EIGHTH SUPPLEMENT DATED 29 MARCH 2022 TO THE BASE PROSPECTUS DATED 21ST MAY 2021

Credit Suisse AG

(incorporated with limited liability in Switzerland)

Euro Medium Term Note Programme

This supplement (the **Eighth Supplement**) to the Base Prospectus dated 21st May 2021 (the **Base Prospectus**) constitutes a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) and is prepared in connection with the Euro Medium Term Note Programme (the **Programme**) established by Credit Suisse AG, acting through its Zurich head office or its London, Tokyo, Singapore, Guernsey, Sydney or New York branch (**CS** or the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Eighth Supplement.

This Eighth Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus as supplemented by the first supplement to the Base Prospectus dated 20th July 2021, the second supplement to the Base Prospectus dated 5th August 2021, the third supplement to the Base Prospectus dated 17th August 2021, the fourth supplement to the Base Prospectus dated 12th November 2021, the fifth supplement to the Base Prospectus dated 22nd December 2021, the sixth supplement to the Base Prospectus dated 31st January 2022 and the seventh supplement to the Base Prospectus dated 17th February 2022 (collectively, the **Existing Supplements**), including the documents incorporated therein.

The Issuer accepts responsibility for the information contained in the Base Prospectus, as supplemented by the Existing Supplements and this Eighth Supplement. To the best of the knowledge of the Issuer the information contained in the Base Prospectus, as supplemented by the Existing Supplements and this Eighth Supplement, is in accordance with the facts and does not omit anything likely to affect the import of such information.

Documents Incorporated by Reference

The section headed "*Documents Incorporated by Reference*" on pages 45 to 50 of the Base Prospectus shall be amended at page 50 to include the additional documents listed below:

- the Form 20-F of CSG and CS filed with the SEC on 10th March 2022 (the **Form 20-F Dated 10th March 2022**), which contains the Credit Suisse Annual Report 2021 (the **Annual Report 2021**) attached as an exhibit thereto, as indicated in the cross-reference table below (pages 2 to 4).

- the Report of the Statutory Auditor and the Parent company financial statements of CS published on the website of CS on 10th March 2022 (the **Report of the Statutory Auditor and Parent company financial statements of CS**), as indicated in the cross-reference table below (page 4).

- the Form 6-K of CSG and CS filed with the SEC on 21st March 2022 (the **Form 6-K Dated 21st March 2022**), which contains a media release titled "Credit Suisse Group AG proposes new appointments to the Board of Directors", as indicated in the cross-reference table below (page 4).

The information that is not included in the above cross-reference list and therefore not incorporated herein by reference for the purposes of the Prospectus Regulation is either (a) covered elsewhere in the Base Prospectus; or (b) not relevant for the investor.

Copies of the Documents Incorporated by Reference specified above may be inspected online at

- www.credit-suisse.com/media/assets/corporate/docs/about-us/investor-relations/financial-disclosures/sec-filings/form-20f-2021.pdf (the Form 20-F Dated 10th March 2022).

- www.credit-suisse.com/media/assets/corporate/docs/about-us/investor-relations/financial-disclosures/financial-reports/csg-ar21-parent-company-financial-statements-bank-en.pdf (the Report of the Statutory Auditor and Parent company financial statements of CS).

- https://www.credit-suisse.com/media/assets/about-us/docs/investor-relations/financial-regulatory-disclosures/regulatory-disclosures/company-registration-documents/form-6-k-dated-21-march-2022.pdf (the Form 6-K Dated 21st March 2022).

Amendments to the Risk Factors in the Base Prospectus

The sections 1 to 7 under the heading "*RISK FACTORS–FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES*" on pages 11 to 28 of the Base Prospectus shall be deleted in its entirety and replaced with the following:

1. Liquidity risk

Liquidity, or ready access to funds, is essential to CS's business, particularly its investment banking businesses. CS seeks to maintain available liquidity to meet its obligations in a stressed liquidity environment.

> For information on CS's liquidity management, refer to "*Liquidity and funding management*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet*" in the Annual Report 2021.

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

CS'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, including the possible amendments to the Swiss liquidity ordinance to increase the regulatory minimum liquidity requirements for systemically important banks, or the market perceptions of risk relating to CS, 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 CS's liquidity. In challenging credit markets CS'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. Following the financial crisis in 2008 and 2009, CS's costs of liquidity have been significant and it expects to incur ongoing costs as a result of regulatory requirements for increased liquidity.

> For further information, refer to "*Regulatory developments*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Liability and funding management*" in the Annual Report 2021.

If CS 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, CS 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.

1.2 CS's businesses rely significantly on its deposit base for funding

CS's businesses benefit from short-term funding sources, including primarily demand deposits, inter-bank loans, time deposits and cash bonds. Although deposits have been, over time, a stable source of funding, this may not continue. In that case, CS's liquidity position could be adversely affected, and it might be unable to meet deposit withdrawals on demand or at their contractual maturity, to repay borrowings as they mature or to fund new loans, investments and businesses.

1.3 Changes in CS's or CSG's ratings may adversely affect CS's business

Ratings are assigned by rating agencies. Rating agencies may lower, indicate their intention to lower or withdraw their ratings at any time. The major rating agencies remain focused on the financial services industry, particularly regarding potential declines in profitability, asset quality deterioration, asset price volatility, risk and governance controls, the impact from any potential easing or enhancement of regulatory requirements and challenges from increased costs related to compliance and litigation. In July 2021, Moody's Investors Service lowered its long-term senior unsecured debt and deposit ratings of CS by one notch. Any downgrades in CS's or CSG's ratings could increase CS's borrowing costs, limit its access to capital markets, increase CS's cost of capital and adversely affect the ability of its businesses to sell or market their products, engage in business transactions, particularly financing and derivatives transactions, and retain clients.

2. Archegos and SCFF-related risks

2.1 Significant negative consequences of the Archegos and supply chain finance funds matters

As previously reported, Credit Suisse incurred a net charge of CHF 4.8 billion in 2021 in respect of the US-based hedge fund matter described on page 302 of the Annual Report 2021 (**Archegos**). Credit Suisse also previously reported that it is reasonably possible that it will incur a loss in respect of the Supply Chain Finance Funds (**SCFF**) matter, though it is not yet possible to estimate the size of such a reasonably possible loss. However, the ultimate cost of resolving the SCFF matter may be material to its operating results. In addition, Credit Suisse has suffered and may continue to suffer reputational harm and reductions in certain areas of its business, such as a slowdown in net new asset generation in Asset Management in 2021, attributable, at least in part, to these matters.

A number of regulatory and other inquiries, investigations and actions have been initiated or are being considered in respect of each of these matters, including enforcement actions by the Swiss Financial Market Supervisory Authority (**FINMA**). FINMA has also imposed certain risk-reducing measures and capital surcharges, as discussed in the Annual Report 2021. Third parties appointed by FINMA are conducting investigations into these matters. The CSSF is also reviewing the SCFF matter through a third party. Furthermore, Credit Suisse is subject to various litigation claims in respect of these matters and it may become subject to additional litigation, disputes or other actions.

> For further information, refer to "*Note 40 – Litigation*" in "*VI – Consolidated financial statements – Credit Suisse Group*" in the Annual Report 2021.

The Board of CSG (the **Board**) launched investigations into the Archegos and SCFF matters, which not only focused on the direct issues arising from each of them, but also reflected on the broader consequences and lessons learned. CSG also established Asset Management as a separate division of the Group, undertook various senior management changes in response to these matters and previously granted compensation awards were recovered from certain individuals through malus and clawback provisions. On 29 July 2021, Credit Suisse published the report based on the independent external investigation into Archegos, which found, among other things, a failure to effectively manage risk in the Investment Bank's prime services business by both the first and second lines of defence as well as a lack of risk escalation. On 10 February 2022, Credit Suisse announced that the separate report related to the SCFF matter has been completed and that the findings have been made available to the Board and the report was shared with FINMA.

The combined effect of these two matters, including the material loss incurred in respect of Archegos, may have other material adverse consequences for Credit Suisse, including negative effects on its business and operating results from actions that it has taken and may be required or decide to take in the future in response to these matters. Among these actions are its decision to reduce its 2020 dividend proposal, suspend its share buyback programme, deleverage certain businesses and clients and reduce leverage exposure and risk-weighted assets (**RWA**) in the Investment Bank. Furthermore, as part of its revised strategy and restructuring programme announced in November 2021, it is in the process of exiting substantially all of its prime services business and redeploying allocated capital from its Investment Bank to its Wealth Management businesses. In addition, it has been required by FINMA to take certain capital and related actions, including a temporary add-on to RWA in the first quarter of 2021 in relation to its exposure in the Archegos matter and a Pillar 2 capital add-on relating to the SCFF matter. There could also be additional capital and related actions, including an add-on to RWA relating to operational risk. There can be no assurance that measures instituted to manage related risks will be effective in all instances. Such actions have caused and may continue to cause loss of revenues and assets under management, as well as a material adverse effect on its ability to attract and retain customers, clients, investors and employees and to conduct business transactions with its counterparties.

Several of the processes discussed above are still ongoing, including the process of seeking to recover amounts in respect of the SCFF matter. In addition, the Board conducted a review of the Group's business strategy and risk appetite. As a result of the new strategy, the Group recorded a goodwill impairment of CHF 1.6 billion in the fourth quarter of 2021. There can be no assurance that any additional losses, damages, costs and expenses, as well as any further regulatory and other investigations and actions or any downgrade of its credit ratings, will not be material to the Group, including from any impact on the Group's business, financial condition, results of operations, prospects, liquidity, capital position or reputation.

> For further information, refer to "*Archegos Capital Management*" in "*II – Operating and financial review – Credit Suisse – Significant events in 2021*", "*Key risk developments – Archegos and supply chain finance fund matters*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management*" and "*Regulatory developments*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Capital management*" in the Annual Report 2021.

3. Market and credit risks

3.1 The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, CS'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 certain countries in which CS conducts business. The ongoing global COVID-19 pandemic has adversely affected, and may continue to adversely affect, CS's business, operations and financial performance.

The spread of COVID-19 and resulting government controls and containment measures implemented around the world have caused severe disruption to global supply chains, labour markets and economic activity, which have contributed to rising inflationary pressure and spikes in market volatility.

The spread of COVID-19 is continuing to have an adverse impact on the global economy, the severity and duration of which is difficult to predict, and has adversely affected CS's business, operations and financial performance. Modelling for current expected credit losses (**CECL**) has been made more difficult by the effects of the COVID-19 pandemic on market volatility and macroeconomic factors, and has required ongoing monitoring and more frequent testing across the Group, particularly for credit models. There can be no assurance that, even after adjustments are made to model outputs, the Group will not recognise unexpected losses arising from the model uncertainty that has resulted from the COVID-19 pandemic. The COVID-19 pandemic has significantly impacted, and may continue to adversely affect, CS's credit loss estimates, mark-to-market losses, trading revenues, net interest income and potential goodwill assessments, and may also adversely affect CS's ability to successfully realise its strategic objectives and goals, including those related to the Group strategy that it announced on 4 November 2021. Should current economic conditions persist or deteriorate, the macroeconomic environment could have a continued adverse effect on the aspects outlined herein and other aspects of CS's business, operations and financial performance, including decreased client activity or demand for its products, disruptions to its workforce or operating systems, possible constraints on capital and liquidity or a possible downgrade of its credit ratings. Additionally, legislative and regulatory changes in response to the COVID-19 pandemic, such as consumer and corporate relief measures, could further affect CS's business. As such measures are often rapidly introduced and varying in their nature, CS is also exposed to heightened risks as it may be required to implement large-scale changes quickly. Furthermore, increases in inflation and expectations that annual inflation may remain high for a long period of time has forced major central banks to accelerate the withdrawal of emergency monetary policies and liquidity support measures put in place during the earlier stages of the COVID-19 pandemic. As some of these measures expire, are withdrawn or are no longer supported by governments, economic growth may be negatively impacted, which in turn may adversely affect CS's business, operations and financial performance.

The extent of the adverse impact of the pandemic on the global economy and markets will depend, in part, on the duration and severity of the measures taken to limit the spread of the virus and counter its impact, including further emergence of more easily transmissible and/or dangerous strains of COVID-19 and the availability, successful distribution and public acceptance of vaccines and treatments, and, in part, on the size and effectiveness of the compensating measures taken by governments, including additional stimulus legislation, 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 CS's business, operations or financial performance, it may also have the effect of increasing the likelihood and/or magnitude of other risks described herein, or may give rise to other risks not presently known to it or not currently expected to be significant to its business, operations or financial performance. CS continues to closely monitor the potential adverse effects and impact on its operations, businesses and financial performance, including liquidity and capital usage, though the extent of the impact is difficult to fully and accurately predict at this time due to the continuing evolution of this uncertain situation.

3.2 CS may incur significant losses on its trading and investment activities due to market fluctuations and volatility

Although CS continues to strive to reduce its balance sheet and has made significant progress in implementing its strategy over the past few years, it also continues to maintain large 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 CS 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 CS 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 it 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 CS'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 CS's net revenues and profitability.

3.3 CS'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 a global financial services company, CS's businesses could be materially adversely affected by unfavourable global and local economic and market conditions, as well as geopolitical events and other developments in Europe, the United States of America (**US**), Asia and elsewhere around the world (even in countries in which CS does not currently conduct business). For example, the escalating conflict between Russia and Ukraine could lead to regional and/or global instability, as well as adversely affect commodity and other financial markets or economic conditions. The US, European Union (**EU**), United Kingdom (**UK**), Switzerland and other countries have imposed, and may further impose, financial and economic sanctions and export controls targeting certain Russian entities and/or individuals, and CS may face restrictions on engaging with certain consumer and/or institutional businesses due to any current or impending sanctions and laws (including any Russian countermeasures), which could adversely affect CS's business. Further, numerous countries 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, which could have an adverse effect on its operations and investments. Equity market volatility has decreased during 2021 compared to the previous year despite ongoing concerns surrounding the spread of COVID-19. The economic environment may experience further volatility, increased inflation or other negative economic impacts depending on the longevity and severity of the COVID-19 pandemic.

> For further information, refer to "*Regulation and supervision*" and "*Key risk developments*" in "*III – Treasury, Risk, Balance Sheet and Off-balance sheet — Risk management*" in the Annual Report 2021.

Although the severity of the European sovereign debt crisis appears to have abated somewhat over recent years, political uncertainty, including in relation to the UK's withdrawal from the EU, remains elevated and could cause disruptions in market conditions in Europe and around the world and could further have an adverse impact on financial institutions, including CS. The economic and political impact of the UK leaving the EU, including on investments and market confidence in the UK and the remainder of the EU, may adversely affect CS's future results of operations and financial condition.

Following the UK's withdrawal from the EU, CS's legal entities that are organised or operate in the UK face limitations on providing services or otherwise conducting business in the EU, which require CS to implement significant changes to its legal entity structure. In addition, as part of an overarching global legal entity simplification programme, the Group has developed a comprehensive EU entity strategy and is also defining a strategy to optimise the legal entity structure across other regions, including expediting the closure of redundant entities. There are a number of uncertainties that may affect the feasibility, scope and timing of the intended results, including the outcome of the ongoing negotiations between the EU and the UK for a framework for regulatory cooperation on financial services and the operation of their unilateral and autonomous processes for recognising each other's regulatory framework as equivalent. Finally, future significant legal and regulatory changes, including possible regulatory divergence between the EU and the UK, affecting the Group and its operations may require it to make further changes to its legal structure. The implementation of these changes has required, and may further require, the investment of significant time and resources and has increased, and may potentially further increase, operational, regulatory compliance, capital, funding and tax costs as well as the Group's counterparties' credit risk.

> For further information, refer to "*UK-EU relationship*" in "*Regulation and Supervision – Recent regulatory developments and proposals – EU*" and "*Corporate Governance Framework*" in "*IV – Corporate Governance*" in the Annual Report 2021.

The environment of political uncertainty in countries and regions in which CS conducts business may also affect CS's and the Group's business. The increased popularity of nationalist and protectionist sentiments, including implementation of trade barriers and restrictions on market access, may result in significant shifts in national policy and a decelerated path to further European integration. Similar uncertainties exist regarding the impact of supply chain disruptions, labour shortages, wage pressures, rising inflation, the escalating conflict between Russia and Ukraine and the continuing COVID-19 pandemic, any of which may be disruptive to global economic growth and may also negatively affect CS's business.

In the past, the low interest rate environment has adversely affected CS's net interest income and the value of its trading and non-trading fixed income portfolios, and resulted in a loss of customer deposits as well as an increase in the liabilities relating to its existing pension plans. Furthermore, while interest rates may remain low for a longer period of time, major central banks have begun increasing or signaling that they expect to increase interest rates in response to rising inflation concerns. Future changes in interest rates, including increasing interest rates or changes in the current negative short-term interest rates in CS's home market, could adversely affect its businesses and results. Interest rate cuts by national governments and central banks could also adversely impact CS's net interest income. In addition, movements in equity markets have affected the value of CS's trading and non-trading equity portfolios, while the historical strength of the Swiss franc has adversely affected its revenues and net income and exposed CS to currency exchange rate risk. Further, diverging monetary policies among the major economies in which CS operates, in particular among the Board of Governors of the US Federal Reserve System (the **Fed**), the European Central Bank and the Swiss National Bank (the **SNB**), may adversely affect its results.

Such adverse market or economic conditions may negatively impact CS's investment banking and wealth management businesses and adversely affect net revenues it receives from commissions and spreads. These conditions may result in lower investment banking client activity, adversely impacting CS's financial advisory and underwriting fees. Such conditions may also adversely affect the types and volumes of securities trades that CS executes for customers. Cautious investor behaviour in response to adverse conditions could result in generally decreased client demand for CS's products, which could negatively impact its results of operations and opportunities for growth. Unfavourable market and economic conditions have affected CS's businesses in the past, including the low interest rate environment, continued cautious investor behaviour and changes in market structure. These negative factors could be reflected, for example, in lower commissions and fees from CS's client-flow sales and trading and asset management activities, including commissions and fees that are based on the value of its clients' portfolios.

CS's response to adverse market or economic conditions may differ from that of its competitors and an investment performance that is below that of competitors or asset management benchmarks could also result in a decline in assets under management and related fees, making it harder to attract new clients. There could be a shift in client demand away from more complex products, which may result in significant client deleveraging, and CS's results of operations related to wealth management and asset management activities could be adversely affected. Adverse market or economic conditions, including as a result of the COVID-19 pandemic, could exacerbate such effects.

In addition, several of CS's businesses engage in transactions with, or trade in obligations of, governmental entities, including supranational, national, state, provincial, municipal and local authorities. These activities can expose CS to enhanced sovereign, credit-related, operational and reputational risks, which may also increase as a result of adverse market or economic conditions. Risks related to these transactions include the risks that a governmental entity may default on or restructure its obligations or may claim that actions taken by government officials were beyond the legal authority of those officials, which have in the past and may in the future adversely affect CS's financial condition and results of operations.

Adverse market or economic conditions could also affect CS's private equity investments. If a private equity investment substantially declines in value, CS may not receive any increased share of the income and gains from such investment (to which it is entitled in certain cases when the return on such investment exceeds certain threshold returns), may be obligated to return to investors previously received excess carried interest payments and may lose its pro rata share of the capital invested. In addition, it could become more difficult to dispose of the investment, as even investments that are performing well may prove difficult to exit.

In addition to the macroeconomic factors discussed above, other political, social and environmental developments beyond CS's control, including terrorist attacks, cyber-attacks, military conflicts, diplomatic tensions, economic or political sanctions, disease pandemics, war, political or civil unrest and widespread demonstrations, climate change, natural disasters, or infrastructure issues, such as transportation or power failures, could have a material adverse effect on economic and market conditions, market volatility and financial activity, with a potential related effect on its businesses and results. In addition, as geopolitical tensions rise, compliance with legal or regulatory obligations in one jurisdiction may be seen as supporting the law or policy objectives of that jurisdiction over another jurisdiction, creating additional risks for CS's business.

> For further information, refer to "*Non-financial risk*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management – Risk coverage and management*" in the Annual Report 2021.

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

In July 2017, the UK Financial Conduct Authority (**FCA**), which regulates the London Interbank Offered Rate (**LIBOR**) announced that it will no longer compel banks to submit rates for the calculation of the LIBOR benchmark after year-end 2021. Other IBORs may also be permanently discontinued or cease to be representative. In March 2021, the FCA confirmed that, consistent with its prior announcement, all CHF, EUR, GBP and JPY LIBOR settings and the one-week and two-month USD LIBOR settings will permanently cease to be provided by any administrator or will no longer be representative immediately after 31 December, 2021.

As of 1 January 2022, these LIBOR settings are no longer available on a representative basis. Although the one-, three- and six-month GBP and JPY LIBOR settings remain published on a synthetic, temporary and non-representative basis, primarily to facilitate the transition of any residual legacy contract that the parties were unable to address in time, these synthetic LIBORs are not available for reference in new trading activity. The remaining USD LIBOR settings will permanently cease to be provided by any administrator or will no longer be representative immediately after 30 June 2023, providing additional time to address the legacy contracts that reference such USD LIBOR settings. However, there is no certainty that the extended period of time to transition to alternative reference rates (**ARRs**) is sufficient given how widely USD LIBOR is referenced. A number of initiatives have been developed to support the transition, such as the publication by the International Swaps and Derivatives Association, Inc., of Supplement number 70 to the 2006 ISDA Definitions (the **IBOR Supplement**) and the accompanying IBOR Protocol. Although these measures may help facilitate the derivatives markets' transition away from IBORs, CS's clients and other market participants may not adhere to the IBOR Protocol or may not be otherwise willing to apply the provisions of the IBOR Supplement to relevant documentation. Furthermore, no similar multilateral mechanism exists to amend legacy loans or bonds, many of which must instead be amended individually, which may require the consent of multiple lenders or bondholders. As a consequence, there can be no assurance that market participants, including CS, will be able to successfully modify all outstanding IBOR referencing contracts or otherwise be sufficiently prepared for the uncertainties resulting from cessation, potentially leading to disputes. Legislation has been proposed or enacted in a number of jurisdictions to address affected contracts without robust fallback provisions. For example, New York State has enacted legislation providing for the replacement of USD LIBOR-based benchmarks in certain agreements by operation of law. However, the scope of this legislation is limited and may be subject to challenge on various grounds. In addition, it is uncertain whether, when and how other jurisdictions will enact similar legislation. Furthermore, the terms and scope of existing and future legislative solutions may be inconsistent and potentially overlapping.

CS has identified a significant number of its liabilities and assets, including credit instruments such as credit agreements, loans and bonds, linked to IBORs across its businesses that require transition to ARRs. The overwhelming majority of CS's legacy non-USD LIBOR portfolio has been remediated, either by active transition to ARRs, or by adding robust fallback provisions intended to govern the transition to ARRs upon the cessation of LIBORs. While CS has a significant level of liabilities and assets linked to USD LIBOR, derivatives make up the majority of the legacy portfolio, and many of its derivative counterparts have already adhered to the IBOR Protocol. The discontinuation of IBORs or future changes in the administration of benchmarks could result in adverse consequences to the return on, value of and market for securities, credit instruments and other instruments whose returns or contractual mechanics are linked to any such benchmark, including those issued and traded by the Group. For example, ARR-linked products may not provide a term structure and may calculate interest payments differently than benchmark-linked products, which could lead to greater uncertainty with respect to corresponding payment obligations. The transition to ARRs also raises concerns of liquidity risk, which may arise due to slow acceptance, take-up and development of liquidity in products that use ARRs, leading to market dislocation or fragmentation. It is also possible that such products will perform differently to IBOR products during times of economic stress, adverse or volatile market conditions and across the credit and economic cycle, which may impact the value, return on and profitability of CS's ARR-based assets. The transition to ARRs also requires a change in contractual terms of existing products currently linked to IBORs.

Further, the replacement of IBORs with an ARR in existing securities and other contracts, or in internal discounting models, could negatively impact the value of and return on such existing securities, credit instruments and other contracts and result in mispricing and additional legal, financial, tax, operational, market, compliance, reputational, competitive or other risks to CS, its clients and other market participants. For example, CS may face a risk of litigation, disputes or other actions from clients, counterparties, customers, investors or others regarding the interpretation or enforcement of related contractual provisions or if it fails to appropriately communicate the effect that the transition to ARRs will have on existing and future products. Further, litigation, disputes or other action may occur as a result of the interpretation or application of legislation, in particular, if there is an overlap between legislation introduced in different jurisdictions. In addition, the transition to ARRs requires changes to CS's documentation, methodologies, processes, controls, systems and operations, which has resulted and may continue to result in increased effort and cost. There may also be related risks that arise in connection with the transition. For example, CS's hedging strategy may be negatively impacted or market risk may increase in the event of different ARRs applying to its assets compared to its liabilities. In particular, CS's swaps and similar instruments that reference an IBOR and that are used to manage long-term interest rate risk related to its credit instruments could adopt different ARRs than the related credit instruments, resulting in potential basis risk and potentially making hedging its credit instruments more costly or less effective.

> For further information, refer to "*Replacement of interbank offered rates*" in "*II – Operating and Financial Review – CS – Other information*" in the Annual Report 2021.

3.5 CS may incur significant losses in the real estate sector

CS finances and acquires principal positions in a number of real estate and real estate-related products, primarily for clients, and originates loans secured by commercial and residential properties. As of 31 December 2021, the Group's real estate loans as reported to the SNB totaled approximately CHF 147.9 billion. It also securitises and trades in commercial and residential real estate and real estate-related whole loans, mortgages and other real estate and commercial assets and products, including commercial mortgage-backed securities and residential mortgage-backed securities. CS's real estate-related businesses and risk exposures could be adversely affected by any downturn in real estate markets, other sectors and the economy as a whole. In particular, CS has exposure to commercial real estate, which has been impacted by the COVID-19 pandemic and resulting tight government controls and containment measures. Should these conditions persist or deteriorate, they could create additional risk for CS's commercial real estate-related businesses. In addition, the risk of potential price corrections in the real estate market in certain areas of Switzerland could have a material adverse effect on CS's real estate-related businesses.

3.6 Holding large and concentrated positions can expose CS to large losses

Concentrations of risk can expose CS to large losses given that CS has provided or may in the future provide sizeable loans to, conduct sizeable transactions with and own securities holdings in certain customers, clients, counterparties, industries, countries or any pool of exposures with a common risk characteristic. Decreasing economic growth in any sector in which CS makes significant commitments, for example, through underwriting, lending or advisory services, could also negatively affect its net revenues. In addition, a significant deterioration in the credit quality of one of CS's borrowers or counterparties could lead to concerns about the creditworthiness of other borrowers or counterparties in similar, related or dependent industries. This type of interrelationship could exacerbate its credit, liquidity and market risk exposure and potentially cause it to incur losses.

CS has significant risk concentration in the financial services industry as a result of the large volume of transactions it routinely conducts with broker-dealers, banks, funds and other financial institutions, and in the ordinary conduct of its business, it can be subject to risk concentration with a particular counterparty. In addition, CS, and other financial institutions, may pose systemic risk in a financial or credit crisis, and may be vulnerable to market sentiment and confidence, particularly during periods of severe economic stress. CS, like other financial institutions, continues to adapt its practices and operations in consultation with its regulators to better address an evolving understanding of its exposure to, and management of, systemic risk and risk concentration to financial institutions. Regulators continue to focus on these risks, and there are numerous new regulations and government proposals, and significant ongoing regulatory uncertainty, about how best to address them. There can be no assurance that the changes in CS's industry, operations, practices and regulation will be effective in managing these risks.

> For further information, refer to "*I - Information on the company - Regulation and supervision*" in the Annual Report 2021.

Risk concentration can cause CS to suffer losses even when economic and market conditions are generally favourable for others in its industry.

3.7 CS's hedging strategies may not prevent losses

If any of the variety of instruments and strategies CS uses to hedge its exposure to various types of risk in its businesses is not effective, CS can incur losses. CS 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.

3.8 Market risk may increase the other risks that CS faces

In addition to the potentially adverse effects on CS's businesses described above, market risk could exacerbate the other risks that it faces. For example, if CS were to incur substantial trading losses, its need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with another market downturn, CS's customers and counterparties could also incur substantial losses of their own, thereby weakening their financial condition and increasing its credit and counterparty risk exposure to them.

3.9 CS can suffer significant losses from its credit exposures

CS' businesses are subject to the fundamental risk that borrowers and other counterparties will be unable to perform their obligations. CS'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. CS'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 pandemic, such as disruptions to economic activity and global supply chains, labour shortages, wage pressures and rising inflation, will likely continue to negatively impact the creditworthiness of certain counterparties and result in increased credit losses for CS's businesses. In addition, disruptions in the liquidity or transparency of the financial markets may result in CS'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 RWA on CS's balance sheet, thereby increasing its capital requirements, all of which could adversely affect its businesses.

> For further information, refer to "*Credit risk*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management – Risk coverage and management*" in the Annual Report 2021.

CS'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.

The determination by the management of CS of the provision for credit losses is subject to significant judgement, and CS may not accurately assess or mitigate all areas of exposure. CS's banking businesses may need to increase their provisions for credit losses or may record losses in excess of the previously determined provisions if CS's original estimates of loss prove inadequate, which could have a material adverse effect on its results of operations. The Group's accounting standards generally require management to estimate lifetime current expected credit losses on its credit exposure held at amortised cost. The Group's adoption of the CECL accounting standard in 2020 has resulted and could in the future result in greater volatility in earnings and capital levels due to economic developments or occurrence of an extreme and statistically rare event that cannot be adequately reflected in the CECL model. For example, the effects surrounding the continuation of the COVID-19 pandemic could have an adverse effect on the Group's credit loss estimates and goodwill assessments in the future, which could have a significant impact on its results of operations and regulatory capital. In addition, the Group is applying model overlays, as the CECL model outputs are overly sensitive to the effect of economic inputs that lie significantly outside of their historical range. CS can suffer unexpected losses if the models and assumptions that are used to estimate its allowance for credit losses are not sufficient to address its credit losses.

> For further information, refer to "*Note 1 – Summary of significant accounting policies*", "*Note 9 – Provision for credit losses*", "*Note 19 – Loans*" and "*Note 20 – Financial instruments measured at amortised cost and credit losses*" in "*VI – Consolidated financial statements – Credit Suisse Group*" in the Annual Report 2021.

Under certain circumstances, CS 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, CS's capital and liquidity requirements may continue to increase.

3.10 Defaults by one or more large financial institutions could adversely affect financial markets generally and CS 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 typically referred to as systemic risk. Concerns about defaults by and failures of many financial institutions could lead to losses or defaults by financial institutions and financial intermediaries with which CS interacts on a daily basis, such as clearing agencies, clearing houses, banks, securities firms and exchanges. CS'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.

3.11 The information that CS uses to manage its credit risk may be inaccurate or incomplete

Although CS regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as fraud. CS may also lack correct and complete information with respect to the credit or trading risks of a counterparty or risk associated with specific industries, countries and regions or misinterpret such information that is received or otherwise incorrectly assess a given risk situation. Additionally, there can be no assurance that measures instituted to manage such risk will be effective in all instances.

4. Strategy risk

4.1 CSG and its subsidiaries, including CS, may not achieve all of the expected benefits of the Group's strategic initiatives

On 4 November 2021, Credit Suisse announced certain changes to the structure and organisation of the Group and a new strategy and restructuring programme. This programme is intended to support its efforts to achieve its strategic objectives, which are based on a number of key assumptions regarding the future economic environment, the economic growth of certain geographic regions, the regulatory landscape, its ability to meet certain financial goals, anticipated interest rates and central bank action, among other things. If any of these assumptions (including but not limited to Credit Suisse's ability to meet certain financial goals) prove inaccurate in whole or in part, its ability to achieve some or all of the expected benefits of its strategy could be limited, including Credit Suisse's ability to generate structural cost savings, fund growth investments, retain key employees, distribute capital to CSG's shareholders or achieve its other goals, such as those in relation to return on tangible equity. In addition, the Group depends on dividends, distributions and other payments from its subsidiaries to fund external dividend payments and share buybacks. Factors beyond Credit Suisse's control, including but not limited to market and economic conditions, changes in laws, rules or regulations, execution risk related to the implementation of the Group's strategy and other challenges and risk factors discussed in the Base Prospectus, as supplemented to the date of this Eighth Supplement, could limit its ability to achieve some or all of the expected benefits of this strategy. Capital payments from subsidiaries might be restricted as a result of regulatory, tax or other constraints. If Credit Suisse is unable to implement its strategy successfully in whole or in part or should the components of the strategy that are implemented fail to produce the expected benefits, its financial results and CSG's share price may be materially and adversely affected.

> For further information on Credit Suisse's strategic direction, refer to "*Strategy*" in "*I – Information on the company*" in the 2021 Annual Report.

Additionally, part of Credit Suisse's strategy has involved a change in focus within certain areas of its business, including the exit of certain businesses as well as the expansion of products, such as sustainable investment and financing offerings, which may have unanticipated negative effects in other areas of the business and may result in an adverse effect on its business as a whole. For example, Credit Suisse anticipates that revenues for the Investment Bank will be adversely affected by the planned exit of substantially all of its prime services business and the related reduction of more than USD 3 billion in capital from the Investment Bank. In addition, the effect of the impairment of the capital effective component of the participation book values of CS may also have an adverse effect on its results of operations in certain areas of its business.

The implementation of Credit Suisse's strategy may increase its exposure to certain risks, including but not limited to credit risks, market risks, operational risks and regulatory risks. The Group also seeks to achieve certain financial goals, for example in relation to return on tangible equity, which may or may not be successful. There is no guarantee that the Group will be able to achieve these goals in the form described or at all. Finally, changes to the organisational structure of the Group's business, as well as changes in personnel and management, may lead to temporary instability of its operations.

In addition, acquisitions and other similar transactions Credit Suisse undertakes subject it to certain risks. Even though Credit Suisse reviews the records of companies it plans to acquire, it is generally not feasible for Credit Suisse to review all such records in detail. Even an in-depth review of records may not reveal existing or potential problems or permit Credit Suisse to become familiar enough with a business to fully assess its capabilities and deficiencies. As a result, it may assume unanticipated liabilities (including legal and compliance issues), or an acquired business may not perform as well as expected. Credit Suisse also faces the risk that it will not be able to integrate acquisitions into its existing operations effectively as a result of, among other things, differing procedures, business practices and technology systems, as well as difficulties in adapting an acquired company into its organisational structure. Credit Suisse faces the risk that the returns on acquisitions will not support the expenditures or indebtedness incurred to acquire such businesses or the capital expenditures needed to develop such businesses. It also faces the risk that unsuccessful acquisitions may result in it being required to write down or write off any goodwill associated with such transactions. Credit Suisse continues to have a significant amount of goodwill recorded on its balance sheet that could result in additional goodwill impairment charges.

Credit Suisse may also seek to engage in new joint ventures (within the Group and with external parties) and strategic alliances. Although Credit Suisse endeavours to identify appropriate partners, its joint venture efforts may prove unsuccessful or may not justify its investment and other commitments.

5. Country and currency exchange risk

5.1 Country risks may increase market and credit risks CS faces

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may in the future be materially affected by such risks. Economic or political pressures in a country or region, including those arising from local market disruptions, currency crises, monetary controls or other factors, may adversely affect the ability of clients or counterparties located in that country or region to obtain foreign currency or credit and, therefore, to perform their obligations to CS, which in turn may have an adverse impact on its results of operations.

5.2 CS may face significant losses in emerging markets

An element of the Group's strategy is to increase its wealth management businesses in emerging market countries. CS's implementation of this strategy will increase its existing exposure to economic instability in those countries. CS monitors these risks, seeks diversity in the sectors in which it invests and emphasises client-driven business. CS's efforts at limiting emerging market risk, however, may not always succeed. In addition, various emerging market countries have experienced and may continue to experience severe economic, financial and political disruptions or slower economic growth than in previous years, including significant devaluations of their currencies, defaults or threatened defaults on sovereign debt and capital and currency exchange controls. In addition, sanctions have been imposed on certain individuals and companies in these markets that prohibit or restrict dealings with them and certain related entities and further sanctions are possible. The possible effects of any such disruptions may include an adverse impact on CS's businesses and increased volatility in financial markets generally.

5.3 Currency fluctuations may adversely affect CS's results of operations

CS is exposed to risk from fluctuations in exchange rates for currencies, particularly the US dollar. In particular, a substantial portion of its assets and liabilities are denominated in currencies other than the Swiss franc, which is the primary currency of CS's financial reporting. CS's capital is also stated in Swiss francs, and it does not fully hedge its capital position against changes in currency exchange rates. The Swiss franc remained strong in 2021.

As CS incurs a significant part of its expenses in Swiss francs while it generates a large proportion of its revenues in other currencies, its earnings are sensitive to changes in the exchange rates between the Swiss franc and other major currencies. Although CS has implemented a number of measures designed to offset the impact of exchange rate fluctuations on its results of operations, the appreciation of the Swiss franc in particular and exchange rate volatility in general have had an adverse impact on its results of operations and capital position in recent years and may continue to have an adverse effect in the future.

6. Operational, risk management and estimation risks

6.1 CS is exposed to a wide variety of operational risks, including cybersecurity and other information technology risks

Operational risk is the risk of financial loss arising from inadequate or failed internal processes, people or systems or from external events. In general, although CS has business continuity plans, its businesses face a wide variety of operational risks, including technology risk that stems from dependencies on information technology, third-party suppliers and the telecommunications infrastructure as well as from the interconnectivity of multiple financial institutions with central agents, exchanges and clearing houses. As a global financial services company, CS relies heavily on its financial, accounting and other data processing systems, which are varied and complex, and it may face additional technology risks due to the global nature of its operations. CS's business depends on its ability to process a large volume of diverse and complex transactions within a short space of time, including derivatives transactions, which have increased in volume and complexity. CS may rely on automation, robotic processing, machine learning and artificial intelligence for certain operations, and this reliance may increase in the future with corresponding advancements in technology, which could expose it to additional cybersecurity risks. CS is exposed to operational risk arising from errors made in the execution, confirmation or settlement of transactions or from transactions not being properly recorded or accounted for. Cybersecurity and other information technology risks for financial institutions have significantly increased in recent years and it may face an increased risk of cyber attacks or heightened risks associated with a lesser degree of data and intellectual property protection in certain foreign jurisdictions in which it operates. Regulatory requirements in these areas have increased and are expected to increase further, which may vary and potentially conflict across different jurisdictions.

Information security, data confidentiality and integrity are of critical importance to CS's businesses, and there has been recent regulatory scrutiny on the ability of companies to safeguard personal information of individuals in accordance with data protection regulation, including the European General Data Protection Regulation and the Swiss Federal Act on Data Protection. Governmental authorities, employees, individual customers or business partners may initiate proceedings against CS as a result of security breaches affecting the confidentiality or integrity of personal data, as well as the failure, or perceived failure, to comply with data protection regulations. The adequate monitoring of operational risks and adherence to data protection regulations have also come under increased regulatory scrutiny. Any failure of CS to adequately ensure the security of data and to address the increased technology-related operational risks could also lead to regulatory sanctions or investigations and a loss of trust in its systems, which may adversely affect its reputation, business and operations.

> For further information, refer to "*Switzerland – Data Protection Act*" in "*I – Information on the company – Recent regulatory developments and proposals" and "Regulatory Framework – Switzerland – Cybersecurity*", "*Regulatory Framework – US – Cybersecurity*" and "*Regulatory Framework – EU – Data protection regulation*" in "*I – Information on the company – Regulation and supervision*" in the Annual Report 2021.

Threats to CS's cybersecurity and data protection systems require Credit Suisse to dedicate significant financial and human resources to protect the confidentiality, integrity and availability of its systems and information. Despite CS's wide range of security measures, it is not always possible to anticipate the evolving threat landscape and mitigate all risks to CS systems and information. These threats may derive from human error, misconduct (including errors in judgment, fraud or malice and/or engaging in violations of applicable laws, rules, policies or procedures), or may result from accidental technological failure. There may also be attempts to fraudulently induce employees, clients, third parties or other users of CS's systems to disclose sensitive information in order to gain access to its data or that of its clients. CS could also be affected by risks to the systems and information of its clients, vendors, service providers, counterparties and other third parties. For example, remote working may require CS's employees to use third party technology, which may not provide the same level of information security as CS's own information systems. Risks relating to cyber attacks on CS's vendors and other third parties have also been increasing due to more frequent and severe supply chain attacks impacting software and information technology service providers in recent years. Security breaches may involve substantial remediation costs, affect its ability to carry out its businesses or impair the trust of CS's clients or potential clients, any of which could have a material adverse effect on its business and financial results. In addition, CS may introduce new products or services or change processes, resulting in new operational risks that it may not fully appreciate or identify.

The ongoing global COVID-19 pandemic has led to a wide-scale and prolonged shift to remote working for CS's employees, which increases the vulnerability of its information technology systems and the likelihood of damage as a result of a cybersecurity incident. For example, the use of remote devices to access the firm's networks could impact CS's ability to quickly detect and mitigate security threats and human errors as they arise. Additionally, it is more challenging to ensure the comprehensive roll-out of system security updates and CS also has less visibility over the physical security of its devices and systems. CS's customers have also increasingly relied on remote (digital) banking services during the COVID-19 pandemic. This has resulted in a greater demand for its information technology infrastructure and increases the potential significance of any outage or cybersecurity incident that may occur. Due to the evolving nature of cybersecurity risks and CS's reduced visibility and control in light of remote working in the context of the global COVID-19 pandemic, its efforts to provide appropriate policies and security measures may prove insufficient to mitigate all cybersecurity and data protection threats. The rise in remote access, by both CS's employees and customers, has increased the burden on CS's information technology systems and may cause its systems (and its ability to deliver its services) to become slow or fail entirely. Any slow down in its service delivery or any system outage due to overutilisation will have a negative impact on its business and reputation.

CS and other financial institutions have suffered cyber attacks, information or security breaches, personal data breaches and other forms of attacks, incidents and failures. Cybersecurity risks have also significantly increased in recent years in part due to the growing number and increasingly sophisticated activities of malicious cyber actors, including organised crime groups, state-sponsored actors, terrorist organisations, extremist parties and hackers. In addition, CS has been and will continue to be subject to cyber attacks, information or security breaches, personal data breaches and other forms of attacks, incidents and failures involving disgruntled employees, activists and other third parties, including those engaging in corporate espionage. CS expects to continue to be the target of such attacks in the future, and CS may experience other forms of cybersecurity or data protection incidents or failures in the future. In the event of a cyber attack, information or security breach, personal data breach or technology failure, CS has experienced and may in the future experience operational issues, the infiltration of payment systems or the unauthorised release, gathering, monitoring, misuse, loss or destruction of confidential, proprietary and other information relating to CS, its clients, employees, vendors, service providers, counterparties or other third parties. Emerging technologies, including the increasing use of automation, artificial intelligence (AI) and robotics, as well as the broad utilisation of third-party financial data aggregators, could further increase CS's cybersecurity risk and exposure.

Given CS's global footprint and the high volume of transactions it processes, the large number of clients, partners and counterparties with which it does business, its growing use of digital, mobile and cloud- and internet-based services, and the increasing frequency, sophistication and evolving nature of cyber attacks, a cyber attack, information or security breach, personal data breach or technology failure may occur without detection for an extended period of time. In addition, CS expects that any investigation of a cyber attack, information or security breach, personal data breach or technology failure will be inherently unpredictable and it may take time before any investigation is complete. These factors may inhibit CS's ability to provide timely, accurate and complete information about the event to its clients, employees, regulators, other stakeholders and the public. During such time, CS may not know the extent of the harm or how best to remediate it and certain errors or actions may be repeated or compounded before they are discovered and rectified, all or any of which would further increase the costs and consequences of a cyber attack, information or security breach, personal data breach or technology failure.

If any of CS's systems do not operate properly or are compromised as a result of cyber attacks, information or security breaches, personal data breaches, technology failures, unauthorised access, loss or destruction of data, unavailability of service, computer viruses or other events that could have an adverse security impact, CS could, among other things, be subject to litigation or suffer financial loss not covered by insurance, a disruption of its businesses, liability to its clients, employees, counterparties or other third parties, damage to relationships with its vendors or service providers, regulatory intervention or reputational damage. Any such event could also require CS to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures. CS may also be required to expend resources to comply with new and increasingly expansive regulatory requirements related to cybersecurity.

6.2 CS may suffer losses due to employee misconduct

CS's businesses are exposed to risk from potential non-compliance with policies or regulations, employee misconduct or negligence and fraud, which could result in civil, regulatory or criminal investigations, litigation and charges, regulatory sanctions and serious reputational or financial harm. In recent years, a number of multinational financial institutions have suffered material losses due to, for example, the actions of traders executing unauthorised trades or other employee misconduct. It is not always possible to deter or fully prevent employee misconduct and the precautions CS takes to prevent and detect this activity have not always been, and may not always be, fully effective.

6.3 CS's risk management procedures and policies may not be fully effective in mitigating its risk exposures in all market environments or against all types of risk, which can result in unexpected, material losses in the future

CS seeks to monitor and control its risk exposure through a broad and diversified set of risk management policies and procedures as well as hedging strategies, including the use of models in analysing and monitoring the various risks CS assumes in conducting its activities. These risk management strategies, techniques, models, procedures and policies, however, may not be fully effective in mitigating CS's risk exposure in all economic market environments or against all types of risk, including risks that it fails to identify, anticipate or mitigate, in whole or in part, which may result in unexpected, material losses.

Some of CS's quantitative tools and metrics for managing risk, including value-at-risk and economic risk capital, are based upon its use of observed historical market behavior. CS's risk management tools and metrics may fail to predict important risk exposures. In addition, CS's quantitative modeling does not take all risks into account and makes numerous assumptions and judgments regarding the overall environment, and therefore cannot anticipate every market development or event or the specifics and timing of such outcomes. As a result, risk exposures could arise from factors CS did not anticipate or correctly evaluate in its statistical models. This could limit CS's ability to manage its risks, and in these and other cases, it can also be difficult to reduce CS's risk positions due to the activity of other market participants or widespread market dislocations. As a result, CS's losses may be significantly greater than what the historical measures may indicate.

In addition, inadequacies or lapses in its risk management procedures and policies can expose CS to unexpected losses, and its financial condition or results of operations could be materially and adversely affected. For example, in respect of the Archegos matter, the independent report found, among other things, a failure to effectively manage risk in the Investment Bank's prime services business by both the first and second lines of defence as well as a lack of risk escalation. Such inadequacies or lapses can require significant resources and time to remediate, lead to non-compliance with laws, rules and regulations, attract heightened regulatory scrutiny, exposing CS to regulatory investigations or legal proceedings and subjecting CS to litigation or regulatory fines, penalties or other sanctions, or capital surcharges or add-ons. In addition, such inadequacies or lapses can expose CS to reputational damage. If existing or potential customers, clients or counterparties believe CS's risk management is inadequate, they could take their business elsewhere or seek to limit their transactions with CS, which could have a material adverse effect on its results of operation and financial condition.

> For further information on CS's risk management, refer to "*Risk management*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet*" in the Annual Report 2021.

6.4 CS's actual results may differ from its estimates and valuations

CS makes estimates and valuations that affect its reported results, including determining 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 information on these estimates and valuations, refer to "*Critical accounting estimates*" in "*II – Operating and financial review*" and "*Note 1 – Summary of significant accounting policies*" in "*VI – Consolidated financial statements – Credit Suisse Group*" in the Annual Report 2021.

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

6.5 CS's accounting treatment of off-balance sheet entities may change

CS enters into transactions with special purpose entities (**SPEs**) in its normal course of business, and certain SPEs with which it transacts and conducts business are not consolidated and their assets and liabilities are off-balance sheet. CS 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 CS to reassess whether consolidation is required. Accounting standards relating to consolidation, and their interpretation, have changed and may continue to change. If CS is required to consolidate an SPE, its assets and liabilities would be recorded on CS's consolidated balance sheets and CS would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on CS's results of operations and capital and leverage ratios.

> For information on transactions with and commitments to SPEs, refer to "*Off-balance sheet*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Balance sheet and off-balance sheet*" in the Annual Report 2021.

6.6 CS is exposed to climate change risks, which could adversely affect its reputation, business operations, clients and customers, as well as the creditworthiness of its counterparties

CS operates in many regions, countries and communities around the world where its businesses, and the activities of its clients, could be impacted by climate change, which poses both short- and long-term risks to it and its clients. Climate change could expose CS to financial risk either through its physical (e.g., climate or weather-related events) or transitional (e.g., changes in climate policy or in the regulation of financial institutions with respect to climate change risks) effects. Transition risks could be further accelerated by the increasingly frequent occurrence of changes in the physical climate, such as hurricanes, floods, wildfires and extreme temperatures.

Physical and transition climate risks could have a financial impact on CS either directly, through its physical assets, costs and operations, or indirectly, through its financial relationships with its clients. These risks are varied and include, but are not limited to, the risk of declines in asset values, including in connection with CS's real estate investments, credit risk associated with loans and other credit exposures to its clients, business risk, including loss of revenues associated with reducing exposure to traditional business with clients that do not have a credible transition plan, decreased assets under management if such clients decide to move assets away, increased defaults and reallocation of capital as a result of changes in global policies, and regulatory risk, including ongoing legislative and regulatory uncertainties and changes regarding climate risk management and best practices. Additionally, the risk of reduced availability of insurance, operational risk related to Credit Suisse-owned buildings and infrastructure, the risk of significant interruptions to business operations, as well as the need to make changes in response to those consequences are further examples of climate-related risks.

At Credit Suisse's 2020 Investor Day, it announced its ambition to achieve net zero emissions from its financing activities no later than 2050, with intermediate emissions goals to be defined for 2030, as part of its approach to align its financing with the objectives of the Paris Agreement. In order to reach these ambitions and goals, or any other related aspirations CS may set from time to time, CS will need to incorporate climate considerations into its business strategy, products and services and its financial and non-financial risk management processes, and may incur significant cost and effort in doing so. Further, national and international standards, industry and scientific practices, regulatory requirements and market expectations regarding Environmental, Social and Governance (**ESG**) initiatives are under continuous development, may rapidly change and are subject to different interpretations. There can be no assurance that these standards, practices, regulatory requirements and market expectations will not be interpreted differently than CS's interpretation when setting its related goals and ambitions, or change in a manner that substantially increases the cost or effort for it to achieve such goals and ambitions, or that CS's goals and ambitions may prove to be considerably more difficult or even impossible to achieve. This may be exacerbated if CS chooses or is required to accelerate its goals and ambitions based on national or international regulatory developments or stakeholder expectations. In addition, data relating to ESG, including climate change, may be limited in availability and variable in quality and consistency, which may limit CS's ability to perform robust climate-related risk analyses and realise its ambitions and goals.

Given the growing volume of nascent climate and sustainability-related laws, rules and regulations, increasing demand from various stakeholders for environmentally sustainable products and services and regulatory scrutiny, CS and other financial institutions may be subject to increasing litigation, enforcement and contract liability risks in connection with climate change, environmental degradation and other ESG-related issues. In addition, CS's reputation and client relationships may be damaged by its or its clients' involvement in certain business activities associated with climate change or as a result of negative public sentiment, regulatory scrutiny or reduced investor and stakeholder confidence due to its response to climate change and its climate change strategy. If CS fails to appropriately measure and manage the various risks it faces as a result of climate change, fails to achieve the goals and ambitions it has set (or can only do so at a significant expense to its business), or fails to adapt its strategy and business model to the changing regulatory requirements and market expectations, its reputation, business, results of operations and financial condition could be materially adversely affected.

> For further information on risk management procedures relating to climate change, refer to "*Key risk developments – Climate change*" and "*Climate-related risks*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management*" in the Annual Report 2021.

7. Legal, regulatory and reputational risks

7.1 Credit Suisse's exposure to legal liability is significant

Credit Suisse 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 CS operates.

CSG and its subsidiaries, including CS, 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, on its results for such period.

> For further information relating to these and other legal and regulatory proceedings involving CS's investment banking and other businesses, refer to "*Note 40 – Litigation*" in "*VI – Consolidated financial statements – Credit Suisse Group*" in the Annual Report 2021.

It is inherently difficult to predict the outcome of many of the legal, regulatory and other adversarial proceedings involving Credit Suisse'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 the application of significant judgement and discretion.

> For further information, refer to "*Critical accounting estimates*" in "*II – Operating and financial review*" and *"Note 1 – Summary of significant accounting policies*" in "*VI – Consolidated financial statements – Credit Suisse Group*" in the Annual Report 2021.

7.2 CS's business is highly regulated, and existing, new or changed laws, rules and regulations may adversely affect CS's business and ability to execute its strategic plans

In many areas of its business, CS is subject to extensive laws, rules and regulations by governments, governmental agencies, supervisory authorities and self-regulatory organisations in Switzerland, the EU, the UK, the US and other jurisdictions in which it operates. CS has in the past faced, and expects to continue to face, increasingly extensive and complex laws, rules, regulations and regulatory scrutiny and possible enforcement actions. In recent years, costs related to CS's compliance with these requirements and the penalties and fines sought and imposed on the financial services industry by regulatory authorities have increased significantly. CS expects such increased regulation and enforcement to continue to increase its costs, including, but not limited to, costs related to compliance, systems and operations, and to negatively affect its ability to conduct certain types of business. These increased costs and negative impacts on CS's business could adversely affect its profitability and competitive position. These laws, rules and regulations often serve to limit CS's activities, including through the application of increased or enhanced capital, leverage and liquidity requirements, the implementation of additional capital surcharges for risks related to operational, litigation, regulatory and similar matters, customer protection and market conduct regulations, anti-money laundering, anti-corruption and anti-bribery laws, rules and regulations, and direct or indirect restrictions on the businesses in which CS may operate or invest. Such limitations can have a negative effect on its business and its ability to implement strategic initiatives. To the extent CS is required to divest certain businesses, it could incur losses, as it 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.

Since 2008, regulators and governments have focused on the reform of the financial services industry, including enhanced capital, leverage and liquidity requirements, changes in compensation practices (including tax levies) and measures to address systemic risk, including ring-fencing certain activities and operations within specific legal entities. These regulations and requirements could require the Group to reduce assets held in certain subsidiaries or inject capital or other funds into or otherwise change its operations or the structure of its subsidiaries and the Group. Differences in the details and implementation of such regulations may further negatively affect the Group, including CS, as certain requirements are currently not expected to apply equally to all of its competitors or to be implemented uniformly across jurisdictions.

Moreover, as a number of these requirements are currently being finalised and implemented, their regulatory impact may further increase in the future and their ultimate impact cannot be predicted at this time. For example, the Basel III reforms are still being finalised and implemented and/or phased in, as applicable. The additional requirements related to minimum regulatory capital, leverage ratios and liquidity measures imposed by Basel III, as implemented in Switzerland, together with more stringent requirements imposed by the Swiss legislation and their application by FINMA , and the related implementing ordinances and actions by CS's regulators, have contributed to CS's decision to reduce risk-weighted assets and the size of its balance sheet, and could potentially affect its business, impact its access to capital markets and increase its funding costs. In addition, various reforms in the US, including the "Volcker Rule" and derivatives regulation, have imposed, and will continue to impose, new regulatory duties on certain of CS's operations. These requirements have contributed to CS's decision to exit certain businesses (including a number of its private equity businesses) and may lead it to exit other businesses. Recent Commodity Futures Trading Commission, SEC and Fed rules and proposals have materially increased, or could in the future materially increase, the operating costs, including margin requirements, compliance, information technology and related costs, associated with CS's derivatives businesses with US persons, while at the same time making it more difficult for CS to operate a derivatives business outside the US. Further, in 2014, the Fed adopted a final rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act that introduced a new framework for regulation of the US operations of foreign banking organisations such as CS's. Implementation is expected to continue to result in CS incurring additional costs and to affect the way CS conducts its business in the US, including through its US intermediate holding company. Further, current and possible future cross-border tax regulation with extraterritorial effect, such as the Foreign Account Tax Compliance Act, the Organisation for Economic Co-operation and Development global minimum tax rate levels and rules (**Pillar Two**) and other bilateral or multilateral tax treaties and agreements on the automatic exchange of information in tax matters, impose detailed reporting obligations and increased compliance and systems-related costs on CS's businesses, and, as concerns the Pillar Two system of global minimum tax, may affect its tax rate. In addition, the US tax reform enacted on 22 December 2017 introduced substantial changes to the US tax system, including the lowering of the corporate tax rate and the introduction of the US base erosion and anti-abuse tax. Additionally, implementation of regulations such as the Capital Requirements Directive V (**CRD V**) in the EU, the Financial Services Act (**FinSA**) in Switzerland, and other reforms may negatively affect CS's business activities. Whether or not the FinSA, together with supporting or implementing ordinances and regulations, will be deemed equivalent to the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended) (**MiFID II**), currently remains uncertain. Swiss banks, including CS, may accordingly be limited from participating in certain businesses regulated by MiFID II. Finally, CS expects that total loss absorption capacity (**TLAC**) requirements, currently in force in Switzerland, the US and in the UK, as well as in the EU and which are being finalised in many other jurisdictions, as well as new requirements and rules with respect to the internal total loss absorption capacity (**iTLAC**) of global systemically important banks and their operating entities, may increase CS's cost of funding and restrict its ability to deploy capital and liquidity on a global basis as needed once the TLAC and iTLAC requirements are implemented across all relevant jurisdictions.

CS is subject to economic sanctions laws and regulatory requirements of various countries. These laws and regulatory requirements generally prohibit or restrict transactions involving certain countries/territories and parties. CS's costs of monitoring and complying with frequent, complex, and potentially conflicting changes to applicable economic sanctions laws and regulatory requirements have increased and there is an increased risk that it may not identify and stop prohibited activities before they occur or that it may otherwise fail to comply with economic sanctions laws and regulatory requirements. Any conduct targeted by or in violation of a sanctions programme could subject CS to significant civil and potentially criminal penalties or other adverse consequences.

> For further information, refer to "*Sanctions"* in *"I – Information on the company – Regulation and supervision – Recent regulatory developments and proposals – US*" in the Annual Report 2021.

Credit Suisse expects the financial services industry and its members, including CS, to continue to be affected by the significant uncertainty over the scope and content of regulatory reform in 2022 and beyond, in particular, uncertainty in relation to the future US regulatory agenda, which includes a variety of proposals to change existing regulations or the approach to regulation of the financial industry as well as potential new tax policy, and potential changes in regulation following the UK's withdrawal from the EU and the results of European national elections. In addition, CS faces regulatory and legislative uncertainty in the US and other jurisdictions with respect to climate change, including with respect to any new or changing disclosure requirements. Changes in laws, rules or regulations, or in their interpretation or enforcement, or the implementation of new laws, rules or regulations, may adversely affect CS's results of operations.

Despite CS's best efforts to comply with applicable laws, rules and regulations, a number of risks remain, particularly in areas where applicable laws, rules or regulations may be unclear or inconsistent across jurisdictions or where governments, regulators or international bodies, organisations or unions revise their previous guidance or courts overturn previous rulings. Additionally, authorities in many jurisdictions have the power to bring administrative or judicial proceedings against CS, which could result in, among other things, suspension or revocation of its licences, cease and desist orders, fines, civil penalties, criminal penalties, deferred prosecution agreements or other disciplinary action. Such matters have in the past and could in the future materially adversely affect CS's results of operations and seriously harm its reputation.

→ For a description of CS's regulatory regime and a summary of some of the significant regulatory and government reform proposals affecting the financial services industry, refer to "*I – Information on the company – Regulation and supervision*" in the Annual Report 2021. For information regarding CS's current regulatory framework and expected changes to this framework affecting capital and liquidity standards, refer to "*Liquidity and funding management*" and "*Capital management*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet*" in the Annual Report 2021.

7.3 Damage to CS's reputation can significantly harm its businesses, including its competitive position and business prospects

Credit Suisse, including CS, suffered reputational harm as a result of the Archegos and SCFF matters and may suffer further reputational harm in the future as a result of these matters or other events. CS's ability to attract and retain customers, clients, investors and employees, and conduct business transactions with its counterparties, can be adversely affected to the extent its reputation is damaged. Harm to its reputation can arise from various sources, including if its comprehensive procedures and controls fail, or appear to fail, to prevent employee misconduct, negligence and fraud, to address conflicts of interest and breach of fiduciary obligations, to produce materially accurate and complete financial and other information, to identify credit, liquidity, operational and market risks inherent in its business or to prevent adverse legal or regulatory actions or investigations. Additionally, CS's reputation can be harmed by compliance failures, information or security breaches, personal data breaches, cyber incidents, technology failures, challenges to the suitability or reasonableness of its particular trading or investment recommendations or strategies and the activities of its customers, clients, counterparties and third parties. Actions by the financial services industry generally or by certain members or individuals in the industry also can adversely affect its reputation. In addition, its reputation may be negatively impacted by its ESG practices and disclosures, including those related to climate change and how it addresses ESG concerns in its business activities, or by its clients' involvement in certain business activities associated with climate change. Adverse publicity or negative information in the media, posted on social media by employees, or otherwise, whether or not factually correct, can also adversely impact its business prospects or financial results, which risk can be magnified by the speed and pervasiveness with which information is disseminated through those channels.

A reputation for financial strength and integrity is critical to CS's performance in the highly competitive environment arising from globalisation and convergence in the financial services industry, and its failure to address, or the appearance of its failing to address, these and other issues gives rise to reputational risk that can harm its business, results of operations and financial condition. Failure to appropriately address any of these issues could also give rise to additional regulatory restrictions and legal risks, which may further lead to reputational harm.

> For information, refer to "*Reputational risk*" in "*III – Treasury, Risk, Balance sheet and Off-balance sheet – Risk management – Risk coverage and management*" in the Annual Report 2021.

7.4 Resolution proceedings and resolution planning requirements may affect CSG and CS's shareholders and creditors

Pursuant to Swiss banking laws, FINMA has broad powers and discretion in the case of resolution proceedings with respect to a Swiss bank, such as CS or Credit Suisse (Schweiz) AG (a wholly owned subsidiary of CS), and to a Swiss parent company of a financial group, such as CSG. These broad powers include the power to initiate restructuring proceedings with respect to CS, Credit Suisse (Schweiz) AG or CSG and, in connection therewith, cancel the outstanding equity of the entity subject to such proceedings, convert such entity's debt instruments and other liabilities into equity and/or cancel such debt instruments and other liabilities, in each case, in whole or in part, and stay (for a maximum of two business days) certain termination and netting rights under contracts to which such entity is a party, as well as the power to order protective measures, including the deferment of payments, and institute liquidation proceedings with respect to CS, Credit Suisse (Schweiz) AG or CSG. The scope of such powers and discretion and the legal mechanisms that would be applied are subject to development and interpretation.

The Group is currently subject to resolution planning requirements in Switzerland, the US, the EU and the UK and may face similar requirements in other jurisdictions. If a resolution plan is determined by the relevant authority to be inadequate, relevant regulations may allow the authority to place limitations on the scope or size of its business in that jurisdiction, require the Group to hold higher amounts of capital or liquidity, require it to divest assets or subsidiaries or to change its legal structure or business to remove the relevant impediments to resolution.

> For a description of the current resolution regime under Swiss, US, EU and UK banking laws as they apply to CS, refer to "*Switzerland – Resolution regime*", "*US – Resolution regime*", "*EU – Resolution regime*" and "*UK – Resolution regime*" in "*I – Information on the company – Regulation and supervision – Regulatory Framework*" in the Annual Report 2021.

7.5 Changes in monetary policy are beyond CS's control and difficult to predict

CS is affected by the monetary policies adopted by the central banks and regulatory authorities of Switzerland, the US and other countries. The actions of the SNB and other central banking authorities directly impact CS's cost of funds for lending, capital raising and investment activities and may impact the value of financial instruments it holds and the competitive and operating environment for the financial services industry. Many central banks, including the Fed, have implemented significant changes to their monetary policy or have experienced significant changes in their management and may implement or experience further changes. CS cannot predict whether these changes will have a material adverse effect on it or its operations. In addition, changes in monetary policy may affect the credit quality of its customers. Any changes in monetary policy are beyond CS's control and difficult to predict.

7.6 Legal restrictions on CS's clients may reduce the demand for its services

CS may be materially affected not only by regulations applicable to it as a financial services company, but also by regulations and changes in enforcement practices applicable to its clients. CS's business could be affected by, among other things, existing and proposed tax legislation, antitrust and competition policies, corporate governance initiatives and other governmental regulations and policies, and changes in the interpretation or enforcement of existing laws and rules that affect business and the financial markets. For example, focus on tax compliance and changes in enforcement practices could lead to further asset outflows from its wealth management businesses.

8. Competition

8.1 CS faces intense competition

CS faces intense competition in all sectors of the financial services markets and for the products and services it offers. Consolidation through mergers, acquisitions, alliances and cooperation, including as a result of financial distress, has increased competitive pressures. Competition is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve client needs. Consolidation has created a number of firms that, like CS, have the ability to offer a wide range of products and services, from loans and deposit taking to brokerage, investment banking and asset management services. Some of these firms may be able to offer a broader range of products than CS does, or offer such products at more competitive prices. Current market conditions have resulted in significant changes in the competitive landscape in CS's industry as many institutions have merged, altered the scope of their business, declared bankruptcy, received government assistance or changed their regulatory status, which will affect how they conduct their business. In addition, current market conditions have had a fundamental impact on client demand for products and services. Some new competitors in the financial technology sector have sought to target existing segments of CS's businesses that could be susceptible to disruption by innovative or less regulated business models. Emerging technology, including robo-advising services, digital asset services and other financial products and services, may also result in further competition in the markets in which CS operates, for example, by allowing e-commerce firms or other companies to provide products and services similar to CS's at a lower price or in a more competitive manner in terms of customer convenience. CS may face a competitive disadvantage if these services or its other competitors are subject to different and, in certain cases, less restrictive legal and/or regulatory requirements. CS can give no assurance that its results of operations will not be adversely affected.

8.2 CS must recruit and retain highly skilled employees

CS's performance is largely dependent on the talents and efforts of highly skilled individuals. Competition for qualified employees is intense and the hiring market in the financial services and other industries has been and is expected to continue to be extremely competitive. In addition, the impact of COVID-19 on evolving workforce norms, practices and expectations, as well as persistent labour shortages, could adversely affect CS's ability to recruit and retain employees. CS has devoted considerable resources to recruiting, training and compensating employees. CS's continued ability to compete effectively in its businesses depends on its ability to attract new employees and to retain and motivate its existing employees. The continued public focus on compensation practices in the financial services industry, and related regulatory changes, may have an adverse impact on CS's ability to attract and retain highly skilled employees. In particular, limits on the amount and form of executive compensation imposed by regulatory initiatives, including the Swiss Compensation Ordinance, or any successor legislation thereof in Switzerland and the Capital Requirements Directive IV (as amended by CRD V) in the EU and the UK, could potentially have an adverse impact on CS's ability to retain certain of its most highly skilled employees and hire new qualified employees in certain businesses. Additionally, following the Archegos and SCFF matters, the Group announced a reduction in its variable compensation pool for 2021 compared to the prior year. Decreases in compensation, as well as matters impacting CS's financial results or reputation, can negatively impact its ability to retain employees and recruit new talent.

8.3 CS faces competition from new technologies

CS's businesses face competitive challenges from new technologies, including new trading technologies and trends towards direct access to automated and electronic markets with low or no fees and commissions, and the move to more automated trading platforms. Such technologies and trends may adversely affect CS's commission and trading revenues, exclude its businesses from certain transaction flows, reduce its participation in the trading markets and the associated access to market information and lead to the establishment of new and stronger competitors. CS has made, and may continue to be required to make, significant additional expenditures to develop and support new trading systems or otherwise invest in technology to maintain its competitive position.

The evolution of internet-based financial solutions has also facilitated growth in new technologies, such as cryptocurrency and blockchain, which may disrupt the financial services industry and require CS to commit further resources to adapt its products and services. Wider adoption of such emerging technologies may also increase CS's costs for complying with evolving laws, rules and regulations, and if CS is not timely or successful in adapting to evolving consumer or market preferences, its business and results of operations may be adversely affected. Additionally, as CS develops new products and services that involve emerging technologies, it may face new risks if they are not designed and governed adequately.

Amendments to the section headed "*Significant or Material Change*" in the Base Prospectus

The section headed "*General Information—Significant or Material Change*" on pages 166 to 167 of the Base Prospectus shall be amended and restated as follows:

There has been no significant change in the financial performance or position of CS and its consolidated subsidiaries since 31st December 2021.

Apart from the consequences of the matters disclosed in the section headed "*RISK FACTORS-FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES*" in the Base Prospectus (as supplemented), there has been no material adverse change in the prospects of CS and its consolidated subsidiaries since 31st December 2021.

Amendments to the section headed "*Litigation*" in the Base Prospectus

The section headed "*General Information—Litigation*" on pages 167 to 168 of the Base Prospectus shall be amended and restated as follows:

Save as disclosed in "*Litigation*" (note 40 to the condensed consolidated financial statements of CSG on pages 413 to 425 (pages 435 to 447 of the PDF file) of the Form 20-F Dated 10th March 2022 neither the Issuer nor any of its consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Issuer and its consolidated subsidiaries, taken as a whole.

General

This Eighth Supplement has been filed with the CSSF, and copies of this Eighth Supplement, the Existing Supplements, the Base Prospectus and the documents incorporated by reference therein will be available on the website of the Luxembourg Stock Exchange at www.bourse.lu, and on the website of the Issuer at https://www.credit-suisse.com/about-us/en/investor-relations/debt-investors/euro-medium-term-note-programme.html, and may be collected from the specified offices of the Paying Agents for the time being.

Except for the copies of the documents incorporated by reference into the Base Prospectus, as supplemented by the Existing Supplements and this Eighth Supplement, no information contained on the websites to which links have been provided is incorporated by reference in the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Eighth Supplement or any statement or information incorporated by reference into this Eighth Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus as supplemented by the Existing Supplements, the statements in (a) above will prevail.

Save as disclosed in the Existing Supplements and this Eighth Supplement, there has been no significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

Please see the Base Prospectus under the heading "*Risk Factors*" for the risk factors that may affect the future results of operations or financial condition of CS.