

# Consultation Notice on proposed amendments to the methodology of the ActiveSelect Excess Return (CHF) Index (Bloomberg Ticker: ACTSCE6)

This Notice is addressed to all users and stakeholders of the ActiveSelect Excess Return (CHF) Index with Bloomberg Ticker ACTSCE6 (the “**Index**”) and is published by Credit Suisse International (“**CSI**”) in its capacity as Index Administrator (as defined below) of the Index.

CSI is authorised by the Prudential Regulation Authority (“**PRA**”) and regulated by the Financial Conduct Authority (“**FCA**”) and the PRA. CSI is registered with the FCA as a benchmark administrator.

## **Introduction and scope of Consultation**

CSI is the sponsor (the “**Index Sponsor**”) of the Index. CSI also acts as (i) the administrator (the “**Index Administrator**” and “**Index Administration**”) of the Index for the purposes of (i) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (“**EU BMR**”) as it forms part of the domestic law of the United Kingdom (the “**UK BMR**”) and (ii) the index calculation agent (the “**Index Calculation Agent**”). CSI, as the Index Sponsor and Index Administrator, may, acting through its benchmark governance committee (the “**Index Committee**”), make decisions on any amendments to the Index Methodology (as defined below).

CSI, as Index Sponsor and Index Administrator has proposed amendments to the Index Methodology (as defined below) and as Index Administrator is hereby consulting on those proposed amendments (the “**Consultation**”).

The aim of the Consultation is to provide users and stakeholders with (i) applicable background information, (ii) the rationale for, and clear information on, the proposed amendments, (iii) an opportunity to ask questions or provide comments in respect of the proposed amendments and (iv) practical information on responding to the Consultation and next steps.

Capitalised terms used but not defined herein shall have the meaning ascribed to them in the CS Index Rules (as defined below).

If you do not understand the contents of this Notice or are unsure how this affects you, you should consult an appropriate professional adviser.

## **Current Index Methodology**

The current methodology of the Index (the “**Index Methodology**”) is set out in the ActiveSelect Excess Return (CHF) Index Rules dated as of 14 April 2016, as amended from time to time (the “**CS Index Rules**”).

## **Background to the Consultation and rationale for the proposed amendments to the Index Methodology**

On 12 June 2023, UBS announced the completion of the acquisition of Credit Suisse. Credit Suisse Group AG was merged into UBS Group AG (the “**UBS/CS Acquisition**”) and the combined entity has since operated as a consolidated banking group. CSI has become a wholly owned indirect subsidiary of UBS Group AG. Following the UBS/CS Acquisition the decision has been taken in conjunction with CSI and the Index Committee, to conduct an orderly exit (the “**Index Administrator Exit**”) from CSI’s role as an administrator under UK BMR and this will impact the Index.

As part of the implementation of the Index Administrator Exit, CSI on a date which is expected to be on or around 1 November 2024 (the “**Transfer Effective Date**”), proposes to transfer its role as Index Sponsor of the Index to UBS AG, London Branch (“**UBS**”) (the “**Index Sponsor Transfer**”), which in turn proposes to appoint Solactive AG

(“**Solactive**”) as Index Administrator and Index Calculation Agent (succeeding CSI in those capacities) for the Index (the “**Third Party Administrator Appointment**”) on the Transfer Effective Date.

Solactive was founded in 2007 and is registered as an administrator under Article 34 of EU BMR with the German Federal Supervisory Authority and appears on the register of administrators of the European Securities and Markets Authority. Further information on Solactive can be found at:

<https://www.solactive.com/>

Amendments to the Index Methodology are necessary from the Transfer Effective Date, as a result of the proposed Index Sponsor Transfer, Index Administrator Exit and Third Party Administrator Appointment.

### **Proposed amendments to the Index Methodology**

In the context of the matters outlined above, it is proposed that, in respect of the Index, with effect from the Transfer Effective Date:

- CSI will transfer its role as Index Sponsor to UBS and CSI will cease to be the Index Sponsor, Index Administrator and Index Calculation Agent;
- UBS, as Index Sponsor, will appoint Solactive AG, to act as Index Administrator and Index Calculation Agent, replacing CSI in such roles;
- Solactive AG will publish and calculate the level of the Index in place of CSI, under the same Bloomberg Ticker;
- the Index Components will be replaced as set out in the table in the Appendix;
- the active rebalancing of the index by Axa Investment Managers Paris will cease and the rebalancing methodology of the index will be replaced with a systematic asset allocation model, (i) based on risk weights and trend signals and (ii) validated with AXA Investment Managers Paris;
- in consideration of the substitution of the Emerging Market Equity component from the ActiveSelect Emerging Market Equity Futures Index (excess return rolling future index) to the MSCI Daily TR Net Emerging Markets USD Index (total return equity index), a funding component adjustment will be effective (previously not applicable), where the USD funding component will be based on The United States SOFR Secured Overnight Financing Rate (SOFFRRATE Index), with 0.26161% spread; and
- the CS Index Rules for the Index will be replaced by the index rules prepared by Solactive (the “**Solactive Index Rules**”). The Solactive Index Rules will contain the Index Methodology, with amendments to reflect the changes above and certain others to reflect the ongoing roles of Solactive as Index Administrator and Index Calculation Agent of the Index.

### **Consultation Period and availability of documentation**

In order to take into account the views of users and stakeholders of the Index, CSI, as Index Administrator, is conducting the Consultation on the proposed amendments. The Consultation opens on 27 September 2024 and will run until close of business in New York on 25 October 2024 (the “**Consultation Period**”).

Within the Consultation Period, users and stakeholders are invited to send any feedback or comments on the Consultation to: [list.gis-consultation@credit-suisse.com](mailto:list.gis-consultation@credit-suisse.com), including a reference to the Bloomberg Ticker: ACTSCE6 in their email, along with their name and details of their status as a user or stakeholder.

Copies of the CS Index Rules and draft Solactive Index Rules will be made available to users and stakeholders of the Index upon request to the same email address within the Consultation Period.

Please note that this Notice and any relevant updates on the Consultation will be made accessible on the following website: <https://www.credit-suisse.com/uk/en/investment-banking/financial-regulatory/customer-notices.html?a=32>

**Credit Suisse International**

Dated: 27 September 2024

## APPENDIX

### Investment Universe up to but excluding the Transfer Effective Date

i	Index Component i	Format	Currency	Sponsor/Administrator	Ticker
1	ActiveSelect Swiss Equity Futures Index	Equity Index	CHF	Credit Suisse International	ACTSSMCE Index
2	ActiveSelect US Equity Futures Index	Equity Index	USD	Credit Suisse International	ACTSESUE Index
3	ActiveSelect European Equity Futures Index	Equity Index	EUR	Credit Suisse International	ACTSVGEE Index
4	ActiveSelect Japanese Equity Futures Index	Equity Index	JPY	Credit Suisse International	ACTSNKJE Index
5	ActiveSelect Emerging Market Equity Futures Index	Equity Index	USD	Credit Suisse International	ACTSMEUE Index
6	ActiveSelect 10-Year US Treasury Note Futures Index	Index	USD	Credit Suisse International	ACTSTYUE Index
7	ActiveSelect Euro-Bund Futures Index	Index	EUR	Credit Suisse International	ACTSRXEE Index
8	EPRA Europe Net Return Index EUR	Equity Index	EUR	FTSE	NEPRA Index
9	S&P GSCI Gold Official Close Index ER USD	Index	USD	S&P DJI	SPGCGCP Index

**Proposed Investment Universe from and including the Transfer Effective Date**

i	Index Component i	Description	Format	Currency	Sponsor	Ticker	Administrator	Changes to underlying
1	UBS Market Beta Switzerland Equity Index	Rolling SMI futures	Future Index	CHF	UBS AG, London Branch	UISEMSLE Index	S&P DJI	
2	UBS Market Beta US Equity Index	Rolling S&P 500 futures	Future Index	USD	UBS AG, London Branch	UISEMULL Index	S&P DJI	-
3	UBS Market Beta Europe Equity Index	Rolling EuroStoxx 50 futures	Future Index	EUR	UBS AG, London Branch	UISEMEER Index	Bloomberg	-
4	UBS Market Beta Japan Broad Equity Index	Rolling Topix futures	Future Index	JPY	UBS AG, London Branch	UISEMJTE Index	MerQube	front future contract on Tokyo Stock Exchange Tokyo Stock Price Index (TOPIX) (as opposed to Nikkei 225 Future Contract)
5	MSCI Daily TR Net Emerging Markets USD	Emerging Market equities	Index	USD	MSCI	NDUEEGF Index	MSCI	MSCI Emerging Markets TR (as opposed to MSCI Emerging Markets rolling futures ER index)
6	US 10Y US Treasuries Index	Rolling 10y Treasuries futures	Future Index	USD	UBS AG, London Branch	MLTAU10E Index	MerQube	-
7	UBS 10Y German Bond Index	Rolling Bund futures	Future Index	EUR	UBS AG, London Branch	MLTAG10E Index	MerQube	-
8	EPRA Europe Net Return Index EUR	Real Estate equities	Index	USD	FTSE	NEPRA Index	FTSE	-
9	UBS CMCI Components Gold Index	Rolling Gold futures	Index	USD	UBS AG, London Branch	CTGCER Index	MerQube	first 3 gold future contracts (as opposed to front gold future contract)