

DESCRIPTION OF THE CREDIT SUISSE GEM 10% RISK CONTROL (ER) INDEX ALLOCATION INDEX

The description (the "**Index Description**") of the Credit Suisse GEM 10% Risk Control (ER) Index (the "**Index**") below is intended to provide the essential characteristics of the Index for purposes of enabling an investor to fully understand the Index and its composition and make an informed assessment of the Securities. However, it is a description and a summary only of the Index Rules (as defined below). Investors seeking further information on the Index should read the full Index Rules.

KEY INFORMATION RELATING TO THE INDEX													
Index	Credit Suisse GEM 10% Risk Control (ER) Index												
Bloomberg code	CSEAGEM <Index>.												
Index Sponsor	Credit Suisse International.												
Index Administrator	Credit Suisse International (or any successor Index Administrator).												
Index Calculation Agent	Credit Suisse International.												
Index Launch Date	20 March 2019. This is the date the Index was first launched by the Index Administrator.												
Index Start Date	5 January 2004												
Base Currency	USD												
Index and Index Components	<p>The Index is composed of the following assets as indicated in the table below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">i</th> <th style="text-align: center;">Index Component i (ICi)</th> <th style="text-align: center;">Currency</th> <th style="text-align: center;">Ticker</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index</td> <td style="text-align: center;">USD</td> <td style="text-align: center;">CSHTGFN</td> </tr> <tr> <td style="text-align: center;">2</td> <td>CS 10-Year US Treasury Note Futures Index</td> <td style="text-align: center;">USD</td> <td style="text-align: center;">CSRFTYUE</td> </tr> </tbody> </table> <p>The weight of each Index Component on the Index Start Date is as set out in Section 4 but as the value of each Index Component goes up or down from day to day, its weight within the Index relative to the other Index Component(s) also goes up or down (the "Effective Weight"). The weight of each Index Component is rebalanced in accordance with the Index Rebalancing Methodology below (the "Rebalancing Weight"). The weight, being from time to time the Initial Weight, the Effective Weight or the Rebalancing Weight, is referred to in this Index Description as the "Weight".</p>	i	Index Component i (ICi)	Currency	Ticker	1	CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index	USD	CSHTGFN	2	CS 10-Year US Treasury Note Futures Index	USD	CSRFTYUE
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1	CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index	USD	CSHTGFN										
2	CS 10-Year US Treasury Note Futures Index	USD	CSRFTYUE										
Index Rebalancing Methodology	The Weight for each Index Component is not fixed and may change following the Index Start Date. A dynamic rebalancing process (as further described below under the section Index Rebalancing Methodology) is applied to determine each Index Component Rebalancing Weight.												
Calculation of daily Index Value	<p>The Index Value on the Index Start Date is fixed at 1,000. The Index Value on each following Index Calculation Day is equal to:</p> <p>(a) the Index Performance for such Index Calculation Day;</p> <p>(b) less the applicable Rebalancing Costs charged on the</p>												

	<p>Rebalancing for the previous Index Calculation Day;</p> <p>(c) less the pro rata Index Calculation Fee applicable since the previous Index Calculation Day;</p> <p>(d) plus the Index Value from the previous Index Calculation Day.</p>						
Index Calculation Day	Any day on which banks and FX markets are open for general business in London and which is a scheduled calculation day with respect to all Index Components.						
Scheduled frequency of publication	On each Index Calculation Day. The Index Value in respect of a particular Index Calculation Day will not be published until the next Index Calculation Day as more fully described in section 9 below.						
Fees and costs	<p>The Index Calculation Fee of 3.50% per annum is deducted daily pro rata from the Index Value</p> <p>The Rebalancing Cost is the cost charged for trading in and out an Index Component. The cost per Index Component is as set out in the table below and is charged on each rebalancing of the relevant Index Component on the amount rebalanced (represented by the amount by which the weight of the rebalanced Index Component is increased or decreased, as the case may be).</p> <p>The cost set out in the table below is deducted upon rebalancing of an Index Component. The overall Rebalancing Cost is deducted from the Index Value.</p> <table border="1"> <thead> <tr> <th>Index Component</th> <th>Rebalancing Cost</th> </tr> </thead> <tbody> <tr> <td>CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index</td> <td>0.05%</td> </tr> <tr> <td>CS 10-Year US Treasury Note Futures Index</td> <td>0.025%</td> </tr> </tbody> </table> <p>The deduction of the Index Calculation Fee and Rebalancing Costs may significantly reduce the Index Value from what it would otherwise be.</p> <p>Index Components may incorporate other fees and costs.</p>	Index Component	Rebalancing Cost	CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index	0.05%	CS 10-Year US Treasury Note Futures Index	0.025%
Index Component	Rebalancing Cost						
CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index	0.05%						
CS 10-Year US Treasury Note Futures Index	0.025%						

1. General

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

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

The Index is one of a group of indices created by the Index Administrator. It is calculated using a set of predetermined rules (the “**Index Rules**”) and measures the performance of an

investment in the Index Components (with systematic rebalances) less deductions for costs and fees. The Index was established on the Index Start Date.

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

All calculations, determinations and exercises of discretion made by the Index Sponsor or the Index Calculation Agent will be made in good faith and in a commercially reasonable manner and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such calculation, determination and exercise of discretion in accordance with its applicable regulatory obligations.

The Index and the Index Components are “**synthetic**”, which means that they each represent a hypothetical investment in the Index Components or the Index Components, as applicable. In this Index Description, wherever an “**investment**” in an Index Component is described, this means a hypothetical investment.

This Index Description includes the following sections:

- (a) Objective and Overview of the Index – section 2;
- (b) Overview of the Index Structure – section 3;
- (c) Index Rebalancing Methodology – section 4;
- (d) Calculation of the Index Value – section 5;
- (e) Index disruption events, extraordinary events and other events affecting the Index and discretionary determinations by the Index Administrator – section 6 and 7;
- (f) Availability of Index Rules and rules of each Index Component – section 8;
- (g) Availability and Publication of Index Values, Index Component Values and adjustments – section 9
- (h) Limitations on availability of Index Rules, rules of each Index Component, Index Values and the Index Component Values – section 10.

2. **Objective and Overview of the Index**

Investment Objective and Index Overview

The Credit Suisse GEM 10% Risk Control (ER) Index is an investible long-only index which allocates between global equities and US treasuries according to a dynamic allocation mechanism (the “**Index Strategy**”). The Index targets a volatility of 10% and aims to benefit tactically from the negative realised correlation between global equities and US treasuries to achieve simultaneous exposure to both Index Components subject to risk limits.

In order to achieve the Investment Objective, the Index will obtain synthetic exposure to 2 sub-indices:

- (i) Credit Suisse HOLT Equity Factor Global Multi-Factor USD Net Total Return Index

The Credit Suisse HOLT Equity Factor Global Multi-Factor USD Net Total Return Index (the “**Equity Component**”) is a Credit Suisse proprietary rules-based investible index. This Equity Component provides exposure to a portfolio of global equities aiming to maximise or minimise exposure to a range of 5 equity factors against a global equity benchmark. The Equity Component is rebalanced on a quarterly basis and includes from 145 to 155 components. The Equity Component is published net of transaction costs charged upon component rebalancing.

More information on the Equity Component can be found in the relevant index specific rules “**Credit Suisse HOLT Equity Factor Indices**” dated as of 27th April 2018 as amended and supplemented from time to time.

(ii) The Credit Suisse 10-Year US Treasury Note Futures Index

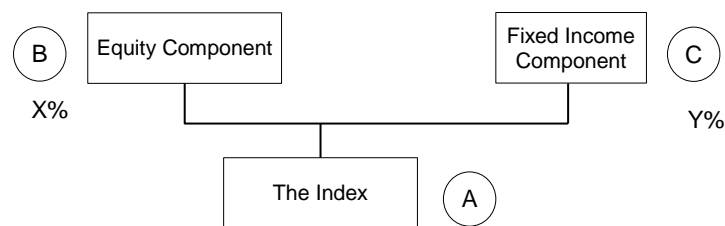
The Credit Suisse 10-Year US Treasury Note Futures Index (the “**Fixed Income Component**”) is a Credit Suisse proprietary index which aims to provide exposure to the 10-Year US Treasury Note Futures “**TY**” listed on CME. The Fixed Income Component invests in the contract with the nearest expiry which it rolls systematically into the next contract 2 scheduled trading days prior to the earlier of (i) its first notice date and (ii) its last trading date. The Fixed Income Component is published gross of any costs.

The Index is an "excess return" index which means that it measures the return from the strategy net of the cost of funding an investment in the strategy.

Index Components Overview

The Index is comprised of synthetic exposure to 2 specified sub-indices (each a “**Index Component**”) which are set out in section 2 above. Each Index Component represents a notional portfolio of one or more reference assets (including any realised gains or losses on such reference assets since the index start date of the relevant Index Component) which are selected in accordance with the strategy of the relevant Index Component.

3. **Overview of the Index structure**



- A. The Index is comprised of the Index Components in their relevant Weights.
- B. The Index Rebalancing Methodology assigns a Weighting within the Index to the Equity Component (X%)
- C. The Index Rebalancing Methodology assigns a Weighting within the Index to the Fixed Income Component (Y%)
- D. The weighted performances of the Index Components are combined to calculate the Index Value.

4. **Index Rebalancing Methodology**

The index will dynamically rebalance in accordance with the strategy defined in the Index Rules, following a 3-step mechanism:

Step 1: Realised Volatility and Correlation Calculations:

“Volatility” in this context measures the amount of variation in a value or price over a given period of time, with higher volatility characterised by larger movements in that value or price.

On each Index Calculation Day, the strategy observes the realised volatility of each Index Component using historical returns since the inception of the Index using exponential weighting with a lag of 2 days (the “**Equity Component Realised Volatility**” and the “**Fixed Income Component Realised Volatility**”). Exponential weighting refers to a volatility calculation

methodology which assigns a weighting to historical returns based on their distance to the observation date.

Similarly, the realised correlation between the Equity and the Fixed Income Components is calculated on each index calculation day with a lag of 2 days (the "**Realised Correlation**").

Step 2: Target Weights definition:

On Index calculation day, the Equity Component Target Weight is calculated as the minimum between:

- 150% (the "**Maximum Allocation**"); and
- 10% (the "**Volatility Budget**") divided by the Equity Component Realised Volatility with respect to such day, floored at zero;

On Index calculation day, the Fixed Income Component Target Weight is calculated as the minimum between:

- 150% minus the Equity Component Target Weight with respect to such day; and
- - (minus) 2 multiplied by the Volatility Budget multiplied by the Realised Correlation and divided by the Fixed Income Component Realised Volatility with respect to such day;

The Fixed Income Component Target Weight is floored at zero.

Step 3: Rebalancing Weights definition:

With respect to the Index Start Date, the Rebalancing Weights will be equal to the Target Weights.

On any Index calculation day following such day, the Rebalancing Weights used will be equal to the Target Weights if the following three conditions are met:

- The sum of the difference in absolute terms between the Rebalancing Weights and the Target Weights with respect to each component is higher than 10%;
- The Target Weights for such day are not equal to the immediately preceding Rebalancing Weights with respect to each component; and
- Such calculation day is a valid trading day for each component

If the three above conditions are met, such Index calculation day is meant to be a rebalancing day (an "**Index Rebalancing Day**"). Otherwise, Rebalancing Weights are unchanged.

5. **Calculation of the Index**

"Adjusted Value" for each Index Component

The Index Calculation Agent will calculate the Adjusted Value (the "**Adjusted Value**") for each Index Component as the published value of the relevant Index Component adjusted, in the case of the Credit Suisse HOLT Equity Factor Global Multi-Factor USD Net Total Return Index strategy, to take into account that it is calculated on a total return basis by deducting a hypothetical cash borrowing.

The Adjusted Value of each Index Component is used to calculate the Index Value.

Calculation of Index Performance

In order to calculate the Index Performance (the "**Index Performance**") in respect of an Index Calculation Day, the Index Calculation Agent calculates the performance of each Index Component for such day, weighted by its Effective Weight as of the previous Index Calculation

Day. The product of the weighted performances for all Index Components are added together to give the Index Performance for that Index Calculation Day.

Calculation of Index Value

The Index Value (the "**Index Value**") on the Index Start Date (which is also an Index Rebalancing Day) is fixed at 1,000. The Index Value on each following Index Calculation Day is equal to:

- (a) the Index Performance for such Index Calculation Day;
- (b) less the applicable Rebalancing Costs;
- (d) less the pro rata Index Calculation Fees applicable since the previous Index Calculation Day;
- (e) plus the Index Value from the previous Index Calculation Day.

6. Rules for adjustments to the Index

From time to time, certain events may occur which affect a Index Component, the Index or any calculation in respect thereof. In such case, the Index Administrator may exercise its discretion to take action available to it under the Index Rules to deal with the impact of such events on the Index, including making an adjustment to the Index or the calculation of the Index Value. Any such discretionary determination could have a material adverse impact on the Index Value.

Where the occurrence of an event or set of circumstances is capable of triggering more than one Index Disruption Event, the Index Administrator may determine which Index Disruption Event is to be triggered.

Set out below are such events (each an "**Index Disruption Event**"):

(a) General Disruption Events

"**General Disruption Events**" means any of the following events and circumstances:

- (i) an unscheduled closure or material restriction or suspension in trading of relevant money markets;
- (ii) the failure, suspension or postponement of any calculation within the Index or a breakdown in communications or procedure which is normally used in the calculation of the Index;
- (iii) any event which, in the determination of the Index Administrator, prevents the prompt or accurate calculation of the Index; and/or
- (iv) the disruption of trading on the relevant exchange or other trading facility of any component or instrument referenced in the calculation of the Index or a Index Component or any other similar event.

Following a General Disruption Event, the Index Administrator may (i) suspend the calculation of the Index, and/or (ii) publish an estimated Index Value on the basis of estimated or adjusted data, and/or (iii) take other action, including using alternative price sources, recomposing the Index or temporarily changing weights within the Index. Any such action could have a material adverse impact on the Index Value.

(b) Amendments to the Index; Index Component Substitution; Index Withdrawal

In certain circumstances, the Index Administrator may, acting in good faith and in a commercially reasonable manner, supplement, amend or revise the Index or, if in its opinion this is not possible, terminate the Index.

The events or circumstances which may lead to such action being taken by the Index Administrator are as follows:

- (i) it becomes impossible or impractical to calculate the Index in accordance with the Index Rules;
- (ii) there is an error, ambiguity or omission in the Index Rules which requires correction; or
- (iii) the occurrence of an Extraordinary Event.

"Extraordinary Events" mean any of the following events:

- (i) a change to the liquidity, the trading volume, the terms or listing of any component of a Index Component;
- (ii) a change in, or interpretation of, any applicable law or regulation;
- (iii) any event or circumstance such that the value of a Index Component or any component thereof is incorrect or unreliable;
- (iv) a Index Component or any component thereof is permanently discontinued or otherwise unavailable;
- (v) a change in the method by which the value of a Index Component or any component thereof is calculated;
- (vi) the occurrence of any event which has a material effect on the ability of an issuer of an investment product linked to the Index to manage any hedge position in relation to such investment product;
- (vii) the occurrence of any other event which has a material impact on the ability of the Index Administrator or Index Calculation Agent to perform its duties under the Index Rules; or
- (viii) the occurrence of any other event which prevents or limits the Index from meeting its objective,

which in each case has or will have a material adverse effect on the Index, the ability of the Index Calculation Agent to calculate the Index Value, the ability of the Index to achieve its objective or the ability of an investor to replicate the Index itself.

7. Index Administrator and Index Calculation Agent determinations

All calculations, determinations and exercises of discretion made by the Index Administrator or the Index Calculation Agent will be made in good faith and in a commercially reasonable manner and where required by applicable regulations, shall take into account whether fair treatment is achieved for investors who are exposed to the Index.

The Index Administrator may make any change or modification to the Index and/or the Index Rules which may be necessary or desirable for the purposes of ensuring compliance by the Index Administrator with its obligations under the Benchmark Regulation (Regulation (EU) 2016/1011) (the "**BMR**") and any successor or additional benchmarks legislation or regulation applicable in the United Kingdom.

8. Availability of Index Rules and rules of each Index Component

The Index Administrator will make available the Index Rules and the rules for each Index Components upon written request made to the Index Administrator at its principal office in London for the time being at 1 Cabot Square, Canary Wharf, London E14 4QJ (the "**Principal Office**").

9. **Availability and publication of Index Values, Index Component Values and adjustments**

Availability of Index Value, Index Component Values and adjustments

The Index Administrator will make available the Index Value and the level of each Index Component published by the index administrator in respect of each Index Component (each such level, a "**Index Component Value**" and together, the "**Index Component Values**") in respect of each Index Calculation Day as soon as reasonably practicable following their calculation which is expected to be after 5.00pm, London time on the next Index Calculation Day following such Index Calculation Day. Details of any adjustments made to the Index (including any changes to the Weights of the Index Components and the Weightings of the Index Components) shall be made available by the Index Administrator upon written request to the Index Administrator at their Principal Office.

Publication of Index Value and the Index Component Values

The Index Value and the Index Component Values will be published at one or more of the following locations:

- (i) at the Index Administrator's Principal Office;
- (ii) on Bloomberg/Reuters under the relevant index title; or
- (iii) on such other information sources as the Index Administrator may select from time to time.

10. **Limitations on availability of Index Rules, rules of each Index Component, Index Values and the Index Component Values**

Any publication described in Section 11 above may be restricted by means determined as appropriate for such purpose by the Index Administrator including, but not limited to, password protection on the Credit Suisse website, restricting access to a limited number of persons in accordance with arrangements agreed between the Index Administrator and such persons.

The Index Administrator may, at any time and without notice, change with respect to the Index or the Index Components (i) the website on which publication is made and/or (ii) the place of publication of any of (A) the Index Rules, (B) the rules of a Index Component, or (C) any Index Value or the Index Component Values, as the case may be.

The Index Administrator may, at any time and without notice, change the frequency of publication of any Index Value or Index Component Value.

The Index Administrator accepts no legal liability to any person for publishing or not continuing to publish for any period of time any Index Value or Index Component Value at any particular place or any particular time.

The Index Rules and the rules of each Index Component are written and (as applicable) published by the Index Administrator. The Index Administrator is exclusively entitled to construe its provisions and determine or clarify their meaning. If there is any ambiguity in, or uncertainty or dispute about the meaning of, any of the provisions of the Index Rules or the rules of a Index Component, the Index Administrator will, acting in good faith and in a commercially reasonable manner, construe the relevant provision(s) in order to determine the correct interpretation, and the decision of the Index Administrator shall be final.

INDEX DISCLAIMER

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

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

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

The Index Rules and the Index Description are published for information purposes only and CS and its affiliates

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

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

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

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

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

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

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

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

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

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

Unless otherwise specified, CS shall make all calculations, determinations, amendments, interpretations and selections in respect of the Index. Neither CS nor any of its affiliates (including their respective officers, employees

and delegates) shall have any responsibility for good faith errors or omissions in its calculations, determinations, amendments, interpretations and selections as provided in the Rules unless caused by CS or any of its affiliates' Fault. The calculations, determinations, amendments, interpretations and selections of CS shall be made by it in accordance with the Index Rules, acting in good faith and in a commercially reasonable manner and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such calculation, determination, amendment, interpretation and selections in accordance with its applicable regulatory obligations (having regard in each case to the criteria stipulated herein and (where relevant) on the basis of information provided to or obtained by employees or officers of CS responsible for making the relevant calculations, determinations, amendments, interpretations and selections). For the avoidance of doubt, any calculations or determinations made by CS under the Index Rules on an estimated basis may not be revised following the making of such calculation or determination.

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

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

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

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

“Credit Suisse”, the Credit Suisse logo and “Credit Suisse GEM 10% Risk Control (ER) Index” are trademarks or service marks or registered trademarks or registered service marks of Credit Suisse Group AG or one of its affiliates.

RISK FACTORS

General risks relating to the Index

The risk factors included in this section do not purport to be an exhaustive list of the risks related to the Index. Investors should perform their own independent analysis of the risks associated with a particular Index and whether an investment linked to such Index is suitable for him/her in light of his/her experience, objectives, financial position and other relevant circumstances. Investors may also wish to consult with their own legal, regulatory, tax, financial and/or accounting advisors as necessary.

(a) *Historical performance of the Index is not an indication of future performance*

The historical performance of the Index (including as may be determined through hypothetical back-testing) should not be taken as an indication of the future performance of the Index. It is impossible to predict whether the value of the Index will fall or rise during the term of your investment. Past performance is not a guarantee or an indication of future returns.

(b) *Limited operating history*

The Index has a relatively recent launch date and will have limited operating history with no proven track record in achieving the stated investment objective. A longer history of actual performance could provide more reliable information on which to assess the Index and on which to base an investment decision.

(c) *No assurance of performance*

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

(d) *Notional exposure – no rights or interest over any Index components*

The Index is constructed from "notional" investments and there is no actual portfolio of assets to which any person is entitled or in respect of which any person has any direct or indirect ownership interest. Investors in products which are linked to the Index will not have any rights to any Index components or to receive any dividends or other income generated by such Index components.

(e) *Publication of the Index may be delayed*

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

(f) *The Index and its components rely on external data*

The Index and its components rely on data from external providers. While Credit Suisse as Index Administrator intends to use well established and reputable providers, there is a risk that

this data may be inaccurate, delayed or not up to date. There is also a risk that while the data is accurate, the data feed to Credit Suisse is impaired. Such impairment to either the data or the data feed could affect the performance or continued operability of the Index. In such event, Credit Suisse as Index Administrator may decide not to subsequently revise the Index (except where such impairment is caused by Credit Suisse's negligence, fraud or wilful default). There is also a risk to the continuity of the Index in the event that the Index Administrator ceases to exist. In the event that certain external data is not available, Credit Suisse as Index Administrator of the Index may determine the necessary data in order to maintain the continuity of the Index.

(g) *The Index and its components rely on Credit Suisse infrastructure and electronic systems*

The Index and its components rely on Credit Suisse infrastructure and electronic systems (including internal data feeds). Any breakdown or impairment to such infrastructure or electronic systems could affect the performance or continued operability of the Index. Save for certain limited circumstances, the risk of such breakdown or impairment shall be borne by investors in products linked to the Index or its components. Neither Credit Suisse nor its affiliates shall be under any liability to account for any loss or damage incurred by any person in connection with any change to, removal of or operational risks generated by the Index or its strategy, save for certain limited circumstances.

(h) *Amendments to or termination of the Index due to the occurrence of certain events*

Following the occurrence of certain events (as described in the Index Description) Credit Suisse as Index Administrator may, acting in good faith and in a commercially reasonable manner, supplement, amend (in whole or in part), revise, or, if in its opinion this is not possible, terminate the Index.

Following any termination of the Index, the Index Administrator may, but is not obliged to, replace the Index with a successor index, as it deems appropriate in its discretion. The issuer of any financial product linked to the Index will have the discretion to choose whether to treat such successor index as such for the purposes of the product.

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

(i) *Discretion of the Index Administrator*

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

(j) *Consequences of an Index Disruption Event*

Where, in the determination of the Index Administrator, an Index Disruption Event which constitutes a General Disruption Event has occurred or is existing and subsisting in respect of any Index Calculation Day, the Index Administrator may (i) suspend the calculation and publication of the Index value, and/or (ii) determine the Index value on the basis of estimated or adjusted data and publish an estimated level of the Index value, and/or (iii) take any other action, including implementing a temporary change of weights of Index components. Any such

action could have a material adverse impact on the value of the Index (and therefore any products linked to the Index).

Where, in the determination of the Index Administrator any other Index Disruption Event has occurred the Index Administrator may, acting in good faith and in a commercially reasonable manner, supplement, amend or revise the Index or, if in its opinion this is not possible, terminate the Index.

- (k) *Economic proposition in relation to the right to supplement, amend or revise or, if in the opinion of the Index Administrator this is not possible, terminate the Index (including substitution of Index components)*

The right of the Index Administrator to exercise its discretion to supplement, amend or revise the Index, including the right to substitute Index components, is required to ensure the notional investments entered by the Index remain a viable investment proposition for a hypothetical investor seeking to replicate the strategy adopted by the Index.

Where a supplement, amendment or revision of the Index or substitution of an Index component does not ensure the notional investments entered by the Index remain a viable investment proposition for a hypothetical investor seeking to replicate the Index strategy, or the Index Administrator needs to terminate the Index in light of its own risk management requirements, the Index Administrator has the right to exercise its discretion to terminate the Index.

- (l) *Value of Index components may be influenced by asymmetries in demand and supply*

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

Strategy Specific Risks

- (a) *The Index value may be reduced by notional fees and costs*

Notional fees and costs are included within the relevant Index methodology and will reduce the value of the Index (as described in the Index Description). The deduction of such fees and costs will have the effect of materially reducing the Index value and therefore, the value of and return on any product linked to the Index.

Investors should note that additional fees may be charged at the product level by the product manufacturer and/or distributor.

- (b) *Notional fees and costs included in the Index may be greater than the actual costs incurred in hedging transactions of the Index Administrator or its affiliates*

The notional fees and costs reflected in the calculation of the Index are calculated by reference to pre-determined rates and do not necessarily reflect the actual or realised costs that would be incurred by a direct investor in the relevant Index components, which could be larger or smaller from time to time. The Index Administrator (or its affiliates) may benefit if the notional fees or costs embedded in the Index exceed the actual costs that may be incurred by the Index Administrator (or its affiliates) in hedging transactions that may be entered into in respect of the Index.

(c) *Currency risk*

Investors in products linked to the Index or components of the Index may be exposed to currency risks specific to the Index because (i) the relevant Index components are denominated or priced in currencies other than the Index's base currency, or (ii) the Index and/or its Index components may be denominated in currencies other than the currency of the country in which the investor is resident. The Index value (including its relative value to an investor) may therefore increase or decrease as a result of fluctuations in those currencies.

Furthermore, each Index component denominated in a currency other than the base currency of the Index is formulaically hedged against currency fluctuations of the Index's base currency. However, such hedging may reduce but not eliminate the foreign exchange risk and the Index shall be subject to longer term foreign exchange fluctuations between such currencies and the base currency.

(d) *Risk associated with leverage*

The Index provides leveraged exposure to certain components of the indices underlying the Index. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts notionally invested, they will generally also increase the risk of loss. If the weight allocated to certain components of the indices underlying the Index is greater than 100 per cent, the relevant index will participate disproportionately in the performance of such components, and any loss in the value of such components will result in a correspondingly greater loss in the value of such index.

(e) *The Index is sensitive to the volatility of the Index Components*

The Index is comprised of a notional investment in eight indices, which are each notionally invested in one of four asset classes (commodities, equities, foreign exchange rates ("**FX**") and interest rates/fixed income) (the "**Index Components**") and a hypothetical non-interest bearing cash deposit (the "**Cash Component**"). The amount of the Index which is notionally invested in the Index Components and the Cash Component will vary depending on the application of the volatility control mechanism. The volatility control mechanism feature of the Index is intended to keep the overall volatility of the Index at or below a constant target level. If the overall volatility measured increases above the target level, the exposure of the Index to the Index Components will be reduced proportionately. Therefore, the Index may underperform relative to the Index Components (without any volatility control) where high volatility is followed by the positive performance of the Index Components; in such case, an investor would not benefit as greatly as an investor who had a direct exposure to the Index Components because the volatility control mechanism is likely to have reduced the exposure to the Index Components to a percentage below 100% (with the remainder invested in the Cash Component).

(f) *Volatility target*

The Index targets a stated volatility for the Index. However, the volatility control mechanism for rebalancing the Index is based on historical performance data which may not be indicative of future performance. As a result, the actual volatility of the Index may be substantially greater or lesser than the stated volatility target.

(g) *Volatility is observed with a lag*

The "**realised volatility**" (being the volatility that is actually observed over time) of the Index Components is measured a certain number of Index Calculation Days in arrears, as specified in the Index Description. This lag results in a delay in the adjustment of the exposure of the Index to the Index Components. In the event that there is a large movement in the total value of the Index Components, the Index will not take into account such values until three Index Calculation Days later, meaning that the Index could be exposed to a spike in volatility before any rebalancing that occurs due to the application of the volatility control mechanism, which may involve greater losses for investors.

(h) *Measure of volatility*

The measure of volatility in relation to the Index as set out in the Index Description is not the only way to measure volatility. For the purposes of assessing volatility, different time periods could have been used. Moreover, it is possible to measure expected volatility for the future (known as "**implied volatility**"). Using any of: (i) implied volatility; (ii) a combination of implied and realised volatility and/or; (iii) a different time period(s) for measuring realised volatility could each produce a different (and potentially better) performance of the Index.

(i) *Potential conflicts of interest*

Credit Suisse expects to engage in trading activities related to the components of the Index and the Index Components during the course of its normal business for both its proprietary accounts and/or in client related transactions. Such trading activities may involve the sale or purchase of instruments referencing the relevant components of the Index or Index Components. These trading activities may present a conflict between the interests of investors with exposure to the Index and Credit Suisse's own interests. These trading activities, if they have an influence on the value of the components of the Index or Index Components may in turn have an adverse effect on the performance of the Index.

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

Credit Suisse may also engage in trading instruments referencing or linked to the components of the Index or Index Components on a regular basis as part of their general broker-dealer and other businesses, for proprietary accounts, for other accounts under management or to facilitate transactions for customers. Any of these activities could adversely affect the market price of such instruments and therefore the performance of the Index.

Credit Suisse may have and in the future may publish research reports with respect to the components of the Index or Index Components or asset classes which may express opinions or provide recommendations that either support or are inconsistent with investments into the Index, the Index Components or their respective components. This research should not be viewed as a recommendation or endorsement of the Index in any way and investors must make their own independent investigation of the merits of an investment linked to the Index.

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

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

(j) *Risks associated with Index Components that are equity indices*

Factors affecting the performance of Index Components that are equity indices may adversely affect the Index value

Equity indices are comprised of a synthetic portfolio of shares or other assets relating to shares, and as such, the performance of an equity index is dependent upon the macroeconomic factors relating to the shares or other instruments that comprise such equity indices, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(k) *Risks associated with Index Components that are Fixed Income indices*

Where the investment objective of an Index Component is to track the performance of bonds, investors will be exposed to the performance of such bonds. The performance of bonds may be volatile and will be affected by, amongst other things, the time remaining to the maturity date, prevailing credit spreads, interest rates and the creditworthiness of the bond issuers, which in turn may be affected by the economic, financial and political events in one or more jurisdictions.

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

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

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

(l) *Risks associated with systematic investment strategies*

The Index and the Index Components are systematic investment strategies (each a "**Proprietary Index**"), composed, sponsored or calculated by a third party (the "**Index Creator**"). Risks associated with a Proprietary Index include the following:

- (i) *The rules (including in relation to calculations) of the Proprietary Index may be amended or adjusted by the Index Creator. No assurance can be given that any such amendment or adjustment would not be prejudicial to the Index*

The Index Creator has no obligation to take into account the interests of the purchasers of instruments linked to the Proprietary Index when determining, composing or calculating such Proprietary Index and the Index Creator can at any time, and in its sole discretion, modify or change the method of calculating such Proprietary Index or cease its calculation, publication or dissemination. Accordingly, actions and omissions of the Index Creator may affect the value of such Proprietary Index. The Index Creator is under no obligation to continue the calculation, publication and dissemination of a Proprietary Index.

- (ii) *Publication of Proprietary Index values*

The value of a Proprietary Index is published subject to the provisions in the rules of such Proprietary Index. Neither the Index Creator nor the relevant publisher is obliged to publish any information regarding such Proprietary Index other than as stipulated in the rules of such Proprietary Index.

- (iii) *Deductions or adjustments included in the Proprietary Index*

A Proprietary Index may be calculated so as to include certain deductions or adjustments that synthetically reflect certain factors which may include (A) the transaction and servicing costs that a hypothetical investor would incur if such hypothetical investor were to enter into and maintain a series of direct investment positions to provide the same exposure to the constituents of such Proprietary Index, or (B) a notional fee representing the running and maintenance costs of such Proprietary Index. Such deductions will have a negative impact on the performance of a Proprietary Index such that the level of such Proprietary Index would be lower than it would otherwise be, and this may result in an adverse effect on the value of the Securities.