

Amendment to Program Information

Credit Suisse International

AMENDMENT TO PROGRAM INFORMATION

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Information on initial Program Information:

Date of Announcement: 20 August 2020

Scheduled Issuance Period: 21 August 2020 to 20 August 2021

Maximum Outstanding Issuance Amount: Unlimited

This amendment is filed to update the information included in the Program Information dated 20 August 2020 (as amended on 7 October 2020). This constitutes an integral part of the Program Information dated 20 August 2020 (as amended on 7 October 2020) and shall be read together with it.



Credit Suisse International

Debt Issuance Programme (Unlimited Program Size)

This Supplement (the "**Supplement**") is supplemental to, and should be read in conjunction with, (i) the Listing Supplement dated 2 October 2015 (the "**Listing Supplement**") in respect of the debt issuance programme established by Credit Suisse International ("**CSI**" or the "**Issuer**") on 10 August 2006 for the issuance of securities of CSI (the "**Securities**") (as supplemented from time to time), (ii) any other documents incorporated by reference therein and (iii) in relation to any particular Securities, the Pricing Supplement relating to those Securities. Capitalised terms used in this Supplement but not defined herein shall have the meanings ascribed to them in the Listing Supplement.

Supplement to Listing Supplement dated 27 January 2021

The sections below replace the part beginning from the section entitled "This Listing Supplement" to the section entitled "Risk Factors" of the Listing Supplement.

This Listing Supplement

Under the Programme described in this Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference), Credit Suisse International ("**CSI**" or the "**Issuer**"), may issue Securities (the "**Securities**" and each, a "**Security**") on the terms set out herein and in the relevant Pricing Supplement. This Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference) contains information relating to the Issuer and the Securities. It should be read together with (i) any supplements to it from time to time, (ii) any other documents incorporated by reference into it (see "Documents Incorporated by Reference" below) and (iii) in relation to any particular Securities, the Pricing Supplement relating to those Securities.

The Programme

This Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference) is one of a number of offering documents under the debt issuance programme established on 10 August 2006 for the issuance of Securities (the "**Programme**") of CSI.

Listing

Application has been made for the Programme to be listed on the TOKYO PRO-BOND Market.

Pricing Supplement

A separate "Pricing Supplement" document will be prepared for each issuance of Securities and will set out the specific details of the Securities. For example, the relevant Pricing Supplement will specify the issue date, the maturity date, the underlying asset(s) to which the Securities are linked (if any) and/or the applicable Product Supplement. The relevant Pricing Supplement may replace or modify the General Terms and Conditions of the Securities and the relevant Product Supplement to the extent so specified or to the extent inconsistent with the same.

In relation to any particular Series of Securities, this Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference) and the relevant Pricing Supplement will constitute the whole or part of the offering documents for such particular Series of Securities. Each Series of the Securities will be issued pursuant to the Programme on the terms set out herein and in the relevant Pricing Supplement, the offering or solicitation of which will be made based on, inter alia, the information contained in this Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference) and the relevant Pricing Supplement. Therefore, you should read this Listing Supplement (including Annexes thereto and the documents which are incorporated by reference) together with the relevant Pricing Supplement.

Types of underlying assets

The economic or "payout" terms of the Securities may be linked to movements in one or more of the following types of underlying assets (each, an "**Underlying Asset**"):

- an equity share;
- an equity index;
- an exchange-traded fund;
- a commodity or a commodity futures contract; or
- a commodity index.

The interest payable under certain Securities issued under this Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference) may also be calculated by reference to a fixed rate of interest or a reference rate for determining floating rate interest.

Benchmark Regulations: Article 29(2) Statement on Benchmarks

Amounts payable under the Securities may be calculated by reference to one or more specific indices, rates or price sources or a combination of indices, rates or price sources. Any such index, rate or price source may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmark Regulation**") and Regulation (EU) 2016/1011 of the European Parliament and of the Council on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds as it forms part of domestic law by virtue of the European Union (Withdrawal) Act (2018) (the "**EUWA**") (the "**UK Benchmark Regulation**" together with the EU Benchmark Regulation, "**Benchmark Regulations**"). In cases where amounts payable under Securities are calculated by reference to one or more such indices, rates or price sources, the relevant Pricing Supplement will specify:

- the name of each index, rate or price source so referenced;
- the legal name of the administrator of each such index, rate or price source; and
- whether or not the legal name of the administrator of each such index, rate or price source appears on the register (the "**Benchmark Register**") of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 26 of the EU Benchmark Regulation and by the Financial Conduct Authority ("**FCA**") pursuant to Article 36 of the UK Benchmark Regulation, in each case at the date of the relevant Pricing Supplement.

Not every index, rate or price source will fall within the scope of the Benchmark Regulations. Where an index, rate or price source falls within the scope of the EU Benchmark Regulation, the transitional provisions in Article 51 or the provisions of Article 2 of the EU Benchmark Regulation may apply, such that the administrator of such index, rate or price source is not at the date of the relevant Pricing Supplement required to obtain authorisation/registration (or, if located outside the European Union, recognition, endorsement or equivalence). Where an index, rate or price source falls within the scope of the UK Benchmark Regulation, the transitional provisions in Article 51, the provisions of Article 2 of the UK Benchmark Regulation or regulations 51 to 65 of the Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 may apply, such that the administrator of such index, rate or price source is not at the date of the relevant Pricing Supplement required to obtain authorisation/registration (or, if located outside the United Kingdom (the "**UK**"), recognition, endorsement or equivalence).

The registration status of any administrator under the Benchmark Regulations is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Pricing Supplement to reflect any change in the registration status of the administrator.

Potential for Discretionary Determinations by the Issuer under the Securities

Under the terms and conditions of the Securities, following the occurrence of certain events outside of its control, the Issuer may determine in its discretion to take one or more of the actions available to it in order to deal with the impact of such event on the Securities or the Issuer or both. It is possible that any such discretionary determinations by the Issuer could have a material adverse impact on the value of and return on the Securities. An overview of the potential for discretionary determinations by the Issuer under the Securities is set forth in the section headed "Overview of the Potential for Discretionary Determinations by the Issuer" in this Listing Supplement.

Risk Factors

Investing in the Securities involves certain risks, including that you may lose some or all of your investment in certain circumstances.

Before purchasing Securities, you should consider, in particular, the information in the section headed "Risk Factors" in this Supplement. You should ensure that you understand the nature of the Securities and the extent of your exposure to risks and consider carefully, in the light of your own financial circumstances, financial condition and investment objectives, all the information set forth in this Listing Supplement (including Annexes thereto, any amendments and supplements thereto from time to time, and any other documents incorporated by reference).

The following sections entitled "Prohibition of Sales to EEA and UK Retail Investors" and "Prohibition of Sales to UK Retail Investors" shall be added after the section entitled "No Investment Advice" in the Listing Supplement.

Prohibition of Sales to EEA Retail Investors

The Securities are not intended to be offered, sold or otherwise made available to and may not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**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 Directive 2014/65/EU on Markets in Financial Instruments (as may be amended, varied or replaced from time to time) ("**EU MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as may be amended, varied or replaced from time to time) (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as may be amended, varied or replaced from time to time) (the "**EU PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling such Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the EU PRIIPs Regulation.

Prohibition of Sales to UK Retail Investors

The Securities 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 United Kingdom ("**UK**"). For these purposes, a "**retail investor**" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act ("**FSMA**") and any rules or regulations made under the FSMA which were relied on immediately before exit day to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The section in the Listing Supplement entitled "The distribution of the Listing Supplement and this Supplement to Listing Supplement is restricted" shall be updated by the information below.

The distribution of the Listing Supplement and this Supplement to Listing Supplement is restricted

The distribution of the Listing Supplement and this Supplement to Listing Supplement, and the offering or sale of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, such restrictions. For a description of certain restrictions on offers or sales of the Securities and the distribution of this document and other offering materials relating to the Securities, please refer to the section headed "Sale and Subscription" of Annex 1 (*Programme Memorandum*) of the Listing Supplement.

In relation to each Member State of the European Economic Area, the Dealer represents, warrants and agrees that it has not made and will not make an offer of Securities to the public (within the meaning of the Prospectus Regulation) in that Member State except that it may make an offer of Securities to the public in that Member State in circumstances which do not require the publication by the Issuer or the Dealer of a prospectus pursuant to the Prospectus Regulation.

The section in the Listing Supplement entitled "United States restrictions" shall be deleted in its entirety.

The paragraph entitled "European Economic Area" in the section headed "Sale and Subscription" set out in Annex 1 (Programme Memorandum) shall be superseded by the above.

OVERVIEW OF THE PROGRAMME

The section in the Listing Supplement entitled "Description of CREDIT SUISSE INTERNATIONAL" shall be replaced with the following section "Issuer", and the sections in the Listing Supplement entitled "Securities", "Status of Securities", "Underlying Assets", "Adjustments", "Key risks relating to the Issuer" and "Key risks relating to the Securities" shall be updated by the information below.

Issuer

The Issuer may from time to time, issue Securities under the Programme, subject to compliance with all relevant laws, regulations and directives.

Securities

Securities entitle the holder to payment on the Maturity Date of the Redemption Amount (or delivery on the Share Delivery Date of the Share Amount and payment on the Maturity Date of the Fractional Cash Amount, as applicable). The Redemption Amount payable on the Maturity Date (or the Share Amount deliverable on the Share Delivery Date, as applicable) may either be the outstanding principal amount (or a specified percentage thereof) or may be linked to one or more Underlying Assets (as described below). The specified denomination and the Maturity Date will be specified in the relevant Pricing Supplement.

Unless redeemed by instalments (if so specified in the relevant Pricing Supplement) the Securities will be redeemed on the Maturity Date specified in the relevant Pricing Supplement. If so specified in the relevant Pricing Supplement, there may also be interim payments and/or mandatory early redemption and/or redemption at the option of the Issuer and/or the holders. Otherwise, Securities may only be redeemed before the Maturity Date for reasons of default by the Issuer or the illegality of the Issuer's payment obligations or hedging arrangements or following certain events affecting the Underlying Assets and/or its hedging arrangements.

The Securities may bear interest and/or premium at a fixed rate or at different fixed rates for different periods or may bear interest at one or more fixed rates followed by a period in which they bear a floating rate of interest or may bear a floating rate of interest throughout the term of the Securities. Alternatively, they may bear no interest and/or premium. In the case of floating rate interest, the rate will be reset periodically by reference to a reference rate specified in the relevant Pricing Supplement and may be at such rates or at a margin above or below such rates and may be subject to one or more maximum and/or minimum rates of interest and/or premium as the case may be, all as specified in the relevant Pricing Supplement. The Securities may also bear interest that is linked to one or more Underlying Assets.

Status of Securities

The Securities are unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding.

Underlying Assets

The amount payable in respect of Securities may be linked to the performance of one or more shares (which may include depository receipts), equity indices, exchange-traded funds, commodities, and/or other variables.

Adjustments

The terms and conditions of the Securities contain provisions dealing with non-business days, non-scheduled trading days, disruption events, adjustment events, extraordinary events and other events affecting the Issuer's hedging arrangements, the Underlying Asset(s) or the relevant reference rate(s) which may affect the timing and calculation of payments and may result in the Securities being redeemed prior to their scheduled maturity and/or adjustments being made to the Securities.

Key risks relating to the Issuer

Securities are general unsecured obligations of the Issuer. Securityholders are exposed to the risk that the Issuer could become insolvent and fail to make the payments owing by it under the Securities.

The Issuer is exposed to a variety of risks that could adversely affect its operations and/or financial condition, including liquidity risk, market risk, credit risk, risks relating to its strategy, risks from estimates and valuations, risks relating to off-balance sheet entities, country and currency exchange risk, operational and compliance risk, legal (including regulatory) risks, competition risk, conduct risk, technology risk and reputational risk and the risks of regulatory action in the event that it is failing or the UK resolution authority considers that it is likely to fail.

Key risks relating to the Securities

Investors may lose some or all of their investment if one or more of the following occurs: (a) the Securities do not provide for scheduled repayment in full of the issue or purchase price at maturity or upon mandatory early redemption or optional early redemption of the Securities, (b) the Issuer fails and is unable to make payments owing under the Securities, (c) any adjustments are made to the terms and conditions of the Securities following certain events affecting the Issuer's hedging arrangements or the Underlying Asset(s), that result in the amount payable or shares delivered being reduced, or (d) investors sell their Securities prior to maturity in the secondary market at an amount that is less than the initial purchase price.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in the Listing Supplement and this Supplement to Listing Supplement. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as an investor's financial adviser or fiduciary in any transaction. The purchase of Securities involves substantial risks and an investment in Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial adviser) fully evaluate the risks and merits of such an investment in the Securities and who have sufficient resources to be able to bear any losses that may result therefrom. Therefore, before making an investment decision, prospective investors of Securities should ensure that they understand the nature of the Securities and the extent of their exposure to risks and consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in the Listing Supplement and this Supplement to Listing Supplement and any documents incorporated by reference herein. The Listing Supplement and this Supplement to Listing Supplement cannot disclose whether the Securities are a suitable investment in relation to any investor's particular circumstances; therefore investors may wish to consult their own financial, tax, legal or other advisers as they consider appropriate and carefully review and consider such an investment decision in the light of the information set forth in the Listing Supplement and this Supplement to Listing Supplement.

A secondary market for the Securities may not develop and, if one does develop, it may not provide the holders of the Securities with liquidity and may not continue for the life of the Securities. The Issuer may, but is not obliged to, purchase the Securities at any time at any price, and may hold, resell or cancel them. Where the relevant distributor(s) may only confirm the amount or number of Securities sold to investors after the Securities have been issued, the Issuer may cancel some of the Securities if the amount or number of Securities subscribed for or purchased is less than the aggregate nominal amount or number of Securities (as applicable) issued on the Issue Date. The market for the Securities may be limited. The only way in which a holder can realise value from a Security prior to its maturity is to sell it at its then market price in the market. The price in the market for a Security may be less than its issue price even though the value of the Underlying Asset(s) may not have changed since the issue date. Further, the price at which a holder sells its Securities in the market may reflect a commission or a dealer discount, which would further reduce the proceeds it would receive for its Securities. If you sell your Securities prior to the Maturity Date or the Settlement Date, as the case may be, you may suffer a substantial loss. Any investor in the Securities must be prepared to hold such Securities for an indefinite period of time or until redemption or expiry of the Securities.

Where amounts payable under Securities are linked to one or more Underlying Assets, an investment in the Securities is not the same as an investment in the Underlying Asset(s) or an investment directly linked to the Underlying Asset(s), and an investor may be worse off as a result. For example:

- the Underlying Asset(s) will not be held by the Issuer for the benefit of investors, and investors will have no rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any Underlying Asset referenced by such Securities;
- if the Securities are subject to a cap, an investor will not participate in any change in the value of the Underlying Asset(s) over and beyond the price, level, rate or other applicable value needed to reach the cap; and
- if the participation rate of the Securities is less than 100 per cent., an investor will not participate fully in the performance (whether positive or negative) of the Underlying Asset(s). In such case, an investor's return may be significantly less than if the holder had purchased the Underlying Asset(s) directly (or otherwise obtained a direct exposure).

The past performance of an Underlying Asset is not a reliable indicator of its future performance. The level, price, rate or other applicable value of an Underlying Asset may go down as well as up throughout the term of the Securities, and such fluctuations may affect the value of and return on the Securities.

Before purchasing Securities, investors should ensure that they understand the unique nature, characteristics and risks of the Underlying Asset(s), and how the value of the Securities could be affected by the performance of the Underlying Asset(s).

If an Underlying Asset is located in or exposed to one or more emerging market countries, there may be additional event, political, economic, credit, currency, market, regulatory/legal, settlement and clearing risks.

Investors may be exposed to currency risks because (a) an Underlying Asset may be denominated or priced in currencies other than the currency in which the Securities are denominated, or (b) the Securities and/or such Underlying Asset may be denominated in currencies other than the currency of the country in which the investor is resident. The value of the Securities may therefore increase or decrease as a result of fluctuations in those currencies.

In certain circumstances, the Issuer may make adjustments to the terms of the Securities (including substituting or replacing an Underlying Asset or reference rate, as the case may be) or redeem or cancel them at an Early Redemption Amount as determined by it without the consent of the Securityholders. Such an Early Redemption Amount may be less than the issue price or purchase price of the Securities and may be as low as zero. In making any such adjustments or determinations, the Issuer in such capacity will (whether or not already expressed to be the case in the Conditions) act in good faith and in a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such adjustments or determinations in accordance with its applicable regulatory obligations. Please refer to the section headed "Overview of the Potential for Discretionary Determinations by the Issuer" for more information.

The Issuer is subject to a number of conflicts of interest, including:

- in making certain calculations and determinations, there may be a difference of interest between the Securityholders and the Issuer;
- in the ordinary course of its business the Issuer (or an affiliate) may effect transactions for its own account and may enter into hedging transactions with respect to the Securities or Underlying Asset(s) which may affect the market price, liquidity or value of the Securities;
- the Issuer (or an affiliate, or any employees thereof) may have confidential information in relation to an Underlying Asset or any derivative instruments referencing it, but which the Issuer is under no obligation (and may be subject to legal prohibition) to disclose; and
- in relation to proprietary indices sponsored by the Issuer or an affiliate.

Unless otherwise specified in the relevant Pricing Supplement, the net proceeds from each issue of Securities will be used to hedge the obligations of the Issuer under the Securities and for general corporate

purposes.

Save for any fees payable to the Dealer(s) and/or Selling Agent(s) and unless otherwise specified in the relevant Pricing Supplement, so far as the Issuer is aware, no person involved in the issue or offer of the Securities has an interest material to such issue or offer.

The applicable terms and conditions of the Securities and any expenses charged to the investor will be specified in the relevant Pricing Supplement.

RISK FACTORS

The section in the Listing Supplement entitled "RISK FACTORS" shall be replaced with the information below in its entirety.

Risks associated with the creditworthiness of the Issuer

(a) General risks

The Securities are general unsecured obligations of the Issuer. Securityholders are exposed to the credit risk of the Issuer. The Securities will be adversely affected in the event of (i) a default, (ii) a reduced credit rating of the Issuer, (iii) increased credit spreads charged by the market for taking credit risk on the Issuer or (iv) a deterioration in the solvency of the Issuer.

If the Issuer either fails or is otherwise unable to meet its payment obligations, you may lose up to the entire value of your investment. The Securities are not deposits and are not protected under any deposit insurance or protection scheme.

(b) Risks relating to the Issuer

The Issuer faces a variety of risks that are substantial and inherent in its businesses including liquidity risk, credit risk, market risk, country risk, operational risk, legal and regulatory risk, conduct risk, reputational risk and technology risk. These are described in more detail below.

(i) Liquidity risk

Overview

Liquidity risk is the risk that the Issuer will not be able to meet both expected and unexpected, current and future cash flow and collateral needs without affecting either daily operations or the financial condition of the firm. In this context, liquidity risk implies funding liquidity risk, not market liquidity risk. For further information on liquidity risk management, refer to "*ii) Liquidity Risk*" in "*45 – Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the registration document of the Issuer dated 15 May 2020 (the "**CSi Registration Document**")).

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

The Issuer'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 Issuer, certain of its counterparties or the banking sector as a whole, including its 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 Issuer's liquidity. In challenging credit markets, the Issuer'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. For further information, refer to "*Operating Environment*" in "*Strategic Report – Credit Suisse International at a glance*" in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

If the Issuer is unable to raise needed funds in the capital markets (including through offerings of equity, regulatory capital securities and other debt), it may need to liquidate unencumbered assets to meet its liabilities. In a time of reduced liquidity, the Issuer 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 Issuer holds buffers of high quality liquid assets, including government securities, and it is provided with unsecured funding from Credit Suisse AG and its consolidated subsidiaries, in a combination of 120 day and 400 day evergreen tenors, subordinated debt, and equity. The Issuer also generates funding from its structured notes issuance platform.

As documented in the most recent CSi Internal Liquidity Adequacy Assessment ("ILAAP") document, the assessment concludes that the Issuer holds sufficient liquidity under the internal risk measures and the regulatory-defined stress measure liquidity coverage ratio, consistent with the Board-approved risk appetite and limits.

(ii) **Credit risk**

Credit risk is the risk of a loss arising as a result of a borrower or counterparty failing to meet its financial obligations or as a result of deterioration in the credit quality of the borrower or counterparty. For further information on credit risk management and risk mitigation, refer to "iv) Credit Risk" in "Note 45 – Financial Risk Management – Risks Detail" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer may suffer significant losses from its credit exposures

The Issuer's businesses are subject to the fundamental risk that borrowers and other counterparties will be unable to perform their obligations. The Issuer'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 Issuer's exposure to credit risk can be exacerbated by adverse economic or market trends, as well as increased volatility in relevant markets or instruments. For example, adverse economic effects arising from the COVID-19 outbreak, such as disruptions to economic activity and global supply chains, will likely negatively impact the creditworthiness of certain counterparties and result in increased credit losses for the Issuer's businesses. In addition, disruptions in the liquidity or transparency of the financial markets may result in the Issuer's 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 risk-weighted assets on the Issuer's balance sheet, thereby increasing its capital requirements, all of which could adversely affect its businesses.

The Issuer'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 judgement. The Issuer's banking businesses may need to increase their provisions for loan losses or may record losses in excess of the previously determined provisions if their original estimates of loss prove inadequate, which could have a material adverse effect on the Issuer's results of operations. For further information on provisions for loan losses and related risk mitigation, refer to "Allowances and impairment losses financial instruments subject to expected credit loss model" in "3 – Critical Accounting Estimates and Judgements in Applying Accounting Policies" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

Under certain circumstances, the Issuer 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, the Issuer's capital and liquidity requirements may continue to increase. For further information on wrong-way risk exposures and how they are calculated, refer to "Wrong-way risk (WWR)" in "Note 45 – Financial Risk Management

– *Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

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

Concerns, rumours about or an actual 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, including those in or with significant exposure to the eurozone, could lead to losses or defaults by financial institutions and financial intermediaries with which the Issuer interacts on a daily basis, such as clearing agencies, clearing houses, banks, securities firms and exchanges. The Issuer'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 the exposure.

(iii) **Market risk**

Market risk is the risk of a loss arising from fair-valued financial instruments in response to adverse changes in interest rates, credit spreads, foreign currency exchange rates, equity and commodity prices and other relevant market parameters, such as volatilities and correlations. For further information on market risk management, refer to "i) *Market Risk*" in "Note 45 – *Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, the Issuer's business, operations and financial performance

Since December 2019, the COVID-19 pandemic has spread rapidly and globally, with a high concentration of cases in countries in which the Issuer conducts business. The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, the Issuer's business, operations and financial performance.

The spread of COVID-19 and resulting tight government controls and containment measures implemented around the world have caused severe disruption to global supply chains and economic activity, and the market has entered a period of significantly increased volatility. The spread of COVID-19 is currently having an adverse impact on the global economy, the severity and duration of which is difficult to predict, and has adversely affected the Issuer's business, operations and financial performance. This impact is likely to continue and to affect the Issuer's credit loss estimates, mark-to-market losses, trading revenues, net interest income as well as the Issuer's ability to successfully realize our strategic objectives. Should current economic conditions persist or continue to deteriorate, the macroeconomic environment could have a continued adverse effect on these and other aspects of the Issuer's business, operations and financial performance, including decreased client activity or demand for the Issuer's products, disruptions to the Issuer's workforce or operating systems, possible constraints on capital and liquidity or a possible downgrade to the Issuer's credit ratings.

The extent of the adverse impact of the pandemic on the global economy and markets will depend, in part, on the measures taken to limit the spread of the virus and counter its impact and, in part, on the size and effectiveness of the compensating measures taken by governments and how quickly and to what extent normal economic and operating conditions can resume. To the extent the COVID-19 pandemic continues to adversely affect the global economy, and/or adversely affects the Issuer's business, operations or financial performance, it may also have the effect of increasing the likelihood and/or magnitude of other risks described or incorporated by reference in the registration document or the 2019

CSi Annual Report (as defined in the CSi Registration Document), or may pose other risks not presently known to the Issuer or not currently expected to be significant to the Issuer's business, operations or financial performance. The Issuer is closely monitoring the potential adverse effects and impact on the Issuer's operations, businesses and financial performance, including liquidity and capital usage, though the extent of the impact is difficult to fully predict at this time due to the continuing evolution of this uncertain situation. For further information, refer to "*Political and Economic environment*" in "*Credit Suisse International at a glance – Operating Environment*" and "*Macro-Economic Environment*" in "*Principal risks and uncertainties – Other significant Risks*" in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

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

The Issuer maintains significant 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 Issuer 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 Issuer 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 the Issuer 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 Issuer'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 Issuer's net revenues and profitability.

The Issuer's hedging strategies may not prevent losses

If any of the variety of instruments and strategies the Issuer uses to hedge its exposure to various types of risk in its businesses are not effective, the Issuer may incur losses. The Issuer 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.

The Issuer takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows

Foreign currency exchange rates are impacted by macro factors such as changes in interest rates, results or anticipated results of elections, political stability and economic growth, as well as changes in stock markets, the actions of central banks and the supply and demand of the currencies in question.

If the Issuer fails to hedge or otherwise manage its exposure to fluctuations in foreign currency exchange rates effectively, this may have an impact on the Issuer's financial condition and results of operations, which could, in turn, lead to a decrease in the value of its securities. For further information on currency risk management, refer to "*Currency Risk*" in "*Note 45 – Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

Market risk could exacerbate other risks faced by the Issuer

If the Issuer were to incur substantial trading losses, for example, its need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with another market downturn, the Issuer's customers and counterparties could also incur substantial

losses of their own, thereby weakening their financial condition and increasing the Issuer's credit and counterparty risk exposure to them.

Uncertainties regarding the possible discontinuation of benchmark rates may adversely affect the Issuer's business, financial condition and results of operations and may require adjustments to its agreements with clients and other market participants, as well as to its systems and processes

In July 2017, the Financial Conduct Authority, which regulates the London interbank offered rate ("**LIBOR**"), announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. The Issuer has identified a significant number of its liabilities and assets linked to LIBOR and other benchmark rates across businesses that require transition to alternative reference rates. The discontinuation 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 or contractual mechanics are linked to any such benchmark, including those issued and traded by the Issuer. For example, alternative reference rate-linked products may not provide a term structure, may calculate interest payments differently than benchmark-linked products, which could lead to greater uncertainty with respect to corresponding payment obligations, and would likely require a change in contractual terms of products currently indexed on terms other than overnight. The replacement of LIBOR or any other benchmark with an alternative reference rate could negatively impact the value of and return on existing securities and other contracts and result in mispricing and additional legal, financial, tax, operational, market, compliance, reputational, competitive or other risks to the Issuer, its clients and other market participants. For example, the Issuer may face a risk of litigation, disputes or other actions from clients, counterparties, customers, investors or others regarding the interpretation or enforcement of related provisions or if it fails to appropriately communicate the effect that the transition to alternative reference rates will have on existing and future products. In addition, any transition to alternative reference rates will require changes to the Issuer's documentation, methodologies, processes, controls, systems and operations, which will also result in increased effort and cost. There may also be related risks that arise in connection with the transition. For example, the Issuer's hedging strategy may be negatively impacted or market risk may increase in the event of different alternative reference rates applying to its assets compared to its liabilities. For further information, refer to "*Replacement of interbank offered rates*" in "*Credit Suisse International at a glance – Operating Environment – Regulatory environment*" in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

(iv) Country risk

Country risk is the risk of a substantial, systemic loss of value in the financial assets of a country or group of countries, which may be caused by dislocations in the credit, equity and/or currency markets. For further information on market risk management, refer to "*v) Country Risk*" in "*Note 45 – Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer'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 in which it operates

As part of a global financial services company, the Issuer's businesses are materially affected by conditions in the financial markets, economic conditions generally and other developments in Europe, the US, Asia and elsewhere around the world. The Issuer'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 Issuer 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. Volatility increased in the beginning of

2020 and equity market indices declined amid concerns surrounding the spread of COVID-19. 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 Issuer) which lent funds to or did business with or in those countries.

The Issuer may not be able to transact legally with its EU clients following the UK's exit from the European Union

Following extensive negotiations with the EU on the terms of its withdrawal, the UK ceased to be a member of the EU on 31 January 2020 and the transitional period ended on 31 December 2020. Notwithstanding the conclusion of a trade agreement between the EU and the UK in end December 2020, uncertainties remain as to impact of the UK's exit from the EU on the UK economy. The Issuer is continuing to closely monitor this situation and its potential impact.

The Issuer provides a comprehensive range of services to clients through both the London operations and a number of different branches across the European Union. Following the UK's withdrawal from the EU, the Issuer may no longer be able to legally transact with EU clients.

Credit Suisse Group AG and its consolidated subsidiaries (the "**Group**") are executing a Group-wide plan and are in the course of building out trading capabilities in locations in existing companies within the Group. The Issuer is in the process of transferring certain EU clients and EU venue-facing businesses to Group entities in the EU27. For further information, refer to "UK exit from the EU" in "Principal risks and uncertainties – Other principal risks" and "European Union ('EU') Exit Strategy" in "Credit Suisse International at a glance – Strategy" in the 2020 CSi H1 Interim Report. (as defined in the CSi Registration Document (as supplemented)).

The Issuer may face significant losses in emerging markets

An element of the Group's strategy is to increase its private banking businesses in emerging market countries. The Issuer's implementation of that strategy will necessarily increase its existing exposure to economic instability in those countries. The Issuer monitors these risks, seeks diversity in the sectors in which it invests and emphasises client-driven business. The Issuer's efforts at limiting emerging market risk, however, may not always succeed. Various emerging market countries have experienced and may continue to experience severe economic, financial and political disruptions or slower economic growth than in prior years. The possible effects of any such disruptions, such as sanctions imposed on certain individuals and companies, may cause an adverse impact on the Issuer's businesses and increased volatility in financial markets generally. For further information on country risk management, refer to "Country Risk" in "Note 45 – Financial Risk Management – Risks Detail" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

(v) **Non-Financial Risk**

Non-financial risk is the risk of a loss resulting from inadequate or failed internal processes, people and systems or from external events. For further information, refer to "vii) Non-financial risk" in "Note 45 – Financial Risk Management – Risks Detail" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer's risk management procedures and policies may not always be effective

The Issuer 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 Issuer 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 the Issuer's risk management procedures and hedging strategies, and the judgements behind them, may not fully mitigate its risk exposure in all markets or against all types of risk. For further information on value-at-risk, refer to "Value-at-Risk" in "Note 45 – Financial Risk Management – Risks Detail – Market Risk" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer's actual results may differ from its estimates and valuations

The Issuer 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 on judgement and available information, and its actual results may differ materially from these estimates. For further information on these estimates and valuations, refer to "Note 3 – Critical Accounting Estimates and Judgements in Applying Accounting Policies" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer'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 Issuer or impact the value of assets. To the extent the Issuer's models and processes become less predictive due to unforeseen market conditions, illiquidity or volatility, the Issuer's ability to make accurate estimates and valuations could be adversely affected.

The Issuer's accounting treatment of off-balance sheet entities may change

The Issuer enters into transactions with special purpose entities ("**SPEs**") in its normal course of business, and certain SPEs with which it transacts business are not consolidated and their assets and liabilities are off-balance sheet. The Issuer may have to exercise significant management judgement in applying relevant accounting consolidation standards, either initially or after the occurrence of certain events that may require the Issuer to reassess whether consolidation is required. Accounting standards relating to consolidation, and their interpretation, have changed and may continue to change. If the Issuer is required to consolidate an SPE, its assets and liabilities would be recorded on the Issuer's consolidated balance sheets and the Issuer would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on the Issuer's results of operations and capital and leverage ratios. For further information on the extent of the Issuer's involvement in SPEs, refer to "Note 41 – Interests in Other Entities" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

(vi) Legal and regulatory risk

The Issuer's exposure to legal liability is significant

The Issuer 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 continues to increase in many of the principal markets in which the Issuer operates.

The Group 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 its operating results for any particular

period, depending, in part, upon its results for such period. For further information relating to these and other legal and regulatory proceedings, refer to "8 – Legal and Arbitration Proceedings" in the CSi Registration Document and "Note 40 — Guarantees and Commitments" in notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

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 further information, refer to "Note 3 – Critical accounting estimates and judgements in applying accounting policies" and "Note 2 – Significant accounting policies" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

If the Issuer fails to manage its legal risk effectively, this may have an impact on the Issuer's financial condition and results of operations, which could in turn lead to a decrease in the value of its securities

Legal risks include, among other things, the risk of litigation (for example, as a result of mis-selling claims); disputes (for example, over the terms of legacy trades); the inadequacy of transaction documentation (for example, ambiguous terms); unenforceability (for example, of security arrangements); uncertainty with respect to applicable laws and regulations (including change in laws or regulations); and employee disputes. Some of these risks result in claims which the Issuer defends, settles or results in actual litigation that, in each case, the Issuer may incur legal expenses to defend.

If a transaction which the Issuer has entered into is determined to be unenforceable against a counterparty, there is an increased risk that other counterparties which have entered into similar transactions will seek to have those transactions set aside. This may also lead to regulatory scrutiny of such transactions, all of which could lead to significant costs for the Issuer, even where the outcome is determined in its favour. For further information relating to legal and regulatory proceedings, refer to "Note 40 – Guarantees and Commitments" in notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

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

As a participant in the financial services industry, the Issuer is subject to extensive regulation by governmental agencies, supervisory authorities and self-regulatory organisations around the world. Such regulation is increasingly extensive and complex and, in recent years, costs related to compliance with these requirements and the penalties and fines sought and imposed on the financial services industry by regulatory authorities have increased significantly and may increase further. These regulations often serve to limit activities, including through the application of increased capital, leverage and liquidity requirements, customer protection and market conduct regulations and direct or indirect restrictions on the businesses in which the Issuer may operate. Such limitations can have a negative effect on the Issuer's business. To the extent that disinvestment is required from certain businesses, losses could be incurred, as the Issuer 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. If this happens, this may have an impact on the Issuer's financial condition and results of operations, which could in turn lead to a decrease in the value of its securities. For further information on legal and regulatory risk management, refer to "Legal (including Regulatory) Risk" in "45 – Financial Risk Management

– *Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

If the Issuer were to become subject to the use of "resolution" measures by a resolution authority (or pre-resolution measures), investors could lose some or all of their investment in certain securities (such as unsecured notes, warrants and certificates) issued by the Issuer

Under the Banking Act 2009 (the "**UK Banking Act**"), the Bank of England (or, in certain circumstances, HM Treasury) has substantial powers to implement resolution measures with respect to a UK financial institution (such as the Issuer) if (i) the PRA considers that the relevant institution is failing or is likely to fail and (ii) the Bank of England considers that the other conditions have been satisfied, including that action is necessary in the public interest.

These resolution powers include powers to:

- direct the sale of the relevant institution or the whole or part of its business and assets to a third party purchaser;
- transfer all or part of the business of the relevant institution to a "bridge bank";
- transfer the impaired or problem assets of the relevant institution to an asset management vehicle to allow them to be managed over time; and
- exercise the "bail-in" tool (as discussed below), which could result in a write down or cancellation of the amount owed by the relevant institution or conversion of the relevant liability owed to equity.

The above tools may be used in any combination. Alternatively, as a last resort, HM Treasury is given powers, subject to meeting certain further public interest conditions, to take the relevant institution into temporary public ownership (i.e. nationalisation).

The UK Banking Act also allows the Bank of England to take certain "pre-resolution" measures, which may include mandatory write-down of regulatory capital or conversion of regulatory capital to equity prior to the implementing of any resolution measures which may have a similar effect to the use of the "bail in" tool (as described below). Amendments to the UK Banking Act that apply from 28 December 2020 expand these "pre-resolution" measures so that they also apply to "relevant internal liabilities". "Relevant internal liabilities" include certain liabilities owed by, or capital instruments issued by, the relevant institution that are held by another resolution entity in the same resolution group. There are provisions within the UK Banking Act included to ensure that any steps taken under the special resolution regime (i) satisfy certain continuity obligations; and (ii) are effective. For example, the Bank of England may (i) modify contractual arrangements (such as the terms and conditions of securities issued by the relevant institution) in certain circumstances and (ii) suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers. In addition, HM Treasury may disapply or modify laws in the UK (with possible retrospective effect) to enable the recovery and resolution powers under the UK Banking Act to be used effectively.

The exercise of any resolution power, any pre-resolution measures or even the suggestion of their potential exercise could materially adversely affect the value of any securities issued by the Issuer, and could lead to holders of such securities losing some or all of their investment. Prospective investors should assume that the UK government would not provide extraordinary public financial support, or if it did, only as a last resort after the bail-in tool or other resolution tools have been utilised.

Further, notwithstanding that the Issuer is an unlimited company and, as a result, upon its liquidation its creditors have a right of recourse against the Issuer's shareholders, holders of securities issued by the Issuer may not be able to benefit from such recourse if the Issuer becomes subject to the exercise of any resolution power or pre-resolution power or if such power is exercised in a manner which prevents its liquidation (or otherwise changes the nature of the insolvency procedure to which the Issuer may ultimately become subject).

The exercise by the UK resolution authority of the "bail-in" tool (or pre-resolution powers to write down or convert regulatory capital) in relation to securities issued by the Issuer would result in the write down and/or conversion to equity of such securities

In addition to the other powers described above, the Bank of England may exercise the "bail-in" tool in relation to a failing UK financial institution. The "bail-in" tool includes the powers to:

- write down, including to zero (i.e. cancel), a liability or modify its terms for the purposes of reducing or deferring the liabilities of the relevant institution; and/or
- convert a liability from one form or class to another (e.g. from debt to equity).

The exercise of the "bail-in" tool or similar pre-resolution powers (as described above) could result in (i) the cancellation of all, or a portion, of the principal amount of, interest on, or any other amounts payable on, any securities issued by the Issuer, and/or (ii) the conversion of all or a portion of the principal amount of, interest on, or any other amounts payable on, such securities into shares or other securities or other obligations of the Issuer or another person, and/or (iii) the amendment of the maturity of such securities or the amount of interest or any other amount payable on such securities or the date on which such interest or other amount becomes payable, including by means of a variation to the terms of the securities, in each case, to give effect to the exercise by the Bank of England of such powers.

The exercise of any resolution power, including the "bail-in" tool (or any pre-resolution powers in relation to regulatory capital or relevant internal liabilities), in respect of the Issuer and any securities issued by it or any suggestion of any such exercise could materially adversely affect the rights of the holders of such securities, the value of their investment in such securities and/or the ability of the Issuer to satisfy its obligations under such securities, and could lead to the holders of such securities losing some or all of their investment in such securities. In addition, even in circumstances where a claim for compensation is established under the 'no creditor worse off' safeguard in accordance with a valuation performed after the resolution action has been taken, it is unlikely that such compensation would be equivalent to the full losses incurred by the holders of such securities in the resolution, and there can be no assurance that holders of such securities would recover such compensation promptly.

Holders of securities issued by the Issuer may not be able to anticipate the exercise of the "bail-in" tool, any resolution power or any pre-resolution measure to reduce or convert regulatory capital

The resolution powers are intended to be exercised pre-emptively, i.e. prior to the point at which insolvency proceedings with respect to the relevant institution would be initiated, subject to certain conditions.

It is uncertain how the Bank of England would assess such conditions in different pre-insolvency scenarios affecting the relevant institution. The Bank of England is also not required to provide any advanced notice to holders of securities of the relevant institution of its decision to exercise any resolution power. Therefore, holders of the securities issued by the Issuer may not be able to anticipate a potential exercise of any such powers nor the potential effect of any such exercise on the Issuer and any such securities.

Holders of securities issued by the Issuer may have very limited rights to challenge the exercise of the "bail-in" tool, any resolution power or any pre-resolution measure

If the Issuer were to be taken into a resolution regime or subjected to pre-resolution measures, holders of securities issued by the Issuer would have very limited rights to challenge the exercise of powers by the Bank of England, even where such powers have resulted in the write down or conversion of such securities to equity. Additionally, such holders may have only very limited rights to have that decision judicially reviewed. Further, the Bank of England would be expected to exercise such powers without the consent of the holders of the affected securities.

(vii) Conduct risk

The Group defines conduct risk as the risk that improper behaviour or judgement by its employees results in negative financial, non-financial, or reputational impact to its clients, employees, the bank, and the integrity of the markets. For further information on conduct risk management, refer to "*vii) Conduct Risk*" in "*Note 45 – Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer may suffer losses arising from conduct issues

The Group globally defines conduct risk as the risk that improper behaviour or judgement by its employees results in negative financial, non-financial or reputational impact to its clients, employees, the bank, and the integrity of the markets. Some conduct risks are inherent in the Issuer's business and could negatively impact clients, employees, the market or competition. These inherent risks can arise from a variety of causes including failed processes, product design, business set-up, execution of organisational change, or as unintended consequences of business decisions. All staff across the bank are responsible for identifying operational or control incidents as they occur, including conduct risks. Controls exist to mitigate conduct risks and to prevent them from occurring.

The Issuer may suffer losses due to employee misconduct. The Issuer's businesses are exposed to risk from potential non-compliance with policies or regulations, employee misconduct or negligence or fraud, which could result in civil or criminal investigations and charges, regulatory sanctions and serious reputational or financial harm. Although it is not always possible to deter employee misconduct, the Issuer has controls in place to prevent and mitigate against employee misconduct and the consequences thereof.

(viii) Reputational risk

Reputational risk is the risk that an action, transaction, investment or event results in damages to the Issuer's reputation as perceived by clients, shareholders, the media and the public. For further information on reputational risk management, refer to "*x) Reputational Risk*" in "*Note 45 – Financial Risk Management – Risks Detail*" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

Failure to manage the risks it faces may cause damage to the Issuer's reputation, which is a key asset, and the Issuer's competitive position could be harmed if its reputation is damaged

The Issuer acknowledges that, as a large global financial institution, with a wide range of businesses and stakeholders, it may be subject to general criticism or negative perception from time to time which may negatively impact its reputation. The Issuer also acknowledges that it will knowingly engage in specific activities where opinions may vary depending on the perspective and standpoint of each party, and which may lead to negative perception from some stakeholders.

Reputational risk may arise from a variety of sources, including, but not limited to, the nature or purpose of a proposed transaction, action or client relationship, the identity or nature of a potential client, the regulatory or political climate in which the business will be transacted or significant public attention surrounding the transaction itself.

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 Issuer's performance, including its ability to attract and retain clients and employees. The Issuer'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.

Failure by the Issuer to manage many of the risks set out above, particularly conduct risk and regulatory and legal risk, can lead to damage to one of the Issuer's most valuable assets – its reputation.

(ix) Technology risk

Technology risk is the risk of failure or malfunction of storage, server or other technology assets impacting business operability and access to information, and leading to harm or loss. For further information on technology risk management, refer to "ix) Technology Risk" in "Note 45 – Financial Risk Management – Risks Detail" in the notes to the consolidated financial statements in the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The Issuer's business may be disrupted by technology-related failures such as service outages or information security incidents

Technology risk is inherent not only in the Group's IT assets, but also in the people and processes that interact with them including through dependency on third-party suppliers and the worldwide telecommunications infrastructure. The Group seeks to ensure that the data used to support key business processes and reporting is secure, complete, accurate, available, timely and meets appropriate quality and integrity standards. The Group requires its critical IT systems to be identified, secure, resilient and available and support its ongoing operations, decision making, communications and reporting. The Group's systems must also have the capability, capacity, scalability and adaptability to meet current and future business objectives, the needs of its customers and regulatory and legal expectations. Failure to meet these standards and requirements may result in adverse events that could subject the Group to reputational damage, fines, litigation, regulatory sanctions, financial losses or loss of market share.

The Issuer is exposed to cyber risk

The Group recognises that cyber risk represents a rapidly evolving, external risk landscape. The financial industry continues to face cyber threats from a variety of actors who are driven by monetary, political and other motivations.

The Issuer may be compromised as a result of cyber attacks, security breaches, unauthorised access, loss or destruction of data, unavailability of service, computer viruses or other events. Any such event could subject the Issuer to litigation or cause the Issuer to suffer a financial loss, a disruption of its businesses, liability to its clients, regulatory intervention or reputational damage. The Issuer could also be required to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures.

Risks relating to the Securities

The Issuer believes that the risk factors specific to the Securities described below are material for the purpose of taking an informed investment decision associated with the Securities, but these are not the only risks that the Issuer faces or that may arise under the Securities. There will be other risks that the Issuer does not currently consider to be material, or risks that the Issuer is currently not aware of, or risks that arise due to circumstances specific to the investor.

This section also includes the risks specific to the Securities which are classified as Reverse Convertible Securities and Index Securities and Index Basket Securities, and shall not be listed on the TOKYO PRO-BOND Market.

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

For a description of the risk factors relating to the Issuer, investors should refer to the CSI Registration Document for the Issuer, where the specific risks associated with the Issuer are set out.

An investment in Securities entails certain risks, which vary depending on the specific type and structure of the relevant Security and the relevant Underlying Asset(s) which the Security is linked to. Such risks can be divided into the following categories 1 to 6 (each a **Risk Category**):

1. Risks associated with Securities in case of insolvency of the Issuer and in connection with resolution measures in respect of the Issuer (**Risk Category 1**);
2. Risks in connection with the payment profile of the Securities (**Risk Category 2**);
3. Risks in connection with termination and adjustment rights of the Issuer and/or the Calculation Agent (**Risk Category 3**);
4. Risks related to certain types of Securities and certain product features (Risk Category 4);
5. Risks in connection with the Underlying Assets or reference rates (Risk Category 5); and
6. Risks in connection with the purchase, holding and selling of Securities (**Risk Category 6**),

which are set out in the following sections 1. to 6.

The Risk Categories 3 to 5 described in sections 3. to 5. below are divided into sub-categories (each a **Sub-Category**):

- for the Sub-Categories of Risk Category 3 see section (a) to (h) in section 3. below;
- for the Sub-Categories of Risk Category 4 see section (a) to (k) in section 4. below;
- for the Sub-Categories of Risk Category 5 see section (a) to (l) in section 5. below;

1. Risks associated with Securities in case of insolvency of the Issuer and in connection with resolution measures in respect of the Issuer (Risk Category 1)

The risks set out under in the below sub-sections (a) and (b) of this Risk Category 1 are the risks in case of insolvency of the Issuer and in connection with resolution measures in respect of the Issuer.

(a) **Risk in case of an insolvency of the Issuer**

The Securities issued by the Issuer, as the case may be, are direct, unconditional, unsecured and unsubordinated obligations of the Issuer. If the Issuer were to become insolvent, claims of investors in the Securities will rank equally in right of payment with all other unsecured and unsubordinated obligations of the Issuer, except such obligations given priority by law.

An investment in Securities will also not be covered by any compensation or insurance scheme (such as a bank deposit protection scheme) of any government agency of the United Kingdom or any other jurisdiction and the Securities do not have the benefit of any government guarantee. The Securities are the obligations of the Issuer only and holders of Securities must look solely to the Issuer for the performance of the Issuer's obligations under such Securities.

In the event of the insolvency of the Issuer, an investor in Securities may therefore lose all or some of its investment therein irrespective of any favourable development of the other value determining factors, such as the performance of the Underlying Asset(s).

(b) **Risks in connection with the exercise of "resolution" measures or the "bail-in" tool or other pre-resolution powers by the UK resolution authority**

The UK Banking Act, which implements the EU Bank Recovery and Resolution Directive and which continues to form part of domestic law by virtue of the EUWA, provides for a "resolution regime" granting substantial powers to the UK resolution authority to implement resolution measures (including, but not limited to, directing the sale of the relevant institution or transfer of the relevant institution's business to a "bridge bank") with respect to a UK financial institution (such as the Issuer) where the Prudential Regulatory Authority considers that the relevant institution is failing or is likely to fail and action is necessary in the public interest and the Bank of England considers that other conditions to implementing resolution measures have been satisfied. If the Issuer were to become subject to the use of "resolution" measures by a resolution authority (or pre-resolution measures) you could lose some or all of your investment in the Securities. In addition, the UK resolution authority also has the power to exercise the "bail-in" tool (or pre-resolution powers to write down or convert regulatory capital) in relation to Securities issued by the Issuer which would result in the write down and/or conversion to equity of such Securities.

2. Risks in connection with the payment profile of the Securities (Risk Category 2)

In this Risk Category 2 the risks that apply to the payout profile of Securities that may be issued under the Programme are described.

Potential loss of some or all of the investment

Purchasers of Securities which are "capital at risk" investments may lose some or all of their money depending on the performance of the relevant Underlying Asset(s) and the terms of such Securities. The Securities will be "capital at risk" investments unless the Final Redemption Amount payable at maturity or a scheduled early redemption (or, in respect of Instalment Securities, the aggregate of the Instalment Amounts payable over the Instalment Dates, together with the Final Redemption Amount, if any) (as applicable) of the relevant Securities is at least equal to the purchase price paid by investors for such Securities.

Even where the Final Redemption Amount (or, in respect of Instalment Securities, the aggregate of the Instalment Amounts payable over the Instalment Dates, together with the Final Redemption Amount, if any) (as applicable) is at least equal to the purchase price paid by investors for such Securities, the Securities are still "capital at risk" investments if:

- (i) if the terms of the Securities provide for an automatic early redemption event to be applicable, such automatic early redemption event occurs and the amount payable is less than the purchase price; or; or

- (ii) if the terms of the Securities provide that the Issuer's call option or holder's put option, as the case may be, is applicable, such call option or put option, as the case may be, is exercised and the Optional Redemption Amount is less than such purchase price.

Where Securities are "capital at risk" investments, investors are exposed to a return that is linked to the performance of the relevant Underlying Asset(s) (as specified in the relevant Pricing Supplement). In the case of an unfavourable development of the value of the Underlying Asset(s), the amount payable on redemption of the Securities may be less than the amount originally invested and investors may lose the value of some or all of their investment.

In any event, if the amount payable (or entitlement deliverable) on redemption, exercise or expiry of the Securities is less than the purchase price paid by investors for such Securities, investors may lose some or all of their investment.

Further, as explained at the start of this section, even if the Securities are not "capital at risk" and do provide for scheduled repayment in full of the issue price or the purchase price of the Securities, an investor could still lose some or all of his or her investment if:

- the investor sells the Securities prior to maturity in the secondary market but for an amount that is less than the issue price or the purchase price of the Securities;
- the Securities are redeemed early under their terms and conditions at the discretion of the Issuer and the Early Redemption Amount is less than the initial issue price or purchase price (see risk factor 3(a) (*Risks in connection with redemption of the Securities at the Early Redemption Amount*) below); or
- the Securities are subject to certain adjustments made by the Issuer in accordance with the terms and conditions of the Securities that may result in any amount payable (or deliverable) under the Securities (whether at maturity or otherwise) being reduced to, or being valued at, an amount that is less than the original investment.

3. Risks in connection with termination and adjustment rights of the Issuer and/or the Calculation Agent (Risk Category 3)

In this Risk Category 3 the specific risks in connection with termination and adjustment rights of the Issuer and/or the Calculation Agent under the Pricing Supplement are set out. This risk category is divided into Sub-Categories.

(a) Risks in connection with redemption of the Securities at the Early Redemption Amount

In certain circumstances, the Issuer may redeem the Securities (other than due to an automatic early redemption event or exercise of a call option) at an amount equal to the Early Redemption Amount. Such amount may be less than the issue price or the purchase price and investors may therefore lose some or all of their investment and may not be able to reinvest the proceeds in another investment offering a comparable return.

The Securities may be redeemed prior to their scheduled maturity in certain circumstances (other than due to an automatic early redemption event or the exercise of a call option) - for example, (i) if the Issuer determines that its obligations under the Securities or its hedging arrangements, have become unlawful or illegal, or, (ii) following an event of default, or (iii) where the Securities are linked to one or more Underlying Asset(s), following certain events having occurred in relation to any Underlying Asset(s) (where the relevant Pricing Supplement specifies that the terms of the Securities do not provide for the amount payable at maturity to be subject to a minimum amount or for Instalment Amounts to be payable). In such case, the Securities may be redeemed early prior to their scheduled maturity for an amount equal to the Early Redemption Amount, and no other amounts shall be payable in respect of the Securities on account of interest or otherwise

following such determination by the Issuer. Please refer to the section headed "*Overview of the Potential for Discretionary Determinations by the Issuer*" for more information.

The Early Redemption Amount payable on unscheduled redemption of the Securities depends on the elections specified in the relevant Pricing Supplement.

In certain circumstances, it is likely that the Early Redemption Amount will be less than the initial investment, and therefore investors may lose some or all of their investment. Investors may be unable to reinvest the proceeds in an investment having a comparable return. Potential investors should consider such reinvestment risk in light of other investments available at that time.

In certain circumstances, (i) the Early Redemption Amount may be significantly less than what an investor would have received in the absence of such event resulting in the unscheduled redemption of the Securities and (ii) holders will not be able to participate in any potential upside performance of the Underlying Asset(s) after the occurrence of such event and will not receive any further interest or other payments under the Securities.

Please refer to the section headed "*Overview of the Potential for Discretionary Determinations by the Issuer*" for more information.

(b) **In certain circumstances, the Issuer may adjust the terms of the Securities, and such adjustment may have a negative effect on the value of the Securities**

If the Issuer determines that any adjustment events or other events affecting (i) the Underlying Asset(s) or the reference rate(s) (if applicable), or (ii) (depending on the terms of the Securities) the Issuer's hedging arrangements have occurred, the Issuer may adjust the terms and conditions of the Securities (including substituting or replacing an Underlying Asset or reference rate, as the case may be) without the consent of the Securityholders.

In making any such adjustment, the Issuer will (whether or not already expressed to be the case in the Conditions) act in good faith and in a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such adjustment in accordance with its applicable regulatory obligations. Please refer to the section headed "*Overview of the Potential for Discretionary Determinations by the Issuer*" for more information.

Nevertheless, any such adjustment could have a material adverse effect on the return on, and value of, the Securities.

(c) **The Issuer of Securities may be substituted without the consent of Securityholders**

The Issuer of Securities may be substituted without the consent of Securityholders in favour of any affiliate of the Issuer or another company with which it consolidates, into which it merges or to which it sells or transfers all or substantially all of its property, subject to certain conditions being fulfilled. Such substitution of the Issuer may have a material adverse effect on the value of the Securities.

(d) **Jurisdictional Event**

The amount payable in respect of Securities which are linked to an Underlying Asset to which "Jurisdictional Event" is specified to be applicable may be reduced if the value of the proceeds of the Issuer's (or its affiliates') hedging arrangements in relation to such Underlying Asset are reduced as a result of various matters (each described as a "**Jurisdictional Event**") relating to risks connected with the relevant country or countries specified in the terms and conditions of the Securities (including, but not limited to, risks associated with fraud and/or corruption, political risk, legal uncertainty, imposition of foreign exchange controls and changes in laws or regulations).

Please refer to the section headed "*Overview of the Potential for Discretionary Determinations by the Issuer*" for more information.

(e) **Occurrence of Additional Disruption Events**

Additional Disruption Events in respect of an Underlying Asset may include events which result in the Issuer incurring material costs for performing its obligations under the Securities due to a change in applicable law or regulation, the inability or a materially increased cost of the Issuer and/or its affiliates to maintain or enter into hedging arrangements in respect of such Underlying Asset and the Securities. Subject to the terms and conditions for the Securities which determines the types of Additional Disruption Events which are applicable, upon determining that an Additional Disruption Event has occurred, the Issuer has discretion to make certain determinations to account for such event including to (i) make adjustments to the terms of the Securities (without the consent of the Securityholders), or (ii) cause an early redemption of the Securities prior to their scheduled maturity by payment of an Early Redemption Amount instead of the Final Redemption Amount, any of such determinations may have an adverse effect on the value of and return on the Securities. Following a determination by the Issuer in accordance with (ii) no other amounts shall be payable in respect of the Securities on account of interest or otherwise.

In making any such adjustments or determinations, the Issuer in such capacity will (whether or not already expressed to be the case in the Conditions) act in good faith and in a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such adjustments or determinations in accordance with its applicable regulatory obligations.

Please refer to the section headed "*Overview of the Potential for Discretionary Determinations by the Issuer*" for more information.

(f) **Optional redemption by the Issuer**

Any call option of the Issuer in respect of the Securities may negatively impact their market value. During any period when the Issuer may elect to redeem Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem Securities when its cost of borrowing is lower than the interest rate on the Securities. 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 Securities being redeemed. The investor will not be able to participate in the performance of the Underlying Asset(s) following the effective date of the Issuer call option.

(g) **Correction of published prices or levels**

In the event that the relevant published prices or levels of an Underlying Asset are subsequently corrected and such correction is published by the entity or sponsor responsible for publishing such prices or levels, subject to such correction and publication occurring prior to a specified cut-off date in respect of the relevant Securities, such corrected prices or levels may be taken into account by the Issuer in any determination in relation to the Securities and/or the Issuer may make adjustments to the terms of the Securities, subject to the provisions of the relevant terms and conditions for the Securities. Where such corrected prices or levels are lower than the original levels or prices, this may have an adverse effect on the value of and return on the Securities.

(h) **Non-Underlying Asset Days or disruption events may adversely affect the value of and return on the Securities**

If a scheduled date on which the price or level of an Underlying Asset is observed or determined falls on a day which is not a relevant scheduled trading day or business day for such Underlying Asset or any other day which is subject to adjustment in accordance with the relevant terms of the relevant Underlying Asset, then the relevant date may be postponed.

Further, if the Issuer determines that a disruption event in relation to an Underlying Asset has occurred which affects the observation or determination of the price or level of such Underlying Asset on any relevant day, then the relevant date may be postponed or the Issuer may determine the price or level of such Underlying Asset using one or more alternative provisions, or may ultimately determine the price or level of such Underlying Asset in its discretion.

Any such postponement and/or alternative determination of the price or level of an Underlying Asset may adversely affect the value of and return on the Securities. In the event that one or more scheduled dates on which the price or level of an Underlying Asset is observed or determined are postponed, the scheduled Maturity Date or other relevant payment date may also be postponed.

4. Risks related to certain types of Securities and certain product features (Risk Category 4)

In this Risk Category 4 the risks in connection with certain types of Securities and certain product features are described. This risk category is divided into Sub-Categories.

Investors should note that Securities issued under the Programme may be one of the types of Securities set out below and/or may include one or more of the features described below, as set out in each case in the applicable Pricing Supplement. Investors should therefore carefully review the Pricing Supplement of the Security that they are intending to invest into in order to identify whether any of the risks described below apply to such Security.

(a) Risks associated with physical delivery of Underlying Asset(s)

In this Sub-Category the risks of Securities with physical delivery of Underlying Asset(s) are set out.

(i) *Risk in connections with fluctuations in the price of the relevant Underlying Asset or the relevant ETF share*

In certain circumstances the Securities may be redeemed at their maturity by delivering the relevant Underlying Asset or the relevant ETF share tracking the relevant Underlying Asset), to the Securityholders and the Securityholders will receive such Underlying Asset or ETF share, as the case may be, rather than a monetary amount upon maturity. Securityholders will therefore be exposed to the risks associated with the issuer of such Underlying Asset or ETF share, as the case may be, and the risks associated with such Underlying Asset or ETF share, as the case may be.

The value of the relevant Underlying Asset or the relevant ETF share, as the case may be, to be delivered, together with any fractional cash amount, to a Securityholder may be less than the purchase amount paid by such Securityholder for the Securities and the principal amount (if any) of the relevant Securities. In the worst case, the relevant Underlying Asset or the relevant ETF share, as the case may be, to be delivered may be worthless. Also, prospective investors should consider that any fluctuations in the price of the relevant Underlying Asset or the relevant ETF share, as the case may be, to be delivered between the end of the term of the Securities and the actual delivery date will be borne by the Securityholders. This means that a Securityholder's actual loss or gain and final return on the Securities can only be determined after delivery of the relevant Underlying Asset or the relevant ETF share, as the case may be, to such Securityholder.

In order to receive the relevant Share Amount in respect of a Security, a Securityholder must deliver to a Paying Agent a duly completed Delivery Notice on or before the

Presentation Date, otherwise the Issuer shall not be obliged to make delivery of the Share Amount.

- (ii) *Further risks in connection with the Underlying Asset(s) to be delivered under the Securities*

If a Security is redeemed by delivering the relevant Underlying Asset (or the relevant ETF share (if applicable)), any investor therein will be exposed to the risks (including risks of insolvency and risks of fluctuations in value of the relevant Underlying Asset or foreign exchange rate) relating to the Underlying Asset. Any of these risks may result in a reduction in value of the delivered Underlying Assets.

- (iii) *Risks in connection with the taxation of the Underlying Asset(s) to be delivered*

The Securityholder is also required to pay all taxes and expenses in connection with the delivery of the Underlying Asset. Further, Securityholders may be subject to certain documentary or stamp taxes in relation to the delivery and/or disposal of the relevant Underlying Asset or the relevant ETF shares, as the case may be which would not be payable in the event of cash settlement.

(b) **Specific risks associated with Securities linked to a basket of Underlying Assets**

In this Sub-Category the specific risks associated with Securities linked to a basket of Underlying Assets are set out. All of these risks may adversely affect the performance of a basket of Underlying Assets that the Securities are linked to and in turn may adversely affect the value of and return on such Securities.

- (i) *The negative performance of a single basket constituent may outweigh a positive performance of one or more other basket constituents:* Even in the case of a positive performance by one or more of the basket constituents, the performance of the basket as a whole may be negative if the performance of one or more of the other basket constituents is negative to a greater extent, depending on the terms and conditions of the relevant Securities.
- (ii) *A small basket, or an unequally weighted basket, will generally leave the basket more vulnerable to changes in the value of any particular basket constituent:* The performance of a basket that includes a fewer number of basket constituents will generally be more affected by changes in the value of any particular basket constituent than a basket that includes a greater number of basket constituents and a basket which has unequally weighted constituents will generally be more affected by changes in the value of the more heavily weighted basket constituents than a basket which includes equally weighted basket constituents.
- (iii) *A change in composition of a basket may have an adverse effect on basket performance:* Where the terms and conditions of the Securities grant the Issuer the right, in certain circumstances, to adjust the composition of the basket, investors should be aware that any replacement basket constituent may perform differently from the original basket constituent, which may have an adverse effect on the performance of the basket and therefore the performance of the Securities.
- (iv) *Risks resulting from the correlation of multiple Underlying Assets:* In the case of Securities linked to multiple Underlying Assets, the level of correlation among the Underlying Assets indicates their interdependence with respect to their performance, and such level of correlation may have a significant impact on the value of the Securities. A risk that materialises in respect of one particular Underlying Asset also has an impact on the other Underlying Assets due to their correlation. For example, if all of the Underlying Assets that a Security is linked to originate from the same sector and the same country, a high level of correlation may generally be assumed, which could mean that, in the case of

events affecting such sector or country, the value of all Underlying Assets may move in the same direction at substantially the same time and/or experience a substantially similar level of volatility. In such case, such coordinated movement and/or volatility may have a more substantial impact on the value of the Securities linked thereto than if such Securities were linked to multiple Underlying Assets with a low level of correlation. Alternatively, if there is a low level of correlation among the Underlying Assets, any change in the performance of one of the Underlying Assets may have a more substantial impact on the value of the Securities linked thereto than if such Securities were linked to multiple Underlying Assets with a high level of correlation. Consequently investors in Securities that are linked to multiple Underlying Assets with a high degree of correlation may be exposed to greater risks of loss in case adverse events or developments occur with regard to one or more of the Underlying Assets than in case of Securities that are linked to multiple Underlying Assets with a low degree of correlation. However, an investor in Securities should be aware that (i) past levels of correlation among the Underlying Assets may not be determinative of future levels of correlation, (ii) the values of Underlying Assets with a high/low degree of correlation may nevertheless move in opposite directions/the same direction and/or experience different/the same levels of volatility.

(c) **"Worst-of"**

Where the Securities are linked to a basket of Underlying Assets and the terms of the Securities provide that the Final Redemption Amount or other amount payable (as applicable) in respect of such Securities depends on the performance of the worst performing Underlying Asset in the basket, Securityholders will be exposed to the performance of each Underlying Asset and, in particular, to the Underlying Asset which has the worst performance.

This means that, irrespective of how the other Underlying Assets perform, if the Underlying Asset having the worst performance fails to meet the specified threshold or barrier, Securityholders could lose some or all of their initial investment.

(d) **Risks of Securities with barrier feature(s)**

In the case of Securities with a barrier feature, amounts payable in respect of the Securities will be conditional on the value or performance of the relevant Underlying Asset(s), as determined in accordance with the applicable conditions, being (i) greater than, (ii) greater than or equal to, (iii) less than or (iv) less than or equal to, as specified in the applicable Pricing Supplement, a specified barrier value. If such condition is not satisfied, then (a) (in the case of a coupon payment) no payment may be due, or (b) the relevant amount payable may be determined by reference to the performance of the relevant Underlying Asset(s) and may be less than the amount originally invested and lower than the amount an investor would have received had no such event occurred.

(e) **Redemption following an automatic early redemption event**

Where the terms of the Securities provide for an automatic early redemption event, investors in such Securities should be aware that the timing of redemption of such Securities is uncertain since the occurrence of an automatic early redemption event will be dependent upon the performance of the Underlying Asset(s). In the case of an unfavourable development of the value of the Underlying Asset(s), the redemption of such Securities may not occur until the scheduled maturity and the amount payable on redemption will be determined based on the unfavourable performance of the Underlying Asset(s) and may be less than the amount originally invested and lower than the amount an investor would have received had an automatic early redemption event occurred.

Upon early redemption of the Securities as the result of an automatic early redemption event, investors will not participate in the performance of the Underlying Asset(s) after the date of such early redemption. Investors in such Securities may incur additional transaction costs as a consequence of reinvesting proceeds received upon any early redemption and the conditions for such reinvestment may be less favourable than the relevant investor's initial investment in the

Securities. In addition, if an automatic early redemption event occurs, no amounts payable under the Securities that would otherwise have been due after the automatic early redemption date will be paid.

(f) **A "Participation" factor of over 100 per cent. means that you may participate disproportionately in the performance of the Underlying Asset(s)**

Where the terms and conditions of the Securities provide that the redemption amount or other amount payable (as applicable) in respect of such Securities is based upon the performance of the Underlying Asset(s) and is multiplied by a "Participation" factor which is over 100 per cent., the Securityholder may participate disproportionately in any positive performance and/or may have a disproportionate exposure to any negative performance of the Underlying Asset(s). Due to this leverage effect, such Securities will represent a very speculative and risky form of investment since any loss in the value of the Underlying Asset(s) carries the risk of a correspondingly higher loss.

(g) **A "Participation" factor of less than 100 per cent. means that you will not participate in the full positive performance of the Underlying Asset(s)**

Where the terms and conditions of the Securities provide that the redemption amount or other amount payable (as applicable) in respect of such Securities is based upon the performance of the Underlying Asset(s) and is multiplied by a "Participation" factor which is less than 100 per cent., the Securityholder will not participate fully in the positive performance of the Underlying Asset(s). In such case, the return on the Securities will be lower than any positive performance of the Underlying Asset(s), and may be significantly less than if the Securityholder had purchased the Underlying Asset(s) directly.

(h) **The effect of averaging**

If so provided in the applicable terms and conditions of the Securities, the amount payable (or deliverable) on the Securities (whether at maturity or otherwise) will be based on the average of the applicable levels, prices, rates or other applicable values of the Underlying Asset(s) on each of the specified averaging dates, and not the simple performance of the Underlying Asset(s) over the term of the Securities. For example, if the applicable level, price, rate or other applicable value of the particular Underlying Asset(s) dramatically surged on the last of five averaging dates, the amount payable on the Securities may be significantly less than it would have been had the amount payable been linked only to the applicable level, price, rate or other applicable value of the particular Underlying Asset(s) on that last averaging date.

(i) **Cap**

Where the terms of the Securities provide that the amount payable or deliverable is subject to a cap, your ability to participate in any change in the value of the Underlying Asset(s) (or any change in floating interest rates) will be limited, no matter how much the level, price or other value of the Underlying Asset(s) (or floating interest rates) rises above the cap level over the term of the Securities. Accordingly, the value of or return on the Securities may be significantly less than if Securityholders had purchased the Underlying Asset(s) (or invested in instruments which pay an uncapped floating rate of interest) directly.

(j) **Interest rate risks**

In this Sub-Category the risks of Securities that provide for interest payments based on a fixed rate or a floating rate are set out. The risk of Securities that provide for fixed rate interest payments ("**Fixed Rate Securities**") is set out first in the following sub-section (i) and that of Securities that provide for floating rate interest payments ("**Floating Rate Securities**") is set out first in the following sub-section (ii).

(i) *Fixed Rate Securities*

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

(ii) *Floating Rate Securities*

Where interest on Securities is subject to floating rates of interest that will change subject to changes in market conditions, such changes could adversely affect the interest amount(s) received on the Securities. As the interest income on Securities which bear interest at a floating rate will vary, it is not possible to determine a fixed yield on such Securities at the time of investment and to compare the return on investment of such Securities with investments bearing interest at a fixed rate. Further, if the floating rate becomes negative, the resulting rate of interest on the Securities may be less than any positive margin specified to be applicable to the floating rate, or may be zero (or such other minimum rate of interest), as specified in the relevant Pricing Supplement.

(k) **There are particular risks in relation to Securities denominated in or referencing CNY**

Chinese Renminbi, the lawful currency of the People's Republic of China ("**CNY**") is not freely convertible at present. The government of the People's Republic of China continues to regulate conversion between CNY and foreign currencies despite the significant reduction over the years by such government of its control over routine foreign exchange transactions conducted through current accounts. The People's Bank of China ("**PBOC**") has established a clearing and settlement system pursuant to the Settlement Agreement on the Clearing of CNY Business between PBOC and Bank of China (Hong Kong) Limited. However, the current size of CNY and CNY denominated financial assets in Hong Kong is limited, and its growth is subject to many constraints imposed by the laws and regulations of the People's Republic of China on foreign exchange.

No assurance can be given that access to CNY funds for the purposes of making payments under the Securities or generally will remain available or will not become restricted. The value of CNY against foreign currencies fluctuates and is affected by changes in the People's Republic of China and international political and economic conditions and by many other factors. As a result, foreign exchange fluctuations between a purchaser's home currency and CNY may affect purchasers who intend to convert gains or losses from the sale or redemption of the Securities into their home currency.

Developments and the perception of risks in other countries, especially emerging market countries, may adversely affect the exchange rate of CNY into other currencies and therefore the value of Securities denominated in or referencing CNY.

5. Risks in connection with the Underlying Assets or reference rates (Risk Category 5)

In this Risk Category 5 the specific risks in connection with (i) the Underlying Asset(s) that the Securities may be linked to and (ii) the reference rate(s) by reference to which amounts payable under the Securities may be determined are described. This risk category is divided into Sub-Categories.

(a) **Risks associated with Shares**

In this Sub-Category the specific risks of Shares that Securities may be linked to under the Programme are set out.

(i) *Factors affecting the performance of Shares may adversely affect the value of Securities*

The performance of a Share is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well

as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. Any of these factors affecting the performance of Shares may in turn adversely affect the market value of and return on the Securities that are linked to such Shares.

(ii) *Actions by the issuer of a Share may adversely affect the Securities*

The issuer of a Share will have no involvement in the offer and sale of the Securities and will have no obligation to any Securityholder. The issuer of a Share may take any actions in respect of such Share without regard to the interests of the Securityholders, and any of these actions could adversely affect the market value of and return on the Securities.

(iii) *Determinations made by the Issuer in respect of Potential Adjustment Events and Extraordinary Events may have an adverse effect on the value of the Securities*

The adjustment events referred to in section 3(a) (*Risks in connection with redemption of the Securities at the Early Redemption Amount*) include, in respect of Shares, Potential Adjustment Events and Extraordinary Events. Potential Adjustment Events include (A) a sub-division, consolidation or re-classification of Shares, (B) an extraordinary dividend, (C) a call of Shares that are not fully paid-up, (D) a repurchase by the Share issuer, or an affiliate thereof, of the Shares, (E) a separation of rights from Shares, or (F) any event having a dilutive or concentrative effect on the value of Shares. Extraordinary Events include (1) a delisting of Shares on an exchange, (2) an insolvency or bankruptcy of the issuer of the Shares, (3) a merger event entailing the consolidation of Shares with those of another entity, (4) a nationalisation of the issuer of the Shares or transfer of Shares to a governmental entity, or (5) a tender offer or takeover offer that results in transfer of Shares to another entity.

Upon determining that a Potential Adjustment Event or an Extraordinary Event has occurred in relation to a Share or Share issuer, the Issuer has discretion to make certain determinations to account for such event including to (aa) make adjustments to the terms of the Securities (without the consent of Securityholders), and/or (bb) (in the case of an Extraordinary Event) (x) if the terms of the Securities do not provide for the amount payable at maturity to be subject to a minimum amount or for Instalment Amounts to be payable, cause an early redemption of the Securities, or (y) otherwise, redeem the Securities at the scheduled maturity by payment of the Early Redemption Amount instead of the Final Redemption Amount. Any of such determinations may have an adverse effect on the value of and return on the Securities. Following a determination by the Issuer in accordance with (bb)(x) or (bb)(y), no other amounts shall be payable in respect of the Securities on account of interest or otherwise, provided that, in respect of Instalment Securities, notwithstanding the occurrence of such an event, each Instalment Amount scheduled to be paid (but unpaid) on an Instalment Date falling on or after the Early Redemption Date shall continue to be paid on such Instalment Date.

(iv) *Loss of return of dividends in respect of most Securities linked to Shares*

Unless the terms and conditions of the Securities specify otherwise, holders of such Securities in respect of which an Underlying Asset is a Share will not participate in dividends or other distributions paid on such Share. Therefore, the return on such Securities will not reflect the return a Securityholder would have realised had it actually owned such Shares and received the dividends in respect of them.

(b) **Risks associated with equity indices**

In this Sub-Category the specific risks of equity indices that Securities may be linked to are set out.

- (i) *Factors affecting the performance of Indices may adversely affect the value of and return on the Securities*

Indices are comprised of a synthetic portfolio of shares or other assets, and as such, the performance of an Index is dependent upon the macroeconomic factors relating to the shares or other components that comprise such Index, 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. Any of the factors affecting the performance of Indices may in turn adversely affect the market value of and return on Securities that are linked to Indices.

- (ii) *Returns on Securities will not be the same as a direct investment in futures or options on the Index or in the underlying components of the Index*

An investment in the Securities linked to Indices is not the same as a direct investment in futures or option contracts on any or all of the relevant Indices nor any or all of the components included in each Index. In particular, investors will not benefit directly from any positive movements in any Index nor will investors benefit from any profits made as a direct result of an investment in such Index. Accordingly, changes in the performance of any Index may not result in comparable changes in the market value of or return on the Securities linked to such Index.

The rules of an Index might stipulate that dividends distributed on its components do not lead to a rise in the Index Level, for example, if it is a "price" index. As a result, holders of Securities linked to such Index would lose the benefit of any dividends paid by the components of the Index and such Securities would not perform as well as a position where such holder had invested directly in such components or where they invested in a "total return" version of the Index. Even if the rules of the relevant underlying Index provide that distributed dividends or other distributions of the components are reinvested in the Index and therefore result in raising its level, in some circumstances the dividends or other distributions may not be fully reinvested in such Index. Consequently, investors in Securities that are linked to an Index that is a price index should note that dividends paid by the components of the Index will not raise the level of the Index. Similarly, investors in Securities that are linked to an Index that is a total return index should note that under certain circumstances not all of the dividends paid by a component of the Index might be reinvested and therefore such dividends will not fully contribute to a rise in the level of the Index.

- (iii) *Occurrence of Index Cancellation*

If the Issuer determines that an Index Cancellation has occurred in respect of an Index, if "Issuer Adjustment" is specified as applicable, the Issuer shall calculate the Final Redemption Amount and/or any relevant Interim Payment by using the level of the relevant Index using only those securities that comprised such Index immediately prior to such Index Cancellation Event (other than those securities that have since ceased to be listed on the relevant Exchange) or alternatively, if the Issuer determines that the modification is solely of a mathematical nature it may in its discretion alternatively use the published level of the Index and make such consequential changes to the method of calculating the Final Redemption Amount and/or the relevant Interim Payment, as the case may be, as it may determine to be appropriate to preserve the economic equivalent effect of the Securities or if "Redemption and Payment" is specified as applicable, redeem the Security at the fair market value of such Security.

- (iv) *Occurrence of Index Adjustment Events*

Upon determining that an Index Adjustment Event has occurred in relation to an Index if "Issuer Adjustment" is specified as applicable, the Issuer shall calculate the Final

Redemption Amount and/or any relevant Interim Payment by using the level of the relevant Index using only those securities that comprised such Index immediately prior to such Index Adjustment Event (other than those securities that have since ceased to be listed on the relevant Exchange) or alternatively, if the Issuer determines that the modification is solely of a mathematical nature it may in its discretion alternatively use the published level of the Index and make such consequential changes to the method of calculating the Final Redemption Amount and/or the relevant Interim Payment, as the case may be, as it may determine to be appropriate to preserve the economic equivalent effect of the Securities or if "Redemption and Payment" is specified as applicable, redeem the Security at the fair market value of such Security.

(c) Risks associated with commodities and commodity indices

In this Sub-Category the specific risks of commodities and commodity indices that Securities may be linked to under the Programme are set out.

(i) Factors affecting the performance of commodities and commodity indices may adversely affect the value of Securities

Trading in commodities may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable including, for example, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programmes and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programmes and changes in interest and exchange rates. Commodities markets may be subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, the participation of entities who are neither end-users or producers and government regulation and intervention. The current or "spot" prices of physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of a commodity.

Certain emerging market countries – such as China – have become very significant users of certain commodities. Therefore, economic developments in such jurisdictions may have a disproportionate impact on demand for such commodities.

Certain commodities may be produced in a limited number of countries and may be controlled by a small number of producers. Therefore, developments in relation to such countries or producers could have a disproportionate impact on the prices of such commodities.

In summary, commodity prices may be more volatile than other asset classes and investments in commodities may be riskier than other investments. Any of the circumstances described in this section could adversely affect prices of the relevant commodity, and therefore sharply reduce the market value of and return on any Securities linked to such commodity.

(ii) Suspension or disruptions of market trading in commodities and related futures contracts may adversely affect the value of and return on the Securities

The commodity markets are subject to temporary distortions or other disruptions due to various factors, including the lack of liquidity in the markets and government regulation and intervention. In addition, U.S. futures exchanges and some foreign exchanges have regulations that limit the amount of fluctuation in contract prices which may occur during a single business day. These limits are generally referred to as "daily price fluctuation limits" and the maximum or minimum price of a contract on any given day as a result of these limits is referred to as a "limit price". Once the limit price has been reached in a particular contract, trading in the contract will follow the regulations set forth by the trading facility on which the contract is listed. Limit prices may have the effect of precluding trading

in a particular commodity contract, which could adversely affect the value of a commodity or a commodity index and, therefore, the value of and return on any Securities linked to such commodity or commodity index.

(iii) *Legal and regulatory changes*

Commodities are subject to legal and regulatory regimes that may change in ways that could affect the ability of the Issuer and/or any of its affiliates to hedge the Issuer's obligations under the Securities. Such legal and regulatory changes could lead to the early redemption of the Securities or to the adjustment of the terms and conditions of the Securities. Commodities are subject to legal and regulatory regimes in the United States and, in some cases, in other countries that may change in ways that could adversely affect the value of the Securities.

The Dodd-Frank Act includes numerous provisions relating to the regulation of the futures and OTC derivative markets. The Dodd-Frank Act requires regulators, including the Commodity Futures Trading Commission (the "**CFTC**"), to adopt regulations in order to implement many of the requirements of the legislation. While the CFTC has adopted many of the final regulations and has proposed certain others, the ultimate nature and scope of all potentially relevant regulations cannot yet be determined. Under the Dodd-Frank Act, the CFTC has re-proposed a rule to impose limits on the size of positions that can be held by market participants in futures and OTC derivatives on physical commodities, after the prior version of such rule was struck down by a U.S. Federal court. While the comment period for such rule has expired, it is unclear when such rule will actually take effect, or if there will be any further changes to the version as re-proposed. In addition, the CFTC has made certain changes to the regulations that may subject certain transactions utilising swaps to regulation as "commodity pools", unless an exemption from registration is available. There is only limited interpretive guidance as to the precise meaning, scope and effect of many such regulations. Further, the U.S. Congress is considering further legislation, generally intended to "scale back" the scope of certain Dodd-Frank regulations. It is not possible to predict the ultimate scope of such legislation, whether or not it ultimately becomes a law and the date(s) from which its provisions will apply.

In 2017, U.S. Regulators (including Federal Reserve) issued final rules designed to improve the resolvability of U.S. headquartered G-SIBs and the U.S. operations of non-U.S. G-SIBs. The Federal Reserve's rule applies to the U.S. subsidiaries, branches and agencies of Credit Suisse ("**CS Covered Entities**"). In addition, the rule requires CS Covered Entities to modify their Qualified Financial Contracts ("**QFCs**") to obtain agreement of counterparties that (a) their QFCs are subject to the stays on early termination rights under the Orderly Liquidation Authority and the Federal Deposit Insurance Act, which is similar to requirements introduced in other jurisdictions to which we are already subject, and (b) certain affiliate-linked default rights would be limited or overridden if an affiliate of the G-SIB entered proceedings under the U.S. Bankruptcy Code or other insolvency or resolution regimes. A QFC is broadly defined to cover a wide variety of financial transactions, including without limitation swaps and other derivatives, repos and reverse repos, securities lending and borrowing transactions, contracts for the purchase and/or sale of securities, CDOs or mortgage loans, commodities contracts, forward contracts, certain spot transactions, guarantees or credit support enhancements related to the foregoing. The rule also requires that CS Covered Entities ensure that all future QFCs comply with the rules, or to cease transacting with the entire counterparty corporate family group. Covered QFCs must be conformed to the rules' requirements starting 1 January 2019, with full compliance by 1 January 2020. ISDA has developed the 2018 U.S. Resolution Stay Protocol (the "**U.S. Resolution Stay Protocol**") to facilitate compliance with the final rules. In order to permit the continued ability of the Issuer to transact with CS Covered Entities, it is expected that the Issuer will adhere to the U.S. Resolution Stay Protocol, which will amend QFCs entered into between CS Covered Entities and the Issuer. The U.S. Resolution Stay Protocol overrides certain cross-default rights and certain other rights related to the entry of a CS Covered Entity or certain of its

affiliates into certain resolution proceedings, subject to certain conditions. U.S. Regulators have indicated that adherence to the U.S. Resolution Stay Protocol is an acceptable means to satisfy the rule's requirements. Adhering to the U.S. Resolution Stay Protocol may limit the right of the Issuer on behalf of the Securityholders to exercise its rights under any QFC against a swap counterparty that is a CS Covered Entity.

While the full impact of such regulations is not yet known, these regulatory changes are likely to restrict the ability of market participants to participate in the commodity, future and swap markets and markets for other OTC derivatives on physical commodities to the extent and at the levels that they have in the past. These factors may have the effect of reducing liquidity and increasing costs in these markets as well as affecting the structure of the markets in other ways. In addition, these legislative and regulatory changes are likely to further increase the level of regulation of markets and market participants, and therefore the costs of participating in the commodities, futures and OTC derivative markets. Amongst other things, these changes require many OTC derivative transactions to be executed on regulated exchanges or trading platforms and cleared through regulated clearing houses. Swap dealers are required to be registered with the CFTC and, in certain cases, the SEC, and are subject to various regulatory requirements, including capital and margin requirements. In addition, the CFTC and certain other U.S. regulatory authorities have adopted rules with respect to the posting and collecting of initial and variation margin, which will apply to many derivative transactions that are not cleared on a regulated exchange or trading platform. In general, the required margin levels for such uncleared derivatives is higher than would apply if such transaction were centrally cleared. While such rules are being phased in over time, they are already applicable in respect of derivative exposures in excess of specified amounts. The various legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and increases in market volatility. These consequences could adversely affect the prices of commodities, which could in turn adversely affect the return on and value of the Securities. The adoption of any changes in law, which may include (but not be limited to) position limit regulations and other measures which may interfere with the ability of the Issuer (or any of its affiliates) to hedge its obligations under the Securities, may result in the occurrence of a "Change in Law" or a "Hedging Disruption", each of which is an Additional Disruption Event in respect of commodity-linked securities and commodity index-linked Securities (see risk factor in section 3(e) above (*Occurrence of Additional Disruption Events*)).

MiFID II and the Markets in Financial Instruments Regulation ("**EU MiFIR**") and the latter as part of English law by virtue of the EUWA impose a number of key changes aimed at reducing systemic risk, combating disorderly trading and reducing speculative activity in commodity derivatives markets through the imposition of new position limits and management powers by trading venues and national regulators and the grant of additional intervention powers to ESMA. These applied from 3 January 2018 and could have an adverse effect on the prices of commodities and the return on and value of the Securities.

The European Market Infrastructure Regulation (Regulation (EU) No 648/2012) ("**EU EMIR**") and the latter as part of English law by virtue of the EUWA ("**UK EMIR**") require mandatory clearing of certain OTC derivative contracts, reporting of derivatives and risk mitigation techniques (including margin requirements) for uncleared OTC derivative contracts. EU EMIR and UK EMIR will likely impact a number of market participants and may increase the cost of transacting certain derivatives. As and when implementing measures in relation to this regulation are adopted or if other regulations or implementing measures in relation to these regulations are adopted in the future, they could have an adverse impact on the price of a commodity or the level of a commodity index, and the value of and return on the Securities.

- (iv) *Future prices of commodities within a commodity index that are different relative to their current prices may result in a reduced amount payable or deliverable upon redemption or exercise*

Commodity contracts have a predetermined expiration date – a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical commodity or the requirement to make or receive a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "near-dated" commodity contracts) are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated" commodity contracts) are purchased. Investments in commodities apply "rolling" of the component commodity contracts in order to maintain an ongoing exposure to such commodities.

If the market for a commodity contract is in "backwardation", then the price of the longer-dated commodity contract is lower than in the near-dated commodity contract. The rolling therefore from the near-dated commodity contract to the longer-dated commodity contract creates a "roll yield", the amount of which will depend on the amount by which the unwind price of the former exceeds the spot price of the latter at the time of rolling. Conversely, if the market for a commodity contract is in "contango", then the price of the longer-dated contract is higher than the near-dated commodity contract. This could result in negative "roll yields".

As a result of rollover gains/costs that have to be taken into account within the calculation of such indices and under certain market conditions, such indices may outperform or underperform the underlying commodities contained in such indices. Furthermore, the prices of the underlying commodities may be referenced by the price of the current futures contract or active front contract and rolled into the following futures contract before expiry.

The value of Securities linked to a commodity index is, therefore, sensitive to fluctuations in the expected futures prices of the relevant commodities contracts comprising such commodity index. A commodity index may outperform or underperform its underlying commodities. In a "contango" market, this could result in negative "roll yields" which, in turn, could reduce the level of such commodity index and, therefore, have an adverse effect on the value of and return on the Securities.

- (v) *Commodity indices may include contracts that are not traded on regulated futures exchanges*

Commodity indices are typically based solely on futures contracts traded on regulated futures exchanges. However, a commodity index may include over-the-counter contracts (such as swaps and forward contracts) traded on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. As a result, trading in such contracts, and the manner in which prices and volumes are reported by the relevant trading facilities, may not be subject to the provisions of, and the protections afforded by, for example, the U.S. Commodity Exchange Act of 1936, or other applicable statutes and related regulations that govern trading on regulated U.S. futures exchanges, or similar statutes and regulations that govern trading on regulated UK futures exchanges. In addition, many electronic trading facilities have only recently initiated trading and do not have significant trading histories. As a result, the trading of contracts on such facilities, and the inclusion of such contracts in a commodity index, may be subject to certain risks not presented by, for example, U.S. or UK exchange-traded futures contracts, including risks related to the liquidity and price histories of the relevant contracts.

- (vi) *A change in the composition or discontinuance of a commodity index could adversely affect the market value of and return on the Securities*

The sponsor of a commodity index can add, delete or substitute the underlying components of such commodity index or make other methodological changes that could change the level of one or more underlying components. The changing of underlying components of any commodity Index may affect the level of such commodity index as a newly added underlying component may perform significantly worse or better than the underlying component it replaces, which in turn may adversely affect the value of and return on the Securities. The sponsor of a commodity index may also alter, discontinue or suspend calculation or dissemination of such commodity index. The sponsor of a commodity index will have no involvement in the offer and sale of the Securities and will have no obligation to any investor in such Securities. The sponsor of a commodity index may take any actions in respect of such commodity index without regard to the interests of investors in the Securities, and any of these actions could adversely affect the value of and return on the Securities.

- (vii) *Continuation of calculation of commodity Index Level upon the occurrence of a disruption event in relation to a underlying component*

If a disruption event occurs with respect to any underlying component included in a commodity Index, the adjustment provisions included in the terms and conditions of the Securities will apply, including the determination by the Issuer of the value of the relevant disrupted underlying component and, in turn, the value of such commodity index on the date specified in such Securities. However, regardless of the disruption event, the sponsor of the commodity index may continue to calculate and publish the level of such commodity index. In such circumstances, investors in the Securities should be aware that the value of the commodity index determined by the Issuer upon the occurrence of a disruption event may not reflect the value of the commodity index as calculated and published by the sponsor of such commodity index for the relevant valuation date, nor would the Issuer be willing to settle, unwind or otherwise use any such published value while a disruption event is continuing with respect to any underlying component included in a commodity index. Any of these actions could have an adverse effect on the value of and return on the Securities.

(d) Risks associated with ETFs

In this Sub-Category the specific risks of ETFs that Securities may be linked to under the Programme are set out.

- (i) *Factors affecting the performance of ETFs may adversely affect the value of Securities*

The performance of ETFs is dependent upon the performance of a portfolio of assets which they track. As a result, the performance of an ETF is dependent upon macroeconomic factors affecting the performance of such assets, such as interest and price levels on the capital markets, currency developments, political factors as well as company-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy. Any of these factors affecting the performance of the assets within such portfolio may in turn adversely affect the market value of and return on the Securities that are linked to such ETFs.

- (ii) *Where the Underlying Asset is an ETF, there is a risk that an ETF will not accurately track its underlying asset(s) or index*

Where the Securities are linked to an ETF and the investment objective of such ETF is to track the performance of one or more underlying assets or an index, the investors of such Securities are exposed to the performance of such ETF rather than the underlying asset(s) or index such ETF tracks. For certain reasons, including to comply with certain tax and regulatory constraints, an ETF may not be able to accurately track the underlying asset(s) or the constituent securities of the underlying index, which could give rise to a difference between the performance of the underlying asset(s) or index and such ETF.

Accordingly, investors who purchase Securities that are linked to an ETF may receive a lower return than if such investors had invested directly in the asset(s) or the components of the index underlying such ETF.

- (iii) *Action by fund adviser, fund administrator or sponsor of an ETF may adversely affect the Securities*

The fund adviser, fund administrator or sponsor of an ETF will have no involvement in the offer and sale of the Securities and will have no obligation to any investor in such Securities. The fund adviser, fund administrator or sponsor of an ETF may take any actions in respect of such ETF without regard to the interests of the Securityholders, and any of these actions could adversely affect the market value of and return on the Securities.

- (iv) *An ETF may involve varying levels of risk depending on the tracking strategy and/or technique employed by the fund adviser or the fund administrator*

The fund adviser or the fund administrator of an ETF may use certain tracking strategies or techniques to track the performance of the underlying asset(s) or index, such as full replication (i.e. direct investment in all components included in the underlying share), synthetic replication (such as a swap) or other techniques such as sampling.

An ETF may involve varying levels of risk depending on the tracking strategy and/or techniques employed by the fund adviser or the fund administrator. For example, an ETF using full replication or synthetic replication techniques may be exposed to an unlimited risk of the negative performance of the underlying asset(s) or index. In addition, such ETF may not be able to acquire all components of the underlying asset(s) or index or sell them at reasonable prices. This may affect the ETF's ability to replicate the underlying asset(s) or index and may have a negative impact on the performance of the ETF. ETFs which use swaps for synthetic replication of the underlying asset(s) or index may be exposed to the risk of default of their swap counterparties. An ETF which uses sampling techniques may create portfolios of assets which may comprise only some of the components of the underlying asset(s) or index. Therefore the risk profile of such ETF may not be consistent with the risk profile of the underlying asset(s) or index. The risks that exist at the level of the ETF in respect of the ETF's underlyings and/or swap counterparties may have a negative impact on the performance of the ETF and may therefore also have a negative impact on the amount(s) payable to Securityholders under the Securities.

- (v) *Determinations made by the Issuer in respect of Potential Adjustment Events and Extraordinary Events may have an adverse effect on the value of and return on the Securities*

The adjustment events referred to in section 3(a) above (*Risks in connection with redemption of the Securities at the Early Redemption Amount*) include, in respect of ETF shares, Potential Adjustment Events and Extraordinary Events. Potential Adjustment Events include (A) a sub-division, consolidation or re-classification of ETF shares, (B) an extraordinary dividend, (C) a repurchase by the ETF of the ETF shares, (D) any event having a dilutive or concentrative effect on the value of the ETF shares, or (E) the amendment or supplement to the terms of the deposit agreement in respect of ETF shares which are depositary receipts. Extraordinary Events include (1) a delisting of ETF shares on an exchange, (2) a merger event entailing the consolidation of ETF shares with those of another entity, (3) a nationalisation of the ETF or transfer of ETF shares to a governmental entity, or (4) a tender offer or takeover offer that results in transfer of ETF shares to another entity.

Upon determining that a Potential Adjustment Event or an Extraordinary Event has occurred in relation to an underlying ETF share or ETF, the Issuer has the discretion to make certain determinations to account for such event including to (aa) make adjustments

to the terms of the Securities (without the consent of Securityholders), and/or (bb) (in the case of an Extraordinary Event) (x) if the terms of the Securities do not provide for the amount payable at maturity to be subject to a minimum amount or for Instalment Amounts to be payable, cause an early redemption of the Securities, or (y) otherwise, redeem the Securities at the scheduled maturity by payment of the Early Redemption Amount instead of the Final Redemption Amount. Any of such determinations may have an adverse effect on the value of and return on the Securities. Following a determination by the Issuer in accordance with (bb)(x) or (bb)(y), no other amounts shall be payable in respect of the Securities on account of interest or otherwise, provided that, in respect of Instalment Securities, notwithstanding the occurrence of such an event, each Instalment Amount scheduled to be paid (but unpaid) on an Instalment Date falling on or after the Early Redemption Date shall continue to be paid on such Instalment Date.

(e) **Risks associated with reference rates by reference to which any amount payable under the Securities is determined**

In this Sub-Category the specific risks of reference rates by reference to which any amount payable under the Securities is determined are set out.

(i) *Factors affecting reference rates*

Reference rates are mainly dependent upon the factors of the supply and demand for credit in the money market, i.e., the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of reference rate. Factors that are affecting the performance of the reference rate(s) may adversely affect the market value of, and return (if any) on, the Securities linked thereto.

(ii) *Risks in connection with the determination of reference rates*

The amount(s) payable under the Securities may be determined by reference to one or more reference rates, such as the Floating Rate Option used to determine the Rate of Interest in respect of Floating Rate Securities, the rate of premium for Securities in respect of which a premium is payable, or any other interest rate, index, benchmark or price source by reference to which any amount payable under the Securities is determined. A reference rate (i) may be materially modified, (ii) may be permanently or indefinitely discontinued or may cease to exist, or (iii) may not be used in certain ways by an EU supervised entity if its administrator does not obtain authorisation or registration (subject to applicable transitional provisions) (see sub-section (h) below (*Risks in connection with regulation and reform of "Benchmarks"*)).

(f) **Exposure to risk that redemption amounts do not reflect direct investment in the Underlying Assets**

The Final Redemption Amount payable (or Share Amount deliverable) on Securities that reference Underlying Assets may not reflect the return a Securityholder would realise if it actually owned the relevant Underlying Assets and received distributions paid in respect of those Underlying Assets because the price of the Underlying Assets or underlying shares on any specified valuation dates may not take into consideration the value of such distributions. Accordingly, a Securityholder of Securities that reference Underlying Assets or underlying shares may receive a lower payment upon redemption of such Securities than such Securityholder would have received if it had invested directly in the Underlying Assets.

(g) **A change in the composition or discontinuance of an index could have a negative impact on the value of the Securities**

Where Securities reference an Underlying Asset which is an index, the sponsor of the relevant index can add, delete or substitute the components of such index or make other methodological changes that could change the level of one or more components. The changing of the components of an index may affect the level of such index as a newly added component may perform significantly worse or better than the component it replaces, which in turn may adversely affect the value of and return on the Securities. The sponsor of an index may also alter, discontinue or suspend calculation or dissemination of such index. The sponsor of an index will have no involvement in the offer and sale of the Securities and will have no obligation to any investor in such Securities. The sponsor of an index may take any actions in respect of such index without regard to the interests of the investor in the Securities, and any of these actions could have an adverse effect on the value of and return on the Securities.

(h) Exposure to emerging markets

An Underlying Asset may include an exposure to emerging markets. Emerging market countries possess one or more of the following characteristics: a certain degree of political instability, relatively unpredictable financial markets and economic growth patterns, a financial market that is still at the development state or a weak economy. Emerging markets investments usually result in higher risks such as event risk, political risk, economic risk, credit risk, currency rate risk, market risk, regulatory/legal risk and trade settlement, processing and clearing risks as further described below. Investors should note that the risk of occurrence and the severity of the consequences of such risks may be greater than they would otherwise be in relation to more developed countries.

- (i) **Event Risk:** On occasion, a country or region will suffer an unforeseen catastrophic event (for example, a natural disaster) which causes disturbances in its financial markets, including rapid movements in its currency, that will affect the value of securities in, or which relate to, that country. Furthermore, the performance of an Underlying Asset can be affected by global events, including events (political, economic or otherwise) occurring in a country other than that in which such Underlying Asset is issued or traded.
- (ii) **Political Risk:** Many emerging market countries are undergoing, or have undergone in recent years, significant political change which has affected government policy, including the regulation of industry, trade, financial markets and foreign and domestic investment. The relative inexperience with such policies and instability of these political systems leave them more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic developments, social, ethnic, or religious instability or changes in government policies. Such circumstances, in turn, could lead to a reversal of some or all political reforms, a backlash against foreign investment, and possibly even a movement away from a market-oriented economy. For Securityholders, the results may include confiscatory taxation, exchange controls, compulsory re-acquisition, nationalisation or expropriation of foreign-owned assets without adequate compensation or the restructuring of particular industry sectors in a way that could adversely affect investments in those sectors. Any perceived, actual or expected disruptions or changes in government policies of a country, by elections or otherwise, can have a major impact on the performance of an Underlying Asset linked to such emerging market countries.
- (iii) **Economic Risk:** The economies of emerging market countries are by their nature in early or intermediate stages of economic development, and are therefore more vulnerable to rising interest rates and inflation. In fact, in many emerging market countries, high interest and inflation rates are the norm. Rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trades and sensitivity to world commodity prices play key roles in economic development, yet vary greatly from one emerging market country to another. Businesses and governments in these emerging market countries may have a limited history of operating under market conditions. Accordingly, when compared to more developed countries, businesses and governments of emerging market countries are relatively inexperienced in dealing with market conditions and have a limited capital base from which to borrow funds and develop their operations and economies. In addition, the lack

of an economically feasible tax regime in certain countries poses the risk of sudden imposition of arbitrary or excessive taxes, which could adversely affect foreign Securityholders. Furthermore, many emerging market countries lack a strong infrastructure and banks and other financial institutions may not be well-developed or well-regulated. All of the above factors, as well as others, can affect the proper functioning of the economy and have a corresponding adverse effect on the performance of an Underlying Asset linked to one or more emerging market countries.

- (iv) **Credit Risk:** Emerging market sovereign and corporate debt tends to be riskier than sovereign and corporate debt in established markets. Issuers and obligors of debt in these emerging market countries are more likely to be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to go into default. The sovereign debt of some countries is currently in technical default and there are no guarantees that such debt will eventually be restructured allowing for a more liquid market in that debt. The measure of a company's or government's ability to repay its debt affects not only the market for that particular debt, but also the market for all securities related to that company or country. Additionally, evaluating credit risk for foreign bonds involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult. Many debt securities are simply unrated and may already be in default or considered distressed. There is often less publicly available business and financial information about foreign issuers in emerging market countries than those in developed countries. Furthermore, foreign companies are often not subject to uniform accounting, auditing and financial reporting standards. Also, some emerging market countries may have accounting standards that bear little or no resemblance to, or may not even be reconcilable with, generally accepted accounting principles.
- (v) **Currency Risk:** An Underlying Asset may be denominated in a currency other than U.S. dollars, euro or pounds sterling. The weakening of a country's currency relative to the U.S. dollar or other benchmark currencies will negatively affect the value (in U.S. dollar or such other benchmark currency) of an instrument denominated in that currency. Currency valuations are linked to a host of economic, social and political factors and can fluctuate greatly, even during intra-day trading. It is important to note that some countries have foreign exchange controls which may include the suspension of the ability to exchange or transfer currency, or the devaluation of the currency. Hedging can increase or decrease the exposure to any one currency, but may not eliminate completely exposure to changing currency values.
- (vi) **Market Risk:** The emerging equity and debt markets of many emerging market countries, like their economies, are in the early stages of development. These financial markets generally lack the level of transparency, liquidity, efficiency and regulation found in more developed markets. It is important, therefore, to be familiar with secondary market trading in emerging markets securities and the terminology and conventions applicable to transactions in these markets. Price volatility in many of these markets can be extreme. Price discrepancies can be common as can market dislocation. Additionally, as news about a country becomes available, the financial markets may react with dramatic upswings and/or downswings in prices during a very short period of time. These emerging market countries also might not have regulations governing manipulation and insider trading or other provisions designed to "level the playing field" with respect to the availability of information and the use or misuse thereof in such markets. It may be difficult to employ certain risk management practices for emerging markets securities, such as forward currency exchange contracts, stock options, currency options, stock and stock index options, futures contracts and options on futures contracts.
- (vii) **Regulatory/Legal Risk:** In emerging market countries there is generally less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers and issuers than in more developed countries. Whatever supervision is in place may be subject to manipulation or control. Many

emerging market countries have mature legal systems which are comparable to those of more developed countries, whilst others do not. The process of regulatory and legal reform may not proceed at the same pace as market developments, which could result in confusion and uncertainty and, ultimately, increased investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain areas, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation and may be changed with retroactive effect. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. Judges and courts in many countries are generally inexperienced in the areas of business and corporate law. Companies are exposed to the risk that legislatures will revise established law solely in response to economic or political pressure or popular discontent. There is no guarantee that a foreign Securityholder would obtain a satisfactory remedy in local courts in case of a breach of local laws or regulations or a dispute over ownership of assets. A Securityholder may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in foreign courts.

- (viii) **Trade Settlement, Processing and Clearing:** Many emerging market countries have different clearance and settlement procedures from those in more developed countries. For many emerging markets securities, there is no central clearing mechanism for settling trades and no central depository or custodian for the safekeeping of securities. Custodians can include domestic and foreign custodian banks and depositaries, among others. The registration, record-keeping and transfer of Securities may be carried out manually, which may cause delays in the recording of ownership. Where applicable, the Issuer will settle trades in emerging markets securities in accordance with the currency market practice developed for such transactions by the Emerging Markets Traders Association. Otherwise, the transaction may be settled in accordance with the practice and procedure (to the extent applicable) of the relevant market. There are times when settlement dates are extended, and during the interim the market price of any Underlying Assets and in turn the value of the Securities, may change. Moreover, certain markets have experienced times when settlements did not keep pace with the volume of transactions resulting in settlement difficulties. Because of the lack of standardised settlement procedures, settlement risk is more prominent than in more mature markets. In addition, Securityholders may be subject to operational risks in the event that Securityholders do not have in place appropriate internal systems and controls to monitor the various risks, funding and other requirements to which Securityholders may be subject by virtue of their activities with respect to emerging market securities.

(i) **Risks in connection with regulation and reform of “Benchmarks”**

A number of major interest rates, other rates, indices and other published values or benchmarks are the subject of recent or forthcoming national and international regulatory reforms. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value of and return on Securities linked to any such value or benchmark.

The EU Benchmark Regulation and the UK Benchmark Regulation

The EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmark Regulation**") and the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmark Regulation**") are key elements of the ongoing regulatory reform in the EU and UK, respectively. In addition to so-called "critical benchmarks" such as the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**"), other interest rates, foreign exchange rates, and indices, including equity, commodity and "proprietary"

indices or strategies, will in most cases be within scope of the EU Benchmark Regulation and the UK Benchmark Regulation as "benchmarks" where they are used to determine the amount payable under, or the value of, certain financial instruments, and in a number of other circumstances.

The EU Benchmark Regulation and the UK Benchmark Regulation apply to the contribution of input data to a benchmark, the administration of a benchmark, and the use of a benchmark in the EU and UK, respectively. Amongst other things, the EU Benchmark Regulation and the UK Benchmark Regulation requires benchmark administrators in the EU and UK, respectively, to be authorised or registered as such and to comply with extensive requirements relating to benchmark administration. It also prohibits certain uses by UK supervised entities in the EU and UK, respectively, of (i) benchmarks provided by UK administrators which are not authorised or registered in accordance with the EU Benchmark Regulation and the UK Benchmark Regulation and (ii) benchmarks provided by administrators outside the EU and UK, respectively, where (A) the administrator's regulatory regime has not been determined to be "equivalent" to that of the EU and UK, respectively,, (B) the administrator has not been recognised in accordance with the EU Benchmark Regulation and the UK Benchmark Regulation, and (C) the benchmark has not been endorsed in accordance with the EU Benchmark Regulation and the UK Benchmark Regulation.

The EU Benchmark Regulation and the UK Benchmark Regulation could have a material impact on Securities linked to a benchmark. For example:

- (A) if the amount(s) payable under the Securities is determined by reference to one or more reference rates and the relevant administrator does not obtain authorisation or registration (subject to applicable transitional provisions), the Issuer may replace such reference rate with a replacement rate and determine an adjustment spread to the replacement rate, and make the necessary adjustments to the terms and conditions of the Securities (see risk factor 5(e) (*Risks associated with reference rates by reference to which any amount payable under the Securities is determined*)); and
- (B) the methodology or other terms of the benchmark could be changed in order to comply with the requirements of the EU Benchmark Regulation and the UK Benchmark Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and could lead to adjustments to the terms of the Securities, including Calculation Agent determination of the rate or level in its discretion.

Reform and replacement of Interbank Offered Rates

Amongst other developments, relevant authorities are strongly encouraging the transition away from Interbank Offered Rates ("**IBORs**"), such as LIBOR and EURIBOR, and have identified "risk free rates" to eventually take the place of such IBORs as primary benchmarks (the "**Risk Free Rates**"). This includes (i) for sterling LIBOR, a reformed Sterling Overnight Index Average ("**SONIA**"), so that SONIA may be established as the primary sterling interest rate benchmark by the end of 2021, (ii) for EONIA and EURIBOR, a new Euro Short-Term Rate ("**€STR**") as the new euro risk-free rate, (iii) for Swiss franc LIBOR, the Swiss Average Rate Overnight rate ("**SARON**") and (iv) for USD LIBOR, the Secured Overnight Financing Rate ("**SOFR**") to be eventually established as the primary U.S. dollar interest rate benchmark. While Floating Rate Securities may be issued referring to SONIA for GBP, SOFR for USD, €STR for Euro or SARON for CHF, each of these Risk Free Rates is "backward-looking", meaning that interest payments are calculated shortly before the relevant Interest Payment Date. Therefore, investors will have significantly less notice of the amounts due to be paid for an Interest Period where the relevant interest rate is determined by reference to a Risk Free Rate. Forward-looking Risk Free Rates are not generally available as of the date of Listing Supplement and this Supplement to Listing Supplement and there is no certainty that a forward-looking Risk Free Rate will be available in respect of any currency or any particular product in the future.

Whilst IBORs are forward-looking term rates that embed bank credit risk, the Risk Free Rates identified as of the date of Listing Supplement and this Supplement to Listing Supplement are

overnight rates and are intended to be nearly risk-free. However Risk Free Rates are comparatively new and less historical data is available than for IBORs. As such, investors should be aware that SONIA, SOFR, €STR and SARON may behave materially differently from IBORs as interest reference rates for Securities issued under the Programme and could provide a worse return over time than an IBOR.

(j) Risks in connection with the development of Risk Free Rates

Investors should also be aware that the market continues to develop in relation to the Risk Free Rates as reference rates in the capital markets. The market or a significant part thereof (including the Issuer) may adopt an application of the Risk Free Rates that differs significantly from that set out in the terms and conditions for the Securities (including in relation to fallbacks in the event that such Risk Free Rates are discontinued or fundamentally altered).

(k) Risks in connection with "Shift" and "Lag" methodologies

Where the Rate of Interest for Floating Rate Securities is Compounded Daily SONIA, Compounded Daily SOFR or Compounded Daily €STR, the Observation Method will be specified as "Shift" or "Lag" as applicable. "Shift" and "Lag" have emerged as conventions for daily compounding of rates in arrears. The conventions differ in the period that each method uses when weighting each business day's overnight rate for the relevant Risk Free Rate. The "Shift" approach weights the relevant Risk Free Rate according to the relevant number of days that apply in a separate observation period which 'shadows' the Interest Period e.g. the observation period might start and end five business days preceding the relevant start and end of the Interest Period. The "Lag" approach weights the relevant Risk Free Rate according to the number of days that apply in the relevant Interest Period. Investors should be aware that divergence between the "Shift" and "Lag" methodologies could lead to a difference in the interest being determined even where the relevant Risk Free Rate is the same for the Floating Rate Securities and may not be what the investors expected.

(l) Risks in connection with adoption or application of Risk Free Rates

In addition, the manner of adoption or application of the Risk Free Rates in the Eurobond markets may differ materially compared with the application and adoption of the Risk Free Rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of any Securities referencing SONIA, SOFR, €STR or SARON.

6. Risks in connection with the purchase, holding and selling of Securities (Risk Category 6)

In this Risk Category 6 the risks in connection with the purchase, holding and selling of Securities are set out.

(a) Risks related to fluctuation in the market value of the Securities

The market value of the Securities will be affected by many factors beyond the control of the Issuer, including, but not limited to, the following:

- (i) the creditworthiness of the Issuer (whether actual or perceived), including actual or anticipated downgrades in its credit rating. The creditworthiness of the Issuer is generally also expected to be reflected in the credit spread on debt securities issued by it, i.e. the margin payable by the Issuer to an investor as a premium for the assumed credit risk. Factors influencing the credit spread of the Issuer include, among other things, the creditworthiness and rating of the Issuer, probability of default of the Issuer, estimated

recovery rate in liquidation and remaining term of the relevant Security. The liquidity situation, the general level of interest rates, overall economic, national and international political and financial regulatory developments, and the currency in which the relevant Security is denominated may also have a negative effect on the credit spread of the Issuer;

- (ii) the remaining time to maturity of the Securities;
 - (iii) interest rates and yield rates in the relevant market(s);
 - (iv) the volatility (i.e., the frequency and size of changes in the value) of the Underlying Asset(s) (if any);
 - (v) the value of the Underlying Asset(s) to which the Securities are linked (if any). The price, performance or investment return of the Underlying Asset(s) may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of an Underlying Asset may be affected by national and international economic, financial, regulatory, political, military, judicial or other events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of and return on the Securities.
 - (vi) if the Securities are linked to a Share, the dividend rate on such Share or if the Securities are linked to an Index comprised of shares, the dividend rate on the components underlying such Index;
 - (vii) if the Securities are linked to a Share or an ETF share, the occurrence of certain corporate events in relation to such Share or ETF share, as the case may be;
 - (viii) if the Securities are linked to a commodity or a commodity index, supply and demand trends and market prices at any time for such Commodity or the futures contracts on such commodity (or, in respect of a commodity index, the commodity(ies) or the futures contracts on the commodity(ies) underlying such commodity index);
 - (ix) national and international economic, financial, regulatory, political, military, judicial and other events that affect the value of the Underlying Asset(s) or the relevant market(s) generally; and
 - (x) the exchange rate(s) between the currency in which the Securities are denominated and the currency in which the Underlying Asset(s) is denominated and the volatility of such exchange rate(s).
- (b) **Risks in connection with the secondary market in general**

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

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

commission or a dealer discount, which would further reduce the proceeds such Securityholder would receive for its Securities. If a Securityholder sells its Securities prior to the Maturity Date, it may suffer a substantial loss.

Any secondary market price quoted by the Issuer may be affected by several factors including, without limitation, prevailing market conditions, credit spreads and the remaining time to maturity of the Securities. The Securities are also subject to selling restrictions and/or transfer restrictions that may limit a Securityholder's ability to resell or transfer its Securities. Accordingly, the purchase of Securities is suitable only for investors who can bear the risks associated with a lack of liquidity in the Securities and the financial and other risks associated with an investment in the Securities. Any investor in the Securities must be prepared to hold such Securities for an indefinite period of time or until redemption or expiry of the Securities.

(c) Risks Relating to use of Proceeds

The Pricing Supplement relating to any issuance of specific Securities may provide that it will be the Issuer's intention to allocate (or cause Credit Suisse Group AG or any of its affiliates to allocate) the proceeds from such Securities to the financing and/or refinancing of certain businesses and projects in accordance with the framework agreements relating to green financing (as may be entered into and/or amended from time to time). The Issuer, Credit Suisse Group AG or any of its affiliates (as the case may be) will exercise its judgment and sole discretion in determining the businesses and projects that will be financed by the proceeds of any such Securities. Such businesses and projects may not meet the Issuer's or Credit Suisse Group AG's or any of its affiliates' (as the case may be) sustainable development goals or relevant framework agreements relating to green financing, as the case may be, or any investor's expectations. Furthermore, the Issuer has no contractual obligation to allocate (or cause allocation of) the proceeds of any such Securities to finance particular businesses and projects or to provide annual reports. Failure by the Issuer to so allocate (or cause allocation of) the net proceed or report, or the failure of the external assurance provider (if any) to opine on the report's conformity with the Issuer's or Credit Suisse Group AG's or any of its affiliates' (as the case may be) sustainable development goals or the relevant framework agreement relating to green financing, as the case may be, will not trigger any special termination rights.

(d) Risks in connection with a listing of Securities

Securities may be listed on an exchange or trading venue and Securities which are listed on an exchange or trading venue may also be delisted during their term. Because other dealers or market participants are not likely to make a secondary market for listed or non-listed Securities, the price at which a holder of Securities may be able to trade listed or non-listed Securities is likely to depend on the bid and offer prices, if any, at which the Issuer or the Calculation Agent is willing to trade such Securities. Therefore, investors may not be able to sell their Securities easily or at prices reasonably acceptable to them.

(e) Risks of Securities with an Issue Price above the market value of the Securities on the issue date/ payment date

The Issue Price in respect of any Securities specified in the relevant Pricing Supplement may be more than the market value of such Securities as at the Issue Date, and more than the price, if any, at which the Dealer or any other person is willing to purchase such Securities in secondary market transactions.

In particular, the Issue Price in respect of any Securities and the terms of such Securities may take into account, where permitted by law, fees, commissions or other amounts relating to the issue, distribution and sale of such Securities, or the provision of introductory services. Such fees, commissions or other amounts may be paid directly to the relevant distributor or, if the Securities are sold to the relevant distributor at a discount, may be retained by the relevant distributor out of the Issue Price paid by investors.

In addition, the Issue Price in respect of the Securities and the terms of such Securities may also take into account (i) the expenses incurred by the Issuer in creating, documenting and marketing the Securities (including its internal funding costs), and (ii) amounts relating to the hedging of the Issuer's obligations under such Securities.

(f) **Risks in connection with conflicts of interest between the Issuer and holders of Securities and the entities involved in the offer or listing of the Securities**

In making calculations and determinations with regard to the Securities, there may be a difference of interest between the Securityholders and the Issuer and its affiliated entities. Save where otherwise provided in the terms and conditions, the Issuer is required to act in good faith and in a commercially reasonable manner but does not have any obligation of agency or trust for any investors and has no fiduciary obligation towards them. In particular, the Issuer and its affiliated entities may have interests in other capacities (such as other business relationships and activities). Prospective investors should be aware that any determination made by the Issuer may have a negative impact on the value of and return on the Securities.

Each of the Issuer, the Dealer or any of their respective affiliates may have existing or future business relationships with each other (including, but not limited to, lending, depository, derivative counterparty, risk management, advisory and banking relationships), and when acting in such other capacities the Issuer, the Dealer or any of their respective affiliates may pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for any particular Securityholder.

Potential conflicts of interest may arise in connection with the Securities, as any distributors or other entities involved in the offer and/or the listing of the Securities as indicated in the applicable Pricing Supplement, will act pursuant to a mandate granted by the Issuer and can receive commissions and/or fees on the basis of the services performed in relation to such offer and/or listing.

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

In the ordinary course of its business the Issuer and/or any of its affiliates may effect transactions in Underlying Assets for its own account or for the account of its customers and may enter into one or more hedging transactions with respect to the Securities or related derivatives. Such hedging or market-making activities or proprietary or other trading activities by the Issuer and/or any of its affiliates, may affect the market price, liquidity, value of or return on the Securities and could be adverse to the interest of the relevant Securityholders.

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

Moreover, the Issuer (or affiliate) may also engage in trading in one or more of the Underlying Asset(s) or (if applicable) the components or instruments whose returns are linked to the Underlying Asset(s) or (if applicable) the components, for its proprietary accounts, for other

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

(h) Risk of cancellation of issue of Securities

The Issuer may decide to cancel the issue of Securities for reasons beyond its control, such as extraordinary events, substantial change of the political, financial, economic, legal, monetary or market conditions at national or international level and/or adverse events regarding the financial or commercial position of the Issuer and/or the other relevant events that in the determination of the Issuer may be prejudicial to the issue of the Securities. In such case, where an investor has already paid or delivered subscription monies for the relevant Securities, the investor will be entitled to reimbursement of such amounts, but will not receive any interest that may have accrued in the period between their payment or delivery of subscription monies and the reimbursement of the amount paid for such Securities and such investor may have lost other opportunities to invest on a more favourable basis than is subsequently possible.

(i) Exchange rate risks in connection with the Securities

Investors may be exposed to currency risks because (i) an Underlying Asset may be denominated or priced in currencies other than the currency in which the Securities are denominated, or (ii) the Securities and/or such Underlying Asset may be denominated in currencies other than the currency of the country in which the investor is resident. In case of an unfavourable development of those currencies the value of the Securities to the investor may therefore decrease.

(j) Risk in connection with taxes or other charges that are levied in respect of the Securities

The yields that investors in Securities issued under the Programme may receive may be subject to taxes or other charges. These taxes or other charges will have to be borne by the investors. The Issuer will not pay any additional amounts to the investors in respect of such taxes or charges, so that any taxes levied or other charges may reduce the yields of investors under the Securities. Investors should note that the applicable legal provisions regarding the application of taxes or other charges in respect of yields under the Securities may change to the disadvantage of investors.

(k) Risk in connection with the withholding under Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "Code")

Section 871(m) of the Code imposes a 30% withholding tax on amounts attributable to U.S. source dividends that are paid or "deemed paid" under certain financial instruments if certain conditions are met. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. For purposes of withholding under the U.S. Foreign Account Tax Compliance Act, securities subject to the withholding rule described above are subject to a different grandfathering rule than other securities. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Prospective investors

should refer to the section "Taxation – Withholding on Dividend Equivalents under Section 871(m)" and "Taxation - Reporting and Withholding under Foreign Account Tax Compliance Act (FATCA)".

(l) **Risk in connection with transaction costs/charges**

When Securities are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of such Securities. These incidental costs may significantly reduce or eliminate any profit from holding such Securities.

In addition to such costs directly related to the purchase of securities (direct costs), potential investors in Securities must also take into account any follow-up costs (such as custody fees). These costs may also significantly reduce or eliminate any profit from holding such Securities.

In addition, certain levels of the Underlying Asset(s) used for the calculation of amounts payable in respect of the Securities may be adjusted for transaction costs and/or adjustment fees, which costs and fees will reduce the redemption amount to be received by the investor.

(m) **Inflation risk**

The real yield on an investment in Securities is reduced by inflation. Consequently, the higher the rate of inflation, the lower the real yield on a Security will be. If the inflation rate is equal to or higher than the yield under a Security, the real yield a holder of such Security will achieve will be zero or even negative.

DOCUMENTS INCORPORATED BY REFERENCE

The Listing Supplement and this Supplement should be read and construed in conjunction with the following document which shall be deemed to be incorporated in, and form part of, the Listing Supplement and the Supplement and supplement the section entitled "*Documents Incorporated by Reference*" of the Listing Supplement:

- (a) The CSi Registration Document approved by the UK Listing Authority (as may be supplemented and/or replaced from time to time) is incorporated by reference in respect of CSi. The latest CSi Registration Document and any supplements thereto are available at <https://www.credit-suisse.com/media/assets/investment-banking/docs/financial-regulatory/international/csi-registration.pdf>.
- (b) The annual and current reports, including interim financial information, and other relevant information of CSi, are incorporated by reference in respect of CSi and are available at https://www.credit-suisse.com/investment_banking/financial_regulatory/en/international.jsp.

Copies of this Supplement will be available for inspection during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the offices of the Paying Agents. In addition, copies of the documents incorporated by reference in this Supplement (and any document incorporated by reference therein) will be available free of charge during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the offices of the Paying Agents and at the registered office of the Issuer.

OVERVIEW OF THE POTENTIAL FOR DISCRETIONARY DETERMINATIONS BY THE ISSUER

The section in the Listing Supplement entitled "OVERVIEW OF THE POTENTIAL FOR DISCRETIONARY DETERMINATIONS BY CSI" shall be updated by the information below in its entirety.

<p>What are the types of events that could give rise to a discretionary determination by the Issuer?</p>	<p>Broadly, there are three types of events that could give rise to a discretionary determination by the Issuer:</p> <ul style="list-style-type: none"> (a) if the Issuer's obligations under the Securities or its related hedging arrangements become or will become illegal; (b) external events which affect the Underlying Asset(s) (if any); and (c) (depending on the terms of the particular Securities) external events which affect the Issuer's hedging arrangements. 							
<p>What are the types of external events which affect the Underlying Asset(s)?</p>	<p>If the Securities are linked to one or more Underlying Assets, there are many different external events that may affect such Underlying Asset(s), and these will vary depending on the type of Underlying Asset(s), as summarised in the table below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #e0e0e0;"> <th style="text-align: left;">Type(s) of Underlying Asset</th> <th style="text-align: left;">External events which affect such Underlying Asset(s)</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"><i>Equity</i></td> <td> <p>Potential Adjustment Events: broadly, corporate actions relating to the share issuer which have a dilutive or concentrative effect on the theoretical value of the share - for example, a stock split or a distribution payment to holders of the shares.</p> <p>Extraordinary Events: events which materially impact on the business of the share issuer, such as a merger, a takeover or tender offer, the nationalisation of the shares or assets of the share issuer, a delisting of the relevant shares on an exchange or the share issuer becomes insolvent.</p> </td> </tr> <tr> <td style="vertical-align: top;"><i>Equity Index, Commodity Index</i></td> <td> <p>Successor Index: the index is replaced by another index which is calculated using the same (or substantially similar) formula.</p> <p>Index Adjustment Events: events which materially impact on the calculation of the index - for example, the relevant sponsor cancels the index or fails to calculate the level of the index or materially changes the formula for calculating the index, or if the index may not be used in certain ways by the Issuer if its administrator does not obtain authorisation or</p> </td> </tr> </tbody> </table>		Type(s) of Underlying Asset	External events which affect such Underlying Asset(s)	<i>Equity</i>	<p>Potential Adjustment Events: broadly, corporate actions relating to the share issuer which have a dilutive or concentrative effect on the theoretical value of the share - for example, a stock split or a distribution payment to holders of the shares.</p> <p>Extraordinary Events: events which materially impact on the business of the share issuer, such as a merger, a takeover or tender offer, the nationalisation of the shares or assets of the share issuer, a delisting of the relevant shares on an exchange or the share issuer becomes insolvent.</p>	<i>Equity Index, Commodity Index</i>	<p>Successor Index: the index is replaced by another index which is calculated using the same (or substantially similar) formula.</p> <p>Index Adjustment Events: events which materially impact on the calculation of the index - for example, the relevant sponsor cancels the index or fails to calculate the level of the index or materially changes the formula for calculating the index, or if the index may not be used in certain ways by the Issuer if its administrator does not obtain authorisation or</p>
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		registration (subject to applicable transitional provisions).	
What are the types of external events which affect the Issuer's hedging arrangements?	There are many different external events that may affect the Issuer's hedging arrangements, and these will vary depending on (a) the type of Underlying Asset or (b) the type of Securities, as summarised in the table below:		
	Type(s) of Underlying Asset / Type of Security	External events which affect the Issuer's hedging arrangements	
	<i>Equity, Equity Index, Commodity, Commodity Index</i>	<p>Change in law: as a result of a change in any applicable law, it has become unlawful or illegal to conduct its hedging arrangements or it will incur a materially increased cost in performing its obligations under the Securities or be subject to materially increased regulatory capital requirements in respect of the Securities or the hedging arrangements.</p> <p>Hedging Disruption: an event which impacts the ability of the Issuer and/or its affiliates to hedge the risk of the Issuer entering into and performing its obligations under the Securities – for example, if the Issuer is unable to enter into a hedge or to realise the proceeds of a hedge.</p> <p>Increased Cost of Hedging: the Issuer and/or its affiliates would incur a materially increased cost to hedge the risk of the Issuer entering into and performing its obligations under the Securities (except where the increased cost is due to the deterioration of the creditworthiness of the Issuer and/or its affiliates).</p> <p>Foreign Ownership Event: as a result of restrictions on ownership of shares by foreign persons in the relevant jurisdiction, the Issuer and/or its affiliates are unable to</p>	

		<p>conduct its hedging arrangements.</p> <p>FX Disruption: an event which impacts on the ability of the Issuer and/or its affiliates to transfer or convert any relevant amounts in relation to its hedging arrangements.</p> <p>Jurisdictional Event: an event where, as a result of the risks (which may be political, legal or otherwise) associated with certain emerging countries, has the effect of reducing the value of the proceeds of the Issuer's hedging arrangements.</p>	
	Equity	<p>Loss of Stock Borrow: the Issuer and/or its affiliates are not able to borrow shares for the purposes of its hedging arrangements.</p> <p>Increased Cost of Stock Borrow: the Issuer and/or its affiliates will incur increased costs to borrow shares for the purposes of its hedging arrangements.</p>	
	Equity	<p>Insolvency Filing: an event which impacts on the transferability of the shares as a result of insolvency or similar proceedings affecting the share issuer.</p>	
<p>Why is it necessary for the Issuer to make discretionary determination following the occurrence of such events?</p>	<p>The Issuer may be unable to continue to perform its obligations under the Securities or its related hedging arrangements if they become or will become unlawful or illegal. In that case, (depending on the terms of the particular Securities) the Issuer may need to (a) adjust the terms of the Securities so that it is no longer illegal for it to perform its obligations, (b) early redeem the Securities or (c) substitute the relevant Underlying Asset.</p> <p>Where the Securities are linked to one or more Underlying Assets, the investment objective of the Securities is to allow an investor to gain an economic exposure to the Underlying Asset(s). If an Underlying Asset is materially impacted by an unexpected event – for example, (a) a company merges and the original stock that formed an Underlying Asset is restructured or changed, (b) the rules of an index that is an Underlying Asset are materially modified or (c) a material change to the investment objective and strategy of a fund that is an Underlying Asset - then it may not be possible to achieve the investment objective of the Securities based on the original terms and</p>		

conditions of the Securities. The Issuer will need to make certain discretionary determinations in order to preserve the original economic objective and rationale of the Securities.

In addition, the Issuer or its affiliates or the hedging entity may enter into hedging arrangements in order to manage its exposure in relation to its payment obligations under the Securities and to enable it to issue the Securities at the relevant price and on the relevant terms. If the amount(s) payable by the Issuer under the Securities depend on the performance of the Underlying Asset(s) or an interest rate, the hedging arrangements may involve (a) holding the Underlying Asset(s) or the components constituting the Underlying Assets(s) directly, or (b) entering into derivative contracts with counterparties to receive a corresponding economic exposure to the Underlying Asset(s) or the relevant interest rate, or to hedge the interest rate, currency rate or price risk in relation to the Underlying Asset(s) or the Securities. The exercise of the Issuer's discretion is necessary if an external event occurs subsequent to the issuance of the Securities which negatively impacts the Issuer's hedging arrangements or the costs of maintaining such hedging arrangements. The occurrence of such unanticipated external events is unlikely to have been reflected in the original pricing of the Securities.

<p>If such an event occurs, what actions can the Issuer take?</p>	<p>Broadly, depending on the terms of the Securities (and bearing in mind that different terms may apply to different types of Underlying Assets and where specified to be applicable in the relevant Pricing Supplement), the Issuer may take one or more of the following actions in order to deal with the effect of the events outlined above:</p> <p>(a) Adjustments to the terms and conditions of the Securities: The Issuer may adjust the terms and conditions of the Securities to account for the economic effect of the external event on the Underlying Asset(s) or (where applicable in relation to the particular Securities) on its hedging arrangements, and to preserve the original economic objective and rationale of the Securities. This may include adjustments to the amount(s) payable and/or any variable relevant to payment under the Securities.</p> <p>(b) Substitution of the Underlying Asset(s): In respect of Share Securities, Share Basket Securities and Reverse Convertible Securities (in each case where "Share Substitution" is specified to be applicable in the relevant Pricing Supplement), following an Extraordinary Event or Additional Disruption Event (in each case as described above), the Issuer may substitute the Underlying Asset(s) with a replacement asset satisfying the criteria set out in the applicable Terms and Conditions. The Issuer may also make adjustments to the terms and conditions of the Securities to account for such event and the replacement of the original Underlying Asset, and to preserve the original economic objective and rationale of the Securities.</p> <p>(c) Early redemption and/or payment of the Early Redemption Amount: In certain situations, if the Issuer determines that no adjustment to the terms and conditions would lead to a commercially reasonable result, or the Underlying Asset(s) cannot be replaced with a suitable substitute asset, replacement index or replacement reference rate, as the case may be (if applicable), or it would be unlawful or would contravene applicable licensing requirements for the Issuer to perform the relevant determinations or calculations or an adjustment spread is or would be a benchmark, index or other price source that would subject the Issuer or the Calculation Agent to material additional regulatory obligations (if applicable), the Issuer may either (i) early redeem the Securities or (ii) redeem the Securities on maturity, in each case by payment of the Early Redemption Amount instead of the Final Redemption Amount, as the case may be, and no other amounts shall be payable in respect of the Securities on account of interest or otherwise following such determination by the Issuer, provided that, in respect of Instalment Securities, notwithstanding the occurrence of such an event, each Instalment Amount scheduled to be paid (but unpaid) on an Instalment Date falling on or after the early redemption of the Securities shall continue to be paid on such Instalment Date. See "How is the Early Redemption Amount calculated?" below.</p>
<p>How is the Early Redemption Amount calculated?</p>	<p>The Early Redemption Amount may be:</p> <p>(a) "par" which is the outstanding principal amount of such Securities plus accrued and unpaid interest;</p> <p>(b) the specified minimum amount; or</p> <p>(c) a sum equal to the fair market value of the Securities immediately prior to such redemption (which may be greater than or equal to zero), such</p>

	<p>value to be calculated by the Calculation Agent or the Issuer using its internal models and methodologies, taking into account the time remaining to maturity of the Securities, the relevant interest rates, the value, expected future performance and/or volatility of the Underlying Asset(s) (if any) and any other relevant information.</p> <p>In each case, the Early Redemption Amount may, if so specified in the relevant Pricing Supplement, be adjusted to account for any associated losses, expenses or costs that are incurred (or would be incurred) by the Issuer and/or its affiliates as a result of unwinding, establishing, re-establishing and/or adjusting any hedging arrangements in relation to the Securities.</p>
<p>What is the effect of such event and/or action taken by the Issuer?</p>	<p>Any of the above actions, if taken by the Issuer, may result in a reduced return on the Securities and/or have a material adverse impact on the value of the Securities. The Early Redemption Amount could be less than such investor's initial investment (and may be reduced to zero).</p> <p>Further, if the Securities are redeemed early prior to the scheduled maturity, an investor may be unable to reinvest the redemption proceeds in another investment at the time that provides an equivalent return.</p>
<p>Will the Issuer notify me if such an event occurs and/or if it takes any of the above actions?</p>	<p>Yes, the Issuer will generally give notice to Securityholders as soon as practicable upon making any adjustments to the terms and conditions of the Securities, or if it substitutes an Underlying Asset with a replacement asset, or if the Issuer determines to early redeem the Securities or to pay the Early Redemption Amount at maturity, or if the Issuer makes any other discretionary determination.</p>
<p>Are there any other situations where the Issuer may make discretionary determinations?</p>	<p><i>Disruption events affecting the valuation of an Underlying Asset</i></p> <p>If the Issuer determines that a disruption event in relation to an Underlying Asset has occurred which affects the valuation of such Underlying Asset on any relevant day, the Issuer may postpone, or apply alternative provisions for, the valuation of such Underlying Asset (such as by making its own determination of the value of such Underlying Asset or using an estimate of any variable to calculate the amount(s) payable under the Securities). Such determination(s) may have an adverse effect on the value of the Securities.</p>
<p>How will the Issuer exercise its discretion?</p>	<p>In considering whether and how to make such a discretionary determination, the Issuer shall (whether or not already expressed to be the case in the Conditions) act in good faith and in a commercially reasonable manner, and (where there is a corresponding applicable regulatory obligation) shall take into account whether fair treatment is achieved by any such discretionary determination in accordance with its applicable regulatory obligations.</p>

CREDIT SUISSE INTERNATIONAL

The section in the Listing Supplement entitled "CREDIT SUISSE INTERNATIONAL" shall be updated by the information below in its entirety.

Notes issued under the Listing Supplement and this Supplement to Listing Supplement will be issued by Credit Suisse International. The CSi Registration Document contains information relating to the business affairs and financial condition of CSi.

Credit Suisse International

CSi, a bank domiciled in England established under English law, was incorporated in England and Wales under the Companies Act 1985, on 9 May 1990, with registered no. 2500199. CSi was re-registered as an unlimited company under the name "Credit Suisse Financial Products" on 6 July 1990, and was renamed "Credit Suisse First Boston International" on 27 March 2000 and "Credit Suisse International" on 16 January 2006.

CSi is an indirect wholly owned subsidiary of Credit Suisse Group AG. CSi's registered head office is in London and is located at One Cabot Square, London E14 4QJ and its telephone number is +44 (0)20 7888 8888. CSi's legal entity identifier (LEI) is E58DKGMJYYYJLN8C3868.

CSi is authorised by the PRA and regulated by the FCA and the PRA.

CSi is an unlimited liability company and, as such, its shareholders have a joint, several and unlimited obligation to meet any insufficiency in the assets of CSi in the event of its liquidation. The joint, several and unlimited liability of the shareholders of CSi to meet any insufficiency in the assets of the CSi will only apply upon liquidation of CSi. Therefore, prior to any liquidation of CSi, the creditors may only have the benefit of recourse to the assets of CSi and not to those of its shareholders.

CSi commenced business on 16 July 1990. Its principal business is banking, including the trading of derivative products linked to interest rates, foreign exchange, equities, commodities and credit. The primary objective of CSi is to provide comprehensive treasury and risk management derivative product services. CSi has established a significant presence in global derivative markets through offering a full range of derivative products and continues to develop new products in response to the needs of its customers and changes in underlying markets. The business is managed as a part of the Global Markets and Investment Banking and Capital Markets Divisions of CS. For more information on Credit Suisse International's principal markets and activities, see sub-sections "Business Model", on page 9, and "Strategy", on page 9 to 11 of the 2019 CSi Annual Report (as defined in the CSi Registration Document).

The liquidity and capital requirements of CSi are managed as an integral part of the wider Credit Suisse framework. This includes the local regulatory liquidity and capital requirements in the UK. CSi has direct access to funding sources of the Group. After making enquiries of the Group, the Directors of CSi have received a confirmation that the Group will ensure that CSi maintains a sound financial position and is able to meet its debt obligations for the foreseeable future. For further information on CSi's expected financing of its business activities, please see "Capital Resources" and "Liquidity" under the heading "Performance" on page 13 of the 2019 CSi Annual Report (as defined in the CSi Registration Document), and the first paragraph under the heading "*Information incorporated by reference into this Registration Document*" on pages 16 to 19 of the CSi Registration Document. For information on CS's expected financing of its business activities, please see "III – Treasury, Risk, Balance sheet and Off-balance sheet – Liquidity and funding management" and "III – Treasury, Risk, Balance sheet and Off-balance sheet – Capital management" on pages 108 to 134 in the Group Annual Report 2019 (as defined in the CSi Registration

Document). In addition, for CS and its consolidated subsidiaries, please see "Note 24 – Long-term debt" in "VIII – Consolidated financial statements – Credit Suisse (Bank)" on page 451 (page 461 of the PDF file) and "Note 36 – Capital adequacy" in "VIII – Consolidated financial statements – Credit Suisse (Bank)" on pages 497 and 498 (pages 507 to 508 the PDF file) of the 2019 Annual Report of CS.

Ratings

The credit ratings of CSi referred to in the CSi Registration Document have been issued by S&P Global Ratings Europe Limited ("**S&P**"), Fitch Ratings Limited ("**Fitch**") and Moody's Deutschland GmbH ("**Moody's**").

CSi has been assigned senior unsecured long-term debt ratings of "A+" from S&P, "A" from Fitch and "Aa3" from Moody's.

Explanation of ratings as of the date of this document:

"A+" by S&P: An obligor rated "A" has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The modifier "+" is appended to the rating to denote the relative standing within the rating category.

"A" by Fitch: An "A" rating denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

"Aa3" by Moody's: Obligations rated "Aa" are judged to be of high quality and are subject to very low credit risk; the modifier "3" indicates a ranking in the lower end of that generic rating category.

S&P and Moody's are established in the EU. Fitch is not established in the EU. Fitch is established in the UK, in which EU law will continue to apply until the end of the transition period (31 December 2020).

EU Regulation

Each of S&P, Fitch and Moody's are, as of the date hereof, registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") and included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation.

In general, and subject to certain exceptions (including the exceptions outlined below), European regulated investors are restricted from using a credit rating for regulatory purposes if such a credit rating is not issued by a credit rating agency established in the EU and registered under the CRA Regulation, unless (i) the rating is provided by a credit rating agency operating in the EU before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused, (ii) the European Union has adopted an equivalence decision in respect of the legal and supervisory framework for a non-EU credit rating agency and the non-EU credit rating agency has been certified by ESMA or (iii) the relevant credit ratings are endorsed by a credit rating agency which is located in an EU member state, in each case pursuant to applicable European rules.

From the end of the transition period, the United Kingdom Financial Conduct Authority will assume regulatory oversight of Fitch, which will cease to be registered under the CRA Regulation. As at the date of this document, whereas the UK government has recognised the CRA Regulation as equivalent to the UK's legal and supervisory framework, via the Credit Rating Agencies Regulation Equivalence Directions 2020 (such recognition being effective from the end of the transition period), it is not yet certain whether a

reciprocal equivalence determination by the EU in favour of the UK under the CRA Regulation will be made before the end of the transition period. It is currently expected that Fitch Ratings Ireland Limited or another affiliate of Fitch established in the EU and registered under the CRA Regulation will endorse ratings published by Fitch, which would satisfy the requirements of the CRA Regulation (as noted above), although such endorsement has yet to be formally given.

UK Regulation

From the end of the transition period, Fitch will be registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK-CRA Regulation"). Each of S&P and Moody's will not, as of such date, be registered under the UK-CRA Regulation. Under the UK-CRA Regulation, for UK regulatory purposes UK regulated investors are required to use ratings issued by a credit rating agency established in the UK and registered under the UK-CRA Regulation; provided however, that in the case of ratings issued by a third country credit rating agency, they can be used if they are either (a) endorsed by a UK registered credit rating agency, or (b) issued by a third country credit rating agency that is certified in accordance with the UK-CRA Regulation (subject, in each case, to (i) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended and (ii) transitional provisions that apply in certain circumstances). For a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK of existing pre-2021 ratings by a third country credit rating agency, provided certain conditions are satisfied.

It is currently expected that affiliates of S&P and Moody's registered under the UK-CRA Regulation will endorse ratings published by S&P and Moody's, respectively, although such endorsement has yet to be formally given.

Organisational Structure

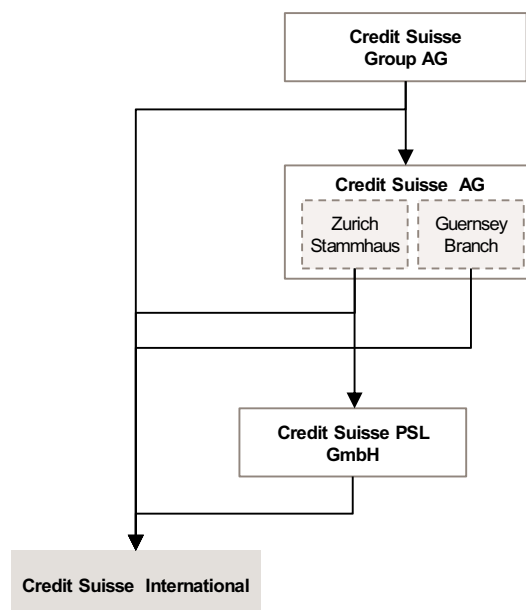
The subsidiaries of CSi which are consolidated in the financial statements contained in the 2019 CSi Annual Report (as defined in the CSi Registration Document) are listed under sub-section "*Composition of the CSi Group*" on pages 129 to 133 of the 2019 CSi Annual Report (as defined in the CSi Registration Document). CSi is an indirect wholly owned subsidiary of Credit Suisse Group AG. For information on CSi's relationship to Credit Suisse Group AG, see page 9 of the 2019 CSi Annual Report (as defined in the CSi Registration Document).

Major Shareholders

The shareholders of CSi are:

- i. Credit Suisse Group AG, whose head office is at Paradeplatz 8, CH-8001 Zürich, Switzerland, and who is the ultimate parent of the consolidated Credit Suisse Group which includes CS;
- ii. CS, a Swiss bank and a leading global bank acting through its registered head office at Paradeplatz 8, CH-8001 Zürich, Switzerland (Zurich Stammhaus) which provides its clients with private banking, investment banking and asset management services worldwide;
- iii. CS, Guernsey Branch, whose place of business is at Helvetia Court, Les Echelons, South Esplanade, St Peter Port GY1 3ZQ, Guernsey was established as a Branch of CS on 1 April 1986 and whose principal activities are deposit taking, bond issuing and lending the funds received within the Credit Suisse Group; and
- iv. Credit Suisse PSL GmbH, whose registered office is c/o CS, Paradeplatz 8, 8001 Zürich, Switzerland and was incorporated in Zürich, Switzerland on 29 September 2009 and whose

principal activity is to finance, purchase, hold, manage and sell financial participations in other Credit Suisse Group companies.



There is trading of shares in CSi between these shareholders and therefore the respective shareholdings will change from time to time, although CSi will remain an indirect wholly owned subsidiary of Credit Suisse Group AG.

Change

Apart from:

(1) the uncertainty relating to the impact of the ongoing global COVID-19 pandemic disclosed in the Registration Document (as supplemented), including in (i) “Risk Factors—3. Market risk—3.1 The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, CSi’s business, operations and financial performance”, (ii) the sections of the 2020 CSi H1 Interim Report headed “Credit Suisse International at a glance—Operating environment” (on pages 10 to 13), “Performance” (on pages 14 to 18) and “Principal risks and uncertainties” (on pages 19 to 20) and (iii) the sections of the Credit Suisse Financial Report 3Q20 headed “I—Credit Suisse results—Operating environment” (on pages 4 to 6), “I—Credit Suisse results—Credit Suisse—Other information—COVID-19 and related regulatory measures” (on page 14) and “II—Treasury, risk, balance sheet and off-balance sheet—Risk management—Overview and risk-related developments—Key risk developments” (on page 60);

(2) as more fully described in the Form 6-K Dated 24 November 2020, the impairment which Credit Suisse will take to the valuation of the non-controlling interest that Credit Suisse has owned in York Capital Management since 2010 (the amount of the impairment will be assessed as part of Credit Suisse’s year-end process, but is currently expected to be approximately USD 450 million);

(3) as more fully described in the Form 6-K Dated 1 December 2020 and the Form 6-K Dated 8 January 2021, the expected increase in its provisions related to a legal dispute Credit Suisse has been involved in since 2009 in respect of a US residential mortgage backed security issued in 2007 and to other residential mortgage backed security-related cases; and

(4) as more fully described in the Form 6-K Dated 8 January 2021, Credit Suisse’s expectation of reporting a net loss in the fourth quarter of 2020,

there has been no significant change in the financial position of CSi since 30 June 2020.

Apart from the uncertainty relating to the impact of the ongoing global COVID-19 pandemic disclosed in the Registration Document (as supplemented), including in (i) "Risk Factors—3. Market risk—3.1 The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, CSi's business, operations and financial performance", (ii) the sections of the 2020 CSi H1 Interim Report headed "Credit Suisse International at a glance—Operating environment" (on pages 10 to 13), "Performance" (on pages 14 to 18) and "Principal risks and uncertainties" (on pages 19 to 20) and (iii) the sections of the Credit Suisse Financial Report 3Q20 headed "I—Credit Suisse results—Operating environment" (on pages 4 to 6), "I—Credit Suisse results—Credit Suisse—Other information—COVID-19 and related regulatory measures" (on page 14) and "II—Treasury, risk, balance sheet and off-balance sheet—Risk management—Overview and risk-related developments—Key risk developments" (on page 60), there has been no material adverse change in the prospects of CSi since 31 December 2019.

Apart from the uncertainty relating to the impact of the ongoing global COVID-19 pandemic disclosed in the Registration Document (as supplemented), including in (i) "Risk Factors—3. Market risk—3.1 The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, CSi's business, operations and financial performance", (ii) the sections of the 2020 CSi H1 Interim Report headed "Credit Suisse International at a glance—Operating environment" (on pages 10 to 13), "Performance" (on pages 14 to 18) and "Principal risks and uncertainties" (on pages 19 to 20) and (iii) the sections of the Credit Suisse Financial Report 3Q20 headed "I—Credit Suisse results—Operating environment" (on pages 4 to 6), "I—Credit Suisse results—Credit Suisse—Other information—COVID-19 and related regulatory measures" (on page 14) and "II—Treasury, risk, balance sheet and off-balance sheet—Risk management—Overview and risk-related developments—Key risk developments" (on page 60), there has been no significant change in the financial performance of CSi since 30 June 2020 to the date of the document.

Names and Addresses of Directors and Executives

The business address of the members of the Board of Directors is One Cabot Square, London E14 4QJ.

The current members of the Board of Directors, their role within CSi and their principal activities outside CSi, if any, are as follows:

Board Member	External Activities
John Devine (Non- Executive Chair)	<ul style="list-style-type: none"> ○ Independent member and Chair of the Board of Directors, Chair of the Nomination Committee, Interim Chair of the Risk Committee, and Member of the Conflicts Committee of CSi and Credit Suisse Securities (Europe) Limited. ○ Mr. Devine is also <ul style="list-style-type: none"> ▪ Non-Executive Director, Chair of Audit Committee, Member of Risk Committee and Remuneration Committee and Member of Nominations Committee of Standard Life Aberdeen PLC; and ▪ Non-Executive Director, Chair of Audit Committee, and Member of Risk Committee and Nominations Committee of Citco Custody (UK) Ltd and Citco Custody Holding Ltd Malta.

Christopher Horne	<ul style="list-style-type: none"> ○ Managing Director in Credit Suisse and Chair of the Disclosure Committee of CSi . ○ Mr. Horne is also Deputy CEO of CSi and Credit Suisse Securities (Europe) Ltd. ○ Member of the Board of Directors of CSi, Credit Suisse Securities (Europe) Limited, Credit Suisse Investment Holdings (UK) and Credit Suisse Investments (UK), Branch Manager and Chair of the Management Committee of Credit Suisse AG (London Branch).
Alison Halsey (Non-Executive)	<ul style="list-style-type: none"> ○ Independent member of the Board of Directors, Chair of the Audit Committee and the Conflicts Committee and Member of the Risk Committee, the Nomination Committee and the Advisory Remuneration Committee of CSi and Credit Suisse Securities (Europe) Limited. ○ Ms. Halsey is also: <ul style="list-style-type: none"> ▪ Non-Executive Director and Member of the Risk & Compliance and Nominations Committees and Chair of the Audit Committee of Aon UK Limited. ▪ Non-Executive Director and Member of the Audit Committee, Nomination Committee, Remuneration Committee and the Innovation and Change Committee of Hodge Limited. ▪ Non-Executive Director and Member of the Retail Credit Committee of Hodge Life Assurance Company Limited. ▪ Non-Executive Director and Member of the Retail Credit Committee of Julian Hodge Bank Limited.
David Mathers (CEO)	<ul style="list-style-type: none"> ○ CFO, Member of the Executive Board and Chair of Asset Resolution Unit of Credit Suisse AG and Credit Suisse Group AG. ○ Mr. Mathers is Executive Director and CEO of CSi and Credit Suisse Securities (Europe) Limited. ○ Mr. Mathers is also: <ul style="list-style-type: none"> ▪ Member of European CFO Network; and ▪ Sponsor of Academic awards and grants at Robinson College.
Caroline Waddington	<ul style="list-style-type: none"> ○ Executive Director of CSi and Credit Suisse Securities (Europe) Limited.

	<ul style="list-style-type: none"> ○ Ms. Waddington is also CFO for Credit Suisse EMEA entities, including CSi, and Chair of the UK Pension Committee. ○ Trustee of Credit Suisse EMEA Foundation. ○ Member of the Board of Directors of Credit Suisse Investment Holdings (UK) and Credit Suisse Investments (UK) and Member of the Management Committee of Credit Suisse AG (London Branch). ○ Ms. Waddington is a member of the Board of Directors of: <ul style="list-style-type: none"> ▪ NameCo (No.357) Limited; and ○ Brook House (Clapham Common) Management Company Limited.
Jonathan Moore	<ul style="list-style-type: none"> ○ Executive Director of CSi and Credit Suisse Securities (Europe) Limited. ○ Mr. Moore is also Head of Credit Products in EMEA and Senior Manager for Credit & Clients in the UK. ○ Member of the Board of Directors of CSi and of Credit Suisse Securities (Europe) Limited. ○ Mr. Moore is also a Member of the Board of Directors of Association for Financial Markets in Europe.
Andreas Gottschling (Non-Executive)	<ul style="list-style-type: none"> ○ Independent member of the Board of Directors, Chair of the Advisory Remuneration Committee, Member of the Risk Committee and Member of the Nominations Committee of CSi and Credit Suisse Securities (Europe) Limited. ○ Mr. Gottschling is an independent member of the Board of Directors, Chair of the Risk Committee, and Member of the Audit Committee and the Governance & Nominations Committee of Credit Suisse AG and Credit Suisse Group AG. ○ Mr. Gottschling is also a Non-Executive Director, Risk Committee Chair and Audit Committee member of Deutsche Börse AG.
Nicola Kane	<ul style="list-style-type: none"> ○ Executive Director, Global Head of Group Operations and Co-Head of Operations' Solutions of CSi and Credit Suisse Securities (Europe) Limited. ○ Trustee of Credit Suisse EMEA Foundation. ○ Ms. Kane is also a Board Member of International Association of Securities Services.
Debra Davies (Non-Executive)	<ul style="list-style-type: none"> ○ Independent member of the Board of Directors, Member of the Audit Committee, Nomination Committee and the Advisory Remuneration Committee

	<p>of CSi and Credit Suisse Securities (Europe) Limited.</p> <ul style="list-style-type: none"> ○ Ms. Davies is also: <ul style="list-style-type: none"> ▪ Non-Executive Director and Member of the Risk Committee, Audit Committee and Remuneration Committee of AXA UK plc; and ○ Non-Executive Director of AXA Insurance UK plc and AXA PPP Healthcare Limited.
Doris Honold	<ul style="list-style-type: none"> ○ Independent member of the Board of Directors, Chair of the Risk Committee, Member of the Audit Committee, Nomination Committee and Conflicts Committee of CSi and Credit Suisse Securities (Europe) Limited. ○ Non-Executive Director of Move Digital AG (Credit Suisse AG affiliate). ○ Ms. Honold is also: <ul style="list-style-type: none"> ▪ Non-Executive Director and Chair of the Audit and Risk Committees of AION NV/SA. ▪ Non-Executive Director of ZOPA Ltd. ○ Member of the Advisory Board of Viridios Capital (Bahamas) Ltd.
Ralf Hafner	<ul style="list-style-type: none"> ○ Managing Director and UK Chief Risk Officer of CSi and Credit Suisse Securities (Europe) Limited.

Pages 1 to 6 of the 2020 CSi H1 Interim Report (as defined in the CSi Registration Document) provide further information on CSi's Board of Directors.

Directors' Conflicts of Interest

There are no potential conflicts of interest of the members of the Board of Directors between their duties to the Issuer and their private interests and/or other duties.

To the extent that there is any inconsistency between (a) any statement in the third supplement to the CSi Registration Document or any statement or information incorporated by reference into the third supplement the CSi Registration Document and (b) any statement or information in or incorporated by reference into the CSi Registration Document as supplemented by the first supplement and the second supplement to the CSi Registration Document, the statements or information in (a) above will prevail.

CSi takes responsibility for the CSi Registration Document, as supplemented by the first supplement, the second supplement and the third supplement. To the best knowledge of CSi, the information contained in the CSi Registration Document, as supplemented by the first supplement, the second supplement and the third supplement, is in accordance with the facts and the CSi Registration Document, as supplemented by the first supplement, the second supplement and the third supplement, makes no omission likely to affect its import. The third supplement is not for use in, and may not be delivered to or inside, the United States.

Legal and Arbitration Proceedings

During the period of 12 months ending on the date of CSi Registration Document, there have been no governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer, and the Issuer is not aware of any such proceedings being either pending or threatened, except as disclosed in the 2019 CSi Annual Report (as defined in the CSi Registration Document) under the heading "Contingent Liabilities and Other Commitments" (Note 40 to the consolidated financial statements of the Issuer) on pages 127 to 128 and in the 2020 CSi H1 Interim Report (as defined in the CSi Registration Document) under the heading "Contingent Liabilities and Other Commitments" (Note 23 to the consolidated interim financial statements of the Issuer).

Provision for litigation is disclosed in Note 29 to the consolidated financial statements on page 94 of the CSi 2019 Annual Report (as defined in the CSi Registration Document) and Note 23 to the consolidated interim financial statements on page 58 of the 2020 CSi H1 Interim Report (as defined in the CSi Registration Document).

Statutory Auditors

CSi's auditor is PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH. PricewaterhouseCoopers LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

At the Annual General Meeting of the Group on 30 April 2020, shareholders voted to accept the Board's proposal to have the independent registered public accounting firm PricewaterhouseCoopers AG ("**PwC**") Birchstrasse 160, CH-8050 Zurich, Switzerland to succeed KPMG AG as the Group's new external auditor.

The Board and shareholders of CSi have appointed PwC as the new statutory auditor for CSi, effective for the fiscal year ending 31 December 2020.

Further information on CSi's auditor may be found on page 40 of the 2019 CSi Annual Report (as defined in the CSi Registration Document).

Financial Information

Financial information relating to CSi is contained in its Annual Reports for the years ended 31 December 2018 and 31 December 2019 (the "**CSi Annual Reports**") which are incorporated by reference in the CSi Registration Document. Financial information in the CSi Annual Reports has been audited. CSi's Annual Reports are available to the public on the CSG website at <https://www.credit-suisse.com/ch/en/investment-banking/financial-regulatory/international.html>.

TAXATION

The overview section and the sections in the Listing Supplement entitled "UNITED STATES" and "UNITED KINGDOM" under "TAXATION" shall be updated by the information below.

Warning: The tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation and in the country of the Issuer's branch that issues the securities, may have an impact on the income that an investor receives from the securities.

It is recommended that potential investors in securities obtain advice from their own tax advisors regarding the tax implications of purchasing, holding and selling of securities.

The following is an overview of certain tax issues arising in respect of the Securities, including withholding tax in respect of payments.

It does not relate to any other tax consequences or to withholdings in respect of payments by other persons (such as custodians, depositaries or other intermediaries) unless otherwise specified..

UNITED STATES

The following is an overview of certain of the material U.S. federal income tax consequences of the acquisition, ownership and disposition of Securities by a "**Non-U.S. Holder**" (as defined below) that has no connection with the United States other than owning Securities. This overview does not address, for example, the U.S. federal income tax consequences of holding or owning an underlying asset in connection with a physical settlement of Securities. For purposes of this section, a "Non-U.S. holder" is a beneficial owner of the Securities that is: (i) a non-resident alien individual for U.S. federal income tax purposes; (ii) a foreign corporation for U.S. federal income tax purposes; or (iii) an estate or trust whose income is not subject to U.S. federal income tax on a net income basis. If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds Securities, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Investors that are not non-U.S. holders or investors that are partnerships, should consult their tax advisers with regard to the U.S. federal income tax considerations of an investment in the Securities.

This summary is based on interpretations of the United States Internal Revenue Code of 1986 (the "**Code**"), Treasury regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any of those changes may be applied retroactively and may adversely affect the U.S. federal income tax consequences described herein. Prospective investors should consult their own tax advisers concerning the application of U.S. federal income tax laws to their particular situations as well as any consequences of the purchase, beneficial ownership and disposition of Securities arising under the laws of any other taxing jurisdiction.

INVESTORS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE U.S. FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF SECURITIES.

Withholding on Dividend Equivalents under Section 871(m)

Section 871(m) of the Code and regulations thereunder treat a "dividend equivalent" payment as a dividend from sources within the United States. Such payments generally will be subject to U.S. withholding tax at a rate of 30 per cent.

Final regulations provide that a dividend equivalent is any payment or deemed payment that references the payment of (i) a dividend from an underlying security pursuant to a securities lending or sale-repurchase transaction, (ii) a dividend from an underlying security pursuant to a "specified notional principal contract" (a "**specified NPC**"), (iii) a dividend from an underlying security pursuant to a specified equity-linked instrument (a "**specified ELI**"), and (iv) any other substantially similar payment. The regulations provide that a payment includes a dividend equivalent payment whether there is an explicit or implicit reference to a dividend with respect to the underlying security. An underlying security is any interest in an entity if a payment with respect to that interest could give rise to a U.S. source dividend pursuant to Treasury regulation section 1.861-3. An NPC is a notional principal contract ("**NPC**") as defined in Treasury regulation section 1.446-3(c). An equity-linked instrument ("**ELI**") is a financial instrument (other than a securities lending or sale-repurchase transaction or an NPC) that references the value of one or more underlying securities, including a futures contract, forward contract, option, debt instrument, or other contractual arrangement. A "section 871(m) transaction" is any securities lending or sale-repurchase transaction, specified NPC, or specified ELI.

Final regulations and administrative guidance provide that with respect to any transaction issued on or after 1 January 2017 and before 1 January 2023, any NPC or ELI that has a delta of one with respect to an underlying security is a specified NPC or specified ELI, respectively. With respect to any transaction issued on or after 1 January 2023, (a) a "simple" NPC or "simple" ELI that has a delta of 0.8 or greater with respect to an underlying security is a specified NPC or specified ELI, respectively, and (b) a "complex" NPC or "complex" ELI that meets a substantial equivalence test with respect to an underlying security is a specified NPC or specified ELI, respectively. The delta of a simple contract is determined, and the substantial equivalence test for a complex contract is performed, on the earlier of the date that the potential section 871(m) transaction is priced and the date when the potential section 871(m) transaction is issued; however, the issue date must be used if the potential section 871(m) transaction is priced more than 14 calendar days before it is issued. In addition, the delta or substantial equivalence of Securites that are held in inventory prior to their sale to an investor may, in certain cases, be required to be retested at the time of sale or disposition from inventory. If Securites sold from inventory are determined to be section 871(m) transactions and the same series of Securites sold at issuance were determined not to be section 871(m) transactions, holders of Securites sold at issuance may be adversely affected to the extent the Issuer or a withholding agent does not, or is unable to, identify and distinguish Securites sold to investors at issuance from those sold out of inventory.

Certain events could cause previously issued Securites to be deemed to be issued as new securities for purposes of the effective dates provided in the regulations. For example, it is possible that the U.S. Internal Revenue Service ("**IRS**") could assert that a reconstitution or rebalancing of an underlying basket or index is a significant modification of the Securites due to an exercise of discretion with respect to such reconstitution or rebalancing and, therefore, a deemed issuance of the Securites upon the occurrence of such event. It is also possible that U.S. withholding tax could apply to the Securites under these rules if a holder enters, or has entered, into certain other transactions in respect of the underlying equity or the Securites. A holder that enters, or has entered, into other transactions in respect of the underlying or the Securites should consult its own tax advisor regarding the application of Code section 871(m) to its Securites in the context of its other transactions.

Withholding on payments will be based on actual dividends or, if otherwise notified by the Issuer in accordance with applicable regulations, on estimated dividends used in pricing the Security. If a Security provides for any payments in addition to estimated dividends to reflect dividend amounts on the underlying security, withholding will be based on the total payments. If an issue of Securites is a section 871(m) transaction, information regarding the amount of each dividend equivalent, the delta of the potential 871(m) transaction, the amount of any tax withheld and deposited, the estimated dividend amount and any other

information necessary to apply the regulations in respect of such Securites will be provided, communicated, or made available to holders of the Securites in a manner permitted by the applicable regulations. Withholding tax may apply even where holders do not receive a concurrent payment on the Securites in respect of dividends on the underlying. U.S. tax will be withheld on any portion of a payment or deemed payment (including, if appropriate, the payment of the purchase price) that is a dividend equivalent.

If withholding applies, the rate of any withholding may not be reduced even if the holder is otherwise eligible for a reduction under an applicable treaty, although non-U.S. holders that are entitled to a lower rate of withholding under a tax treaty may be able to claim a refund for any excess amounts withheld by filing a U.S. tax return. However, holders may not receive the necessary information to properly claim a refund for any withholding in excess of the applicable treaty-based amount. In addition, the IRS may not credit a holder with withholding taxes remitted in respect of its Security for purposes of claiming a refund. Finally, a holder's resident tax jurisdiction may not permit the holder to take a credit for U.S. withholding taxes related to the dividend equivalent amount. The Issuer will not pay any additional amounts with respect to amounts withheld.

The relevant Pricing Supplement may indicate if the Issuer has determined that a Security is a transaction subject to withholding under section 871(m). Although the Issuer's determination generally is binding on holders, it is not binding on the IRS. The IRS may successfully argue that a Security is subject to withholding under section 871(m), notwithstanding the Issuer's determination to the contrary. These regulations are extremely complex. Holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of section 871(m) and regulations thereunder, and whether payments or deemed payments on the Securites constitute dividend equivalent payments.

Reporting and Withholding under Foreign Account Tax Compliance Act (FATCA)

Under certain tax information reporting and withholding provisions generally referred to as "FATCA", a 30 per cent. withholding tax is imposed on "withholdable payments" and certain "passthru payments" made to (i) a "foreign financial institution" unless the financial institution complies with, among other things, certain information reporting and withholding obligations with respect to its accounts in accordance with applicable rules implementing FATCA in the financial institution's jurisdiction or in accordance with an agreement entered into between the financial institution and the IRS, and (ii) any other Holder or beneficial owner that does not comply with the Issuer's or an intermediary financial institution's request for ownership certifications and identifying information.

"FATCA" means sections 1471 through 1474 of the Code, any final current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any U.S. or non-U.S. fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such account sections of the Code. The term "withholdable payments" generally includes payments of fixed or determinable annual or periodical gains, profits, and income ("**FDAP**"), in each case, from sources within the United States (including payments on Securities treated as "dividend equivalents" under section 871(m) of the Code). "Passthru payments" means any withholdable payment and any "foreign passthru payment" which is currently not defined. To avoid becoming subject to the 30% withholding tax on payments to it, a financial institution may be required to report information to the IRS regarding the holders of the Securities. In the case of holders who (i) fail to provide the relevant information, (ii) are foreign financial institutions who have not agreed to comply with these information reporting requirements, or (iii) hold the Securities directly or indirectly through such noncompliant foreign financial institutions, a payor may be required to withhold on a portion of payments under the Securities.

We and other intermediary foreign financial institutions may be required to report information to the IRS regarding the holders of the Securities and, in the case of holders or beneficial owners who (i) fail to provide the relevant information, (ii) are foreign financial institutions who are not in compliance with applicable information reporting requirements, or (iii) hold the Securities directly or indirectly through such non-compliant foreign financial institutions, we or another withholding agent may be required to withhold tax at a rate of 30 per cent on payments under the Securities. We will not be required to pay any additional amounts with respect to amounts withheld in connection with FATCA.

Subject to the exceptions described below, FATCA's withholding regime applies currently to withholdable payments and with respect to foreign passthru payments, will apply no earlier than the date that is two years after the date on which final U.S. Treasury regulations defining "foreign passthru payments" are published.

The discussion above reflects recently proposed U.S. Treasury regulations, The U.S. Treasury have indicated that taxpayers may rely on the proposed regulations until final regulations are issued, and the discussion above assumes that the proposed regulations will be finalised in their current form.

No assurance can be given that payments on the Securities will not be subject to withholding under FATCA. Each potential investor in Securities should consult its own tax advisor to determine how FATCA may affect an investment in the Securities in such investor's particular circumstance.

Foreign Investment in U.S. Real Property

A Non-U.S. Holder may be subject to U.S. federal income tax on a disposition of a "U.S. real property interest" as defined in Treasury Regulations section 1.897-1(c) (a "**USRPI**"). Any gain on such disposition is treated as effectively connected with a U.S. trade or business of the non-U.S. holder and is subject to tax and withholding on the amount realised on the disposition. A USRPI may consist of a direct interest in U.S. real property or an interest in a United States real property holding corporation (a "**USRPHC**") within the meaning of section 897 of the Code. However, an interest in a USRPHC that does not exceed generally 5% of the corporation's regularly traded stock is not a USRPI.

The Issuer does not intend to determine whether the issuer of shares in any underlying is a USRPHC. It is possible that the issuer of shares in an underlying is a USRPHC, and that the Securities constitute an ownership interest in or an option on a USRPI, with the consequences described above. It is also possible that the issuer of shares in such underlying is not a USRPHC.

Each Non-U.S. Holder, in connection with acquiring the Securities, is deemed to represent that it does not own, and will not own, more than 5 per cent. of the shares of each of the underlying that is considered to be a USRPHC, either directly, indirectly or constructively. The Issuer and any withholding agent will rely on the accuracy of this representation. For purposes of this discussion, any interest other than solely as a creditor within the meaning of Treasury Regulations Section 1.897-1(d) shall be treated as ownership of shares of the underlying. Even if the Issuer does not withhold, there can be no assurances that an intermediary withholding agent will not withhold in respect of a Security. Further, holders may have U.S. income tax liability that exceeds amounts withheld, if any. The Issuer will not make any additional payments for any amounts withheld or tax liability arising under section 897 of the Code.

Holders should consult their own tax advisors on the impact of other shares or interests in the underlying, the impact of ownership of the Securities on such other shares or interests, and the consequences of making the representation in the preceding paragraph.

UNITED KINGDOM

The following is a summary of the Issuer's understanding of current United Kingdom tax law (as applied in England and Wales) and published HM Revenue and Customs' ("HMRC") practice relating only to the United Kingdom withholding tax treatment of payments in respect of Securities. It does not deal with any other United Kingdom taxation implications of acquiring, holding, exercising, disposing or the settlement or redemption of Securities. The United Kingdom tax treatment of prospective holders of Securities depends on their individual circumstances and may be subject to change in the future. Holders of Securities who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

United Kingdom withholding taxes can apply to a number of different types of payments. Those which could be relevant to securities such as the Securities include: interest, annual payments and manufactured payments. As a general matter, the Issuer may make payments under the Securities without any deduction of or withholding on account of United Kingdom income tax if the payments do not have a United Kingdom source and they are not made by the Issuer in the course of a trade carried on in the United Kingdom through a branch or agency.

Payments of interest on the Securities

Whether or not payments or any part of any payment on a Security will constitute "interest" will depend upon, amongst other things, the terms and conditions of the Securities and the basis upon which amounts payable on the Securities are calculated.

Payments of interest on the Securities that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax. If interest paid on the Securities does have a United Kingdom source, then payments may be made without deduction or withholding on account of United Kingdom income tax in any of the following circumstances.

The Issuer will be entitled to make payments of interest on the Securities without deduction of or withholding on account of United Kingdom income tax if:

- (a) the Issuer is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 ("**ITA 2007**"); and
- (b) the interest on the Securities is and continues to be paid in the ordinary course of the Issuer's business within the meaning of section 878 ITA 2007.

Payments of interest on the Securities may be made without deduction of or withholding on account of United Kingdom income tax if the Securities carry a right to interest and the Securities are and continue to be: (i) listed on a "recognised stock exchange" within the meaning of section 1005 ITA 2007 or (ii) admitted to trading on a "multilateral trading facility" operated by a "recognised stock exchange" that is regulated in the United Kingdom or in the EEA within the meaning of section 987 of the ITA 2007. If these conditions are met, interest on the Securities will be payable without deduction of or withholding on account of United Kingdom tax whether or not the Issuer is a bank and whether or not the interest is paid in the ordinary course of its business.

In other cases, an amount must generally be withheld from payments of interest on the Securities that has a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a holder of Securities, HMRC can issue a notice to the Issuer to pay interest to the holder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Annual Payments

If a periodic payment on a Security were not "interest", and not repayment of principal, then such payment could constitute an "annual payment". Whether or not any periodic payment were to constitute an "annual payment" for these purposes will depend upon, amongst other things, the terms and conditions of the Securities and the basis upon which it is calculated. However, if in relation to a Security the Issuer is only required to make a single payment to its holders following redemption or exercise, and there are no amounts due by way of interest or other periodic payment on that Security, payments should not generally constitute "annual payments".

Payments on a Security which constitute "annual payments" that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax.

An amount must generally be withheld from "annual payments" on Securities that have a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20%). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a holder of Securities, HMRC can issue a notice to the Issuer to make payments on the Securities to the holder without deduction of tax (or for the relevant amounts to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Manufactured Payments

Payments on the Securities should not constitute "manufactured payments" subject to any deduction of or withholding on account of United Kingdom income tax unless:

- (i) the Securities will or may settle by way of physical delivery;
- (ii) the assets which will or may be delivered are shares issued by a "company UK REIT" or the "principal company" of a "group UK REIT" (all bearing the same meaning as in section 918 ITA 2007) or securities (other than shares) issued by the United Kingdom government, a local or other public authority in the United Kingdom or any other United Kingdom resident body; and
- (iii) the payments are representative of dividends on those shares, or interest paid on those securities (as the case may be).

Payments on a Security which do constitute "manufactured payments" may in any event be made without deduction of or withholding on account of United Kingdom income tax unless the Issuer makes those payments in the course of a trade carried on in the United Kingdom through a branch or agency.

If such a "manufactured payment" were paid by the Issuer in the course of a trade carried on in the United Kingdom through a branch or agency then the Issuer may (subject to reliefs and exemptions) be required to make a deduction of or withholding on account of United Kingdom income tax from such payment at the basic rate. However, where an applicable double tax treaty provides for a lower rate of withholding tax

(or for no tax to be withheld) in relation to a holder of Securities, HMRC may be able to issue a notice to the Issuer to make the “manufactured payment” to the holder without deduction of tax (or for relevant amount to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

Sale and Subscription

The below replaces the "United States" paragraph of the "Sale and Subscription" section in the Annex (Programme Memorandum) of the Listing Supplement.

UNITED STATES

The following United States selling and transfer restrictions apply unless as provided otherwise in the relevant Pricing Supplement:

The Securities and, in certain cases, the securities (if any) to be delivered when Securities are redeemed, have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and trading in Securities has not been approved by the U.S. Commodity Futures Trading Commission (the "**CFTC**") under the U.S. Commodity Exchange Act of 1936, as amended (the "**CEA**"), or by the U.S. Securities Exchange Commission (the "**SEC**"). No Securities, or interests therein, may at any time be offered, sold, resold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person (as defined herein) or to others for offer, sale, resale, or delivery, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. person (as defined herein). Terms used in this paragraph and not otherwise defined herein have the meaning given to them by Regulation S under the Securities Act.

An offer or sale of Securities, or interests therein, directly or indirectly, within the United States, or for the account or benefit of, U.S. persons (as defined herein) may violate the registration requirements of the Securities Act and/or the securities laws of U.S. states or territories. In addition, in the absence of relief from the CFTC, offers, sales, resales, trades or deliveries of Securities, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading.

An offer, transfer or sale of Securities, or interests therein, directly or indirectly, within the United States, or for the account or benefit of, U.S. persons (as defined herein) which violates the registration requirements of the Securities Act and/or the securities laws of U.S. states or territories or United States law governing commodities trading will not be recognised. Further, prior to a redemption of Securities by way of physical delivery, the holder may be required to represent that (i) it is not a U.S. person, (ii) the Securities are not redeemed on behalf of a U.S. person, and (iii) no assets will be delivered within the U.S. or to or for the account or benefit of a U.S. person.

Neither this Document nor any copy hereof may be distributed in the United States or to any U.S. person (as defined herein) or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof. This Document may not be reproduced either in whole or in part, without the written permission of the Issuer.

As used herein, "U.S. person" means a person that is one or more of the following: (a) a U.S. person as defined in Rule 902(k)(1) of Regulation S of the Securities Act or (b) a person who comes within any definition of U.S. person for the purposes of the Commodity Exchange Act of 1936, as amended, or any rule, guidance or order proposed or issued by the CFTC thereunder (including but not limited to any person who is not a "Non-United States person" under CFTC Rule 4.7(a)(1)(iv) (excluding for purposes of CFTC Rule 4.7(a)(1)(iv)(D) the exception for qualified eligible persons who are not "Non-United States persons"))).

Additional U.S. Tax Selling Restrictions

Where the relevant Pricing Supplement specifies that "Additional U.S. Tax Selling Restrictions" are applicable, the Securities may not be offered or sold or otherwise transferred, nor may transactions in the Securities be executed, at any time, to, or for the account or benefit of, either (i) a "United States person" as defined in section 7701(a)(30) of the U.S. Internal Revenue Code (the "**Code**") or (ii) persons that are not United States persons as defined in section 7701(a)(30) of the Code ("**Non-U.S. Persons**") and that are engaged in the conduct of a U.S. trade or business for U.S. federal income tax purposes (such Non-U.S. Persons, together with United States

persons, "**Prohibited Persons**"). The Dealer and each distributor in relation to the Securities may not offer, sell, trade, deliver or effect transactions in the Securities to, or for the account or benefit of, Prohibited Persons at any time. Additionally, in the case of Securities that are warrants, upon exercise of any warrant, written certification must be given that that each person who is exercising a warrant is not a Prohibited Person and the warrant is not being exercised on behalf of a Prohibited Person.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

Any Securities which are the subject of the offering contemplated by the Programme Memorandum as completed by the Pricing Supplement in relation thereto must not be offered sold or otherwise made available to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

UNITED KINGDOM

Prohibition of Sales to UK Retail Investors

Any Securities which are the subject of the offering contemplated by the Programme Memorandum as completed by the Pricing Supplement in relation thereto must not be offered sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
 - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.