

Consultation Notice on proposed amendments to the methodology of:

DFL CS AUD17VA Index	(Bloomberg Ticker: CSJADAUD)
DFL CS AUD17VAJPY Index	(Bloomberg Ticker: CSJAAUDJ)
DFL CS USD18VA Index	(Bloomberg Ticker: CSJADUSD)
DFL CS USD18VAJPY Index	(Bloomberg Ticker: CSJAUSDJ)

This Notice is addressed to all users and stakeholders of the above captioned Indices (the “**Indices**” and each an “**Index**”), which are published by S&P Dow Jones Indices LLC (“**S&P**”) in its capacity as Index Calculation Agent (as defined below) of the Indices and for which Credit Suisse International (“**CSI**”) acts as Index Administrator and Index Sponsor (each as defined below).

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 Indices. CSI also acts as the index creator and administrator (the “**Index Administrator**”) of the Indices. S&P is the index calculation agent (the “**Index Calculation Agent**”) of each Index. 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 each 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 Indices (the “**Index Methodology**”) is set out in The DFL CS AUD17VA Index Rules and The DFL CS USD18VA Index Rules each dated as of November 11, 2022 and The DFL CS AUD17VAJPY Index Rules and The DFL CS USD18VAJPY Index Rules each dated as of March 9, 2015, each 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 and this will impact the Indices.

As part of the implementation of the Index Administrator Exit, CSI on a date which is expected to be on or around 21 November 2024 (the “**Transfer Effective Date**”), proposes to transfer its role as Index Sponsor of the Indices to UBS AG, London Branch (“**UBS**”) (the “**Index Sponsor Transfer**”), which in turn proposes to appoint S&P (via its subsidiary S&P DJI Netherlands B.V. (“**S&P DJI**”)) as Index Administrator, (succeeding CSI in that capacity) for the Indices (the “**Third Party Administrator Appointment**”) on the Transfer Effective Date.

S&P DJI is authorised by the Dutch Authority for Financial Markets as a benchmark administrator under EU BMR.

S&P DJI has been an established index administrator since 2018. Further information on S&P DJI can be found at [FAQ: European Union and U.K. Benchmark Regulation \(spglobal.com\)](#).

Amendments to the Index Methodology for each Index 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, with effect from the Transfer Effective Date, the following amendments (the “**Amendments**”) are to be made in respect of the Indices:

- CSI will transfer its role as Index Sponsor for the Indices to UBS AG, London Branch and CSI will cease to be the Index Sponsor and Index Administrator;
- the name of the each Index will be changed as follows, however the Bloomberg ticker will remain the same:
DFL UBS AUD17VA Index (Bloomberg Ticker: CSJADAUD)
DFL UBS AUD17VAJPY Index (Bloomberg Ticker: CSJAAUDJ)
DFL UBS USD18VA Index (Bloomberg Ticker: CSJADUSD)
DFL UBS USD18VAJPY Index (Bloomberg Ticker: CSJAUSDJ)
- UBS AG, London Branch, as Index Sponsor, will complete each Third Party Administrator Appointment, so that S&P DJI replaces CSI as Index Administrator and is responsible for the calculation of each Index.
- S&P will continue to publish and calculate the level of each Index under the same Ticker as above;
- the following changes are made to the methodology:
 - Data will be sourced from Reuters instead of Bloomberg
 - Two macro indicators that are used to determine maximum regional allocation for Japan and Europe Index Components, the Jibun Bank Japan Manufacturing PMI (“Monthly Indicator 2”) and Eurozone Manufacturing PMI (“Monthly Indicator 4”) respectively, will be replaced by the Japan Tankan Business Conditions Large Enterprises Manufacturing (“Replacement Indicator 2”) and European Commission Manufacturing Confidence Eurozone Industrial Confidence (“Replacement Indicator 4”) respectively.
 - The calculation of the monthly signal based on Replacement Monthly Indicator 2 will be adjusted per below to take into account the fact that the indicator is published on a quarterly basis while the signal is determined monthly. The signal is based on a composite score of:
 - “Average Factor”: the Average Factor is currently computed as the average of the 12 most recent monthly releases, it will be amended to be the average of the 4 most recent quarterly releases
 - “Change Factor”: the Change Factor is current computed as the change relative to the release 2 months ago, it will be amended to be the change relative to the previous quarterly release. The Change Factor is currently always included in the composite score, it will be amended such that it is only included when there is a quarterly release of the indicator
 - The 3-month Call Implied Volatility used in the Equity Signal calculation will be replaced by CBOE S&P 500 3-Month Volatility Index. The threshold of the Equity Signal is amended from 20 to 25.

- The “Index Component Exchange” for each Index Component which is a futures contract will be amended to refer to the actual futures exchanges where the Index Components are traded and;
- the CS Index Rules for each Index will be replaced by the index rules prepared by S&P the “**S&P Index Rules**”). The S&P Index Rules will contain the Index Methodology, with amendments to reflect the changes above and certain others to reflect the ongoing roles of S&P DJI as Index Administrator.

Consultation Period and availability of documentation

In order to take into account the views of users and stakeholders of the Indices, CSI, as Index Administrator, is conducting the Consultation on the proposed Amendments. The Consultation opens on 23 October 2024 and will run until close of business in Tokyo on 15 November 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, including a reference to the relevant Bloomberg Ticker 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 S&P 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: 23 October 2024