

Consultation Notice on proposed amendments to the methodology of the Credit Suisse GEM 10% Risk Control (ER) Index

(Bloomberg Ticker: CSEAGEM)

This Notice is addressed to all users and stakeholders of the Credit Suisse GEM 10% Risk Control (ER) Index with Bloomberg Ticker CSEAGEM (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 Credit Suisse GEM 10% Risk Control (ER) Index Rules dated as of 21 March 2019, 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 23 October 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 MerQube, Inc 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. MerQube, Inc. has delegated its index administration and index calculation activities to its subsidiary, MerQube UK Limited (“**MerQube**”), and MerQube would therefore undertake the duties of the Index Administrator and the Index Calculation Agent for the Indices following the Transfer Effective Date.

MerQube is registered as an administrator by the FCA under UK BMR.

MerQube, Inc. has been an established index administrator and index calculation agent since 2019. Further information on MerQube, Inc and MerQube can be found at <https://merqube.com/home>.

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 AG, London Branch or its affiliate, as Index Sponsor, will appoint MerQube, Inc., subject to delegation to MerQube to act as Index Administrator and Index Calculation Agent, replacing CSI in such roles;
- the name of the Index will be changed to the UBS GEM 10% Risk Control (ER) Index ;
- MerQube will publish and calculate the level of the Index in place of CSI, but with the new name and under the same Bloomberg Ticker;
- the Index Components will be replaced as set out in the table in the Appendix;
- the equity Index Component (CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index) is subject to an ongoing consultation, made accessible on the following website : <https://www.credit-suisse.com/uk/en/investment-banking/financial-regulatory/customer-notices.html?a=32>
- the CS Index Rules for the Index will be replaced by the index rules prepared by MerQube (the “**MerQube Index Rules**”). The MerQube Index Rules will contain the Index Methodology, with amendments to reflect the changes above and certain others to reflect the ongoing roles of MerQube 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 26 September 2024 and will run until close of business in New York on 18 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.qis-consultation@credit-suisse.com, including a reference to the Bloomberg Ticker: CSEAGEM 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 MerQube 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: 26 September 2024

APPENDIX

Investment Universe up to but excluding the Transfer Effective Date

i	Index Component i	Format	Currency	Sponsor	Ticker	Administrator
1	CS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index	Index	USD	Credit Suisse International	CSHTGFN Index	Credit Suisse International
2	Credit Suisse 10-Year US Treasury Note Futures Index	Future Index	USD	Credit Suisse International	CSRFTYUE Index	Credit Suisse International

Proposed Investment Universe from and including the Transfer Effective Date

i	Index Component i	Format	Currency	Sponsor	Ticker	Administrator
1	UBS HOLT Equity Factor Global Multi-Factor USD Net Total Return Index *	Index	USD	UBS AG, London Branch	UBSHTGFN Index	Solactive
2	UBS 10Y US Treasuries Excess Return Index	Future Index	USD	UBS AG, London Branch	MLTAU10E Index	MerQube