

EMEA Global Markets **Retail Governance** Product Approval Process

1. Scope

This document has been prepared to provide Distributors with information about the product approval process for structured retail products manufactured by the EMEA Global Markets division of Credit Suisse International (“**CSI**”).

2. Product Governance Overview

Products manufactured by CSI are overseen by a regional Product Governance Committees. Within Europe, the EMEA Retail Product Governance Committee (“**RPGC**”) is made up of senior representatives from the Sales, Structuring, Compliance and Legal departments. All decisions made by the RPGC are subject to voting by a quorum of members.

3. Pre-Trade Requirements

A Product Features Summary (PFS) is prepared for each payoff type. For each approved payoff, the PFS details:

- Description of the payoff and associated features
- Target Market
- Distribution Strategy
- Classification of Product Risk
- Classification of Product Complexity
- Conflicts of Interest assessment
- Fees and Charges
- Bespoke restrictions on any approval

Each PFS must be reviewed and approved by the RPGC.

Upon the pricing of an individual transaction, a back test and forward looking stress test are run against pre-defined thresholds. Where a threshold is breached, a Distributor will be provided with the results and asked to confirm their rationale for proceeding with the relevant transaction. The transaction will also be escalated for approval within Credit Suisse. Approvals from Credit Suisse and the Distributor are saved alongside the transaction documentation.

4. Post-Trade Requirements

Credit Suisse monitors all live products on a monthly and quarterly basis against certain thresholds for both product performance and secondary market activity. Where certain thresholds are breached, Credit Suisse will contact the purchaser of the product to notify them of either the performance or to gather information about the secondary market activity on the product. This information is then presented to the RPGC for review. If issues relating to the manufacture of certain products are highlighted, action may be taken on specific products to either (i) cease trading or (ii) place additional restrictions on the distribution strategy or target market.

5. Annual Product Reviews

On an Annual basis, all products are re-reviewed. Each product is assessed and a determination is made as to its suitability for ongoing sale to the Target Market and Distribution Strategy.