement).

1 Amount, Denomination, Interest Basis and Form

(a) Principal Amount, Specified Denomination and Interest Basis

The initial aggregate principal amount of the Notes is specified in the Pricing Schedule. Each Note will be issued in the Specified Denomination(s) specified in the Pricing Schedule. The principal amount of each Note may be written-down in the circumstances and in the manner described in Condition 7.

Each Note is a Fixed Rate Note, a Floating Rate Note, a Fixed/Floating Rate Note or a Fixed Rate Reset Note, depending upon the Interest Basis shown in the Pricing Schedule.

(b) Form

(i) Global Certificates

(a) Notes that are initially sold in the United States to persons reasonably believed to be "qualified institutional buyers" (each a "**QIB**") in reliance on Rule 144A under the U.S. Securities Act ("**Rule 144A**") are initially represented by one or more permanent registered global certificates (each, a "**Rule 144A Global Certificate**"), without interest coupons, deposited with the Custodian, and registered in the name of the Depositary or a nominee of the Depositary. Notes that are initially sold in an "offshore transaction" to non-U.S. persons within the meaning of Regulation S under the U.S. Securities Act ("**Regulation S**") are initially represented by one or more permanent registered global certificates (each, a "**Regulation S Global Certificate**"), without interest coupons, deposited with the Custodian, and registered in the name of the Depositary or a nominee of the Depositary. The form of Rule 144A Global Certificate and the form of

Regulation S Global Certificate are set out in the Agency Agreement, which forms will be made available by the Principal Paying Agent to any Holder upon written request.

(b) The aggregate principal amount of the Notes represented by each of the Global Certificates may from time to time be increased or decreased by adjustments made on the records of the Registrar. Every Global Certificate shall have affixed a schedule for the purpose of recording adjustments in the aggregate principal amount thereof; *provided, however*, that, in the event of a discrepancy between the principal amounts recorded on such schedule and the amounts listed on the records of the Registrar, the principal amounts listed on the records of the Registrar will control. Any beneficial interest of an Indirect Holder in any Note represented by one of the Global Certificates that is transferred to a person who takes delivery in the form of a beneficial interest in such Note represented by another Global Certificate will, upon transfer, cease to be a beneficial interest in such first Global Certificate and become a beneficial interest in the other Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other Global Certificate for as long as it retains such an interest.

(c) The Holder of a Global Certificate may grant written proxies and otherwise authorise any person, including, without limitation, any Indirect Holder, to take any action that a Holder is entitled to take under these Conditions or the Notes represented by such Global Certificate, and nothing in these Conditions will (i) prevent the Issuer, the Agents or any of their respective agents from giving effect to any such proxies or other authorisations granted by the Holder of a Global Certificate and furnished to the Issuer or any such Agent, as the case may be, by the Depositary or (ii) impair, as between the Depositary and its participants, the operation of customary practices of the Depositary governing the exercise of the rights of an Indirect Holder of a Note represented by a Global Certificate.

(d) None of the Issuer, the Registrar and the other Agents will have any responsibility or obligation to a participant of a Relevant Clearing System or any other Person with respect to the accuracy of the records of the Depositary (or its nominee) or of any participant of a Relevant Clearing System, with respect to (i) any ownership interest in the Notes, (ii) the delivery of any notice (including any notice of redemption pursuant to Condition 8) under or with respect to the Notes or (iii) the payment of any amount or delivery of any Notes (or other security or property) under or with respect to the Notes. The Issuer, the Registrar and the other Agents may rely (and will be fully protected in relying) upon information furnished by the Depositary with respect to its participants and/or any Indirect Holders of Notes represented by a Global Certificate.

(ii) Definitive Certificates

Definitive Notes in registered form (each, a "**Definitive Certificate**") will be issued, and a Global Certificate will be exchanged, in whole, but not in part, for Definitive Certificates, if (and only if):

(a) the Depositary notifies the Issuer that it is unwilling or unable to continue as Depositary for such Global Certificate or the Depositary at any time ceases to be a "clearing agency" registered under the U.S. Exchange Act, and, in either case, a successor Depositary is not appointed by the Issuer within 90 days of such notice or after the Issuer becomes aware of such event; or

(b) an Event of Default has occurred and is continuing and the Depositary requests the exchange of such Global Certificate for Definitive Certificates; or

(c) the Issuer, in its sole discretion, elects to cause the issuance of Definitive Certificates.

If a Global Certificate is to be exchanged for Definitive Certificates pursuant to this Condition 1(b)(ii), the Issuer will procure the prompt delivery (free of charge) of Definitive Certificates, duly executed without interest coupons, registered in the names of the relevant Indirect Holders, addresses and denominations (subject to the Specified Denomination) provided by the Depositary to the Registrar (which information shall be provided by the Depositary subject to its procedures and also specify the taxpayer identification number, if any, of each person in whose name such Definitive Certificates are to be registered). Upon written direction of the Issuer, the Registrar will deliver such Definitive Certificates to the Holders thereof not later than five Business Days after receipt by the Registrar of the information provided by the Depositary referred to above (and any other necessary information as the Registrar may reasonably request from the Issuer at such time). The Registrar shall as soon as practicable cancel and if requested deliver to the Issuer the surrendered Global Certificates. The form of Definitive Certificate that will be issued in exchange for a beneficial interest in a Note represented by a Rule 144A Global Certificate and the form of Definitive Certificate that will be issued in exchange for a beneficial interest in a Note represented by a Regulation S Global Certificate are set out in the Agency Agreement, which forms will be made available by the Registrar to any Holder upon written request.

2 Transfers of Notes

(a) General

(i) Title to the Notes shall pass by transfer (*Zession*) and due registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**").

(ii) Transfers of Notes and the issue of new Certificates on transfer shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to the transfer (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(iii) No Holder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of the Notes pursuant to Condition 8, (ii) during the period from (and including) any Write-down Notice to (and including) any Write-down Date or (iii) during the period of seven days ending on (and including) any Record Date.

(iv) Other than as described in Condition 2(d)(ii), no person (including any Indirect Holder) other than the Holder(s) shall have any rights, or be owed any obligations by the Issuer, under the Notes.

(b) Transfer of Notes represented by a Global Certificate

(i) Global Certificates may be transferred only in whole, but not in part, and only to a Relevant Clearing System or any successor or nominee of a Relevant Clearing System, in each case, located outside Switzerland. Beneficial interests of Indirect Holders in Notes represented by Global Certificates will be transferred only in accordance with the rules and procedures of any Relevant Clearing System and this Condition 2(b).

(ii) A beneficial interest in a Note represented by a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of a beneficial interest in a Note represented by a Rule 144A Global Certificate during the Restricted Period only if such

transfer occurs in connection with a transfer of beneficial interests in the Notes pursuant to Rule 144A and the transferor first delivers to the Registrar a written certificate substantially in the form of the applicable certificate attached to the Agency Agreement, which certificate will be made available by the Registrar to any Holder upon written request, to the effect that the beneficial interests in the Notes are being transferred to a person who the transferor reasonably believes is a QIB, purchasing the beneficial interests in the Notes for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A and to whom notice is given that the transfer is being made in reliance on Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

(iii) A beneficial interest in a Note represented by a Rule 144A Global Certificate may be transferred to a person who takes delivery in the form of a beneficial interest in a Note represented by a Regulation S Global Certificate, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the Registrar a written certificate substantially in the form of the applicable certificate attached to the Agency Agreement, which certificate will be made available by the Registrar to any Holder upon written request, to the effect that the transfer is being conducted in compliance with Rule 903 or Rule 904 of Regulation S.

(c) Transfer of Notes represented by a Definitive Certificate

(i) Transfer

If and when Definitive Certificates have been printed pursuant to Condition 1(b), one or more Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Definitive Certificate representing such Notes to be transferred, together with the form of transfer endorsed on such Definitive Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Issuer, the Registrar or Transfer Agent may reasonably require. A new Definitive Certificate shall be issued to the transferee in respect of the Notes that are the subject of the relevant transfer and, in the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate in respect of the balance of the Notes not transferred shall be issued to the transferor. In the case of a transfer of Notes to a person who is already a Holder, a new Definitive Certificate representing the enlarged holding may be issued but only concurrently (*Zug um Zug*) against surrender of the Definitive Certificate representing the existing holding of such person.

(ii) Delivery of new Definitive Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c)(i) shall be available for delivery within three business days of receipt of the form of transfer and surrender of the relevant Definitive Certificate. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery and surrender of such form of transfer and Definitive Certificate or, as the case may be, surrender of such Definitive Certificate, shall have been made or, at the option of the relevant Holder and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the Holder entitled to the new Definitive Certificate to such address as may be so specified, unless such Holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c)(ii), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) Rule 144A

(i) Notes initially sold in the United States to persons reasonably believed to be QIBs pursuant to Rule 144A have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and such Notes may not be sold, pledged or otherwise transferred, except (w) in accordance with Rule 144A to a person that the Holder and any person acting on its behalf reasonably believe is a QIB that is acquiring such Notes for its own account or for the account of one or more QIBs, (x) in an offshore transaction to a non-U.S. person in accordance with Rule 903 or Rule 904 of Regulation S, (y) pursuant to an exemption from registration under Rule 144 under the U.S. Securities Act, if available or (z) pursuant to an effective registration statement under the U.S. Securities Act, in each case, in accordance with any applicable securities laws of any state of the United States.

(ii) So long as any Notes are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Issuer will, during the period in which the Issuer is neither subject to Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any Holder or Indirect Holder of Notes, or to any prospective purchaser of Notes that is designated by the Holder or Indirect Holder thereof, upon request of such Holder, Indirect Holder or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act, and such requesting Holder, Indirect Holder or prospective purchaser will have the right to enforce the Issuer's obligation under this Condition 2(d)(ii).

3 Status of the Notes

The Notes constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Holders are subordinated as described in Condition 4.

4 Subordination of the Notes

(a) Subordination

In the event of an order being made, or an effective resolution being passed, for the liquidation or winding-up of the Issuer (except, in any such case, a solvent liquidation or winding-up solely for the purposes of a reorganisation, reconstruction or amalgamation of the Issuer or the substitution in place of the Issuer of a successor in business of the Issuer, the terms of which reorganisation, reconstruction, amalgamation or substitution (x) have previously been approved by a meeting of Holders in accordance with Condition 13(a) and (y) do not provide that the Notes shall thereby become redeemable or repayable in accordance with these Conditions), the claims of the Holders against the Issuer in respect of or arising under (including, without limitation, any damages awarded for breach of any obligation under) the Notes shall rank (i) junior to all claims of Priority Creditors, (ii) *pari passu* with Parity Obligations and (iii) senior to the rights and claims of all holders of Junior Capital.

Any claim of any Holder in respect of or arising under the Notes (including, without limitation, any claim in relation to any unsatisfied payment obligation of the Issuer subject to enforcement by any Holder pursuant to Condition 12 or in relation to the occurrence of any other Event of Default) shall be subject to, and superseded by, Condition 7, irrespective of whether the relevant Write-down Event has occurred prior to or after the occurrence of an Event of Default or any other event.

(b) Definitions

As used in these Conditions:

"**Junior Capital**" means (i) all classes of paid-in capital in relation to shares (and participation certificates, if any) of the Issuer and (ii) all other obligations of the Issuer that rank, or are expressed to rank, junior to claims in respect of the Notes and/or any Parity Obligation;

"**Parity Obligations**" means (i) all obligations of the Issuer in respect of CSG Tier 1 Instruments (excluding any such obligations that rank, or are expressed to rank, junior to claims in respect of the Notes) and (ii) any other securities or obligations (including any guarantee, credit support agreement or similar undertaking) of the Issuer that rank, or are expressed to rank, *pari passu* with the obligations of the Issuer under the Notes and/or any other Parity Obligation; and

"**Priority Creditors**" means creditors of the Issuer whose claims are in respect of debt and other obligations (including those in respect of bonds, notes, debentures and guarantees) that are unsubordinated, or that are subordinated (including, but not limited to, CSG Tier 2 Instruments) and that do not, or are not expressly stated to, rank *pari passu* with, or junior to, the obligations of the Issuer under the Notes and/or any Parity Obligation.

5 Set-off

Subject to applicable law, each Holder, by acceptance of a Note, agrees that it shall not, and waives its right to, exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Notes.

6 Interest Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its principal amount from time to time from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Fixed Rate of Interest, such interest being, subject as provided in Condition 6(i), payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6(g).

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its principal amount from time to time from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Floating Rate of Interest, such interest being, subject as provided in Condition 6(i), payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6(g).

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified in the Pricing Schedule is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the

Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Floating Rate of Interest for Floating Rate Notes

The Floating Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined as provided herein:

(x) The Floating Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) if required pursuant to Condition 6(b)(iii)(y), the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time if the Reference Rate is LIBOR or Brussels time if the Reference Rate is EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Pricing Schedule as being other than LIBOR or EURIBOR, the Floating Rate of Interest in respect of such Notes will be determined as provided in the Pricing Schedule.

(y) If the Relevant Screen Page is not available or if Condition 6(b)(iii)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 6(b)(iii)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Floating Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent.

(z) If Condition 6(b)(iii)(y) applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Floating Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks, or any two or more of them, at which such banks were offered, if the

Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Floating Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(c) Interest on Fixed/Floating Rate Notes

Each Fixed/Floating Rate Note bears interest on its principal amount from time to time from (and including) the Interest Commencement Date and during the Fixed Interest Rate Period at the rate per annum (expressed as a percentage) equal to the Fixed Rate of Interest, such interest being, subject as provided in Condition 6(i), payable in arrear on each Interest Payment Date falling in the Fixed Interest Rate Period, and during the Floating Interest Rate Period at the rate per annum (expressed as a percentage) equal to the Floating Rate of Interest, such interest being, subject as provided in Condition 6(i), payable in arrear on each Interest Payment Date falling in the Floating Interest Rate Period. The amount of interest payable shall be determined in accordance with Condition 6(g).

(d) Interest on Fixed Rate Reset Notes

Each Fixed Rate Reset Note bears interest on its principal amount from time to time:

(i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Interest Rate; and

(ii) from (and including) the First Reset Date to (but excluding) the first Subsequent Reset Date and for each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date (each being a "**Reset Period**"), as determined by the Calculation Agent, in each case on the relevant Reset Determination Date at the rate per annum equal to the relevant Reset Rate (in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards), such interest being, subject as provided in Condition 6(i), payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 6(g).

In this Condition 6(d):

"**First Reset Date**" means the date specified as such in the Pricing Schedule;

"**Floating Leg Reference Rate**" means the rate specified as such in the Pricing Schedule;

"**Initial Fall-Back Mid-Swap Rate**" means the rate specified as such in the Pricing Schedule;

"**Initial Interest Rate**" has the meaning given to it in the Pricing Schedule;

"**Mid-Swap Rate**" means, in relation to any Reset Period, the rate on the relevant Reset Determination Date of, in the case of semi-annual or annual Interest Payment Dates, the semi-annual or annual swap rate, respectively (with such semi-annual swap rate to be converted to a quarterly rate in accordance with market convention, in the case of quarterly Interest Payment Dates) for swap transactions in the Specified Currency maturing on the last day of such Reset Period, expressed as a percentage, that appears on the Relevant Reset Screen Page as at approximately the Specified Time on such Reset Determination Date. If such rate does not appear on the Relevant Reset Screen Page at such time on such Reset Determination Date, the Mid-Swap Rate for such Reset Period, will be the relevant Reset Reference Bank Rate for such Reset Period.

Notwithstanding the foregoing, if the Calculation Agent determines at any time that the rate appearing on the Relevant Reset Screen Page for purposes of determining the Mid-Swap Rate (the "**Existing Rate**") has been discontinued, then it will determine whether to use a substitute or successor rate for purposes of determining the Mid-Swap Rate on each Reset Determination Date falling on or thereafter that it has determined in its sole discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the Existing Rate had it not been discontinued. If the Calculation Agent determines to use a substitute or successor rate pursuant to the immediately preceding sentence, it shall select such rate in its sole discretion (acting in good faith and in a commercially reasonable manner), provided that if it determines that there is an appropriate industry-accepted successor rate to the Existing Rate, it shall use such industry-accepted successor rate. If the Calculation Agent has determined a substitute or successor rate in accordance with the foregoing (such rate, the "**Replacement Rate**"), for purposes of determining the Mid-Swap Rate, (a) the Calculation Agent shall in its sole discretion (acting in good faith and in a commercially reasonable manner) determine (i) the method for obtaining the Replacement Rate (including any alternative method for determining the Replacement Rate if such substitute or successor rate is unavailable on the relevant Reset Determination Date), which method shall be consistent with industry-accepted practices for the Replacement Rate, and (ii) any adjustment factor as may be necessary to make the Replacement Rate comparable to the Existing Rate had it not been discontinued, consistent with industry-accepted practices for the Replacement Rate; (b) references to the Mid-Swap Rate in these Conditions shall be deemed to be references to the Replacement Rate, including any alternative method for determining such rate and any adjustment factor as described in sub-clause (a) above; (c) if the Calculation Agent in its sole discretion (acting in good faith and in a commercially reasonable manner) determines that changes to the definitions of Business Day, Day Count Fraction, Reset Determination Date, Relevant Reset Screen Page or Specified Time are necessary in order to implement the Replacement Rate as the Mid-Swap Rate, such definitions shall be amended as contemplated in Condition 13(b) to reflect such changes; and (d) the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 17 and each of the Paying Agents specifying the Replacement Rate, as well as the details described in sub-clause (a) above and the amendments implemented pursuant to Condition 13(b);

"**Relevant Reset Screen Page**" means the display page on the relevant service as specified in the Pricing Schedule or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent, for the purpose of

displaying equivalent or comparable rates for the relevant swap rates for swap transactions in the Specified Currency with an equivalent maturity to the relevant Reset Period;

"**Reset Determination Date**" means in respect of any Reset Period, unless otherwise specified in the Pricing Schedule, the second London Business Day immediately preceding the Reset Date at the start of such Reset Period;

"**Reset Margin**" means the margin specified as such in the Pricing Schedule;

"**Reset Period Mid-Swap Rate Quotations**" means, in respect of any Reset Period, the arithmetic mean of the bid and offered rates for the semi-annual or annual, as applicable, fixed leg (calculated on the day count basis customary for fixed rate payments in the Specified Currency), of a fixed-for-floating interest rate swap transaction in the Specified Currency that (i) has a term equal to such Reset Period, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the relevant swap market, and (iii) has a floating leg (in each case calculated on the day count basis customary for floating rate payments in the Specified Currency) based on the Floating Leg Reference Rate;

"**Reset Rate**" means in respect of a Reset Period, the sum of the Reset Margin and the Mid-Swap Rate for that Reset Period;

"**Reset Reference Bank Rate**" means, in relation to any Reset Period, the percentage determined on the basis of the arithmetic mean of the Reset Period Mid-Swap Rate Quotations provided by the Reset Reference Banks at approximately the Specified Time on the relevant Reset Determination Date. The Calculation Agent will request the principal office of each of the Reset Reference Banks to provide a quotation of its rate. If at least three quotations are provided, the rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Initial Fall-Back Mid-Swap Rate;

"**Reset Reference Banks**" means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the relevant Reset Period as selected by the Issuer; and

"**Subsequent Reset Date**" means the date(s) specified as such in the Pricing Schedule.

(e) Accrual of Interest

(i) Where a Note is to be redeemed pursuant to Condition 8(c), 8(d) or 8(e), interest shall accrue up to (but excluding) the due date for redemption, and shall cease to accrue on such Note on the due date for redemption unless payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the relevant Rate of Interest from time to time in the manner provided in this Condition 6 to the Due Date.

(ii) Upon the occurrence of a Write-down Event, interest shall accrue on the principal amount of each Note up to (but excluding), and shall cease to accrue on each Note with effect from, the date of the relevant Write-down Notice.

(f) Margin, Maximum/Minimum Rates of Interest and Rounding

(i) If any Margin is specified in the Pricing Schedule (either (x) generally or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 6(b) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest is specified in the Pricing Schedule, then any Rate of Interest shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "unit" means the lowest amount of such currency that is legal tender.

(g) Calculations

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be calculated by reference to the Rate of Interest, the Calculation Amount specified in the Pricing Schedule and the Day Count Fraction for such Interest Accrual Period, unless (as specified in the Pricing Schedule) an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula) or unless (as specified in the Pricing Schedule) interest in respect of any Interest Accrual Period is expressed to be paid in equal instalments, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall be calculated based on the total amount of interest payable per Calculation Amount on such Note in respect of the relevant year divided by the relevant number of instalments in that year. Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be applied to the period for which interest is required to be calculated.

(h) Determination and Publication of Rates of Interest and Interest Amounts

The Calculation Agent shall, as soon as practicable on each Interest Determination Date or Reset Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation under these Conditions, calculate such rate and calculate the Interest Amounts for the relevant Reset Period or Interest Accrual Period, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Reset Period or Interest Accrual Period and the relevant Interest Payment Date to be notified to the Issuer, each of the Paying Agents, the Holders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination

but in no event later than (i) the commencement of the relevant Reset Period or Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 6(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended without notice in the event of an extension or shortening of the Interest Period. If there is an Event of Default in payment in respect of the Notes as provided in Condition 12(a)(i), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated in accordance with this Condition 6 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) Cancellation of Interest; Prohibited Interest

(i) The Issuer may, at its discretion, elect to cancel all or part of any payment of interest that is otherwise scheduled to be paid on an Interest Payment Date by giving notice of such election to the Holders in accordance with Condition 17, and to the Principal Paying Agent, not more than 30 nor less than 10 Business Days prior to the relevant Interest Payment Date. This Condition 6(i)(i) is without prejudice to the provisions of Condition 6(i)(ii) and Condition 6(i)(v).

(ii) The Issuer shall be prohibited from making, in whole or in part, any payment of interest on the Notes on the relevant Interest Payment Date if and to the extent that on such Interest Payment Date:

(a) CSG has an amount of Distributable Profits that is less than the sum of (1) the aggregate amount of such interest payment and (2) all other payments (other than redemption payments) made by CSG since the date of the Relevant Accounts (A) on the Notes and (B) on or in respect of any Tier 1 Instruments or Tier 1 Shares, in each case, excluding any portion of such other payments already accounted for in determining the Distributable Profits and, in each case as necessary, translated into CSG's reporting currency at the relevant Prevailing Rate on or around such Interest Payment Date;

(b) the Regulatory Condition is not satisfied or would not be satisfied if such interest payment were made; and/or

(c) the Regulator has required the Issuer not to make such interest payment.

The Issuer shall deliver a certificate signed by the Authorised Signatories to the Principal Paying Agent and shall give notice, in accordance with Condition 17, to the Holders in each case as soon as practicable following any determination that interest is required to be cancelled pursuant to this Condition 6(i)(ii) or, where no such prior determination is made, promptly following any Interest Payment Date on which interest was scheduled to be paid if such interest is being cancelled in accordance with this Condition 6(i)(ii), to such effect setting out brief details as to the amount of interest being cancelled and the reason therefor.

As used in these Conditions:

"**Distributable Profits**" means, in respect of any Interest Payment Date, the aggregate amount of (i) net profits carried forward and (ii) freely available reserves (other than reserves for own shares), in each case, less any amounts that must be contributed to legal reserves under applicable law, all in CSG's reporting currency and as appearing in the Relevant Accounts;

"**Regulatory Condition**" means, in respect of any Interest Payment Date, that CSG is, and will be immediately after the relevant payment of interest, in compliance with all applicable minimum regulatory capital adequacy requirements of the National Regulations; and

"**Relevant Accounts**" means, in respect of any Interest Payment Date, the audited unconsolidated financial statements of CSG for the financial year ended immediately prior to such Interest Payment Date.

(iii) If, on any Interest Payment Date, any payment of interest scheduled to be made on such date is not made in full by reason of Condition 6(i)(i) (such amount not paid, being "**Unpaid Interest**") or by reason of Condition 6(i)(ii):

(a) CSG shall not, directly or indirectly, resolve, or recommend to holders of Ordinary Shares, that any dividend or other distribution in cash or in kind (other than in the form of Ordinary Shares) be paid or made on any Ordinary Shares; and

(b) CSG shall not, directly or indirectly, redeem, purchase or otherwise acquire any Ordinary Shares other than in relation to (1) transactions effected by or for the account of customers of CSG or any of its Subsidiaries or in connection with the distribution or trading of, or market making in respect of Ordinary Shares; (2) the satisfaction by CSG or any of its Subsidiaries of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants; (3) a reclassification of the capital stock of CSG or any of its Subsidiaries or the exchange or conversion of one class or series of such capital stock for another class or series of such capital stock; or (4) the purchase of fractional interests in shares of the capital stock of CSG or any of its majority-owned subsidiaries pursuant to the provisions of any security being converted into or exchanged for such capital stock,

in each case unless and until (x) the interest payment due and payable on the Notes on any subsequent Interest Payment Date has been paid in full (or an amount equal to the same has been paid in full to a designated third party trust account for the benefit of the Holders prior to payment by the trustee thereof to the Holders on such subsequent Interest Payment Date) or, if earlier, (y) the date on which the Notes have been redeemed in accordance with Condition 8 or cancelled in accordance with Condition 7.

(iv) Payments of interest on the Notes are not cumulative. Notwithstanding any other provision in these Conditions but without prejudice to Condition 6(i)(v), the cancellation or non-payment of any interest amount by virtue of this Condition 6(i) shall not constitute a default for any purpose (including, without limitation, Condition 12(a)) on the part of the Issuer. Any interest payment not paid by virtue of this Condition 6(i) shall not accumulate or be payable at any time thereafter, and Holders shall have no right thereto.

(v) Notwithstanding any other provision in these Conditions, if the holders of Ordinary Shares resolve to make or pay a dividend or other distribution in cash or in kind (other than in the form of Ordinary Shares) on the Ordinary Shares in respect of a financial year or other specified period during which there has arisen any Unpaid Interest on one or more occasions, the Issuer shall, subject as provided below, pay to the Holders, within five Business Days of such distribution or dividend being paid or made, an amount equal to the aggregate amount of all Unpaid Interest that has arisen during such financial year or other specified period. For the avoidance of doubt, if the holders of Ordinary Shares do not resolve to make or pay a distribution or dividend on the Ordinary Shares as described in this Condition 6(i)(v), no amount shall be payable under this Condition 6(i)(v).

(j) Definitions

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(iii) in the case of a currency and/or one or more Financial Centres specified in the Pricing Schedule, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in such Financial Centre(s) or, if no currency is indicated, generally in each of such Financial Centres;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual—ISDA**" is specified in the Pricing Schedule, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the Pricing Schedule, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the Pricing Schedule, the actual number of days in the Calculation Period divided by 360;

(iv) if "**Actual/Actual-ICMA**" is specified in the Pricing Schedule:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date(s) specified as such in the Pricing Schedule or, if none is so specified, the Interest Payment Date(s); and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the Pricing Schedule, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2\ Y_1)] + [30 \times (M_2\ M_1)] + (D_2\ D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

"**Fixed Interest Rate Period**" means the period specified as such in the Pricing Schedule;

"**Fixed Rate of Interest**" means the rate of interest payable from time to time in respect of a Fixed Rate Note or during the Fixed Interest Rate Period in respect of a Fixed/Floating Rate Note and that is either specified in the Pricing Schedule or calculated in accordance with the provisions in the Pricing Schedule;

"**Floating Interest Rate Period**" means the period specified as such in the Pricing Schedule;

"**Floating Rate of Interest**" means the rate of interest payable from time to time in respect of a Floating Rate Note or during the Floating Interest Rate Period in respect of a Fixed/Floating Rate Note and that is either specified in the Pricing Schedule or calculated in accordance with the provisions in the Pricing Schedule;

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the Pricing Schedule, shall mean the Fixed Coupon Amount or Broken Amount specified in the Pricing Schedule as being payable on the Interest

Payment Date ending in the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the Pricing Schedule;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the Pricing Schedule or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

"**Interest Payment Date**" means the date or dates specified as such, or determined as provided, in the Pricing Schedule;

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the Pricing Schedule;

"**London Business Day**" means a day on which commercial banks and foreign exchange markets are open for business in London;

"**Rate of Interest**" means the Fixed Rate of Interest and/or Floating Rate of Interest and/or Reset Rate of Interest, as the case may be;

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Issuer in consultation with the Calculation Agent or as specified in the Pricing Schedule;

"**Reference Rate**" means the rate specified as such in the Pricing Schedule;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the Pricing Schedule;

"**Specified Currency**" means the currency in which the Notes are denominated; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System that was launched on 19 November 2007 or any successor thereto.

(k) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the Pricing Schedule and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as

such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or a Reset Period or to calculate any Interest Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

7 Write-down

(a) Write-down Event

(i) Write-down Event

If a Contingency Event or, subject to Condition 7(c), a Viability Event (any such event, a "**Write-down Event**") occurs at any time while the Notes are outstanding and prior to a Statutory Loss Absorption Date (if any), a Write-down shall, subject to and as provided in this Condition 7, occur on the relevant Write-down Date.

(ii) Contingency Event

As used in these Conditions, a "**Contingency Event**" means the giving of a Contingency Event Notice in accordance with this Condition 7(a)(ii).

CSG, or, following any substitution under Condition 13(c), the Substitute Issuer or CSG shall give a notice (the "**Contingency Event Notice**") to the Holders in accordance with Condition 17 in the event that, as at any Reporting Date, the CET1 Ratio contained in the relevant Financial Report is below the Threshold Ratio; *provided*, *however*, that no Contingency Event Notice shall be given, and no Contingency Event in relation thereto shall be deemed to have occurred, if the Regulator, at the request of CSG, has agreed on or prior to the publication of the relevant Financial Report that a Write-down shall not occur because it is satisfied that actions, circumstances or events have had, or imminently will have, the effect of restoring the CET1 Ratio to a level above the Threshold Ratio that the Regulator and CSG deem, in their absolute discretion, to be adequate at such time.

Any Contingency Event Notice shall:

(A) state that, with the giving of such notice, a Contingency Event has occurred and a Write-down will take place;

(B) specify the relevant Write-down Date; and

(C) be given no later than the fifth Business Day after the date of publication of the relevant Financial Report.

(iii) Viability Event

As used in these Conditions, a "**Viability Event**" means that either:

(A) the Regulator has notified CSG that it has determined that a write-down of the Notes, together with the conversion or write-down/off of holders' claims in respect of any and all other Going Concern Capital Instruments, Tier 1 Instruments and Tier 2 Instruments that, pursuant to their terms or by operation of law, are capable of being converted into equity or written down/off at that time, is, because customary measures to improve CSG's capital adequacy are at the time inadequate or unfeasible, an essential requirement to

prevent CSG from becoming insolvent, bankrupt or unable to pay a material part of its debts as they fall due, or from ceasing to carry on its business; or

(B) customary measures to improve CSG's capital adequacy being at the time inadequate or unfeasible, CSG has received an irrevocable commitment of extraordinary support from the Public Sector (beyond customary transactions and arrangements in the ordinary course) that has, or imminently will have, the effect of improving CSG's capital adequacy and without which, in the determination of the Regulator, CSG would have become insolvent, bankrupt, unable to pay a material part of its debts as they fall due or unable to carry on its business.

CSG, or, following any substitution under Condition 13(c), the Substitute Issuer or CSG shall give a notice (the "**Viability Event Notice**") to the Holders in accordance with Condition 17 following the occurrence of a Viability Event, which notice shall (x) state that a Viability Event has occurred and a Write-down shall take place, (y) specify the relevant Write-down Date and (z) be given no later than three Business Days after the occurrence of the relevant Viability Event.

(b) Write-down

Following the occurrence of a Write-down Event, on the relevant Write-down Date,

(i) the full principal amount of each Note will be written down to zero and all references to the principal amount of the Notes in these Conditions shall be construed accordingly;

(ii) the Holders will be deemed to have irrevocably waived their rights to, and will no longer have any rights against the Issuer with respect to, repayment of the aggregate principal amount of the Notes, and the Holders will be deemed to have agreed to the foregoing (*bedingte Aufhebung einer Forderung durch Übereinkunft*);

(iii) all rights of any Holder for payment of any accrued but unpaid interest or any other amounts under or in respect of the Notes (including, without limitation, any amounts arising as a result of, or due and payable upon the occurrence of, an Event of Default) will become null and void, irrespective of whether such amounts have become due and payable or such claims have arisen prior to the occurrence of the Write-down Event, the date of the Write-down Notice or the Write-down Date; and

(iv) the Notes will be permanently cancelled.

(c) Alternative Loss Absorption

In the event of the implementation of any new, or amendment to or change in the interpretation of any existing, laws or components of National Regulations, in each case occurring after the Issue Date, that alone or together with any other law(s) or regulation(s) has, in the joint determination of CSG and the Regulator, or, following any substitution under Condition 13(c), CSG, the Substitute Issuer and the Regulator, the effect that Condition 7(a)(iii) could cease to apply to the Notes without giving rise to a Capital Event, then the Issuer shall give notice in accordance with Condition 17 to the Holders no later than five Business Days after such joint determination stating that such provisions shall cease to apply from the date of such notice (the "**Statutory Loss Absorption Date**"), and from the date of such notice, such provisions shall cease to apply to the Notes.

8 Redemption, Substitution, Variation and Purchase

(a) No Fixed Redemption Date

The Notes are perpetual securities in respect of which there is no fixed redemption date. Unless previously redeemed or purchased and cancelled as provided in these Conditions, each Note is perpetual and shall only be redeemed or purchased as specified in this Condition 8.

(b) Conditions to Redemption, Substitution, Variation and Purchase

Any redemption, substitution, variation or purchase of the Notes in accordance with Condition 8(c), (d), (e), (g) or (h) is subject to the Issuer or, following any substitution under Condition 13*(c)*, the Substitute Issuer and CSG, receiving the prior approval of the Regulator, if then required.

Prior to the publication of any notice of redemption pursuant to Conditions 8(d) or 8(e) or notice of substitution or variation pursuant to Condition 8(h), the Issuer shall deliver to the Principal Paying Agent a certificate signed by two Authorised Signatories stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or, as the case may be, vary is satisfied and the reasons therefor and such certificate shall be conclusive and binding on the Holders. Prior to the publication of any notice of redemption pursuant to Condition 8(d), the Issuer shall deliver an opinion of independent legal advisers of recognised standing to the Principal Paying Agent to the effect that circumstances entitling the Issuer to exercise its rights of redemption under Condition 8(d) have arisen.

(c) Optional Redemption

If Optional Redemption is specified in the Pricing Schedule as being applicable, then, subject to Conditions 8(b) and 8(f), the Issuer may elect by giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent, the Registrar, the Transfer Agent and, in accordance with Condition 17, the Holders (which notice shall, subject to Conditions 8(b) and 8(f), be irrevocable) to redeem in accordance with these Conditions all, but not some only, of the Notes on the First Optional Redemption Date or any other Optional Redemption Date at their Optional Redemption Amount, together with any accrued but unpaid interest to (but excluding) the relevant redemption date. Upon the expiry of such notice, the Issuer shall, subject to Conditions 8(b) and 8(f), redeem the relevant Notes as aforesaid.

(d) Redemption due to Taxation

If, prior to the giving of the notice referred to below, a Tax Event has occurred and is continuing, then the Issuer may, subject to Conditions 8(b) and 8(f) and having given not less than 30 nor more than 60 days' notice to the Principal Paying Agent, the Registrar, the Transfer Agent and, in accordance with Condition 17, the Holders (which notice shall, subject to Conditions 8(b) and 8(f), be irrevocable), redeem in accordance with these Conditions at any time specified for such purpose in the Pricing Schedule, all, but not some only, of the Notes at their Tax Event Redemption Amount, together with any accrued but unpaid interest to (but excluding) the relevant redemption date. Upon the expiry of such notice, the Issuer shall, subject to Conditions 8(b) and 8(f), redeem the Notes as aforesaid.

(e) Redemption for Capital Event

If, prior to the giving of the notice referred to below, a Capital Event has occurred and is continuing, then the Issuer may, subject to Conditions 8(b) and 8(f) and having given not less than 30 nor more than 60 days' notice to the Holders in accordance with Condition 17, the Principal Paying Agent, the Registrar and the Transfer Agent (which notice shall, subject to Conditions 8(b) and 8(f), be irrevocable), redeem in accordance with these Conditions at any time specified for

such purpose in the Pricing Schedule all, but not some only, of the Notes at their Capital Event Redemption Amount, together with any accrued but unpaid interest to (but excluding) the relevant redemption date. Upon the expiry of such notice, the Issuer shall, subject to Conditions 8(b) and 8(f), redeem the Notes as aforesaid.

(f) No redemption following a Write-down Event

Notwithstanding the other provisions of this Condition 8, the Issuer may not give a notice of redemption of the Notes or redeem the Notes pursuant to this Condition 8 if a Write-down Event has occurred prior to the date of such notice or the relevant redemption date, as the case may be.

(g) Purchases

CSG (or any Subsidiary of CSG) may, subject to Condition 8(b), at any time purchase or procure others to purchase beneficially for its account Notes in any manner and at any price.

(h) Substitution or Variation upon a Capital Event or a Tax Event

If a Capital Event or a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 8(b) and having given not less than 30 days' notice to the Holders in accordance with Condition 17 (which notice shall, subject as provided in Condition 8(f), be irrevocable), without any requirement for the consent or approval of the Holders unless so required by the mandatory provisions of Swiss law, either substitute all, but not some only, of the Notes for, or vary the terms of the Notes in such manner that they remain or, as applicable, become, Compliant Securities (and provided such Tax Event or, as the case may be, Capital Event, no longer continues following, and no other Tax Event or Capital Event arises as a result of, such substitution or variation). Upon the expiry of the notice required by Condition 8(b), the Issuer shall, subject as provided below, either vary the terms of, or substitute, the Notes in accordance with this Condition 8(h), as the case may be.

Notwithstanding the other provisions of this Condition 8(h), the Issuer may not give a notice of substitution or variation of the Notes or substitute or vary the Notes pursuant to this Condition 8(h) if a Write-down Event has occurred prior to the date of such notice or the relevant date set for such substitution or variation, as the case may be.

In connection with any substitution or variation in accordance with this Condition 8(h), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(i) Cancellation

All Notes redeemed by the Issuer pursuant to this Condition 8 will forthwith be cancelled. All Notes purchased by or on behalf of CSG or any Subsidiary of CSG may be held, reissued, resold or, at the option of CSG or any such Subsidiary, surrendered for cancellation to the Principal Paying Agent. Notes so surrendered shall be cancelled forthwith. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged upon such cancellation of such Notes. Any Notes so purchased by or on behalf of CSG or any Subsidiary of CSG may not be resold in the United States pursuant to Rule 144A.

9 Payments

(a) Notes

(i) All payments required to be made to Holders in respect of the Notes shall be made in the Specified Currency in immediately available funds to the Principal Paying Agent on behalf of the Holders. All payments required to be made to Holders in respect of the Notes (including

any Additional Amounts) shall be made to the Holders in the Specified Currency without collection costs, without any restrictions and whatever the circumstances may be, irrespective of nationality, domicile or residence of the relevant Holder and without certification, affidavit or the fulfilment of any other formality, save in respect of taxation to the extent provided in these Conditions. In the case of Definitive Certificates, such payments shall only be made upon the presentation of such Definitive Certificate(s), or surrender of such Definitive Certificate(s) in the case of redemption, at (i) the specified office of the relevant Paying Agent or (ii) the specified office(s) of any other agent(s) appointed for this purpose by the Principal Paying Agent and notified to the Holders pursuant to Condition 17, as a condition to receipt of any such payment.

(ii) Payments of interest to be made to Holders in respect of Notes due on an Interest Payment Date shall be paid to the person shown on the Register at the close of business (i) in the case of Definitive Certificates, on the Business Day before the due date for payment thereof and (ii) in the case of Global Certificates, on the Clearing System Business Day before the due date for payment thereof (in each case, the "**Record Date**").

(b) Payments subject to Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 10 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**"), as amended or described in any agreement between any Tax Jurisdiction and the United States relating to the foreign account provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any agreement, law, regulation, or other official guidance implementing an intergovernmental agreement or other intergovernmental approach thereto (collectively, "**FATCA**"). No commission or expenses shall be charged to the Holders in respect of payments made to Holders in respect of the Notes.

(c) Appointment of Agents

The Principal Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, Calculation Agents, Registrars or Transfer Agents, provided that there shall at all times be (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) one or more Calculation Agent(s) where these Conditions so require, (v) for so long as any Notes are listed on the SIX Swiss Exchange, a Paying Agent that has an office in Switzerland and is a bank or securities dealer subject to supervision by FINMA to perform the functions of a Swiss paying agent and (vi) such other agents as may be required by any stock exchange on which the Notes may at any time be listed (if any).

In addition, the Issuer shall in the event that it would be obliged to pay Additional Amounts on or in respect of any Note pursuant to Condition 10 by virtue of such Note being presented for payment in Switzerland, appoint, and at all times thereafter maintain, a Paying Agent in a jurisdiction within Europe (other than Switzerland) and which otherwise complies with the foregoing provisions of this Condition 9(c).

Notice of any such change or any change of any specified office shall promptly be given to the Holders in accordance with Condition 17.

(d) Non-Business Days

If any date for payment in respect of any Note is not a business day, the Holder shall not be entitled to payment until the next following business day or to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation (where presentation and surrender is required pursuant to these Conditions), in such jurisdictions (if any) as shall be specified as "Financial Centres" in the Pricing Schedule and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day.

10 Taxation

All payments of principal, premium (if any) and/or interest to Holders by or on behalf of the Issuer in respect of the Notes shall be made without withholding or deduction for or on account of any present or future tax, duty, assessment or governmental charge of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction or any authority thereof or therein having power to impose, levy, collect, withhold or assess taxes, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts ("**Additional Amounts**") as will result (after such withholding or deduction) in receipt by the Holders of the sums that would have been receivable (in the absence of such withholding or deduction) from it in respect of their Notes; except that no such Additional Amounts shall be payable with respect to any Note on account of:

(a) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note by reason of the Holder having some connection with a Tax Jurisdiction other than the mere holding of such Note; or

(b) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note presented for payment more than 30 days after the Due Date except to the extent that the Holder would have been entitled to such Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day (as defined in Condition 9(d)); or

(c) any such taxes, duties, assessments or other governmental charges imposed on a payment in respect of such Note required to be made pursuant to laws enacted by Switzerland changing the Swiss withholding tax system from an issuer-based system to a paying agent-based system pursuant to which a person in Switzerland other than the issuer is required to withhold tax on any interest payments; or

(d) any withholding or deduction imposed on any payment by reason of FATCA; or

(e) any combination of two or more items set out in (a) to (d) above.

11 Prescription

Claims against the Issuer for payment in respect of the Notes shall become time-barred after a period of 10 years (in the case of principal) or five years (in the case of interest) from the applicable Due Date in respect of them.

12 Events of Default

(a) Events of Default

An event of default ("**Event of Default**") will occur in the following circumstances:

(i) the Issuer fails to make any payment of principal in respect of the Notes for a period of 10 days or more after the date such payment is due, or the Issuer fails to make any payment of interest in respect of the Notes for a period of 30 days or more after the date on which such payment is due;

(ii) an involuntary case or other proceeding shall be commenced against the Issuer, with respect to the Issuer or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Issuer or for any substantial part of the property and assets of the Issuer, and such involuntary case or other proceedings shall remain undismissed and unstayed for a period of 60 days, except that the issuance of a writ of payment (*Zahlungsbefehl*) under the Swiss debt enforcement and bankruptcy laws shall not constitute such involuntary case or proceeding for the purpose of this Condition 12(a); or an order for relief shall be entered against the Issuer for the purpose of this Condition 12(a); or an order for relief shall be entered against the Issuer under any bankruptcy, insolvency or other similar law now or hereafter in effect; or

(iii) the Issuer (x) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (y) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Issuer for all or substantially all of the property and assets of the Issuer, or (z) effects any general assignment for the benefit of creditors.

Upon the occurrence of an Event of Default and subject to Condition 7, the payment obligations in respect of the Notes (being, in the case of an Event of Default referred to in Condition 12(a)(i) relating to any failure of the Issuer to meet any payment obligation under the Notes, such payment obligation (and such payment obligation only) and, in the case of an Event of Default referred to in Condition 12(a)(ii) or (iii), as described below) shall be deemed due and payable (*fällige*) payment obligations of the Issuer, and if such payment has not been made within the statutory period after the Holder has formally requested payment and a writ of payment (*Zahlungsbefehl*) has been issued as provided by the Swiss insolvency laws, such Holder may institute proceedings against the Issuer in Switzerland (but not elsewhere) to enforce its rights under Swiss insolvency laws.

Upon the occurrence of an Event of Default referred to in Condition 12(a)(ii) or (iii), Holders will have a claim on a subordinated basis as described in Condition 4 for an amount equal to the principal amount of their Notes together with any accrued but unpaid interest thereon and the Issuer shall not (i) after having received the writ of payment (*Zahlungsbefehl*), argue or plead that the payment obligations are not due and payable by the Issuer and (ii) prior to the declaration of bankruptcy (or similar proceeding under Swiss insolvency laws), make any payment to the Holder.

(b) Extent of Holder's remedy

No remedy against the Issuer other than as referred to in this Condition 12, shall be available to the Holders for the recovery of amounts owing in respect of the Notes.

13 Meetings of Holders, Modification and Substitution

(a) Meetings of Holders

The provisions on bondholder meetings contained in Article 1157 et seq. of the Swiss Federal Code of Obligations shall apply in relation to meetings of Holders.

So long as the Notes are represented by one or more Global Certificates deposited with a custodian on behalf of DTC and/or with a common depositary for Euroclear and Clearstream, Luxembourg, although the Holders are the only persons entitled to participate in, and vote at, any meeting of the Holders, the Holder of each Global Certificate shall (i) upon request grant written proxies to the relevant Indirect Holders (or any person duly nominated by such Indirect Holder) to vote at such meeting in respect of relevant Notes each represented by such Global Certificate, or (ii)(A) obtain instructions from the relevant Indirect Holders in respect of any meeting of Holders, (B) vote at such meeting of Holders in respect of each Note represented by such Global Certificate in accordance with the instructions received from the relevant Indirect Holder and (C) abstain from representing any Note at a meeting of Holders for which it has not received an instruction from the relevant Indirect Holder.

(b) Modifications

Notwithstanding Condition 13(a), the Issuer may, subject to mandatory provisions of Swiss law, without the consent or approval of the Holders, make such amendments to the terms of the Notes as it considers necessary or desirable to give effect to the provisions of Condition 7(c), Condition 8(h) and Condition 13(c), any Replacement Rate determined by the Calculation Agent and such other changes that in its opinion are of a formal, minor or technical nature or made to correct a manifest or proven error, or that in its opinion are not materially prejudicial to the interests of the Holders.

(c) Issuer Substitution

The Issuer may, without the consent of the Holders, substitute any Subsidiary of CSG (whether or not such entity is organised under the laws of Switzerland) (such substitute entity, the "**Substitute Issuer**") for itself as principal debtor under the Notes upon giving no more than 30 and no less than 10 days' notice to the Holders in accordance with Condition 17, *provided* that:

(i) at least 95 per cent. of the Substitute Issuer's capital and voting rights are held, directly or indirectly, by CSG;

(ii) the Issuer is not in default in respect of any amount payable under the Notes at the time of such substitution;

(iii) the Issuer and the Substitute Issuer enter into such documents (the "**Substitution Documents**") as are necessary to give effect to such substitution and pursuant to which the Substitute Issuer undertakes in favour of each Holder to be bound by these Conditions as the principal debtor (on a subordinated basis corresponding to Condition 4) under the Notes in place of the Issuer and procure that all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Substitution Documents and the Notes represent valid, legally binding and enforceable obligations of the Substitute Issuer have been taken, fulfilled and done and are in full force and effect;

(iv) if the Substitute Issuer's residence for tax purposes is in a jurisdiction (the "**New Residence**") other than that in which the Issuer prior to such substitution was resident for tax purposes (the "**Former Residence**"), the Substitution Documents contain an undertaking by the Substitute Issuer and/or such other provisions as may be necessary to ensure that each Holder

has the benefit of an undertaking in terms corresponding to the provisions of Condition 10 in relation to the payment of all amounts due and payable under, or in respect of, the Notes and in relation to the guarantee referred to in (vi) below, with, in the case of the Notes but not such guarantee, the substitution of references to the Former Residence with references to the New Residence, and an undertaking by the Substitute Issuer to indemnify each Holder against any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the New Residence and, if different, the jurisdiction of the Substitute Issuer's organisation with respect to any Note and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to such substitution;

(v) the Issuer and the Substitute Issuer have obtained all necessary governmental and other approvals and consents for such substitution and for the performance by the Substitute Issuer of its obligations under the Substitution Documents;

(vi) CSG irrevocably and unconditionally guarantees to the Holders in accordance with Article 111 of the Swiss Code of Obligations, on a subordinated basis corresponding *mutatis mutandis* to Conditions 4 and 5, (A) the due and punctual payment of all amounts due and payable by the Substitute Issuer under, or in respect of, the Notes and (B) the performance of any other action to be performed by the Substitute Issuer in accordance with these Conditions on terms whereby Conditions 6(i)(iii), 12 and 13 shall apply to CSG and to its obligations under the guarantee with any necessary consequential amendments;

(vii) if the Substitute Issuer is not organised under the laws of Switzerland, the Substitute Issuer has appointed a process agent as its agent in Switzerland to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Notes;

(viii) if the Substitute Issuer is not organised under the laws of England, the Substitute Issuer has appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Agency Agreement;

(ix) legal opinions addressed to the Holders shall have been delivered to them (care of the Principal Paying Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (iv) above and in Switzerland and England as to the fulfilment of the preceding conditions of this Condition 13(c); and

(x) such substitution does not give rise to a Tax Event or a Capital Event.

Upon any substitution pursuant to this Condition 13(c), the Substitute Issuer shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Notes with the same effect as if the Substitute Issuer had been named as Issuer in these Conditions, and the Issuer shall be released from its obligations under the Notes.

14 Currency Indemnity

Any amount received or recovered in a currency other than the Specified Currency in which payment under the relevant Note is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Holder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the Specified Currency of payment under the relevant Note that such Holder is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount in the Specified Currency that such Holder is able to purchase is less than the amount owed by the Issuer to such Holder under the relevant Note, the Issuer shall indemnify such Holder against any loss sustained

by it as a result. In any event, the Issuer shall indemnify such Holder against the cost of making any such purchase. For the purposes of this Condition 14, it shall be sufficient for the Holder to demonstrate that it would have suffered a loss had an actual purchase been made. The indemnities under this Condition 14: (a) will constitute a separate and independent obligation from the Issuer's other obligations, (b) give rise to a separate and independent cause of action, (c) apply irrespective of any indulgence granted by any Holder and (d) continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

15 Replacement of Certificates

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar, or such other Transfer Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Holders, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate is subsequently presented for payment there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Certificates) and otherwise as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

16 Further Issues

The Issuer may, from time to time, without the consent of the Holders, create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 16 and forming a single series with the Notes.

17 Notices

So long as the Notes are listed on the SIX Swiss Exchange, notices to Holders shall be given by the Listing Agent (a) by means of electronic publication on the internet website of the SIX Swiss Exchange (www.six-swiss-exchange.com), where notices are currently published under the address www.six-swiss-exchange.com/news/official_notices/search_en.html or (b) otherwise in accordance with the regulations of the SIX Swiss Exchange. Any such notice will be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication.

If the Notes are for any reason no longer listed on the SIX Swiss Exchange (a) if such Notes are represented by one or more Global Certificates deposited with a Custodian on behalf of DTC and/or with a common depositary for Euroclear and Clearstream, Luxembourg, notices to Holders shall only be required to be given in accordance with the paragraph immediately below, and (b) if the Global Certificate(s) have been exchanged for Definitive Certificates, notices to Holders will be sent by first class mail to the Holders at their respective addresses as recorded in the Register, which notice will be deemed to be validly given on the fourth Business Day after the date of such mailing.

While the Notes are represented by one or more Global Certificates deposited with a Custodian on behalf of DTC any notices required to be given by the Issuer to the Holders hereunder shall also be given through the Principal Paying Agent to DTC for forwarding to the Indirect Holders. Any such notice shall be deemed to be validly given on the date of delivery to DTC.

18 Definitions

The following terms shall have the following meanings:

"**Additional Amounts**" has the meaning given to it in Condition 10;

"**Additional Tier 1 Capital**" means, at any time, any or all items constituting additional tier 1 capital within the meaning of the Basel III Document, as implemented and amended pursuant to BIS Regulations applicable at such time;

"**Auditor**" means the accounting firm appointed by the Board of Directors or shareholders of CSG, as the case may be, to provide, *inter alia*, audit and review opinions on CSG's financial statements;

"**Authorised Signatories**" means any two authorised officers of the Issuer signing jointly;

"**Basel III Document**" means the Basel Committee on Banking Supervision document "Basel III: A global regulatory framework for more resilient banks and banking systems" published in December 2010, as revised in June 2011;

"**BIS Regulations**" means the capital adequacy standards and guidelines applicable from time to time and promulgated by the Basel Committee on Banking Supervision, as implemented by CSG in a manner agreed with the Regulator and/or its Auditor for the purpose of financial reporting and disclosure, *inter alia*, in the Quarterly Financial Report;

"**Business Day**" has the meaning given to it in Condition 6(j);

a "**Capital Event**" shall have occurred if a change in National Regulations and/or BIS Regulations occurs on or after the Issue Date having the effect that the entire principal amount of the Notes ceases to be eligible to be both (i) treated as Additional Tier 1 Capital under BIS Regulations and (ii) counted towards the Going Concern Requirement;

"**Capital Event Redemption Amount**" has the meaning given to it in the Pricing Schedule;

"**Certificate**" means a Global Certificate or a Definitive Certificate, as the case may be;

"**CET1 Amount**" means, at any time, as calculated by CSG in respect of the Group and expressed in CSG's reporting currency, the sum of all amounts (whether positive or negative) of Common Equity Tier 1 Capital of the Group as at such time;

"**CET1 Ratio**" means the ratio (expressed as a percentage) of CET1 Amount divided by the RWA Amount as at the relevant Reporting Date, in each case calculated by CSG and appearing in the relevant Financial Report as "BIS Common Equity Tier 1 Ratio", "BIS CET1 Ratio" or any such other term having the same meaning;

"**Clearing System Business Day**" means Monday to Friday inclusive, except 25 December and 1 January;

"**Clearstream, Luxembourg**" means Clearstream Banking, *société anonyme*;

"**Common Equity Tier 1 Capital**" means all items that constitute common equity tier 1 capital, or deductions from common equity tier 1 capital, in each case within the meaning of these terms in the Basel III Document as amended by, and as determined by CSG pursuant to, BIS Regulations applicable at the relevant time;

"**Compliant Securities**" means securities issued directly by CSG or by a Subsidiary of CSG and guaranteed by CSG that:

(a) have economic terms not materially less favourable to a Holder than these Conditions (as reasonably determined by the Issuer, and provided that a certification to such effect of the Authorised Signatories shall have been delivered to the Principal Paying Agent prior to the

issue of the relevant securities), provided that such securities (i) include terms that provide for the same interest rate and principal from time to time applying to the Notes; (ii) rank *pari passu* with the Notes (or, in the case of securities issued by a Subsidiary of CSG and guaranteed by CSG, with a guarantee ranking *pari passu* with the Notes); and (iii) preserve any existing rights under these Conditions to any accrued but unpaid interest that has not been satisfied; and

(b) where the Notes that have been substituted or varied were listed immediately prior to their substitution or variation, the relevant securities are listed on (i) the SIX Swiss Exchange or (ii) such other internationally recognised stock exchange as selected by the Issuer; and

(c) where the Notes that have been substituted or varied were rated by a Rating Agency immediately prior to their substitution or variation, each such Rating Agency has ascribed, or announced its intention to ascribe and publish, an equal or higher rating to the relevant securities;

"**Contingency Event**" has the meaning given to it in Condition 7(a)(ii);

"**Contingency Event Notice**" has the meaning given to it in Condition 7(a)(ii);

"**CS**" means Credit Suisse AG;

"**CSG**" means Credit Suisse Group AG;

"**CSG Tier 1 Instruments**" means any and all shares, securities, participation securities or other obligations issued (a) by the Issuer (whether or not acting through a branch) but excluding Tier 1 Shares or (b) by a Subsidiary of the Issuer and having the benefit of a guarantee, credit support agreement or similar undertaking of the Issuer, each of which shares, securities or other obligations under (a) and (b) qualify, or are issued in respect of a security that qualifies, as Tier 1 Capital of CSG and/or the Group (without regard to quantitative limits on such capital) on a consolidated (*Finanzgruppe*) or on an unconsolidated (*Einzelinstitut*) basis;

"**CSG Tier 2 Instruments**" means any and all securities or other obligations issued (a) by the Issuer (whether or not acting through a branch) or (b) by a Subsidiary of the Issuer and having the benefit of a guarantee, credit support agreement or similar undertaking of the Issuer, each of which securities or other obligations under (a) and (b) qualify, or are issued in respect of a security that qualifies, as Tier 2 Capital of CSG and/or the Group (without regard to quantitative limits on such capital) on a consolidated (*Finanzgruppe*) or on an unconsolidated (*Einzelinstitut*) basis;

"**Custodian**" means, with respect to any Global Certificate, the custodian thereof appointed by the Depositary therefor, or any successor Person thereto, which custodian or successor Person must be located outside Switzerland. The Custodian for each Global Certificate held on behalf of DTC shall initially be the Principal Paying Agent;

"**Day Count Fraction**" has the meaning given to it in Condition 6(j);

"**Definitive Certificate**" has the meaning given to it in Condition 1(b)(ii);

"**Depositary**" means, with respect to any Global Certificate, DTC or any other Relevant Clearing System located outside Switzerland that is designated as Depositary for such Global Certificate by the Issuer. The Depositary for each Global Certificate shall initially be DTC;

"**DTC**" means The Depository Trust Company;

"**Due Date**" in respect of any payment on any Note, means the date on which such payment first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount required to be paid is made or, in the case where presentation is required pursuant to these Conditions, (if earlier) the date seven days after that on which notice is duly

given to the Holders that, upon further presentation of the Certificate being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Event of Default**" has the meaning given to it in Condition 12(a);

"**Financial Report**" means a Quarterly Financial Report or an Interim Capital Report, as the case may be;

"**FINMA**" means the Swiss Financial Market Supervisory Authority FINMA;

"**First Optional Redemption Date**" means the date specified as such in the Pricing Schedule;

"**Global Certificate**" means a Rule 144A Global Certificate or a Regulation S Global Certificate, as applicable;

"**Going Concern Capital**" means, at any time, any or all items that, pursuant to National Regulations at such time, are eligible to be counted towards the Going Concern Requirement;

"**Going Concern Capital Instruments**" means, at any time, any or all securities and other instruments (other than Common Equity Tier 1 Capital) issued by CSG or any other member of the Group, as the case may be, that are, at such time, eligible to be treated as Going Concern Capital;

"**Going Concern Requirement**" means the requirement under National Regulations for systemically relevant banks (*systemrelevante Banken*) to hold a minimum amount of going concern capital (*Eigenmittel zur ordentlichen Weiterführung der Bank*), which amount is set by reference to the risk weighted assets (*risikogewichtete Positionen*) and/or by reference to the leverage ratio (*Höchstverschuldungsquote*) of such bank;

"**Group**" means CSG together with, from time to time, its consolidated Subsidiaries and any and all other entities included in its consolidated capital adequacy reports prepared pursuant to National Regulations or, as appropriate, BIS Regulations to which it is subject at such time;

"**Holder**" means, with respect to any Note, (a) so long as such Note is represented by a Global Certificate, the person in whose name such Global Certificate is registered in the Register, and (b) if such Note is represented by a Definitive Certificate, the person in whose name such Definitive Certificate is registered in the Register. No other person, including any Indirect Holder, shall (i) be a Holder for the purpose of these Conditions, or (ii) other than as described in Condition 2(d)(ii), have any rights, or be owed any obligations by the Issuer, under the Notes;

"**Independent Financial Adviser**" means an independent financial institution of international repute appointed at its own expense by CSG;

"**Indirect Holder**" means, with respect to any Note represented by a Global Certificate, any person (other than the Holder) that owns a beneficial interest in such Note through a bank, broker or other financial institution that (a) participates in the book-entry system of DTC, Euroclear, Clearstream, Luxembourg and/or any clearing system (each, a "**Relevant Clearing System**") or (b) holds an interest in such Note through a participant in the book-entry system of any Relevant Clearing System. Other than as described in Condition 2(d)(ii), no Indirect Holder shall have any rights, or be owed any obligations, under the Notes;

"**Interest Commencement Date**" has the meaning given to it in Condition 6(j);

"**Interim Capital Report**" means a report based on the financial accounts of CSG and the Group containing, *inter alia*, the CET1 Ratio prepared by CSG upon request of the Regulator in respect of the

Notes and with respect to which the Auditor has performed procedures in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements;

"**Interest Determination Date**" has the meaning given to it in Condition 6(j);

"**Interest Payment Date**" has the meaning given to it in Condition 6(j);

"**Interim Report Date**" means the date as at which the CET1 Ratio set out in an Interim Capital Report has been prepared;

"**Issue Date**" means the date specified as such in the Pricing Schedule;

"**Listing Agent**" has the meaning given to it in the Pricing Schedule;

"**National Regulations**" means the prevailing national banking and capital adequacy laws directly applicable to CSG and prevailing capital adequacy regulations promulgated by the Regulator and applicable to CSG;

"**Optional Redemption Amount**" has the meaning given to it in the Pricing Schedule;

"**Optional Redemption Date**" means the First Optional Redemption Date and any other date specified as such in the Pricing Schedule;

"**Ordinary Shares**" means the registered ordinary shares of CSG, which as of the Issue Date have a nominal value of CHF 0.04 each;

a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

"**Prevailing Rate**" means, in respect of any currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (Zurich time) on that date as appearing on or derived from the Reference Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (Zurich time) on the immediately preceding day on which such rate can be so determined or, if such rate cannot be so determined by reference to the Reference Page, the rate determined in such other manner as an Independent Financial Adviser shall in good faith prescribe;

"**Public Sector**" means the federal or central government or central bank in CSG's country of incorporation;

"**QIB**" has the meaning given to it in Condition 1(b)(i);

"**Quarterly Financial Report**" means the financial accounts and disclosures of CSG and the Group in respect of a calendar quarter reporting period contained in a customary financial report published by CSG;

"**Rating Agencies**" means the rating agencies specified in the Pricing Schedule;

"**Record Date**" has the meaning given to it in Condition 9(a)(ii);

"**Reference Page**" means the relevant page on Bloomberg or such other information service provider that displays the relevant information;

"**Register**" has the meaning given to it in Condition 2(a)(i);

"**Regulation S**" has the meaning given to it in Condition 1(b)(i);

"**Regulation S Global Certificate**" has the meaning given to it in Condition 1(b)(i);

"**Regulator**" means the national regulator body having the leading authority to supervise and regulate CSG with respect to its consolidated capital adequacy at the relevant time being, at the Issue Date, FINMA;

"**Relevant Clearing System**" has the meaning given to it in the definition of "Indirect Holder";

"**Replacement Rate**" has the meaning given to it in Condition 6(d);

"**Reporting Date**" means, with respect to any Financial Report, (a) in the case of a Quarterly Financial Report, the date of the financial statements contained in such Quarterly Financial Report, and (b) in the case of an Interim Capital Report, the relevant Interim Report Date;

"**Reset Date**" means the First Reset Date and each Subsequent Reset Date;

"**Reset Rate of Interest**" means the rate of interest payable from time to time in respect of a Fixed Rate Reset Note and that is either specified in the Pricing Schedule or calculated in accordance with the provisions of Condition 6(d);

"**Restricted Period**" means, with respect to Notes represented by a Regulation S Global Certificate, the period of 40 consecutive days beginning on (and including) the later of (a) the day on which such Notes are first offered to persons other than distributors (as defined in Regulation S) in reliance on Regulation S, and (b) the Issue Date;

"**Rule 144A**" has the meaning given to it in Condition 1(b)(i);

"**Rule 144A Global Certificate**" has the meaning given to it in Condition 1(b)(i);

"**RWA Amount**" means, as at any date, the aggregate amount of all risk-weighted assets of the Group, calculated by CSG pursuant to BIS Regulations applicable at such time, expressed in CSG's reporting currency;

"SIX Swiss Exchange" means SIX Swiss Exchange;

"**Specified Currency**" has the meaning given to it in Condition 6(j);

"**Specified Time**" has the meaning given to it in the Pricing Schedule;

"**Statutory Loss Absorption Date**" has the meaning given to it in Condition 7(c);

"**Subsidiary**" means a direct or indirect subsidiary within the meaning of applicable Swiss law;

"**TARGET Business Day**" has the meaning given to it in Condition 6(j);

a "**Tax Event**" shall have occurred if in making any payments on the Notes, the Issuer (A) has paid or will or would on the next payment date be required to pay, Additional Amounts, or (B) has paid, or will or would be required to pay, any additional tax in respect of the Notes, in each case under the laws or regulations of a Tax Jurisdiction, or any political subdivision or authority therein or thereof having the power to impose, levy, collect, withhold or assess taxes, including, without limitation, any treaty to which a Tax Jurisdiction is a party, or any generally published application or interpretation of such laws, including a decision of any court or tribunal, or the generally published application or interpretation of such laws by any relevant tax authority or any generally published pronouncement by any tax authority, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it;

"**Tax Event Redemption Amount**" has the meaning given to it in the Pricing Schedule;

"**Tax Jurisdiction**" means Switzerland;

"**Threshold Ratio**" means, at any time, 7.00 per cent.;

"**Tier 1 Capital**" means Additional Tier 1 Capital together with Common Equity Tier 1 Capital;

"**Tier 1 Instruments**" means any and all shares, securities, participation securities or other obligations issued (a) by CSG or CS (in either case whether or not acting through a branch), but excluding Tier 1 Shares or (b) by any Subsidiary of CSG and having the benefit of a guarantee, credit support agreement or similar undertaking of CSG or CS, each of which shares, securities or other obligations under (a) and (b) qualify, or are issued in respect of a security that qualifies, as Tier 1 Capital of CSG or CS and/or the Group (without regard to quantitative limits on such capital) on a consolidated (*Finanzgruppe*) or on an unconsolidated (*Einzelinstitut*) basis;

"**Tier 1 Shares**" means all classes of paid-in capital in relation to shares and participation certificates, if any, of CSG or any Subsidiary of CSG that qualify as Tier 1 Capital of CSG on a consolidated (*Finanzgruppe*) or on an unconsolidated (*Einzelinstitut*) basis;

"**Tier 2 Capital**" means any or all items constituting tier 2 capital under National Regulations or BIS Regulations, as the case may be;

"**Tier 2 Instruments**" means any and all securities or other obligations issued (a) by CSG or CS (in either case whether or not acting through a branch) or (b) by any Subsidiary of CSG and having the benefit of a guarantee, credit support agreement or similar undertaking of CSG or CS, each of which securities or other obligations under (a) and (b) qualify, or are issued in respect of a security that qualifies, as Tier 2 Capital of CSG, CS and/or the Group (without regard to quantitative limits on such capital) on a consolidated (*Finanzgruppe*) or on an unconsolidated (*Einzelinstitut*) basis;

"**U.S. Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended;

"**U.S. Securities Act**" means the U.S. Securities Act of 1933, as amended;

"**Viability Event**" has the meaning given to it in Condition 7(a)(iii);

"**Viability Event Notice**" has the meaning given to it in Condition 7(a)(iii);

"**Write-down**" means the events set out in Condition 7(b);

"**Write-down Date**" means the date specified as such in the relevant Write-down Notice, which date shall be no later than ten Business Days after the date of the relevant Write-down Notice;

"**Write-down Event**" has the meaning given to it in Condition 7(a)(i); and

"**Write-down Notice**" means a Contingency Event Notice or a Viability Event Notice, as the case may be.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such statutory modification or re-enactment.

Unless the context otherwise requires, references to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes and all other amounts in the nature of principal payable pursuant to these Conditions or any amendment or supplement to it, and (ii) "**interest**" shall be deemed to include any Additional Amounts that may be payable under Condition 10 or any undertaking given in addition to or in substitution for it pursuant to Condition 14 in respect of any such amount.

References in Condition 17 to listing on the SIX Swiss Exchange (or like or similar references) shall be construed as listing according to the Standard for Bonds (or any successor standard) of the SIX Swiss Exchange.

19 Governing Law and Jurisdiction

(a) Governing Law

These Conditions, the Notes and the Certificates shall be governed by, and construed in accordance with, the laws of Switzerland.

(b) Jurisdiction

Any dispute that might arise based on these Conditions, the Notes and the Certificates shall fall within the exclusive jurisdiction of the Courts of the City of Zurich and, if permitted, the Commercial Court of the Canton of Zurich, the place of jurisdiction being Zurich 1.

The above-mentioned courts shall have exclusive jurisdiction for any declaration of cancellation of the Notes.

PART B

Pricing Schedule

relating to Credit Suisse Group AG

U.S.$1,500,000,000 7.250 per cent. Perpetual Tier 1 Contingent Write-down Capital Notes

This Pricing Schedule supplements Part A, and forms an integral part of, the Terms and Conditions of the Notes.

1	Issuer:		Credit Suisse Group AG
2	Series Number:		1
3	Specified Currency or Currencies:		U.S. dollars
4	Aggregate Nominal Amount:		
	(i)	Series:	U.S.$1,500,000,000
	(ii)	Tranche:	U.S.$1,500,000,000
5	(i)	Specified Denomination:	U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof
	(ii)	Calculation Amount:	U.S.$1,000
6	Issue Date:		12 September 2018
7	Interest Commencement Date:		Issue Date
8	Interest Basis:		Fixed Rate Reset (further particulars specified below)
9	Redemption/Payment Basis:		100 per cent. of principal amount (further particulars specified below)
10	Change of Interest or Payment Basis:		Not Applicable
PROVISIONS RELATING TO INTEREST PAYABLE			
11	**Fixed Rate Note Provisions**		Not Applicable
12	**Fixed/Floating Rate Note Provisions**		Not Applicable
13	**Floating Rate Note Provisions**		Not Applicable
14	**Fixed Rate Reset Note Provisions**		Applicable
	(i)	Initial Interest Rate	7.250 per cent. per annum
	(ii)	Interest Payment Date(s)	12 March and 12 September in each year, commencing on 12 March 2019.
	(iii)	Day Count Fraction:	30/360
	(iv)	First Reset Date:	First Optional Redemption Date
	(v)	Subsequent Reset Date(s):	12 September 2030 and every fifth anniversary thereafter
	(vi)	Reset Margin:	4.332 per cent. per annum
	(vii)	Relevant Reset Screen Page:	Reuters “USDSFIX”

(viii)	Floating Leg Reference Rate:	3-month USD LIBOR
(ix)	Initial Fall-Back Mid-Swap Rate:	2.918 per cent. per annum
(x)	Specified Time:	11:00 a.m. New York City time
(x)	Interest payable in equal instalments: .	Yes

PROVISIONS RELATING TO REDEMPTION

15	**Optional Redemption**	Applicable
	First Optional Redemption Date:	12 September 2025
	Other Optional Redemption Dates:	Each Reset Date after the First Optional Redemption Date
	Optional Redemption Amount:	100 per cent. of the principal amount
16	**Redemption due to Taxation**	
	Tax Event Redemption Amount:	100 per cent. of the principal amount
	Tax Event redemption dates:	At any time in accordance with Condition 8(d)
17	**Redemption for Capital Event**	
	Capital Event Redemption Amount:	100 per cent. of the principal amount
	Capital Event redemption dates:	At any time in accordance with Condition 8(e)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

18	Financial Centre(s) or other special provisions relating to payment dates:	Zurich
19	Rating Agencies and Ratings:	Fitch Ratings Ltd.: BB S&P's Global Ratings Europe Limited (Niederlassung Deutschland) Limited: BB-
20	Listing:	SIX Swiss Exchange
21	Principal Paying Agent and Transfer Agent: .	Citibank, N.A., London Branch Citigroup Centre Canada Square Canary Wharf London E14 5LB United Kingdom
22	Registrar:	Citigroup Global Markets Europe AG 5th Floor Reuterweg 16 60323 Frankfurt Germany
23	Listing Agent:	Credit Suisse AG Paradeplatz 8 CH-8001 Zurich Switzerland

24	Swiss Paying Agent:	Credit Suisse AG Paradeplatz 8 CH-8001 Zurich Switzerland
25	Calculation Agent:	Credit Suisse AG Paradeplatz 8 CH-8001 Zurich Switzerland
26	ISIN Code:	Regulation S: USH3698DBZ62 Rule 144A: US225401AK46
27	Common Code:	Regulation S: 187922976 Rule 144A: 187922941
28	CUSIP:	Regulation S: H3698D BZ6 Rule 144A: 225401 AK4
29	Swiss Security Number:	Regulation S: 43586047 Rule 144A: 43586031

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM AND BOOK-ENTRY CLEARANCE SYSTEMS

Book-Entry System

The Notes are being initially sold in the United States to persons reasonably believed to be QIBs in reliance on Rule 144A (the "**Rule 144A Notes**"). The Notes also may be offered and sold in offshore transactions to non-U.S. Persons in reliance on Regulation S (the "**Regulation S Notes**"). Rule 144A Notes, including beneficial interests in the Rule 144A Global Certificates, will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "*Notice to Investors*". Regulation S Notes will also bear the legend as described under "*Notice to Investors*".

Rule 144A Notes will initially be represented by one or more Global Certificates in definitive, fully registered form without interest coupons (collectively, the "**Rule 144A Global Certificates**"). Regulation S Notes will initially be represented by one or more Global Certificates in definitive, fully registered form without interest coupons (collectively, the "**Regulation S Global Certificates**" and, together with the Rule 144A Global Certificates, the "**Global Certificates**"). The Global Certificates will be deposited upon issuance with the custodian for DTC and registered in the name of Cede & Co. as DTC's nominee in New York, New York for the accounts of institutions that have accounts with DTC (the "**participants**"). DTC will be depositary for the Global Certificates. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the "**Restricted Period**"), beneficial interests in the Regulation S Global Certificates may be held only through Euroclear Bank SA/NV, as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A Global Certificate in accordance with the certification requirements described below. Beneficial interests in the Rule 144A Global Certificates may not be exchanged for beneficial interests in the Regulation S Global Certificates at any time except in the limited circumstances set forth in the Conditions as described below.

Except as set forth below, the Notes will be issued in registered, global form in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The Notes will be issued at the closing of this offering only against payment in immediately available funds.

Investors in the Rule 144A Global Certificates who are participants in DTC's system may hold their interests directly through DTC. Investors in the Rule 144A Global Certificates who are not participants may hold their interests therein indirectly through organisations that are DTC participants. Euroclear and Clearstream, Luxembourg will hold interests in the Regulation S Global Certificates on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories. Except in the limited circumstances set forth in the Conditions as described below, holders of Notes represented by a Global Certificate will not be entitled to receive Notes in fully certificated, non-global definitive form (the "**Definitive Certificates**").

So long as the Depositary or its nominee is registered in the Register as the holder of a Global Certificate, the Issuer will treat the Depositary as the sole holder of the Notes. Therefore, except as set forth in the Conditions as described below, a purchaser will not be entitled to have the Notes registered in its name or to receive physical delivery of Definitive Certificates. Accordingly, a purchaser will have to rely on the procedures of the Depositary and the participant in the Depositary through whom they hold their beneficial interest in order to exercise any rights of a holder under the Conditions. The Issuer understands that under existing practices, the Depositary would act upon the instructions of a participant or authorise that participant to take any action that a holder is entitled to take.

As long as the Notes are represented by Global Certificates, the Issuer will pay principal of and interest and premium on the Notes to, or as directed by, DTC as the registered holder of the Global Certificates. Payments to DTC will be in immediately available funds by wire transfer. DTC, Clearstream, Luxembourg or Euroclear, as applicable, will credit the relevant accounts of their participants on the applicable date. The Issuer will not be responsible for making any payments to participants or customers of participants or for maintaining any records relating to the holdings of participants and their customers, and a purchaser will have to rely on the procedures of the Depositary and its participants.

- *As to DTC:* DTC has advised the Issuer that it is a limited-purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a member of the Fed, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities deposited with it by its participants and facilitates the settlement of transactions among its participants in such securities through electronic computerised book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations, some of whom (and/or their representatives) own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

  According to DTC, the foregoing information with respect to DTC has been provided to the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

- *As to Clearstream, Luxembourg:* Clearstream, Luxembourg was incorporated as a limited liability company under Luxembourg law. Clearstream, Luxembourg is owned by Cedel International, *société anonyme*, and Deutsche Börse AG. The shareholders of these two entities are banks, securities dealers and financial institutions.

  Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thus eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in many currencies, including U.S. dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities, securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg interfaces with domestic markets in a number of countries. Clearstream, Luxembourg has established an electronic bridge with Euroclear Bank SA/NV, the operator of Euroclear, or the Euroclear operator, to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

  As a registered bank in Luxembourg, Clearstream, Luxembourg is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream, Luxembourg customers are recognised financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. In the United States, Clearstream, Luxembourg customers are limited to securities brokers and dealers and banks, and may include any underwriters or agents for the Notes. Other institutions that maintain a custodial relationship with a Clearstream, Luxembourg customer may obtain indirect access to Clearstream, Luxembourg. Clearstream, Luxembourg is an indirect participant in DTC.

Distributions with respect to the Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg customers in accordance with its rules and procedures, to the extent received by Clearstream, Luxembourg.

- *As to Euroclear:* Euroclear was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thus eliminating the need for physical movement of certificates and risk from lack of simultaneous transfers of securities and cash. Transactions may now be settled in many currencies, including U.S. dollars and Japanese Yen. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described below.

  Euroclear is operated by the Euroclear operator, under contract with Euroclear plc, a U.K. corporation. The Euroclear operator conducts all operations, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator, not Euroclear plc. Euroclear plc establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include any underwriters for the Notes. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

  The Euroclear operator is a Belgian bank. The Belgian Banking Commission and the National Bank of Belgium regulate and examine the Euroclear operator.

  The Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, or the Euroclear Terms and Conditions, and applicable Belgian law govern securities clearance accounts and cash accounts with the Euroclear operator. Specifically, these terms and conditions govern:

  - transfers of securities and cash within Euroclear;
  - withdrawal of securities and cash from Euroclear; and
  - receipt of payments with respect to securities in Euroclear.

  All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear operator acts under the terms and conditions only on behalf of Euroclear participants and has no record of or relationship with persons holding securities through Euroclear participants.

  Distributions with respect to the Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Euroclear operator.

Global Certificates generally are not transferable. Definitive Certificates will be issued to holders of beneficial interests in Notes represented by a Global Certificate if:

- the Depositary notifies the Issuer that it is unwilling or unable to continue as Depositary for such Global Certificate and the Issuer does not appoint a successor within 90 days after its receipt of such notice;
- the Depositary ceases to be a clearing agency registered under the Exchange Act and the Issuer does not appoint a successor within 90 days after it becomes aware of such cessation;

- the Issuer decides in its sole discretion (subject to the procedures of the Depositary) that it does not want to have the Notes represented by Global Certificates;
- an Event of Default has occurred and has not been cured and the Depositary, on behalf of the beneficial owners, has requested the exchange of such Global Certificate for Definitive Certificates.

If any of the events described in the preceding paragraph occurs, the Issuer will issue Definitive Certificates in an amount equal to a beneficial owner's interest in the Notes. Definitive Certificates will be issued in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof, and will be registered in the names of the persons the Depositary specifies in a written instruction to the Registrar.

In the event Definitive Certificates are issued:

- holders of Definitive Certificates will be able to receive payments of principal and interest on the Notes represented thereby at the office of the Issuer's paying agent; and
- holders of Definitive Certificates will be able to transfer the Notes represented thereby in whole or in part, by surrendering the Definitive Certificate representing such Notes to be transferred, together with the form of transfer endorsed on such Definitive Certificate, duly completed and executed and any other evidence as the Issuer, the Registrar or Transfer Agent may require, at the specified office of the Registrar or any Transfer Agent. None of the Issuer, the Registrar and the Transfer Agents will charge any fee for the transfer of Notes and issue of new Definitive Certificates, except that it may require the payment of a sum sufficient to cover any applicable tax or other governmental charge payable in connection with the transfer (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

Global Clearance and Settlement Procedures

A purchaser will be required to make the initial payment for the Notes in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System, or any successor thereto. Secondary market trading between Clearstream, Luxembourg customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Beneficial interests in the Rule 144A Global Certificates may not be exchanged for beneficial interests in the Regulation S Global Certificates or vice versa at any time except in the limited circumstances set forth in the Conditions and as described below. Until the expiration of the Restricted Period, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate only if the transferor first delivers to the Registrar a written certificate (in the form provided in the Agency Agreement) to the effect that:

1. the transfer of the beneficial interest in the Notes is being made in accordance with Rule 144A; and
2. the beneficial interest in the Notes is being transferred to a person: (a) who the transferor reasonably believes to be a QIB within the meaning of Rule 144A purchasing for its own account or the account of a QIB, aware that the sale to it is being made in reliance on Rule 144A and not formed for the purpose of investing in the Rule 144A Notes or the Issuer and, in a transaction meeting the requirements of Rule 144A and (b) in accordance with all

applicable securities laws of the states of the United States and any other applicable jurisdictions.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg customers or Euroclear participants, on the other, will be effected in DTC in accordance with DTC rules on behalf of the relevant European international clearing system by a U.S. depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (based on European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depositary to take action to effect final settlement on its behalf by delivering or receiving Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg customers and Euroclear participants may not deliver instructions directly to their respective U.S. depositaries.

Because of time-zone differences, credits of Notes received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be made during subsequent Notes settlement processing and dated the Business Day following the DTC settlement date. Such credits or any transactions in such Notes settled during such processing will be reported to the relevant Clearstream, Luxembourg customers or Euroclear participants on such Business Day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Notes, by or through a Clearstream, Luxembourg customer or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the Business Day following settlement in DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time. Neither the Managers nor the Issuer have any responsibility for the performance or non-performance of DTC, Clearstream, Luxembourg and Euroclear or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC, or any other clearing system (any such other clearing system, an "**alternative clearing system**") as the holder of a Note represented by the Global Certificates must look solely to Euroclear, Clearstream, Luxembourg, DTC or any such alternative clearing system (as the case may be) for its share of each payment made by the Issuer to the holder of the Global Certificates and in relation to all other rights arising under the Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such alternative clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by the Global Certificates and such obligations of the Issuer will be discharged by payment to the holder of the Global Certificates in respect of each amount so paid.

Payment

In the case of Definitive Certificates, principal and interest payments will be made at the office of the paying agent, subject to surrender of the Note in the case of payments of principal.

USE OF PROCEEDS

The net proceeds from the Notes, amounting to U.S.$1,477,500,000, will be used by the Issuer for its general corporate purposes, which could include investments in its subsidiaries.

CREDIT SUISSE GROUP AG

Structure and Business of the Issuer

CSG is a holding company for financial services companies that is domiciled in Switzerland.

The Group's strategy builds on its core strengths: its position as a leading global wealth manager, its specialist investment banking capabilities and its strong presence in its home market of Switzerland. The Group seeks to follow a balanced approach to wealth management, aiming to capitalise on both the large pool of wealth within mature markets as well as the significant growth in wealth in Asia Pacific and other emerging markets. Founded in 1856, the Group today has a global reach with operations in about 50 countries and 46,840 employees from over 150 different nations. The Group's broad footprint helps it to generate a geographically balanced stream of revenues and net new assets and allows it to capture growth opportunities around the world. The Group serves its clients through three regionally focused divisions: Swiss Universal Bank, International Wealth Management ("**IWM**") and Asia Pacific. These regional businesses are supported by two other divisions specialising in investment banking capabilities: Global Markets and Investment Banking & Capital Markets. The Strategic Resolution Unit ("**SRU**") consolidates the remaining portfolios from the former non-strategic units plus additional businesses and positions that do not fit with the Group's strategic direction. The Group's business divisions cooperate closely to provide holistic financial solutions, including innovative products and specially tailored advice.

For information regarding the evolution of the Group's legal entity structure, refer to "*I—Information on the company—Strategy—Evolution of legal entity structure*" in the Annual Report 2017.

Swiss Universal Bank

The Swiss Universal Bank division offers comprehensive advice and a wide range of financial solutions to private, corporate and institutional clients primarily domiciled in the Group's home market of Switzerland, which offers attractive growth opportunities and where the Group can build on a strong market position across its key businesses. The Group's Private Clients business has a leading franchise in its Swiss home market and serves ultra-high-net-worth individuals, high-net-worth individuals, affluent and retail clients. The Group's Corporate & Institutional Clients business serves large corporate clients, small and medium-sized enterprises, institutional clients, external asset managers and financial institutions.

International Wealth Management

The IWM division through its Private Banking business offers comprehensive advisory services and tailored investment and financing solutions to wealthy private clients and external asset managers in Europe, the Middle East, Africa and Latin America, utilising comprehensive access to the broad spectrum of the Group's global resources and capabilities as well as a wide range of proprietary and third-party products and services. The Group's Asset Management business offers investment solutions and services globally to a broad range of clients, including pension funds, governments, foundations and endowments, corporations and individuals.

Asia Pacific

In the Asia Pacific division, the Group's wealth management, financing and underwriting and advisory teams work closely together to deliver integrated advisory services and solutions to its target ultra-high-net-worth, entrepreneur and corporate clients. The Group's Wealth Management & Connected business combines its activities in wealth management with its financing, underwriting and advisory activities. The Group's Markets business represents its equities and fixed income trading

business in Asia Pacific, which supports its wealth management activities, but also deals extensively with a broader range of institutional clients.

Global Markets

The Global Markets division offers a broad range of financial products and services to client-driven businesses and also supports the Group's global wealth management businesses and their clients. The Group's suite of products and services includes global securities sales, trading and execution, prime brokerage and comprehensive investment research. The Group's clients include financial institutions, corporations, governments, institutional investors, such as pension funds and hedge funds, and private individuals around the world.

Investment Banking & Capital Markets

The Investment Banking & Capital Markets division offers a broad range of investment banking services to corporations, financial institutions, financial sponsors and ultra-high-net-worth individuals and sovereign clients. The Group's range of products and services includes advisory services related to mergers and acquisitions, divestitures, takeover defence mandates, business restructurings and spin-offs. The division also engages in debt and equity underwriting of public securities offerings and private placements.

Strategic Resolution Unit

The SRU was created to facilitate the immediate right-sizing of the Group's business divisions from a capital perspective and includes remaining portfolios from former non-strategic units plus transfers of additional exposures from the business divisions. The unit's primary focus is on facilitating the rapid wind-down of capital usage and costs to reduce the negative impact on the Group's performance. Repositioned as a separate division, this provides clearer accountability, governance and reporting.

Management

Board of Directors of Credit Suisse Group AG (the "Board")

The members of the Board as of the date of this Information Memorandum are listed below. As of the date hereof, the composition of the Board of Directors of Credit Suisse Group AG and the Board of Directors of Credit Suisse AG is identical. For purposes of the table below only, references to the "Board" are to both the Board of Directors of Credit Suisse Group AG and the Board of Directors of Credit Suisse AG, except as otherwise specified.

Name	Business address	Position held
Urs Rohner	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2004—present: Credit Suisse Member of the Board (2009—present) Chairman of the Board (2011—present) and the Governance and Nominations Committee (2011—present) Member of the Innovation and Technology Committee (2015—present) Member of the Board of Directors of Credit Suisse (Schweiz) AG (2015—present) Vice-Chair of the Board and member of the Governance and Nominations Committee (2009 - 2011)

Name	Business address	Position held
		Member of the Risk Committee (2009 - 2011) Chief Operating Officer of Credit Suisse Group AG and Credit Suisse AG (2006 - 2009) General Counsel of Credit Suisse AG (2005 - 2009) General Counsel of Credit Suisse Group AG (2004 - 2009) Member of the Executive Board of Credit Suisse AG (2005 - 2009) Member of the Executive Board of Credit Suisse Group AG (2004 - 2009) 2000 - 2004: ProSiebenSat.1 Media AG Chairman of the executive board and CEO 1983 - 1999: Lenz & Staehelin Partner (1992 - 1999) Attorney (1983 - 1988; 1990 - 1992) 1988 - 1989: Sullivan & Cromwell LLP, New York Attorney **Education** 1990 Admission to the bar of the State of New York 1986 Admission to the bar of the Canton of Zurich 1983 Master in Law (lic.iur.), University of Zurich, Switzerland **Other activities and functions** GlaxoSmithKline plc, board member Swiss Bankers Association, vice-chairman* Swiss Finance Council, board member* Institute of International Finance, board member* European Banking Group, member* European Financial Services Roundtable, member* University of Zurich Department of Economics, chairman of the advisory board Lucerne Festival, board of trustees member

* Mr. Rohner performs functions in these organisations in his capacity as Chairman of the Group.

Name	Business address	Position held
Iris Bohnet	Harvard Kennedy School Harvard University Cambridge, Massachusetts United States	**Professional history** 2012—present: Credit Suisse Member of the Board (2012—present) Member of the Compensation Committee (2012—present) Member of the Innovation and Technology Committee (2015—present) 1998—present: Harvard Kennedy School Director of the Women and Public Policy Program (2008—present) Professor of public policy (2006—present) Academic dean (2011 - 2014) Associate professor of public policy (2003 - 2006) Assistant professor of public policy (1998 - 2003) 1997 - 1998: Haas School of Business, University of California at Berkeley Visiting scholar **Education** 1997 Doctorate in Economics, University of Zurich, Switzerland 1992 Master's degree in Economic History, Economics and Political Science, University of Zurich, Switzerland **Other activities and functions** Applied, board member Global Future Council on Behavioral Science, World Economic Forum (WEF), co-chair Economic Dividends for Gender Equality (EDGE), advisory board member
Andreas Gottschling . . .	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2017—present: Credit Suisse Member of the Board (2017—present) Chairman of the Risk Committee (2018—present) Member of the Governance and Nominations Committee (2018—present) Member of the Audit Committee (2018—present) Member of the Risk Committee (2017—present) Member of the board of Credit Suisse International and Credit Suisse Securities (Europe) Limited (UK subsidiaries) (2018—present)

Name	Business address	Position held
		2013 - 2016: Erste Group Bank, Vienna Chief Risk Officer and member of the Management Board 2012 - 2013: McKinsey and Company, Zurich Senior Advisor Risk Practice 2005 - 2012: Deutsche Bank, London and Frankfurt Member of the Risk Executive Committee & Divisional Board (2005 - 2012) Global Head Operational Risk (2006 - 2010) 2003 - 2005: LGT Capital Management, Switzerland Head of Quant Research 2000 - 2003: Euroquants, Germany Consultant 1997 - 2000: Deutsche Bank, Frankfurt Head of Quantitative Analysis **Education** 1997 Doctorate in Economics, University of California, San Diego, United States 1991 Postgraduate Studies in Physics, Mathematics and Economics, Harvard University, Cambridge, United States 1990 Degrees in Mathematics and Economics, University of Freiburg, Germany **Other activities and functions** Mr. Gottschling does not hold any directorships outside of the Group
Alexander Gut	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2016—present: Credit Suisse Member of the Board (2016—present) Member of the Audit Committee (2016—present) Member of the Innovation and Technology Committee (2017—present) Member of the Board of Directors of Credit Suisse (Schweiz) AG (June 2016—present) 2007—present: Gut Corporate Finance AG Managing Partner 2003 - 2007: KPMG Switzerland Member of the Executive Committee, Switzerland (2005 - 2007) Partner and Head of Audit Financial Services, Switzerland (2004 - 2007) and region Zurich (2003 - 2004) 2001 - 2003: Ernst & Young Partner, Transaction Advisory Services practice

Name	Business address	Position held
		1991 - 2001: KPMG Switzerland Senior Manager, Audit Financial Services Senior Manager, Banking Audit Banking Auditor **Education** 1996 Swiss Certified Accountant, Swiss Institute of Certified Accountants and Tax Consultants 1995 Doctorate in Business Administration, University of Zurich 1990 Master's degree in Business Administration, University of Zurich **Other activities and functions** Adecco Group Ltd., board member and chairman of the compensation committee SIHAG Swiss Industrial Holding Ltd., board member
Michael Klein	M Klein & Company 640 5th Avenue 12th Floor New York, NY 10019 United States	**Professional history** 2018—present: Credit Suisse Member of the Board (2018—present) Member of the Risk Committee (2018—present) 2010—present: M Klein & Company Managing Partner 1985 - 2008: Citigroup Vice Chairman Chairman Institutional Clients Group Chairman & Co-CEO Markets & Banking CEO, Global Banking CEO Markets and Banking EMEA Further senior management positions **Education** 1985 Bachelors of Science in Economics (Finance and Accounting), The Wharton School, University of Pennsylvania **Other activities and functions** Harvard Global Advisory Council The World Food Programme, Investment Advisory Board Peterson Institute for International Economics
Andreas N. Koopmann .	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2009—present: Credit Suisse Member of the Board (2009—present) Member of the Compensation Committee (2013—present) Member of the Risk Committee (2009 - 2018) Member of the Board of Directors of Credit Suisse (Schweiz) AG (2015 - 2017)

Name	Business address	Position held
		1982 - 2009: Bobst Group S.A., Lausanne Group CEO (1995 - 2009) Member of the board (1998 - 2002) Executive Vice President (1994 - 1995) Member of the Group Executive Committee, head of manufacturing (1991 - 1994) Management positions in engineering and manufacturing (1982 - 1991) Prior to 1982: Bruno Piatti AG and Motor Columbus AG Various positions **Education** 1978 MBA, International Institute for Management Development, Switzerland 1976 Master's degree in Mechanical Engineering, Swiss Federal Institute of Technology, Switzerland **Other activities and functions** Nestlé SA, board member and vice-chairman Georg Fischer AG, chairman of the board CSD Group, board member Sonceboz SA, board member Swiss Board Institute, member of the board of trustees Economiesuisse, board member EPFL, Lausanne, Switzerland, strategic advisory board member EPFL+ Foundation, member of the board of trustees
Seraina Macia	AIG 175 Water Street New York, NY 10038 United States	**Professional history** 2015—present: Credit Suisse Member of the Board (2015—present) Member of the Risk Committee (2018—present) Member of the Audit Committee (2015 - 2018) 2017—present: AIG Corporation Executive vice president & CEO of Blackboard (AIG technology-focused subsidiary; formerly Hamilton USA) 2016 - 2017: Hamilton Insurance Group CEO Hamilton USA 2013 - 2016: AIG Corporation Executive vice-president and CEO Regional Management & Operations of AIG, New York (2015 - 2016) CEO and President of AIG EMEA, London (2013 - 2016)

Name	Business address	Position held
		2010 - 2013: XL Insurance North America Chief executive 2002 - 2010: Zurich Financial Services President Specialties Business Unit, Zurich North America Commercial, New York (2007 - 2010) CFO, Zurich North America Commercial, New York (2006 - 2007) Various positions, among others: head of the joint investor relations and rating agencies management departments; head of rating agencies management; senior investor relations officer (2002 - 2008) 2000 - 2002: NZB Neue Zuercher Bank Founding partner and financial analyst 1990 - 2000: Swiss Re Rating agency coordinator, Swiss Re Group (2000) Senior underwriter and deputy head of financial products (1996 - 1999) Various senior positions in Zurich and Melbourne (1990 - 1996) **Education** 2001 Chartered Financial Analyst (CFA), CFA Institute, United States 1999 MBA, Monash Mt Eliza Business School, Australia 1997 Post-graduate certificate in Management, Deakin University, Australia **Other activities and functions** CFA Institute, member Food Bank for New York City, board member
Kai S. Nargolwala	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2008—present: Credit Suisse Member of the Board (2013—present) Chair of the Compensation Committee (2017—present) Member of the Governance and Nominations Committee (2017—present) Member of the Innovation and Technology Committee (2015—present) Member of the Compensation Committee (2014—present) Member of the Risk Committee (2013 - 2017) Non-executive chairman of Credit Suisse's Asia Pacific region (2010 - 2011)

Name	Business address	Position held
		Member of the Executive Board of Credit Suisse Group AG and Credit Suisse AG (2008 - 2010) CEO of Credit Suisse's Asia Pacific region (2008 - 2010) 1998 - 2007: Standard Chartered plc Main board executive director Prior to 1998: Bank of America Group executive vice president and head of Asia Wholesale Banking Group in Hong Kong (1990 - 1995) Head of High Technology Industry group in San Francisco and New York (1984 - 1990) Various management and other positions in the UK, the U.S. and Asia (1976 - 1984) 1970 - 1976: Peat Marwick Mitchell & Co., London, accountant **Education** 1974 Fellow of the Institute of Chartered Accountants (FCA), England and Wales 1969 BA in Economics, University of Delhi **Other activities and functions** Prudential plc, board member Prudential Corporation Asia Limited, director and non-executive chairman PSA International Pte. Ltd. Singapore, board member Clifford Capital Pte. Ltd., director and non-executive chairman Duke-NUS Graduate Medical School, Singapore, chairman of the governing board Singapore Institute of Directors, Fellow
Ana Paula Pessoa	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2018—present: Credit Suisse Member of the Board (2018—present) Member of the Audit Committee (2018—present) 2017—present: Kunumi AI Partner, Investor and Chair 2015 - 2017: Olympic & Paralympic Games 2016 CFO of Organising Committee 2012 - 2015: Brunswick Group Managing partner of Brazilian Branch 2001 - 2011: Infoglobo Newspaper Group CFO and Innovation Director 1993 - 2001: Globo Organizations Senior management positions in several media divisions

Name	Business address	Position held
		Education 1991 MA, FRI (Development Economics), Stanford University, California 1988 BA, Economics and International Relations, Stanford University, California **Other activities and functions** News Corporation, board member Instituto Atlántico de Gobierno, advisory board member Vinci Group, board member The Nature Conservancy, advisory board member Stanford Alumni Brasil Association (SUBA), board member Fundação Roberto Marinho, member of the Audit Committee
Joaquin J. Ribeiro	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2016—present: Credit Suisse Member of the Board (2016—present) Member of the Audit Committee (2016—present) 1997 - 2016: Deloitte LLP (United States) Vice Chairman and Chairman of Global Financial Services Industry practice (2010 - 2016) Head of U.S. Financial Services Industry practice (2003 - 2010) Head of Global Financial Services Industry practice in Asia (1997 - 2003) Head of South East Asian Corporate Restructuring practice (1997 - 2000) 2005 - 2010: World Economic Forum Senior advisor to Finance Governor's Committee **Education** 1996 Executive Business Certificate, Columbia Business School, New York 1988 MBA in Finance, New York University, New York 1980 Certified Public Accountant, New York 1978 Bachelor degree in Accounting, Pace University, New York **Other activities and functions** Pace University, member of the board of trustees and chair of the audit committee

Name	Business address	Position held
Severin Schwan	F. Hoffman-La Roche Ltd Grenzacherstr. 124 CH-4070 Basel Switzerland	**Professional history** 2014—present: Credit Suisse Member of the Board (2014—present) Vice-Chair and Lead Independent Director of the Board (2017 -present) Member of the Governance and Nominations Committee (2017—present) Member of the Risk Committee (2014—present) Member of the Board of Directors of Credit Suisse (Schweiz) AG (2015 - 2017) 1993—present: Roche Group CEO (2008—present) Member of the board of Roche Holding Ltd. (2013—present) CEO, Division Roche Diagnostics (2006 - 2008) Head Asia Pacific Region, Roche Diagnostics Singapore (2004 - 2006) Head Global Finance & Services, Roche Diagnostics Basel (2000 - 2004) Various management and other positions with Roche Germany, Belgium and Switzerland (1993 - 2000) **Education** 1993 Doctor of Law, University of Innsbruck, Austria 1991 Master's degrees in Economics and Law, University of Innsbruck, Austria **Other activities and functions** International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), vice-president International Business Leaders Advisory Council for the Mayor of Shanghai, member
John Tiner	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2009—present: Credit Suisse Member of the Board (2009—present) Chair of the Audit Committee (2011—present) Member of the Governance and Nominations Committee (2011—present) Member of the Risk Committee (2011—present) Member of the Audit Committee (2009—present)

Name	Business address	Position held
		Member of the board of Credit Suisse Holdings (USA), Inc., Credit Suisse (USA), Inc. and Credit Suisse Securities (USA) LLC (U.S. subsidiaries) (2015—present) 2008 - 2013: Resolution Operations LLP CEO 2001 - 2007: Financial Services Authority (FSA) CEO (2003 - 2007) Managing director of the investment, insurance and consumer directorate (2001 - 2003) Prior to 2001: Arthur Andersen, UK Managing partner, UK Business Consulting (1998 - 2001) Managing partner, Worldwide Financial Services practice (1997 - 2001) Head of UK Financial Services practice (1993 - 1997) Partner in banking and capital markets (1988 - 1997) Auditor and consultant, Tansley Witt (later Arthur Anderson UK) (1976 - 1988) **Education** 2010 Honorary Doctor of Letters, Kingston University, London 1980 UK Chartered Accountant, Institute of Chartered Accountants in England and Wales **Other activities and functions** Ardonagh Group Limited, chairman Tilney Group Limited, board member Salcombe Brewery Limited, chairman The Urology Foundation, chairman
Alexandre Zeller	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2016—present: Credit Suisse Member of the Board (2017—present) Member of the Governance and Nominations Committee (2017—present) Member of the Compensation Committee (2017—present) Chairman of the Board of Directors of Credit Suisse (Schweiz) AG (2016—present) 2013 - 2016: SIX Group AG Chairman of the Board 2008 - 2012: HSBC Private Bank (Suisse) CEO, Country Manager Switzerland (2008 - 2012)

Name	Business address	Position held
		Regional CEO Global Private Banking EMEA (2010 - 2012) 2002 - 2008: Banque Cantonale Vaudoise (BCV) CEO 1987 - 2002: Credit Suisse CEO Private Banking Switzerland (2002) Member of the Executive Board Private Banking Switzerland (1999 - 2002) Various management positions, including Head French speaking Switzerland and Vaud Region, Credit Suisse Private Banking and Head Corporate Clients (1987 - 1999) 1984 - 1987: Nestlé SA Switzerland, International Operational Auditor **Education** 1999 Advanced Management Program, Harvard Business School, Boston, United States 1989 Corporate Finance and Capital Markets, International Bankers School 1982 Degree in Economics (Business Administration), University of Lausanne, Switzerland **Other activities and functions** Kudelski S.A., board member Maus Frères S.A., board member Spencer Stuart, advisory board member Swiss Finance Council, chairman* Swiss Board Institute, advisory council member Schweizer Berghilfe, foundation board member Studienzentrum Gerzensee, member
Honorary Chairman of Credit Suisse Group AG Rainer E. Gut	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	Rainer E. Gut was appointed Honorary Chairman of Credit Suisse Group AG in 2000 after he retired as Chairman, a position he had held from 1986 to 2000. Mr. Gut was a member of the board of Nestlé SA, Vevey, from 1981 to 2005, where he was vice-chairman from 1991 to 2000 and chairman from 2000 to 2005. As Honorary Chairman, Mr. Gut does not have any function in the governance of the Group and does not attend the meetings of the Board.

The Board consists solely of non-executive directors within the Group, of which at least the majority must be determined to be independent. As of the date of this Information Memorandum, all members of the Board are independent.

* Mr. Zeller performs functions in this organisation in his capacity as chairman of Credit Suisse (Schweiz) AG.

Executive Board of Credit Suisse Group AG (the "Executive Board")

The Executive Board is responsible for the day-to-day operational management of the Group under the leadership of the CEO. Its main duties and responsibilities include:

- establishment of the strategic business plans for the Group and for the principal businesses, which are subject to approval by the Board;
- regular review and coordination of significant initiatives, projects and business developments in the divisions and the corporate functions, including important risk management matters;
- regular review of the consolidated and divisional financial performance, including progress on key performance indicators, as well as the Group's capital and liquidity positions and those of its major subsidiaries;
- appointment and dismissal of senior managers, with the exception of managers from Internal Audit, and the periodic review of senior management talent across the Group and talent development programmes;
- review and approval of business transactions, including mergers, acquisitions, establishment of joint ventures and establishment of subsidiary companies; and
- approval of key policies for the Group.

The members of the Executive Board as of the date of this Information Memorandum are listed below. As of the date hereof, the composition of the Executive Board of Credit Suisse Group AG and the Executive Board of Credit Suisse AG is identical, with the exception of Mr. Gottstein, who is a member of the Executive Board of Credit Suisse Group AG, but not of Credit Suisse AG. For purposes of the table below only, references to the "Executive Board" are to both the Executive Board of Credit Suisse Group AG and the Executive Board of Credit Suisse AG, except as otherwise specified.

Name	Business address	Position held
Tidjane Thiam	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2015—present: Credit Suisse Chief Executive Officer (2015—present) Member of the Executive Board (2015—present) Member of the Board of Directors of Credit Suisse (Schweiz) AG (2016—present) 2008 - 2015: Prudential plc Group Chief Executive (2009 - 2015) Chief Financial Officer (2008 - 2009) 2002 - 2008: Aviva Chief Executive, Europe (2006 - 2008) Managing director, International (2004 - 2006) Group strategy & development director (2002 - 2004) 2000 - 2002: McKinsey & Co Paris Partner 1998 - 1999: Minister of planning and development, Côte d'Ivoire 1994 - 1998: National Bureau for Technical Studies & Development, Côte d'Ivoire Chairman and Chief Executive

Name	Business address	Position held
		Prior to 1994: McKinsey & Co Consultant, Paris, London and New York **Education** 1988 Master of Business Administration, INSEAD 1986 Advanced Mathematics and Physics, Ecole Nationale Supérieure des Mines de Paris 1984 Ecole Polytechnique, Paris **Other activities and functions** 21st Century Fox, board member Group of Thirty (G30), member International Business Council of the World Economic Forum, member
James L. Amine	Credit Suisse Eleven Madison Avenue New York, NY 10010 United States	**Professional history** 1997—present: Credit Suisse CEO Investment Banking & Capital Markets (2015—present) Member of the Executive Board (2014—present) Member of the board of Credit Suisse Holdings (USA), Inc., Credit Suisse (USA), Inc. and Credit Suisse Securities (USA) LLC (U.S. subsidiaries) (2014—present) Joint Head of Investment Banking, responsible for the Investment Banking Department (2014 - 2015) Head of Investment Banking Department (2012 - 2015) Member of the executive board of Credit Suisse Holdings (USA), Inc. (2010 - 2015) Co-Head of Investment Banking Department, responsible for the Americas and Asia Pacific (2010 - 2012) Co-Head of Investment Banking Department, responsible for EMEA and Asia Pacific and Head of Global Market Solutions Group (2008 - 2010) Head of European Global Markets Solutions Group and Co-Head of Global Leveraged Finance (2005 - 2008) Head of European Leveraged Finance (1999 - 2000; 2003 - 2005), Co-Head (2000 - 2003) Various functions within High-Yield Capital Markets of Credit Suisse First Boston (1997 - 1999)

Name	Business address	Position held
		Prior to 1997: Cravath, Swaine & Moore Attorney **Education** 1984 JD, Harvard Law School 1981 BA, Brown University **Other activities and functions** New York Cares, board member Americas Diversity Council, member Leadership Committee of Lincoln Center Corporate Fund, member Caramoor Center for Music and the Arts, board member Harvard Law School, dean's advisory board member Credit Suisse Americas Foundation, board member
Pierre-Olivier Bouée . . .	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2015—present: Credit Suisse Chief Operating Officer (2015—present) Member of the Executive Board (2015—present) Member of the Innovation and Technology Committee (2017—present) Chief of Staff (2015) 2008 - 2015: Prudential Plc Group Risk Officer (2013 - 2015) Managing Director, CEO Office (2009 - 2013) Business representative Asia (2008 - 2013) 2004 - 2008: Aviva Director, Central & Eastern Europe (2006 - 2008) Director, Group strategy (2004 - 2006) 2000 - 2004: McKinsey & Company Associate principal (2004) Engagement manager (2002 - 2004) Associate (2000 - 2002) 1997 - 2000: French Government Ministry of Economy and Finance, Treasury Department Deputy General Secretary of the Paris Club Deputy Head, International Debt office (F1) **Education** 1997 Master in Public Administration, Ecole Nationale d'Administration (ENA) 1991 Master in Business and Finance, Hautes Etudes Commerciales (HEC) 1991 Master in Corporate Law, Faculté de Droit Paris XI, Jean Monnet

Name	Business address	Position held
		Other activities and functions Mr. Bouée does not hold any directorships outside of the Group
Romeo Cerutti	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2006—present: Credit Suisse General Counsel (2009—present) Member of the Executive Board (2009—present) Global Co-Head of Compliance, Credit Suisse AG (2008 - 2009) General Counsel, Private Banking (2006 - 2009) 1999 - 2006: Lombard Odier Darier Hentsch & Cie Partner of the Group Holding (2004 - 2006) Head of Corporate Finance (1999 - 2004) 1995 - 1999: Homburger Rechtsanwälte, Zurich Attorney-at-law Prior to 1995: Latham and Watkins, Los Angeles Attorney-at-law **Education** 1998 Post-doctorate degree in Law (Habilitation), University of Fribourg 1992 Admission to the bar of the State of California 1992 Master of Law (LLM), University of California, Los Angeles 1990 Doctorate in Law, University of Fribourg 1989 Admission to the bar of the Canton of Zurich 1986 Master in Law (lic.iur.), University of Fribourg **Other activities and functions** Vifor Pharma Ltd., board member Swiss Finance Institute (SFI), chairman Zurich Chamber of Commerce, board member Swiss-American Chamber of Commerce, legal group member Ulrico Hoepli Foundation, board of trustees member

Name	Business address	Position held
Brian Chin	Credit Suisse Eleven Madison Avenue New York, NY 10010 United States	**Professional history** 2003—present: Credit Suisse CEO Global Markets (2016—present) Member of the Executive Board (2016—present) Member of the board of Credit Suisse Holdings (USA), Inc., Credit Suisse (USA), Inc. and Credit Suisse Securities (USA) LLC (U.S. subsidiaries) (2016—present) Co-Head of Credit Pillar within Global Markets (2015 - 2016) Global Head of Securitised Products and Co-Head of Fixed Income, Americas (2012 - 2016) Other senior positions within Investment Banking (2003 - 2012) 2000 - 2003: Deloitte & Touche LLP Senior analyst, Securitization Transaction Team Prior to 2000: PricewaterhouseCoopers LLP Capital Markets Advisory Services The United States Attorney's Office, Frauds division **Education** 2000 B.S. in Accounting, Rutgers University **Other activities and functions** Credit Suisse Americas Foundation, board member
Peter Goerke	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2015—present: Credit Suisse Head of Human Resources (2017—present) Member of the Executive Board (2015—present) Head of Human Resources, Communications & Branding (2015 - 2017) 2011 - 2015: Prudential Plc Group Human Resources director and member of the Group Executive Committee (2011 - 2015) Chairman of the Group Head Office Management Committee (2012 - 2015) Director of Corporate Property (2012 - 2015) 2005 - 2010: Zurich Financial Services AG, Switzerland Group Head of Human Resources and member of the Group Management Board

Name	Business address	Position held
		2000 - 2005: Egon Zehnder International, Switzerland Head of Global Insurance Practice 1997 - 2000: McKinsey & Company, Zurich and Chicago Senior engagement manager 1989 - 1996: Abegglen Management Consultants, Switzerland Various positions up to partner **Education** 2002 Advanced Management Program (AMP), University of Pennsylvania—The Wharton School 1989 lic. oec., University of St. Gallen **Other activities and functions** Credit Suisse Foundation, board member
Thomas P. Gottstein . . .	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 1999—present: Credit Suisse CEO Swiss Universal Bank (2015—present) CEO Credit Suisse (Schweiz) AG (2016—present) Member of the Executive Board of Credit Suisse Group AG (2015—present) Member of the Executive Board of Credit Suisse AG (2015 - 2016) Head of Premium Clients Switzerland & Global External Asset Managers (2014 - 2015) Head of Investment Banking Coverage Switzerland (2010 - 2013) Co-Head of Equity Capital Markets EMEA (2007 - 2009) Head Equity Capital Markets Switzerland, Austria and Scandinavia, London (2005 - 2007) Head Equity Capital Markets Switzerland, Zurich (2002 - 2005) Investment Banking Department Switzerland (1999 - 2002) Prior to 1999: UBS Telecoms Investment Banking and Equity Capital Markets **Education** 1996 PhD in Finance and Accounting, University of Zurich 1989 Degree in Business Administration and Economics, University of Zurich

Name	Business address	Position held
		Other activities and functions Credit Suisse Foundation, trustee Pension Fund CS Group (Schweiz), member of the foundation board and investment committee member Private Banking Steering Committee of the Swiss Banking Association, member FINMA Private Banking Panel, member Opernhaus Zurich, board member Digitalswitzerland, association member
Iqbal Khan	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2013—present: Credit Suisse CEO International Wealth Management (2015—present) Member of the Executive Board (2015—present) CFO Private Banking & Wealth Management (2013 - 2015) 2001 - 2013: Ernst & Young, Switzerland Managing Partner Assurance and Advisory Services—Financial Services (2011 - 2013) Member of Swiss Management Committee (2011 - 2013) Industry Lead Partner Banking and Capital Markets, Switzerland and EMEA Private Banking (2009 - 2011) Various positions (2001 - 2009) **Education** 2012 Advanced Master of International Business Law (LLM), University of Zurich 2004 Certified Financial Analyst 2002 Swiss Certified Public Accountant 1999 Swiss Certified Trustee **Other activities and functions** Mr. Khan does not hold any directorships outside of the Group
David R. Mathers	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 1998—present: Credit Suisse Chief Financial Officer (2010—present) Member of the Executive Board (2010—present) CEO of Credit Suisse International and Credit Suisse Securities (Europe) Limited (UK subsidiaries) (2016—present) Head of Strategic Resolution Unit (2015—present) Head of IT and Operations (2012 - 2015) Head of Finance and COO of Investment

Name	Business address	Position held
		Banking (2007 - 2010) Senior positions in Credit Suisse's Equity business, including Director of European Research and Co-Head of European Equities (1998 - 2007) Prior to 1998: HSBC Global head of equity research (1997 - 1998) Research analyst, HSBC James Capel (1987 - 1997) **Education** 1991 Associate Certification, Society of Investment Analysis 1991 MA in Natural Sciences, University of Cambridge, England 1987 BA in Natural Sciences, University of Cambridge, England **Other activities and functions** European CFO Network, member Women in Science & Engineering (WISE) program and academic awards and grants at Robinson College, Cambridge, sponsor
Joachim Oechslin	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2014—present: Credit Suisse Chief Risk Officer (2014—present) Member of the Executive Board (2014—present) Member of the board of Credit Suisse Holdings (USA), Inc., Credit Suisse (USA), Inc. and Credit Suisse Securities (USA) LLC (U.S. subsidiaries) (2016—present) 2007 - 2013: Munich Re Group Chief Risk Officer 2007: AXA Group Deputy Chief Risk Officer 2001 - 2006: "Winterthur" Swiss Insurance Company Member of the executive board (2006) Chief Risk Officer (2003 - 2006) Head of risk management (2001 - 2003) 1998 - 2001: McKinsey & Company Consultant **Education** 1998 Licentiate/Master of Science in Mathematics, Swiss Federal Institute of Technology (ETH), Zurich 1994 Engineering degree, Higher Technical Institute (HTL), Winterthur

Name	Business address	Position held
		Other activities and functions International Financial Risk Institute, member Credit Suisse Foundation, board member
Helman Sitohang	Credit Suisse One Raffles Link South Lobby, # 03/#04-01 Singapore 039393 Singapore	**Professional history** 1999—present: Credit Suisse CEO Asia Pacific (2015—present) Member of the Executive Board (2015—present) Regional CEO of APAC (2014 - 2015) Head of the Investment Banking Asia Pacific (2012 - 2015) Co-Head of the Emerging Markets Council (2012 - 2015) CEO of South East Asia (2010 - 2015) Co-Head of the Investment Banking Department—Asia Pacific (2009 - 2012) Co-Head of the Global Markets Solutions Group—Asia Pacific (2009 - 2012) Country CEO, Indonesia (1999 - 2010) Prior to 1999: Bankers Trust Derivatives Group **Education** 1989 BS in Engineering, Bandung Institute of Technology **Other activities and functions** Credit Suisse Foundation, board member Room to Read Singapore Ltd., advisory board member
Lara J. Warner	Credit Suisse Group AG Paradeplatz 8 CH-8001 Zurich Switzerland	**Professional history** 2002—present: Credit Suisse Chief Compliance and Regulatory Affairs Officer (2015—present) Member of the Executive Board (2015—present) Chief Operating Officer, Investment Banking (2013 - 2015) Chief Financial Officer, Investment Banking (2010 - 2015) Head of Global Fixed Income Research (2009 - 2010) Head of U.S. Equity Research (2004 - 2009) Senior Equity Research Analyst (2002 - 2004) 1999 - 2001: Lehman Brothers Equity research analyst Prior to 1999: AT&T Director of Investor Relations (1997 - 1999) Chief Financial Officer, Competitive Local Exchange Business (1995 - 1997)

Name	Business address	Position held
		Various finance and operating roles (1988 - 1995) **Education** 1988 B.S., Pennsylvania State University **Other activities and functions** The Depository Trust & Clearing Corporation, board member Pennsylvania State University Board of Visitors, member Women's Leadership Board of Harvard University's John F. Kennedy School of Government, executive committee chair Aspen Institute's Business and Society Program, board member

There are no conflicts of interest between the private interests or other duties of the Directors and members of the Executive Board listed above and their respective duties to the Issuer.

Audit Committee

The Issuer's audit committee (the "**Audit Committee**") consists of at least three members, all of whom must be independent pursuant to its charter. The current members of the Audit Committee are:

- John Tiner (Chairman)
- Andreas Gottschling
- Alexander Gut
- Ana Paula Pessoa
- Joaquin J. Ribeiro

The Audit Committee has its own charter, which has been approved by the Board. In accordance with its charter, the members of the Audit Committee are subject to independence requirements in addition to those required of other Board members. None of the Audit Committee members may be an affiliated person of the Group or may, directly or indirectly, accept any consulting, advisory or other compensatory fees from the Group other than their regular compensation as members of the Board and its committees. The Audit Committee charter stipulates that all Audit Committee members must be financially literate. In addition, they may not serve on the audit committee of more than two other companies, unless the Board deems that such membership would not impair their ability to serve on the Audit Committee. For further information, refer to "*—Board of Directors—Independence determination*" and "*—Board Committees—Audit Committee*" in "*IV—Corporate Governance*" in the Annual Report 2017.

Corporate Governance

The Issuer fully adheres to the principles set out in the Swiss Code of Best Practice for Corporate Governance, dated 28 August 2014, including its appendix stipulating recommendations on the process for setting compensation for the Board and the Executive Board. For further information, refer to "*IV—Corporate Governance*" and "*V—Compensation*" in the Annual Report 2017.

In connection with the Issuer's primary listing on the SIX Swiss Exchange, it is subject to the SIX Directive on Information Relating to Corporate Governance, dated 20 March 2018. The Issuer's shares are also listed on the New York Stock Exchange (the "**NYSE**") in the form of American Depositary Shares ("**ADS**"), and certain of the Issuer's exchange traded notes are listed on the Nasdaq Stock Market (the "**Nasdaq**"). As a result, the Issuer is subject to certain U.S. rules and regulations. The Issuer adheres to the NYSE's and the Nasdaq's corporate governance listing standards, with a few exceptions where the rules are not applicable to foreign private issuers. For more information, refer to "*IV—Corporate Governance—Additional information*" in the Annual Report 2017.

Incorporation, Legislation, Legal Form, Duration, Name, Registered Office, Headquarters

The Issuer was incorporated under Swiss law as a corporation (*Aktiengesellschaft*) with unlimited duration under the name "CS Holding" on 3 March 1982 in Zurich, Switzerland, and was registered with the Commercial Register of the Canton of Zurich under the number CH-020.3.906.075-9 and is now registered under the number CHE-105.884.494. As of 6 May 2008, the Issuer changed its name to "Credit Suisse Group AG". The Issuer's registered and principal executive office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland and its telephone number is +41 44 212 1616.

Business Purpose

Article 2 of the Issuer's Articles of Association (dated 6 June 2017) states:

"1. The purpose of the Company is to hold direct or indirect interests in all types of businesses in Switzerland and abroad, in particular in the areas of banking, finance, asset management and insurance. The Company has the power to establish new businesses, acquire a majority or minority interest in existing businesses and provide related financing.

2. The Company has the power to acquire, mortgage and sell real estate properties, both in Switzerland and abroad."

Dividends

The following table outlines the dividends paid by the Issuer for the years ended 31 December:

Dividend per ordinary share	CHF	U.S.$(1)
2017(2)	0.25	0.25
2016(3)	0.70	0.72
2015(3)	0.70	0.72
2014(3)	0.70	0.75
2013(2)	0.70	0.79

Note:

(1) Represents the distribution on each ADS, rounded to the nearest U.S.$ 0.01. For further information, refer to www.credit-suisse.com/dividend.

(2) Distribution out of reserves from capital contributions.

(3) Distribution out of reserves from capital contributions. The distribution was paid in the form of cash or new Credit Suisse Group AG shares or a combination thereof (subject to any legal restrictions applicable in the relevant shareholder's home jurisdiction).

For further information relating to dividends, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Capital management*" in the Annual Report 2017.

Auditors

The Issuer's independent auditor is KPMG AG ("**KPMG AG**"), Badenerstrasse 172, CH-8004 Zurich, Switzerland. The Issuer's consolidated balance sheets as of 31 December 2017 and 2016, and the related consolidated statements of operations, comprehensive income, changes in equity and cash flows for each of the years in the three-year period ended 31 December 2017 were audited by KPMG AG in accordance with the standards of the Public Company Accounting Oversight Board (United States). The Issuer's statutory auditor is KPMG AG. The Issuer's standalone financial statements for the year ended 31 December 2017 were audited by KPMG AG in accordance with Swiss law and Swiss Auditing Standards. The Issuer's statutory auditor is independent in accordance with Swiss Auditing Standards, as stated in its report included in the Annual Report 2017, which is incorporated by reference in this Information Memorandum.

The lead Group engagement partners are Anthony Anzevino, Global Lead Partner (since 2012) and Nicholas Edmonds, Group Engagement Partner (since 2016).

In addition, the Issuer has mandated BDO AG, Zurich, as special auditor for the purposes of issuing the legally required report for capital increases in accordance with Article 652f of the Swiss Code of Obligations. KPMG AG and BDO AG are both licensed by the Federal Audit Oversight Authority, which is responsible for the licensing and supervision of audit firms and individuals that provide audit services in Switzerland.

For further information, refer to "*IV—Corporate Governance—Additional information—External audit*" in the Annual Report 2017.

Share Capital

The following summary describes the Issuer's share capital and shares. For a detailed description of the terms of the Issuer's shares, refer to the Annual Report 2017, which is incorporated by reference into this Information Memorandum.

As of 31 December 2017, the Issuer had fully paid and issued share capital of CHF 102,240,468.80 comprised of 2,556,011,720 registered shares with a par value of CHF 0.04 each. As of 31 December 2017, the Issuer had additional authorised share capital in the amount of CHF 6,604,729.20, authorising the Board to issue at any time until 28 April 2019 up to 165,118,230 registered shares, to be fully paid up, with a par value of CHF 0.04 each, of which 62,118,230 were reserved exclusively for issuance to shareholders in connection with a stock dividend or a scrip dividend. As of 31 December 2017, the Issuer had total conditional capital in the amount of CHF 16,000,000, for the issuance of a maximum of 400,000,000 registered shares (369,492,777 of which were reserved for high-trigger capital instruments) with a par value of CHF 0.04 each, reserved for the purpose of increasing share capital through the conversion of the Issuer's bonds or other financial market instruments, or any other member of the Group, that allow for contingent compulsory conversion into the Issuer's shares and that are issued in order to fulfil or maintain compliance with regulatory requirements of the Issuer and/or any of other member of the Group (contingent convertible bonds). In addition, of the CHF 16,000,000 in conditional capital, up to CHF 4,000,000 was also available for share capital increases executed through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments of the Issuer or any other member of the Group (equity-related financial market instruments). As of 31 December 2017, the Issuer had conversion capital in the amount of CHF 6,000,000 through the issue of a maximum of 150,000,000 registered shares (of which 135,569,517 were reserved for high-trigger capital instruments), to be fully paid in, with a par value of CHF 0.04 each, through the compulsory conversion upon occurrence of the trigger event of claims arising out of the contingent convertible bonds of the Issuer or any other member of the Group, or other financial market instruments of the Issuer or any other

member of the Group, that provide for a contingent or unconditional compulsory conversion into the Issuer's shares.

As of 31 December 2017, the Issuer, together with its subsidiaries, held 5,757,666 of its own shares (representing 0.23 per cent. of its issued shares on 31 December 2017).

As of 24 August 2018, the Issuer had fully paid and issued share capital of CHF 102,240,468.80, comprised of 2,556,011,720 registered shares with a par value of CHF 0.04 each. As of 24 August 2018, the Issuer had additional authorised share capital in the amount of CHF 6,604,729.20, authorising the Board of Directors to issue at any time until 28 April 2019, up to 165,118,230 registered shares, to be fully paid up, with a par value of CHF 0.04 each, of which 62,118,230 were reserved exclusively for issuance to shareholders in connection with a stock dividend or a scrip dividend. As of 24 August 2018, the Issuer had total conditional capital in the amount of CHF 16,000,000, for the issuance of a maximum of 400,000,000 registered shares (369,492,777 of which were reserved for high-trigger capital instruments) with a par value of CHF 0.04 each, reserved for the purpose of increasing share capital through the conversion of the Issuer's bonds or other financial market instruments, or any other member of the Group, that allow for contingent compulsory conversion into the Issuer's shares and that are issued in order to fulfil or maintain compliance with regulatory requirements of the Issuer and/or any of other member of the Group (contingent convertible bonds). In addition, of the CHF 16,000,000 in conditional capital, up to CHF 4,000,000 was also available for share capital increases executed through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments of the Issuer or any other member of the Group (equity-related financial market instruments). As of 24 August 2018, the Issuer had conversion capital in the amount of CHF 6,000,000 through the issue of a maximum of 150,000,000 registered shares (of which 135,569,517 were reserved for high-trigger capital instruments), to be fully paid in, with a par value of CHF 0.04 each, through the compulsory conversion upon occurrence of the trigger event of claims arising out of the contingent convertible bonds of the Issuer or any other member of the Group, or other financial market instruments of the Issuer or any other member of the Group, that provide for a contingent or unconditional compulsory conversion into the Issuer's shares.

As of 24 August 2018, the Issuer, together with its subsidiaries, held 4,816,779 of its own shares (representing 0.19 per cent. of its issued shares on 24 August 2018).

Shares issued as a result of the conversion of conditional capital and the corresponding increase in share capital are generally recorded only once a year, and this recording entails a revision of the Issuer's Articles of Association and new registration of the total share capital in the Commercial Register of the Canton of Zurich.

The Issuer's shares are listed on the SIX Swiss Exchange under the symbol "CSGN". The Issuer's ADS are traded on the NYSE under the symbol "CS". The last reported sale price of the Issuer's shares on 30 August 2018 was CHF 14.65 and the last reported sale price of the Issuer's ADS on 30 August 2018 was USD 15.05.

Legal Proceedings

The Issuer and its subsidiaries are involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of their businesses. Some of these proceedings have been brought on behalf of various classes of claimants and seek damages of material and/or indeterminate amounts.

For further information regarding legal proceedings and the Group's litigation provisions as of the end of 2017, see "*Note 38—Litigation*" in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017. For information regarding developments in the Group's legal proceedings since publication of the Annual Report 2017 and its litigation provisions as of 31 March 2018 and

30 June 2018, see "*Note 32—Litigation*" in "*III—Condensed consolidated financial statements—unaudited*" in each of the 2018 Quarterly Reports, which are incorporated by reference into this Information Memorandum.

Except as disclosed in this Information Memorandum (including the documents incorporated by reference herein), there are no pending or threatened court, arbitral or administrative proceedings of which the Issuer is aware that are of material importance to the Issuer's assets and liabilities or profits and losses.

Additional Information

The Issuer is a publicly held corporation and the Issuer's registered shares have been listed and traded on the SIX Swiss Exchange and as ADS in New York. Since 4 May 2009, the date on which the trading in Swiss blue chips was transitioned from SWX Europe Ltd. to the newly created SIX Swiss Exchange "Swiss Blue Chip Segment", trading in the Issuer's registered shares is again on the SIX Swiss Exchange. Prior to 4 May 2009, the Issuer's registered shares had traded on SWX Europe Ltd. (formerly known as virt-x) since 25 June 2001. CSG's ADS are traded on the NYSE.

For information on the Issuer's subsidiaries, see "*Note 39—Significant subsidiaries and equity method investments*" in "*VI—Consolidated financial statements—Credit Suisse Group*" in the Annual Report 2017.

The Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) is the Issuer's official medium for publication of notices and announcements. Announcements for and notices to shareholders and others are published in the Swiss Official Gazette of Commerce, except where the law prescribes some other manner of notification.

The Issuer prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The Issuer does not prepare its accounts in accordance with International Financial Reporting Standards.

For further information about the Issuer, refer to the Annual Report 2017 and the 2018 Quarterly Reports, which are incorporated by reference in this Information Memorandum.

The Issuer's Articles of Association were last revised on 6 June 2017, and are incorporated by reference into this Information Memorandum.

Material Changes

Except as otherwise disclosed in this Information Memorandum (including the documents incorporated by reference herein), no material changes have occurred in the Issuer's assets and liabilities, financial position or profits and losses since 30 June 2018.

FINANCIAL INFORMATION OF CSG

For further information regarding the financial statements and other financial information of CSG, refer to the Annual Report 2016, the Annual Report 2017, the Financial Report 1Q18 and the Financial Report 2Q18, which are incorporated by reference herein as described in "*Documents incorporated by reference*".

TAXATION

Switzerland

The following discussion of taxation under the heading "Switzerland" in this section is only an indication of certain tax implications currently in force under the laws of Switzerland as they may affect investors. It applies only to persons who are beneficial owners of the Notes and may not apply to certain classes of person. The summary contains general information only; it is not exhaustive and does not constitute legal or tax advice and is based on taxation law and practice at the date of this Information Memorandum. Potential investors should be aware that tax law and interpretation, as well as the level and bases of taxation, may change from those described and that changes may alter the benefits of investment in, holding or disposing of, Notes. The Issuer makes no representations as to the completeness of the information nor undertakes any liability of whatsoever nature for the tax implications for investors. Potential investors are strongly advised to consult their own professional advisers on the implications of making an investment in, holding or disposing of, Notes under the laws of the countries in which they are liable to taxation and in light of their particular circumstances.

Swiss Withholding Tax

The Notes will qualify for the statutory exemption under Article 5(1)(g) of the Swiss Withholding Tax Act of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer vom 13. Oktober 1965*), pursuant to which interest payments by the Issuer in respect of the Notes will be exempt from Swiss withholding tax (*Verrechnungssteuer*). In order for the Notes to qualify for the exemption, the Regulator must have approved the Notes for purposes of meeting regulatory requirements. In respect of the Notes, the Issuer will obtain such approval from the Regulator prior to the Issue Date and, on the basis of such approval, will obtain from the Swiss Tax Administration confirmation on the qualification of the Notes for the statutory withholding tax exemption.

On 4 November 2015 the Swiss Federal Council announced that it had mandated the Swiss Federal Finance Department to appoint a group of experts to prepare a proposal for a reform of the Swiss withholding tax system. The proposal is expected to, among other things, replace the current debtor-based regime applicable to interest payments with a paying agent-based regime for Swiss withholding tax. This paying agent-based regime is expected to be similar to the one contained in the draft legislation published by the Swiss Federal Council on 17 December 2014, which was subsequently withdrawn on 24 June 2015. Further, on 23 October 2017, the Swiss Federal Economic Affairs and Taxation Committee of the Swiss National Council filed a parliamentary initiative reintroducing the request to replace the current debtor-based regime applicable to interest payments with a paying agent-based system for Swiss withholding tax. The initiative requests a paying agent-based system that (i) subjects all interest payments made by paying agents in Switzerland to individuals resident in Switzerland to Swiss withholding tax and (ii) provides an exemption from Swiss withholding tax for interest payments to all other persons (including Swiss corporations). If such a new paying agent-based regime were to be enacted and were to result in the deduction or withholding of Swiss withholding tax on any interest payments in respect of a Note by any person other than the Issuer, the Holder would not be entitled to receive any Additional Amounts as a result of such deduction or withholding under the terms of the Notes.

Swiss Securities Turnover Tax

The issue, and the sale and delivery, of the Notes on the Issue Date to initial Holders of the Notes is not subject to Swiss securities turnover tax (*Umsatzabgabe*) (primary market).

The trading of the Notes in the secondary market is subject to Swiss securities turnover tax at a rate of 0.15% of the consideration paid for the Notes traded, however, only if a Swiss securities dealer, as defined in the Swiss federal stamp tax act (*Bundesgesetz über die Stempelabgaben*), is a party or an

intermediary to the transaction and no exemption applies in respect of one of the parties to the transaction. Subject to applicable statutory exemptions, generally half of the tax is charged to one party to the transaction and the other half to the other party. Where both the seller and the purchaser of the Notes are not residents of Switzerland or the Principality of Liechtenstein, no Swiss securities turnover tax will apply.

Swiss Income Taxation

(i) Classification and Coupon Split

The Notes classify as transparent structured financial products composed of a bond and one or more options or similar rights the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time interest payment such as an original issue discount or a repayment premium (*Obligationen ohne überwiegende Einmalverzinsung*; non-IUP).

Each Interest Amount of any Note will be split into two components for tax purposes, i.e. into a taxable interest payment (hereinafter for purposes of this section, the "**Embedded Interest Amount**") and a non-taxable option premium amount for the write-down feature (hereinafter for purposes of this section, the "**Embedded Premium Amount**"). The respective amounts will be determined by the Swiss Federal Tax Administration and following determination be disclosed on Telekurs.

(ii) Notes held by Non-Swiss Holders

Holders who are not residents of Switzerland for tax purposes and who during the taxable year have not held Notes through a permanent establishment within Switzerland are not subject to any Swiss income tax in respect of their Notes.

For a discussion of the potential new Swiss withholding tax legislation replacing the current issuer-based withholding tax system for a paying-agent based system, see above under "*—Swiss Withholding Tax*", for a discussion of the automatic exchange of information in tax matters, see below under "*—International Automatic Exchange of Information in Tax Matters*" and for a discussion of the Swiss facilitation of the implementation of the Foreign Account Tax Compliance Act, see below under "*—Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act*".

(iii) Notes held as Private Assets by Swiss Resident Holders

Individuals who reside in Switzerland and hold Notes as private assets are required to include all payments of Embedded Interest Amounts on the Notes in their personal income tax return for the relevant tax period and are taxable on any net taxable income (including the payments of Embedded Interest Amounts) for such tax period at the then prevailing tax rates.

The payment of Embedded Premium Amounts on the Notes and gain realised on the sale or other disposal of Notes, relating, *inter alia*, to the option(s) or similar right(s) embedded in the Notes, interest accrued, or a market interest rate change, is a tax-free private capital gain. The same applies for gain realised upon the redemption of Notes. Conversely, a loss, including relating to, *inter alia*, a market interest rate change, realised on the sale or other disposal or redemption of Notes, or a loss resulting from a Write-down is a non-tax-deductible private capital loss. Refer to "*—Notes held as Assets of a Trade or Business in Switzerland*" below for a summary of the taxation treatment of Swiss resident individuals who, for income tax purposes, are classified as "professional securities dealers".

(iv) Notes held as Assets of a Trade or Business in Switzerland

Individuals who hold Notes through a business in Switzerland, and Swiss-resident corporate taxpayers, and corporate taxpayers resident abroad holding Notes through a permanent establishment situated in Switzerland, are required to recognise payments of Embedded Interest Amounts and

Embedded Premium Amounts and a gain or loss realised on the disposal or redemption of Notes (including relating to a change of market interest rates), or, as the case may be, a loss realised upon a Write-down in their income statement for the relevant tax period, and will be taxable on any net taxable earnings for such tax period at the then prevailing tax rates. The same taxation treatment also applies to Swiss-resident individuals who, for Swiss income tax purposes, classify as "professional securities dealers" for reasons of, *inter alia*, frequent dealings, or leveraged transactions, in securities.

International Automatic Exchange of Information in Tax Matters

Switzerland has concluded a multilateral agreement with the EU on the international automatic exchange of information ("**AEOI**") in tax matters, which applies to all 28 EU member states and some other jurisdictions. In addition, Switzerland has signed the multilateral competent authority agreement on the automatic exchange of financial account information ("**MCAA**"), and based on the MCAA, a number of bilateral AEOI agreements with other countries. Based on such agreements and the implementing laws of Switzerland, depending on the date of effectiveness of the applicable agreement, Switzerland began in 2017, or will begin at a later date, to collect data in respect of financial assets (including Notes) held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state, and began in 2018, or will at a later date begin, as the case may be, to exchange it with the authorities in the relevant jurisdiction. In addition, Switzerland has signed and will sign further AEOI agreements with further countries. An up-to-date list of the AEOI agreements to which Switzerland is a party can be found on the website of the State Secretariat for International Financial Matters (SIF).

United States

General

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a beneficial owner of the Notes. For purposes of this summary, a "**U.S. holder**" means a citizen or resident of the United States, a domestic corporation or a holder that is otherwise subject to U.S. federal income tax on a net income basis in respect of the Notes. A "**Non-U.S. holder**" means a holder that is not a U.S. holder. This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase the Notes. In particular, the summary deals only with holders that will acquire Notes as part of the initial offering and will hold them as capital assets. It does not address the tax treatment of holders that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or currencies, tax-exempt entities, financial institutions, traders in securities that elect to use the mark-to-market method of accounting for their securities, persons subject to the alternative minimum tax, partnerships that hold the Notes or partners therein, non-U.S. persons who are individuals present in the United States for a period aggregating 183 days or more (within the meaning of the U.S. Treasury regulations) with respect to a taxable year, persons that own or are deemed to own ten per cent. or more of the Issuer's shares, by vote or value, or persons that hedge their exposure in the Issuer's securities or will hold the Notes as a position in a "straddle" or "conversion" transaction or as part of a "synthetic security" or other integrated financial transaction.

This discussion does not address U.S. state, local and non-U.S. tax consequences, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. holders. Holders should consult their tax adviser with respect to the U.S. federal, state, local and foreign tax consequences of acquiring, owning or disposing of the Notes in their particular circumstances.

Characterisation of the Notes

The Notes should be treated as equity of CSG for U.S. federal income tax purposes, and the following discussion assumes that they will be so treated.

U.S. Holders

Tax Treatment of Payments on the Notes

Subject to the discussion below under "*—PFIC Rules*", payments of stated interest on the Notes will be treated as distributions on stock of CSG and as dividends to the extent paid out of the current or accumulated earnings and profits of CSG, as determined under U.S. federal income tax principles. Because CSG does not expect to maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions paid to U.S. holders generally will be reported as dividends.

Subject to certain exceptions for short-term and hedged positions and the discussion below under "*—PFIC Rules*", dividends received by a noncorporate holder generally will be eligible to be taxed at preferential rates if the dividends are "qualified dividends". Dividends on the Notes should be the type of dividend that is eligible to be a qualified dividend.

Payments received by a U.S. holder that are treated as dividends generally will be foreign-source income and will not be eligible for the dividends-received deduction generally allowed to corporate U.S. holders. The amount of a payment on the Notes will include amounts, if any, withheld in respect of Swiss taxes. See "*Taxation—Switzerland*" and "*Risk Factors—Potential changes in Swiss withholding tax legislation*". Subject to limitations, Swiss income taxes withheld from payments on the Notes to a U.S. holder generally will give rise to a foreign tax credit or deduction for U.S. federal income tax purposes. Payments treated as dividends generally will constitute "passive category income" for purposes of the foreign tax credit (or in the case of certain U.S. holders, "general category income"). The rules governing foreign tax credits are complex. Holders should consult their own tax advisers regarding the creditability of foreign taxes in their particular circumstances.

Sale, Exchange, Redemption or Write-down of the Notes

Subject to the discussion below under "*—PFIC Rules*", a U.S. holder will recognise capital gain or loss upon the sale, exchange, redemption or other disposition of Notes or a Write-down of Notes in an amount equal to the difference between the amount realised on such disposition (or zero in the case of a Write-down) and the U.S. holder's adjusted tax basis in the Notes. A holder's tax basis in a Note generally will be the price it paid for the Note. Any capital gain or loss will be long term if the Notes have been held for more than one year. The deductibility of capital losses is subject to limitations.

Any capital gain or loss recognised by a U.S. holder generally will be U.S.-source.

PFIC Rules

Special U.S. federal income tax rules apply to U.S. persons owning shares of a "passive foreign investment company", or "PFIC". If CSG is treated as a PFIC for any year, U.S. holders may be subject to adverse tax consequences upon a sale, exchange, or other disposition of the Notes, or upon the receipt of certain "excess distributions" in respect of the Notes. Dividends paid by a PFIC are not qualified dividends eligible to be taxed at preferential rates. Based on audited consolidated financial statements, CSG believes that it was not treated as a PFIC for U.S. federal income tax purposes with respect to its 2016 or 2017 taxable years. In addition, based on a review of the audited consolidated financial statements of CSG and CSG's current expectations regarding the value and nature of its assets and the sources and nature of its income, CSG does not anticipate becoming a PFIC for the 2018 taxable year.

Issuer or Issuing Branch Substitution

If the Issuer substitutes a different entity or branch as the principal debtor under the Notes, a U.S. holder may be treated as if it had exchanged its Notes for equity in the Substitute Issuer or substitute branch for U.S. federal income tax purposes, and as a result may be required to recognise gain or loss as described above under "*—Sale, Exchange, Redemption or Write-down of the Notes*". U.S. holders should consult their own advisers with respect to the tax consequences of such a substitution.

Backup Withholding and Information Reporting

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting and to backup withholding unless (1) the relevant Holder is a corporation or other exempt recipient or (2) in the case of backup withholding, the relevant Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against the relevant Holder's U.S. federal income tax liability, provided the required information is furnished to the IRS.

Specified Foreign Financial Assets

Individual U.S. holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Notes) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. holders who fail to report the required information could be subject to substantial penalties. Prospective investors should consult their own tax advisers concerning the application of these rules to their investment in the Notes, including the application of the rules to their particular circumstances.

Non-U.S. Holders

A Non-U.S. holder generally will not be subject to U.S. federal income tax, by withholding or otherwise, on payments on the Notes, or gain realised in connection with the sale or other disposition of Notes. A Non-U.S. holder may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

U.S. Foreign Account Tax Compliance Act

Pursuant to FATCA, a foreign financial institution (as defined by FATCA) may be required to conduct diligence on its account holders and its investors in order to determine whether its accounts are "U.S. accounts", and to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. Pursuant to FATCA, an investor may be required to provide a financial institution in the chain of payments on the Notes, information regarding the investor's identity, and in the case of an investor that is an entity, the investor's direct and indirect owners, and this information may be reported to applicable tax authorities (including to the U.S. Internal Revenue Service). A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify

the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction generally would not be required to withhold under FATCA or an IGA from payments that it makes. Even if withholding were required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to 1 January 2019. If an amount of, or in respect of, such withholding taxes were to be deducted or withheld from any payments in respect of the Notes as a result of an investor or intermediary's failure to comply with these rules, no Additional Amounts will be paid on the Notes held by such investor as a result of the deduction or withholding of such tax. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

NOTICE TO INVESTORS

The Notes have not been and will not be registered under the Securities Act or any securities laws of any jurisdiction, and may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of, the Securities Act and such other securities laws. Accordingly, the Notes are being offered hereby only (1) to a person reasonably believed to be a qualified institutional buyer (a "**QIB**"), in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A and (2) outside the United States in reliance upon Regulation S under the Securities Act, to non-U.S. persons who will be required to make certain representations to the Issuer and others prior to the investment in the Notes.

Purchasers of the Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes.

Each purchaser of Notes by accepting delivery of this Information Memorandum and the Notes will be deemed to have acknowledged, represented and agreed, as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(i) that either: (a) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware and each beneficial owner of such Note has been advised that any sale to it is being made in reliance on Rule 144A or (b) it is outside the United States and is not a U.S. person;

(ii) that it is not an affiliate (as defined in Rule 144 under the Securities Act) of the Issuer and is not acting on behalf of the Issuer;

(iii) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(iv) that the Issuer has no obligation to register the Notes under the Securities Act;

(v) that, unless it holds an interest represented by the Regulation S Global Certificate and is a person located outside the United States and is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so only (a) to the Issuer or any affiliate thereof, (b) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs in a transaction meeting the requirements of Rule 144A, or (c) in an offshore transaction to a non-U.S. person in compliance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with all applicable U.S. state securities laws;

(vi) that, save as otherwise provided in the Conditions, it and any subsequent transferee of any Note (or any interest therein) will be deemed by their purchase or acquisition of any such Note (or any interest therein) to have represented and warranted, on each day from the date on which the purchaser or transferee acquires such Note (or any interest therein) through and including the date on which the purchaser or transferee disposes of such Note (or any interest therein), either that (a) it is not and is not acting directly or indirectly on behalf of, and for so long as it holds the Note (or any interest therein) will not be, and will not be acting directly or indirectly on behalf of, a Plan, and no portion of the assets used to acquire the Note (or any interest therein) constitutes plan assets of any Plan or (b) its acquisition, holding and disposition of such Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Law;

(vii) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (v) above, if then applicable;

(viii) that Rule 144A Notes initially offered in the United States to QIBs will be represented by the Rule 144A Global Certificates and that Regulation S Notes offered outside the United States in reliance on Regulation S will be represented by the Regulation S Global Certificate;

(ix) that the Rule 144A Notes represented by a Rule 144A Global Certificate and Rule 144A Definitive Certificates will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE SECURITIES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE SECURITIES EXCEPT (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (3) IN AN OFFSHORE TRANSACTION TO A NON-U.S. PERSON IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THE SECURITY.

THIS SECURITY AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, WITHOUT THE CONSENT OF, BUT UPON NOTICE TO, THE HOLDERS OF SUCH SECURITIES SENT TO THEIR REGISTERED ADDRESSES, TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS SECURITY AND ANY SECURITIES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON).

EXCEPT AS OTHERWISE PROVIDED IN THE TERMS AND CONDITIONS OF THE NOTES, BY ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (A) IT IS NOT, AND IS NOT ACTING DIRECTLY OR INDIRECTLY ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT BE, AND WILL NOT BE ACTING DIRECTLY OR INDIRECTLY ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (ERISA), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN, ACCOUNT OR OTHER ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) A PLAN, (SUCH AS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) AND CERTAIN CHURCH PLANS (AS DEFINED IN SECTION 3(33) OF ERISA AND THAT HAVE MADE NO ELECTION UNDER SECTION 410(D) OF THE CODE)), ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (SIMILAR LAW), OR (IV) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA, THE CODE OR ANY SIMILAR LAW TO INCLUDE, "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN, ACCOUNT OR ARRANGEMENT, EACH AS DESCRIBED IN (I), (II) OR (III), AND NO PORTION OF THE ASSETS USED TO ACQUIRE THIS NOTE (OR ANY INTEREST HEREIN) CONSTITUTES "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN, ACCOUNT OR ARRANGEMENT OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR A VIOLATION OF ANY SUCH SIMILAR LAW).";

(x) if it is outside the United States and is not a U.S. person, that if it should reoffer, resell, pledge or otherwise transfer the Notes prior to the expiration of the distribution compliance period (defined as 40 days after the later of (i) the date on which the offering of this security commenced to persons other than the distributors in reliance on Regulation S and (ii) the date of issuance of such security), it will do so only (a)(i) outside the United States to a non-U.S. person in compliance with Rule 903 or 904 of Regulation S or (ii) inside the United States to a QIB in compliance with Rule 144A and (b) in accordance with all applicable U.S. state securities laws;

(xi) that the Regulation S Notes represented by a Regulation S Global Certificate will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR ANY APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. UNTIL THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE LATER OF (i) THE DATE ON WHICH THE OFFERING OF THIS SECURITY COMMENCED TO PERSONS OTHER THAN THE

DISTRIBUTORS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT AND (ii) THE DATE OF ISSUANCE OF SUCH SECURITY, SALES MAY NOT BE MADE IN THE UNITED STATES OR TO U.S. PERSONS UNLESS MADE (i) OUTSIDE THE UNITED STATES PURSUANT TO RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT OR (ii) INSIDE THE UNITED STATES TO PERSONS REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN, AND IN TRANSACTIONS PURSUANT TO, RULE 144A UNDER THE SECURITIES ACT.

EXCEPT AS OTHERWISE PROVIDED IN THE TERMS AND CONDITIONS OF THE NOTES, BY ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER (A) IT IS NOT, AND IS NOT ACTING DIRECTLY OR INDIRECTLY ON BEHALF OF, AND FOR SO LONG AS IT HOLDS THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT BE, AND WILL NOT BE ACTING DIRECTLY OR INDIRECTLY ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (ERISA), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A PLAN, ACCOUNT OR OTHER ARRANGEMENT AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) A PLAN, (SUCH AS A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A NON-U.S. PLAN (AS DESCRIBED IN SECTION 4(B)(4) OF ERISA) AND CERTAIN CHURCH PLANS (AS DEFINED IN SECTION 3(33) OF ERISA AND THAT HAVE MADE NO ELECTION UNDER SECTION 410(D) OF THE CODE)), ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (SIMILAR LAW), (IV) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE, OR ARE DEEMED FOR PURPOSES OF ERISA, THE CODE OR ANY SIMILAR LAW TO INCLUDE, "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN, ACCOUNT OR ARRANGEMENT, EACH AS DESCRIBED IN (I), (II) OR (III), AND NO PORTION OF THE ASSETS USED TO ACQUIRE THIS NOTE (OR ANY INTEREST HEREIN) CONSTITUTES "PLAN ASSETS" OF ANY SUCH EMPLOYEE BENEFIT PLAN OR OTHER PLAN, ACCOUNT OR ARRANGEMENT, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR A VIOLATION OF ANY SUCH SIMILAR LAW).''; and

(xii) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

The Managers may arrange for the resale of Notes that they initially purchase to persons reasonably believed to be QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Managers are relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S. $200,000 (or the approximate equivalent in another Specified Currency).

PLAN OF DISTRIBUTION

Credit Suisse Securities (USA) LLC is acting as sole representative of the Managers named below. Under the terms and subject to the conditions contained in a purchase agreement dated as of the date of this Information Memorandum (the "**Purchase Agreement**"), the Issuer has agreed to sell to the Managers the following respective principal amount of Notes.

Managers	Principal Amount of Notes
Credit Suisse Securities (USA) LLC	U.S.$1,186,666,669
ABN AMRO Securities (USA) LLC	26,666,667
ING Financial Markets LLC	26,666,667
Lloyds Securities Inc.	26,666,667
RBC Capital Markets, LLC	26,666,667
Société Générale	26,666,667
TD Securities (USA) LLC	26,666,667
Wells Fargo Securities, LLC	26,666,667
CaixaBank, S.A.	10,000,000
Capital One Securities, Inc.	10,000,000
Citizens Capital Markets, Inc.	10,000,000
Commerzbank Aktiengesellschaft	10,000,000
Danske Bank A/S	10,000,000
Natixis Securities Americas LLC	10,000,000
Rabo Securities USA, Inc.	10,000,000
SunTrust Robinson Humphrey, Inc.	10,000,000
BB&T Capital Markets, a division of BB&T Securities, LLC	3,333,333
BMO Capital Markets Corp.	3,333,333
BNY Mellon Capital Markets, LLC	3,333,333
CIBC World Markets Corp.	3,333,333
Citigroup Global Markets Inc.	3,333,333
Deutsche Bank Securities Inc.	3,333,333
Fifth Third Securities, Inc.	3,333,333
HSBC Securities (USA) Inc.	3,333,333
The Huntington Investment Company	3,333,333
KeyBanc Capital Markets Inc.	3,333,333
Morgan Stanley & Co. LLC	3,333,333
nabSecurities, LLC	3,333,333
Regions Securities LLC	3,333,333
Scotia Capital (USA) Inc.	3,333,333
Total	U.S.$1,500,000,000

The Purchase Agreement provides that the Managers are obligated to purchase all of the Notes if any are purchased. The Purchase Agreement also provides that, if a Manager defaults, the purchase commitments of non-defaulting Managers may be increased or the offering may be terminated.

The Managers propose to offer the Notes initially at the Issue Price. After the initial offering, the offering price and any other selling terms may be changed.

The Notes have not been and will not be registered under the Securities Act and are being offered and sold only (i) to persons in the United States and to, or for the account or benefit of, U.S. persons, in each case that are reasonably believed to be QIBs in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A thereunder, and (ii) to non-U.S.

persons in offshore transactions in reliance on Regulation S under the Securities Act. The Managers have agreed that, except as permitted by the Purchase Agreement, they will not offer, sell or deliver the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the closing date, within the United States or to, or for the account or benefit of, U.S. persons, and they will send to each broker/dealer to which they sell Notes in reliance on Regulation S during such 40-day period, a confirmation or other notice detailing the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. Resales of the Notes are restricted as described under "*Notice to Investors*".

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by a broker/dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made other than pursuant to Rule 144A.

The Notes are offered for sale in those jurisdictions where it is lawful to make such offers. The Notes will be offered in the United States by the Managers either directly or through their respective U.S. broker-dealer affiliates or agents, as applicable.

The Managers have represented and agreed that they have not offered, sold or delivered and will not offer, sell or deliver any of the Notes directly or indirectly, or distribute this Information Memorandum or any other offering material relating to the Notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on the Issuer except as set forth in the Purchase Agreement.

General

The Issuer has agreed to indemnify the Managers against certain liabilities or to contribute to payments which they may be required to make because of these liabilities.

The Notes are a new issue of securities for which there currently is no market. Certain of the Managers have advised the Issuer that they intend to make a market in the Notes as permitted by applicable law. They are not obligated, however, to make a market in the Notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for the Notes.

The Managers may engage in over-allotment, stabilising transactions, covering transactions and penalty bids in accordance with Regulation M under the Exchange Act:

1. over-allotment involves sales in excess of the offering size, which creates a short position for the Managers.
2. stabilising transactions permit bids to purchase the underlying security so long as the stabilising bids do not exceed a specified maximum.
3. covering transactions involve purchases of the Notes in the open market after the distribution has been completed in order to cover short positions.
4. penalty bids permit the Managers to reclaim a selling concession from a broker/dealer when the Notes originally sold by such broker/dealer are purchased in a stabilising or covering transaction to cover short positions.

These stabilising transactions, covering transactions and penalty bids may cause the price of the Notes to be higher than it would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

It is expected that delivery of the Notes will be made against payment therefor on or about the date specified on the cover of this Information Memorandum, which will be the fifth business day following the date of pricing of the Notes (this settlement cycle being referred to as "T+5"). Under

Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to their date of delivery may be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Notes who wish to trade Notes prior to their date of delivery should consult their own advisor.

Credit Suisse Securities (USA) LLC, one of the Managers, is an affiliate of the Issuer of the Notes and will receive its proportional share of the net proceeds of the offering.

Any of the Issuer's broker-dealer subsidiaries or affiliates, including Credit Suisse Securities (USA) LLC, may use this Information Memorandum in connection with offers and sales of the Notes in connection with market-making transactions by and through the Issuer's broker-dealer subsidiaries or affiliates, including Credit Suisse Securities (USA) LLC, at prices that relate to the prevailing market prices of the Notes at the time of the sale or otherwise. Any of the Issuer's broker-dealer subsidiaries and affiliates, including Credit Suisse Securities (USA) LLC, may act as principal or agent in these transactions. None of the Issuer's broker-dealer subsidiaries and affiliates has any obligation to make a market in the Notes and may discontinue any market-making activities at any time without notice, at its sole discretion.

The Managers and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the Managers and their affiliates have provided, and/or may provide in the future, investment banking, commercial banking, advisory and other financial services for the Issuer and its affiliates in the ordinary course of business, for which they have received and will receive customary fees and reimbursement of expenses.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may, at any time, hold long or short positions in such investments and securities. Such investment and securities activities may involve the Issuer's securities and/or instruments. The Managers and their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer in accordance with their customary risk management policies. Typically the Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued. Any such short positions could adversely affect future trading prices of the Notes issued. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold (for their own account and for the accounts of their customers), or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain of the Managers are not broker-dealers registered with the SEC, and therefore may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent, if any, that any such Manager intends to effect sales of the Notes in the United States, it will do so only through one or more affiliated U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

Selling Restrictions

Notice to prospective investors in the United Kingdom

Each Manager has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the United Kingdom Financial Services and Markets Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Notice to prospective investors in the EEA—Prohibition of sales to EEA retail investors

Each Manager has represented and agreed, and each further Manager appointed will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression retail investor means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(b) a customer within the meaning of the Insurance Mediation Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(c) not a qualified investor as defined in the Prospectus Directive.

Notice to prospective investors in Hong Kong

The Notes may not be offered or sold by means of any document other than (a) in circumstances that do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong), (b) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (c) in other circumstances that do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), that is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes that are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to prospective investors in Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act. No. 25 of 1948, as amended), or the FIEA. The Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (including any person resident in Japan or any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

Notice to prospective investors in Singapore

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (b) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the Trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Notice to prospective investors in Canada

Resale Restrictions

The distribution of the Notes in Canada will be made on a private placement basis exempt from the requirement that the Issuer prepare and file a prospectus with the securities regulatory authorities in each province where trades of Notes are made. Any resale of the Notes (or any securities issued in an exchange or a conversion of the Notes in accordance with the terms of the Notes) in Canada must be made under applicable securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Notes (or any securities issued in an exchange or a conversion of the Notes in accordance with the terms of the Notes).

Representations of Canadian Purchasers

By purchasing Notes in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to the Issuer and the dealer from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the Notes without the benefit of a prospectus qualified under those securities laws as it is an "accredited investor" as defined under applicable Canadian securities law including National Instrument 45-106—Prospectus Exemptions or Section 73.3(1) of the Securities Act (Ontario), as applicable,
- the purchaser is a "permitted client" as defined in National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations,
- where required by law, the purchaser is purchasing as principal and not as agent, and
- the purchaser has reviewed the text above under "*Resale Restrictions*".

Conflicts of Interest

Canadian purchasers are hereby notified that the Managers will be relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105—Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

Statutory Rights of Action

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Information Memorandum (including any amendment thereto) contain a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Enforcement of Legal Rights

All of the Issuer's directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Issuer or those persons. All or a substantial portion of the Issuer's assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of Notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Notes in their particular circumstances and about the eligibility of the Notes for investment by the purchaser under relevant Canadian legislation.

Notice to prospective investors in Taiwan

The Notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China ("**Taiwan**"), pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan through a public offering or in any manner which would constitute an offer within the meaning of the Securities and Exchange Act of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering or sale of the Notes in Taiwan.

Notice to prospective investors in Korea

The Notes have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea, and none of the Notes may be offered or sold, directly or indirectly, in Korea or to any resident of Korea, or to any persons for reoffering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined in the Foreign Exchange Transaction Law of Korea and rules and regulations promulgated thereunder), except as otherwise permitted under applicable laws and regulations.

Notice to prospective investors in People's Republic of China ("PRC")

The Notes have not been and will not be registered in the PRC directly or indirectly, except in compliance with applicable laws and regulations. This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Notes in the PRC to any person to whom it is unlawful to make the offer or solicitation in the PRC.

The Issuer does not represent that this Information Memorandum may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in the PRC, or pursuant to an exemption available thereunder, or assume any

responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer which would permit a public offering of any Notes or distribution of this Information Memorandum in the PRC. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

GENERAL

Persons who receive this Information Memorandum are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of the Notes under the law and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor any Manager shall have responsibility therefor. In accordance with the above, the Notes purchased by any person that it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances that would result in the Issuer being obliged to register any further information memorandum or corresponding document relating to the Notes in such jurisdiction.

In particular, but without limiting the generality of the preceding paragraph, and subject to any amendment or supplement that may be agreed with the Issuer, each purchaser of the Notes must comply with the restrictions described above, except to the extent that, as a result of changes in, or in the official interpretation of, any applicable legal or regulatory requirements, non-compliance would not result in any breach of the requirements set forth in the preceding paragraph.

ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the Notes by (i) employee benefit plans subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (ii) plans, accounts and other arrangements that are subject to Section 4975 of the Code, (iii) plans (such as governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as described in Section 4(b)(4) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA and that have made no election under Section 410(d) of the Code) that are subject to substantially similar provisions of any U.S. federal, state or local law, or non-U.S. law ("**Similar Law**") and (iv) entities whose underlying assets are considered to include plan assets of any such employee benefit plan or other plan, account or arrangement, each as described in (i), (ii) or (iii) (each, a "**Plan**").

This summary is based on the provisions of ERISA and the Code and related guidance in effect as of the date of this Information Memorandum. This summary is general in nature and does not attempt to be a complete summary of these considerations. Future legislation, court decisions, administrative regulations or other guidance may change the requirements summarised in this section. Any of these changes could be made retroactively and could apply to transactions entered into before the change is enacted.

Unless otherwise provided in the Conditions, the Notes should be eligible for purchase by a Plan, subject to consideration of the issues described in this section.

General Considerations

ERISA and the Code impose certain requirements on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an "**ERISA Plan**"). Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice to such an ERISA Plan for a fee or other compensation, is generally considered a fiduciary of the ERISA Plan.

In considering an investment in the Notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to the fiduciary's duties to the Plan, including without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Law. The prudence of a particular investment must be determined by a fiduciary by taking into account the Plan's particular circumstances and all of the facts and circumstances of the investment, including, but not limited to, the matters discussed under "*Risk Factors*".

Prohibited Transaction Considerations

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan and certain persons or entities ("**parties in interest or disqualified persons**") having certain relationships to such ERISA Plan, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person, including a fiduciary, who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

The Issuer, its respective affiliates or any other party to the transactions entered into in connection with the offering and sale of the Notes may be parties in interest or disqualified persons with respect to many ERISA Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if any of the Notes is acquired or held by an ERISA Plan with

respect to which the Issuer, its respective affiliates or any other party to such transactions is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions between a person that is a party in interest or a disqualified person (other than a fiduciary or an affiliate that has or exercises discretionary authority or control or renders investment advice with respect to assets involved in the transaction) solely by reason of providing services to the plan, provided that there is adequate consideration for the transaction), Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by independent qualified professional asset managers), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by in-house asset managers). Each of these exemptions contains conditions and limitations on its application. Prospective investors should consult with their advisers regarding the prohibited transaction rules and these exceptions. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving any Notes.

Those Plans subject to Similar Law, while not subject to Title I of ERISA or Section 4975 of the Code, may nevertheless be subject to similar prohibited transaction restrictions.

Because of the foregoing, the Notes should not be purchased or held by any person investing plan assets of any Plan, unless such purchase and holding will not constitute or result in a non-exempt prohibited transaction under ERISA and the Code or a violation of any applicable Similar Law.

Plan Asset Considerations

The U.S. Department of Labor has promulgated a regulation, 29 C.F.R. section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**") describing what constitutes the plan assets of an ERISA Plan with respect to the ERISA Plan's investment in an entity. Under the Plan Asset Regulation, if an ERISA Plan invests in an equity interest of an entity that is neither a publicly-offered security nor a security issued by an investment company registered under the Investment Company Act, the ERISA Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless one of the exceptions to such treatment described in the Plan Asset Regulation applies. Under the Plan Asset Regulation, an equity interest includes any interest other than an instrument treated as indebtedness under applicable local law which has no substantial equity features. If the Issuer were deemed under the Plan Asset Regulation to hold plan assets by reason of an ERISA Plan's investment in any of the Notes, such plan assets would include an undivided interest in the assets held by the Issuer, and transactions by the Issuer would result in, among other things, (i) the application of the prudence and other fiduciary responsibility standards of ERISA to investments made by the Issuer, and (ii) the possibility that certain transactions that the Issuer might enter into, or may have entered into, in the ordinary course of business might constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code. While not entirely clear, the Notes may be deemed to be equity interests of the Issuer for the purposes of the Plan Asset Regulation. However, pursuant to the "operating company" exception to the Plan Asset Regulation, the Issuer should not be deemed to hold plan assets by reason of ERISA Plan investment in the Notes. If the Notes were to be deemed to be debt of the Issuer, the purchase and holding of the Notes could be viewed as a continuing extension of credit to the Issuer. Any purchaser or transferee of the Notes should consider the consequences of its acquisition in light of the possible characterisation of the Notes as equity interests or debt of the Issuer when making its decision to acquire and hold the Notes.

Representation

Save as otherwise provided in the Conditions, each purchaser and subsequent transferee of any Note (or any interest therein) will be deemed by their purchase or acquisition of any such Note (or any interest therein) to have represented and warranted, on each day from the date on which the purchaser or transferee acquires such Note (or any interest therein) through and including the date on which the purchaser or transferee disposes of such Note (or any interest therein), either that (a) it is not and is not acting directly or indirectly on behalf of, and for so long as it holds the Note (or any interest therein) will not be acting directly or indirectly on behalf of, a Plan, and no portion of the assets used to acquire the Note (or any interest therein) constitutes plan assets of any Plan or (b) its acquisition, holding and disposition of such Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation under any applicable Similar Law.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Notes on behalf of, or with the assets of, any Plan (including governmental plans, non-U.S. plans and certain church plans not subject to the requirements of Title I of ERISA or Section 4975 of the Code), consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Law to such investment and whether an exemption would be applicable to the acquisition and holding of the Notes.

The sale of any Notes to a Plan is in no respect a representation by the Issuer, its respective affiliates or any other party to the transactions that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan. None of the Issuer, the Managers or any of their respective affiliates or other persons that provide marketing services, nor any of their respective affiliates, has provided, and none of them will provide, impartial investment advice and are not giving any advice in a fiduciary capacity, in connection with the ERISA Plan's acquisition of the Notes.

Any further ERISA considerations with respect to Notes may be found in the Conditions.

GENERAL INFORMATION

1 Authorisation

The issue of the Notes has been duly authorised by the Chief Financial Officer of the Issuer on 5 September 2018.

2 Approval, Listing and Admission to Trading

In accordance with Article 43 of the listing rules of the SIX Swiss Exchange, the Issuer has appointed Credit Suisse AG as its representative to lodge the listing application for the Notes with SIX Exchange Regulation AG.

3 Documents Available

So long as the Notes have been listed on the SIX Swiss Exchange, copies of the following documents will, when published, be available from the registered office of the Issuer:

(a) the constitutional documents (with an English translation thereof) of the Issuer;

(b) the Annual Report 2016;

(c) the Annual Report 2017;

(d) the Financial Report 1Q18;

(e) the Financial Report 2Q18;

(f) the other documents incorporated by reference herein as described under "*Documents Incorporated by Reference*"; and

(g) a copy of this Information Memorandum.

4 Clearing Systems

The Notes have been accepted for clearance through DTC (which is the entity in charge of keeping the records).

- The International Securities Identification Number ("**ISIN**"), Common Code, Committee on the Uniform Security Identification Procedure ("**CUSIP**") and Swiss Security Number for the Regulation S Notes are USH3698DBZ62, 187922976, H3698D BZ6 and 43586047.
- The ISIN, Common Code, CUSIP and Swiss Security Number for the Rule 144A Notes are US225401AK46, 187922941, 225401 AK4 and 43586031.

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