# CS Fund 2

Umbrella Fund under Swiss Law of the “Other Funds for Traditional Investments” Type

## Prospectus with Integrated Fund Contract

**August 2019**
**Distribution in Switzerland**

## Part 1: Prospectus

This prospectus with integrated fund contract, the Key Investor Information Document and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the subfunds.
Only the information contained in the prospectus, the Key Investor Information Document or in the fund contract will be deemed to be valid.

## 1 Information on the Umbrella Fund and the Subfunds

### 1.1 General Information on the Umbrella Fund and the Subfunds

CS Fund 2 is an umbrella fund under Swiss law of the type "Other Funds for Traditional Investments" which was established under the Swiss Collective Investment Schemes Act (CISA) of June 23, 2006 and is divided into the following subfunds:

a) **Credit Suisse (CH) Convert International Bond Fund**
b) **Credit Suisse (CH) Sustainable International Bond Fund**
c) **Credit Suisse (CH) Corporate CHF Bond Fund**
d) **Credit Suisse (CH) Global Corporate Bond Fund**

The fund contract was drawn up by Credit Suisse Funds AG, Zurich, as fund management company and with the agreement of Credit Suisse AG, Zurich, as custodian bank, submitted to the Swiss Financial Market Supervisory Authority FINMA ("FINMA"). The fund contract was first approved by FINMA on June 3, 2008. As of November 20, 2016, Credit Suisse (Switzerland) Ltd. acquired the majority of the business of Credit Suisse AG belonging to the Swiss Universal Bank division. In this connection, Credit Suisse (Switzerland) Ltd. – with the approval of FINMA – took over the custodian bank function for this umbrella fund and its subfunds.
With effect from December 15, 2017, the subfund Credit Suisse (CH) Global Corporate Bond Fund of Credit Suisse Institutional Master Fund (CSIMF) Umbrella was transferred – with the approval of FINMA – to CS Fund 2 as a new subfund following the prior extension of investor eligibility to non-qualified investors.
With effect from June 9, 2018, the subfund Credit Suisse (CH) Corporate EUR Bond Fund, as the subfund being acquired, was merged – with the approval of FINMA – with the subfund Credit Suisse (CH) Global Corporate Bond Fund.
The subfunds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the corresponding subfund in proportion to the units acquired by the said investor, and to manage this subfund in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.
Investors are only entitled to the assets and income of the subfund in which they have invested. Liabilities that are attributable to an individual subfund will be borne solely by the said subfund.
In accordance with the fund contract, the fund management company is entitled to establish, liquidate or merge unit classes for each subfund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.
Unit classes with the following designations can currently be introduced for the subfunds: **A, A CHF, A EUR, A USD, AH CHF, AH EUR, AH GBP, AH USD, DA, DA CHF, DA EUR, DA USD, DAH CHF, DAH EUR, DAH USD, DA DUR CHF, DAH DUR CHF, EA, EA CHF, EA EUR, EA USD, EAH CHF, EAH EUR, EAH USD, EA DUR CHF, EAH DUR CHF, IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR, IAH USD, IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH 25 CHF, IAH25 EUR, IAH25 USD, UA, UA CHF, UA EUR, UA USD, UAH CHF, UAH EUR, UAH GBP, UAH USD, ZA CHF, ZAH CHF, ZA DUR CHF** and **ZAH DUR CHF**. Detailed information concerning subscription and redemption of units in the individual classes, together with the commissions and charges incurred as a result, is set out in the table at the end of the prospectus.
Class **A, A CHF, A EUR, A USD, AH CHF, AH EUR, AH GBP** and **AH USD** units are distribution units. There are no provisions concerning a minimum investment or minimum holding. Class A units are issued and redeemed in the respective subfund's accounting currency. Class A CHF and AH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class A EUR and AH EUR units are issued and redeemed in euros (EUR), the reference currency. Class A USD and AH USD units are issued and redeemed in US dollars (USD), the reference currency. Class AH GBP units are issued and redeemed in pounds sterling (GBP), the reference currency. In the case of class A, A CHF, A EUR and A USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the AH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH GBP unit class is hedged against the pound sterling (GBP) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile.
Class **DA, DA CHF, DA EUR, DA USD, DAH CHF, DAH EUR, DAH USD, DA DUR CHF** and **DAH DUR CHF** units are distribution units and may only be held by investors who have signed an asset management or similar written agreement with the fund management company, Credit Suisse AG, Zurich, Credit Suisse (Switzerland) Ltd., Zurich, or Credit Suisse Asset Management (Switzerland) Ltd., Zurich, or who invest through a financial intermediary that has signed a cooperation agreement with one of the above-mentioned parties. The following types of mandate are not eligible for this class: Private Mandates, AsianOpportunities, Emerging Market Debt, DynamicAllocation, MyChoice, Premium, GPM Flessibili, GPF Flessibili, Classic Mandates Index, Corporate Bond Strategie, Absolute Return Strategie, Global Equity, Mandate PEA, Mandate Life Insurance, and the Credit Suisse Invest investment solutions. Class DA units are issued and redeemed in the relevant subfund's accounting currency. Class DA CHF, DAH CHF, DA DUR CHF and DAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class DA EUR and DAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class DA USD and DAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of class DA, DA CHF, DA EUR and DA USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the DAH CHF and DAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the DAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the DAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. Class DA DUR CHF and DAH DUR CHF units are characterized by the fact that the duration of this class is reduced through use of suitable OTC derivatives (in particular interest rate swaps). The corresponding entries must be made in a safekeeping account at the custodian bank.
Class **EA, EA CHF, EA EUR, EA USD, EAH CHF, EAH EUR, EAH USD, EA DUR CHF** and **EAH DUR CHF** units are distribution units that may only be acquired by qualified investors, who are defined as follows:

– regulated financial intermediaries such as banks, securities dealers, fund management companies and asset managers of collective investment schemes, and central banks;
– regulated insurance institutions;
– public corporations and pension institutions with a professional treasury management;
– companies with a professional treasury unit;

and investors who have concluded an asset management agreement in writing with a financial intermediary pursuant to Art. 10 para. 3 (a) CISA (as defined above) or an independent asset manager pursuant to Art. 3 para. 2 (c) CISA. Class EA units are issued and redeemed in the relevant subfund's accounting currency. Class EA CHF, EAH CHF, EA DUR CHF and EAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class EA EUR and EAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class EA USD and EAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of class EA, EA CHF, EA EUR and EA USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the EAH CHF and EAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the EAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the EAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. Class EA DUR CHF and EAH DUR CHF units are characterized by the fact that the duration of these classes is reduced through use of suitable OTC derivatives (in particular interest rate swaps).

Class **IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR** and **IAH USD** units are distribution units. The minimum initial investment for class IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD units and the minimum number of class IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class IA units are issued and redeemed in the relevant subfund's accounting currency. Class IA CHF and IAH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class IA EUR and IAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class IA USD and IAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes IA, IA CHF, IA EUR and IA USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the IAH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile.

Class **IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR** and **IAH25 USD** units are distribution units. The minimum initial investment for class IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD units per investor (minimum investment) and the minimum number of class IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Classes IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD differ from classes IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD in terms of the higher minimum investment and higher minimum holding. Class IA25 units are issued and redeemed in the relevant subfund's accounting currency. Class IA25 CHF and IAH25 CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class IA25 EUR and IAH25 EUR units are issued and redeemed in euros (EUR), the reference currency. Class IA25 USD and IAH25 USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes IA25, IA25 CHF, IA25 EUR and IA25 USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the IAH25 CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH25 EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH25 USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile.

Class **UA, UA CHF, UA EUR, UA USD, UAH CHF, UAH EUR, UAH GBP** and **UAH USD** units are distribution units that may only be acquired by investors who subscribe units of this class via a financial intermediary domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a financial intermediary which explicitly provides for the acquisition of trailer fee-free classes. Class UA units are issued and redeemed in the relevant subfund's accounting currency. Class UA CHF and UAH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class UA EUR and UAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class UAH GBP units are issued and redeemed in pounds sterling (GBP), the reference currency. Class UA USD and UAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes UA, UA CHF, UA EUR and UA USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the UAH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH GBP unit class is hedged against the pound sterling (GBP) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. The corresponding entries must be made in a safekeeping account at the custodian bank.

Class **ZA CHF, ZAH CHF, ZA DUR CHF** and **ZAH DUR CHF** units are distribution units for which no flat-rate management commission is charged. They may only be acquired by investors pursuant to Art. 10 para. 3 and 3ter CISA that have signed an asset management or other similar written agreement with the fund management company, Credit Suisse AG, Zurich, Credit Suisse (Switzerland) Ltd, Zurich, or Credit Suisse Asset Management (Switzerland) Ltd, Zurich, or that invest via a financial intermediary that has concluded a cooperation agreement with one of the above-mentioned parties. Purchases of class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units must be explicitly provided for in the asset management agreement, in a similar written agreement, or in the cooperation agreement. Compensation for the fund management company, asset management and custodian bank is charged through the aforementioned agreements. Costs incurred by the management of the class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units are payable on the basis of a separate contractual agreement. Class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Risk exposure in terms of the investment currency of the ZAH CHF and ZAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Class ZA DUR CHF and ZAH DUR CHF units are characterized by the fact that the duration of these classes is reduced through use of suitable OTC derivatives (in particular interest rate swaps). The corresponding entries must be made in a safekeeping account at the custodian bank.

In accordance with the fund contract, the fund management company may at any time create new unit classes, or dissolve or merge existing classes.

If the fund management company accepts subscriptions of units by Credit Suisse AG group companies (in its own name), it is possible – in connection with the activation of subfunds/unit classes – to waive compliance with the limits specified in the table at the end of the prospectus (minimum investment amount/minimum holdings) or the need for a written contract.

In general, the units must be kept as book entries in a safekeeping account held with the custodian bank. Unit classes whose units may be held with SIX SIS Ltd as external custodian (deliverability) are shown in the table at the end of the prospectus. In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.

The individual unit classes do not constitute segregated pools of assets. Although costs are in principle charged only to the unit class for which the service in question was rendered, the possibility of a unit class being held liable for the liabilities of another unit class cannot be ruled out.

### 1.2 Investment Objective, Investment Policy and Investment Restrictions of the Subfunds, and Use of Derivatives by the Subfunds

The investment objective of the umbrella fund is principally to achieve an appropriate return in the accounting currency by investing in the instruments listed below for each subfund. Due account shall be taken of the principle of risk diversification, security of the capital invested and liquidity of the subfunds' assets.

The assets of each subfund are subject to normal market fluctuations. There can therefore be no guarantee that the investment objective will be met. Historical performance is no guarantee of future returns.

In the case of the subfunds listed below, the asset manager takes account of the sustainability factor in its investment decision-making process pursuant to section 5.8 below by incorporating environmental, social and governance ("ESG") criteria and the associated sustainability aspects into its decision-making process in addition to risk and return considerations:

- Credit Suisse (CH) Global Corporate Bond Fund
- Credit Suisse (CH) Sustainable International Bond Fund

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivatives and their scope) can be found in the fund contract (cf. Part 2, §§ 7 to 15).

### 1.2.1 Investment Objective and Investment Policy of the Subfunds

**a) Credit Suisse (CH) Convert International Bond Fund**

This subfund invests primarily in convertible bonds, convertible notes, warrant bonds and similar securities and instruments with warrants and conversion rights issued by public, private and semi-private issuers domiciled anywhere in the world and denominated in any convertible currency. It may supplement these with traditional bonds and with equities and structured products. Investments may be made worldwide, with no restrictions in terms of country or currency.

To ensure efficient management of the Fund's assets, the fund management company may use standardized and non-standardized (customized) derivative financial instruments. It may conclude the transactions on an exchange, another regulated market open to the public or directly with a bank or financial institution acting as counterparty that is subject to oversight and specializes in this kind of transaction (OTC transaction).

**b) Credit Suisse (CH) Sustainable International Bond Fund**

This subfund invests primarily in bonds, notes and other fixed- or variable-interest debt instruments and rights (including asset-backed securities and mortgage-backed securities) issued in any convertible currency by private, semi-private and public-law sustainable borrowers worldwide. The investments are selected on the basis of sustainability criteria from the environmental, social and governance (ESG) fields. Borrowers that produce cluster munitions or landmines or that generate a significant proportion of their sales in the alcohol, tobacco, gambling, adult entertainment, weapons, firearms or nuclear industries are excluded. And finally, the borrowers' compliance with certain standards and laws is verified.

To ensure efficient management of the Fund's assets, the fund management company may use standardized and non-standardized (customized) derivative financial instruments. It may conclude the transactions on an exchange, another regulated market open to the public or directly with a bank or financial institution acting as counterparty that is subject to oversight and specializes in this kind of transaction (OTC transaction).

**c) Credit Suisse (CH) Corporate CHF Bond Fund**

This subfund invests primarily in Swiss franc-denominated bonds (including convertible bonds, convertible notes and warrant bonds), notes and other fixed or variable-interest debt instruments and rights issued by private and semi-private borrowers worldwide. The subfund may also invest in fixed-interest securities denominated in currencies other than the Swiss franc.

To ensure efficient management of the Fund's assets, the fund management company may use standardized and non-standardized (customized) derivative financial instruments. It may conclude the transactions on an exchange, another regulated market open to the public or directly with a bank or financial institution acting as counterparty that is subject to oversight and specializes in this kind of transaction (OTC transaction).

**d) Credit Suisse (CH) Global Corporate Bond Fund**

This subfund invests primarily in bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by private borrowers worldwide and denominated in any currency.

To a limited extent, the subfund may invest in debt instruments and rights that do not meet the above-mentioned requirements, in equities and similar instruments, in money market instruments and in units of other collective investment schemes as well as in structured products.

Investments may be made worldwide, with no restrictions in terms of country or currency.

To ensure efficient management of the fund's assets, the fund management company may use standardized and non-standardized (customized) derivative financial instruments. It may conclude the transactions on an exchange, another regulated market open to the public or directly with a bank or financial institution acting as counterparty that is subject to oversight and specializes in this kind of transaction (OTC transaction).

The fund management company does not currently effect any securities lending transactions for this subfund.

### 1.2.2 Investment Restrictions of the Subfunds

Including derivatives and structured products, the fund management company may invest a maximum of 20% of a subfund's assets (a maximum of 10% of the subfund's assets in the case of Credit Suisse (CH) Global Corporate Bond Fund) in securities and money market instruments of the same issuer. The total value of the securities and money market instruments of issuers in which more than 10% of a subfund's assets are invested (more than 5% of the subfund's assets in the case of Credit Suisse (CH) Global Corporate Bond Fund) may not exceed 60% of the assets of the corresponding subfund (40% of the subfund's assets in the case of the subfund Credit Suisse (CH) Global Corporate Bond Fund). This 20% limit (10% in the case of the subfund Credit Suisse (CHF) Global Corporate Bond Fund) is increased to 45% where the securities or money market instruments are issued or guaranteed by a state or public-law entity of the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs.

This 20% limit (10% in the case of the subfund Credit Suisse (CHF) Global Corporate Bond Fund) is increased to 100% where the securities or money market instruments are issued or guaranteed by an OECD state or public-law entity of the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs. In this case, the Fund must invest in securities or money market instruments from at least six different issues; no more than 30% of total Fund assets may be invested in securities or money market instruments from the same issue. In this respect, the following are authorized issuers and/or guarantors: OECD countries, the European Union (EU), the Council of Europe, the International Bank for Reconstruction and Development (the World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.

The fund management company may not invest more than 5% of the assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the European Union or another country in which it is subject to supervision equivalent to that in Switzerland, this limit shall be increased to 10% of the assets of the subfund concerned.

Detailed information on the subfunds' investment restrictions can be found in the fund contract (see Part 2, § 15).

### 1.2.3 Use of Derivatives by the Subfunds

The fund management company may use derivatives. However, even under extreme market circumstances, the use of derivatives may not result in a deviation from the investment objectives or a change in the investment character of the subfunds. In connection with collective investment schemes, derivatives may only be used to hedge currency risks. They may, however, be used to hedge market, interest rate and credit risks of collective investment schemes where the risks are clearly definable and measurable.

**Commitment Approach I**

For the assessment of risk in the case of the subfunds

– **Credit Suisse (CH) Convert International Bond Fund**
– **Credit Suisse (CH) Global Corporate Bond Fund**

Commitment Approach I shall be applied.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions.

Only basic forms of derivatives may be used, i.e. call or put options, credit default swaps (CDS), swaps and futures and forward transactions, as described in more detail in the fund contract (cf. see Part 2, § 12), provided the underlying securities are permitted as investments under the fund contract. The derivative transactions may be concluded on either a stock exchange or another regulated market open to the public, or in OTC (over-the-counter) trading. In addition to the market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract will not meet its obligations and may thus cause a financial loss.

With a CDS, the default risk of a credit position is transferred from the risk seller to the risk buyer. The latter receives a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are

generally difficult to assess, which increases the risk associated with the CDS. The subfunds may act as both a risk buyer and a risk seller.
Even under extraordinary market circumstances, the use of these instruments may not result in the subfunds' assets being leveraged, neither may they correspond to a short sale.

**Commitment Approach II**
For the assessment of risk in the case of the subfunds
- **Credit Suisse (CH) Sustainable International Bond Fund**
- **Credit Suisse (CH) Corporate CHF Bond Fund**

Commitment Approach II shall be applied.
Derivatives form part of the investment strategy and are not used solely to hedge investment positions.
Both basic forms of derivatives and exotic derivatives may be used on a negligible scale, as described in more detail in the fund contract (cf. part 2, § 12), provided the underlying securities are permitted as investments under the fund contract. The derivative transactions may be concluded on an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to the market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.
In addition to credit default swaps (CDS), all other types of credit derivatives may be acquired (e.g. total return swaps [TRS], credit spread options [CSO], credit linked notes [CLN]) by which credit risks can be transferred to third parties (so-called risk buyers). The risk buyers receive a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The subfunds may act as both risk buyers and risk sellers.
The use of derivatives may result in a subfund's assets being leveraged or may correspond to a short sale. The total exposure of a subfund to derivatives may be up to 100% of its net assets and the total exposure may thus be up to 200% of its net assets.

### 1.2.4 Collateral strategy
With regard to the use of certain investment techniques and in connection with OTC transactions, the fund management company may accept collateral as per the CISO-FINMA so as to reduce the level of counterparty risk assumed.
The fund management company currently considers the following types of assets as permissible collateral:
- Cash in Swiss francs, euros, US dollars, or a reference currency of a subfund;
- Fixed or variable-interest debt instruments or securities issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs;
- Fixed or variable-interest debt instruments or securities relating to an issuer domiciled in an OECD member state;
- Equities, insofar as these are ordinary shares traded on an exchange or another regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified benchmark index;

Fixed or variable-interest debt instruments or securities must generally hold a long-term minimum rating of “A-” or the equivalent and a short-term minimum rating of “A-2” or the equivalent. If the counterparty, its guarantor, or an intermediary of transactions concluded on the basis of investment techniques or OTC transactions possesses a long-term minimum rating of “A-” or equivalent, the fund management may accept collateral with a rating of below “A-”, although the minimum rating may never be less than “BBB-” or “A-3” or equivalent.
If an issuer or security is the subject of different ratings from Standard and Poor's, Moody's or Fitch, the lowest of these ratings shall apply.
The fund management company is entitled to issue restrictions with respect to certain OECD countries and equity indices and limit their acceptance onto the list of permissible countries or benchmark indices, as well as exclude them from the list altogether, or, at a more general level, impose further restrictions vis-à-vis counterparties or brokers on the permissible collateral.
The fund management company shall determine the necessary scope of collateralization on the basis of the applicable risk diversification and guidelines, taking into account the nature and characteristics of the corresponding transactions, the creditworthiness of the respective counterparties, and prevailing market conditions. In the case of securities lending, the fund management company agrees with the borrower or intermediary that collateral shall be pledged or transferred to the fund management company, whereby the value of this collateral should be adequate and at all times equal to at least 100% of the market value of the loaned securities.
Received collateral is valued at least once a day on all trading days. For all types of assets accepted as collateral, the fund management company employs a “haircut” strategy. A haircut (security margin) is a discount applied to the value of an asset accepted as collateral, in order to take account of the fact that the valuation or liquidity profile of this asset may deteriorate from time to time. The haircut strategy takes into account the characteristics of each asset, particularly the type and creditworthiness of the issuer of the collateral, as well as its price volatility. In the corresponding agreement with the relevant counterparty, which may stipulate minimum transfer amounts, the fund management company seeks to ensure that all collateral received is assigned an adjusted value in keeping with the haircut strategy.
On the basis of its haircut strategy, the fund management company generally applies the following discounts:

| Types of collateral | Discount |
|---|---|
| Cash in Swiss francs, euros, US dollars, or a reference currency of a subfund | 0% |
| Fixed or variable-interest debt instruments or securities issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organization with public-law characteristics to which Switzerland or a member state of the European Union belongs | 0.5%–5% |
| Fixed or variable-interest debt instruments or securities relating to an issuer from an OECD member state | 1%–8% |
| Equities, insofar as these are ordinary shares traded on an exchange or other regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified benchmark index | 5%–15% |

The fund management company reserves the right vis-à-vis counterparties and brokers, particularly in the event of unusual market volatility, to increase the discounts that apply to collateral with a view to ensuring that the subfunds have greater collateral protection, thereby reducing the level of counterparty risk.
When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, the fund management company shall ensure appropriate diversification of collateral by country, market, and issuer. With respect to issuer cluster risks, these will be deemed to be appropriately diversified if the collateral accounted for by a single issuer does not exceed 20% of the net asset value. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved.
With respect to cash collateral received, the fund management company may only invest this in the corresponding currency in the form of liquid assets, government bonds of high quality, and directly or indirectly in money market instruments with short terms, or use these instruments as reverse repos.
A subfund may suffer a loss from the reinvestment of received cash collateral, particularly if the investment made with this cash collateral depreciates. As a result of the reduction in value of such an investment, the amount available for transfer back to the counterparty will also be reduced. Any resulting difference in value of the received cash collateral must be made good by the subfund in question, which is why this subfund will incur a loss.
Collateral other than liquid assets may not be lent out, repledged, sold, reinvested, or used for repo transactions or to cover the liabilities of derivative financial instruments.
The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company's behalf, if the collateral's ownership is not transferred to the fund management company and the depositary is independent of the counterparty.

### 1.2.5 Significant Risks
The following risk warnings describe certain risk factors potentially associated with an investment in the subfunds. Investors should consider

these risk warnings before investing in a subfund. The following risk warnings should not be construed as a comprehensive description of all the risks associated with an investment in the subfunds.

### A. General Risk Factors

General investment risks:
The value of the investments is governed by the market value at any given time. Depending on the prevailing stock market trend and the performance of the stocks held in a subfund, the net asset value can fluctuate considerably. There is no guarantee that the relevant investment objective of the subfund will be achieved, or that investors will recover all of the capital they invest, achieve a specific return or be able to return their shares to the fund management company at a specific price. Past performance does not provide a basis for inferring future investment results.

Market risk:
Market risk is a general risk associated with all investments. A deterioration in market conditions or general uncertainty in relation to the economic markets may lead to a decline in the market value of existing or potential investments or to increased illiquidity of investments. Such declines or illiquidity could lead to losses and reduced investment opportunities for a subfund, prevent the subfund from successfully achieving its investment objective, or make it necessary to sell investments at a loss under unfavorable market conditions. Market risks may arise in particular from political uncertainties, currency export restrictions, changes in legislation and fiscal framework conditions.

Currency risk:
Where a subfund holds assets denominated in a currency other than its unit of account, such assets are exposed to a direct currency risk unless such foreign currency positions are hedged. Falling exchange rates lead to a decrease in the value of foreign currency investments.
Certain unit classes may be denominated in a reference currency other than the unit of account of the subfund.
For hedged unit classes, a hedging strategy will be used in accordance with the provisions in the fund contract with a view to minimizing the currency risk, taking account of various practical considerations. There is no guarantee that the hedging strategy will achieve this objective. Investors are cautioned that there is no distribution of liabilities between the individual unit classes in a subfund. There is therefore a risk that, under certain circumstances, the hedging transactions undertaken for a hedged unit class may lead to liabilities that affect the net asset value of the other unit classes of this subfund.

Liquidity:
With financial instruments there is a risk that a market will be illiquid at times. This may result in instruments not being tradable at the desired time and/or not in the desired quantity and/or not at the expected price. Temporarily illiquid financial markets combined with a high volume of redemption requests may mean that the fund management company cannot make the repayments within the time period specified in the fund contract and/or not without significant impairment of the net asset value of the subfund.

Counterparty risk:
Counterparty risk indicates the likelihood of insolvency of the debtor, of a counterparty of a pending transaction or of the issuer or guarantor of a security or derivative. If such a party becomes insolvent, this will result in the loss of some or all of the sum of the investment exposed to the risk of this party. One measure of a counterparty's creditworthiness is their classification (rating) by rating agencies. In addition, a subfund is exposed to the risk that an expected payment or delivery of assets may not take place or may not take place on time. Market practices relating to the settlement of transactions and the custody of assets can lead to increased risks.

### B. Specific Risk Factors

Interest rate risk:
The value of the fixed-income securities held by the subfunds will change according to changes in interest rates. The value of fixed-income securities generally increases when interest rates fall and falls when interest rates rise. Fixed-income securities with a higher interest rate sensitivity and longer maturities are generally subject to greater fluctuations in value as a result of interest rate changes.

Credit risk:
Fixed-income securities are subject to the risk that the issuer or a guarantor may be unable to make capital and/or interest payments for its liabilities. Issuers or guarantors with a higher credit risk typically offer higher yields for this added risk. Changes in the financial position of an issuer or guarantor, changes in economic and political circumstances in general, or changes in economic and political circumstances impacting a specific issuer or guarantor, are factors that can have negative repercussions on the creditworthiness of an issuer or guarantor.

Debt instruments and rights offering high yields or rated below investment grade:
High-yield securities or securities rated below investment grade (non-investment grade) are usually associated with a higher credit or default risk than securities of better quality. The lower the credit rating of an issuer or guarantor, the greater the likelihood is of it being unable to meet its capital and/or interest payments. Such securities are generally more volatile than higher quality securities, which means that negative economic and political events can have a greater impact on their prices. The market for such securities generally exhibits less liquidity and activity than the market for better quality securities and such factors can impose greater restrictions on a subfund's ability to sell its holdings in response to changes in the economic and political situation or changes in the situation on the financial markets.

Asset Backed/Mortgage Backed Securities:
Individual subfunds may hold positions in asset-backed securities (“ABS”) and mortgage-backed securities (“MBS”). ABS and MBS are debt instruments issued by a special purpose vehicle (SPV). Such securities are protected by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS (e.g. claims under credit card or leasing contracts etc.). Compared with traditional bonds such as corporate bonds or sovereign debt, the liabilities associated with these securities may be subject to greater counterparty, liquidity and interest rate risk as well as additional risks such as reinvestment risk, credit risks on the underlying assets and advance repayments of principal (through built-in termination rights, known as prepayment events) resulting in a lower total return (especially if repayment of the debt is not concurrent with redemption of the underlying assets). ABS and MBS can be very illiquid and therefore subject to high price volatility.

Contingent Convertible Instruments (incl. Contingent Convertible Bonds (CoCo-Bonds)):
Contingent convertible instruments may be converted into equities in the case of bonds or written down when a specific event occurs (“mechanical trigger”). A conversion into shares or a writedown can involve a substantial loss of value. In the event of conversion, the shares received may show a discount to the share price when the bond was purchased; there is therefore an increased risk of capital loss. Contingent capital instruments have not yet been tested. It is uncertain how they will develop in a stress situation, when the underlying features of these instruments are put to the test. The activation of a trigger or suspension of coupon payments could trigger a general sell-off of contingent convertible instruments and therefore reduce liquidity on the market. Pricing can come under increasing pressure in an illiquid market. Since the issuers of contingent convertible instruments may be unequally distributed across the sectors, contingent convertible instruments can potentially be subject to risks in connection with sector concentration.

Equity investments:
Share prices may be affected by many factors on the level of the company in question, as well as by general economic and political developments, including trends in economic growth, inflation and interest rates and reports concerning company profits, demographic trends and disasters. The risks associated with investments in equity and equity-type securities include significant fluctuations in market prices, negative issuer or market information and the subordinate status of equity in relation to debt paper of the same issuer.

Depositary Receipts (ADR, GDR):
Depositary Receipts (American Depositary Receipts (“ADR”), Global Depositary Receipts (“GDR”) are instruments used to establish a commitment in securities if the underlying securities cannot be held directly or are not suitable for a direct investment or if direct access to the underlying securities is restricted or limited. As Depositary Receipts do not always perform in parallel with the underlying securities, there can be no guarantee that a similar result will be obtained as in the case of a direct investment.

Small and medium-sized enterprises:
Investing in the securities of smaller and medium-sized, lesser-known companies involves greater risk and the possibility of high price volatility due to the less certain growth prospects of smaller and medium-sized companies, the lower degree of liquidity of the markets for such stocks and the greater sensitivity of smaller and medium-sized companies to market changes.

Emerging markets:
Investments in emerging markets may be associated with greater risk than investments in the markets of industrialized countries. The securities markets of emerging markets are generally smaller, less developed, less liquid and more volatile than securities markets in industrialized countries. In certain emerging markets, there is a risk of expropriation of assets, taxation tantamount to expropriation, political and social unrest and diplomatic developments which may adversely affect investments in these countries. There may be less publicly available information about certain financial instruments than investors would normally expect and companies in such countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable with those prevailing in industrialized countries. Certain financial markets have a significantly lower market volume than more developed markets. Securities of many companies may be less liquid and their prices may be more volatile. In emerging markets, there is also a different level of government supervision and regulation of stock exchanges, banks and issuers. Local restrictions may impinge on the investment activities of the subfunds. Investments in local currency may be adversely affected by exchange rate fluctuations, currency and tax rules. Settlement systems in emerging markets may be less well organized than those in developed markets. Consequently, there is a risk that settlement will be delayed and that a subfund's cash or securities will be put in jeopardy by system blackouts or inadequacies.
Concentration risks:
A subfund's strategy of investing in a limited number of factors, markets, sectors or assets may increase the volatility of its investment performance in comparison with funds investing in a larger number of factors, markets, sectors or assets. If factors, markets, sectors, or assets in which a subfund invests develop poorly, the subfund could incur greater losses than if it had invested in a larger number of factors, markets, sectors or assets.
Investments in target funds:
In the case of investments in target funds, the same costs may be incurred on the level of both the subfund and the target fund. Foreign target funds may not necessarily be approved for distribution in Switzerland and in their country of origin may not be subject to equivalent regulation and supervision offering a comparable level of protection. Under certain circumstances, a subfund may only achieve its investment objective if a target fund also achieves its investment objective. The performance of units or shares of a target fund is largely dependent on the performance of the relevant investment manager, although neither the fund management company nor the asset manager assigned to a subfund has direct control over the management of the investments in a target fund. Depending on its investments, the value of the target fund's units or shares may be influenced by other risks to which the investing subfund will consequently also be exposed. Investing in units or shares of a target fund entails the risk that the redemption of the units or shares may be subject to restrictions, which may make investments in target funds less liquid than other types of investments. The valuation of units or shares of a target funds may be based on estimates, and under certain circumstances it may not be possible to buy or sell units or shares of a target fund or may only be possible at prices above or below the net asset value of the target funds.
Securities lending:
Securities lending involves a counterparty risk, including the risk that the loaned securities will not be returned or will not be returned on time, restricting the subfund in its delivery obligations when selling securities. If the borrowing party does not lodge any necessary additional collateral or does not return the securities lent by the subfund when due, there is a risk that the collateral lodged may have to be realized at a value below that of the loaned securities, regardless whether this is attributable to an inaccurate assessment of the collateral, negative market trends, a downgrading of the credit rating of the issuer of the collateral or the illiquidity of the market in which the collateral is traded. This may in turn adversely affect the performance of the subfund.
Sustainable investing:
Sustainable finance is still a very new topic for the financial sector. There is not yet any generally accepted framework or list of factors to be taken into account in order to ensure the sustainability of investments. The legal and regulatory framework is likewise still at the development stage. The European Commission, in collaboration with other bodies, has produced a series of legislative proposals on the subject of sustainable finance (the "**EU proposals on sustainable finance**") as part of the European action plan for sustainable finance. In this regard, discussions are taking place on establishing a harmonized EU classification system for sustainable economic activities as well as the definition of standard criteria.
Certain asset managers and organizations such as Credit Suisse have developed their own framework concepts for sustainable investing, whereby specific ESG factors as well as sustainability risks are incorporated into the investment decision-making process.
The approach pursued by Credit Suisse with regard to sustainable finance, as described in detail in section 5.8 of this prospectus, may change over time (i) in line with further improvements in the proprietary process for incorporating ESG criteria and sustainability risks in investment decisions as well as (ii) following legislative and regulatory developments, including the impact of the EU proposals on sustainable finance. Investors in subfunds that employ a sustainable investment approach should therefore visit www.credit-suisse.com/esg at regular intervals in order to find out about the latest developments in the Credit Suisse approach to sustainable finance and the relevant ESG criteria. Accordingly, there can be no guarantee that the investment instruments selected by the asset manager in accordance with the sustainable investment process will meet the ESG criteria or that the sustainable investment process can be used at all times.

### 1.3 Profile of the Typical Investor

The subfunds Credit Suisse (CH) Convert International Bond Fund, Credit Suisse (CH) Sustainable International Bond Fund, Credit Suisse (CH) Corporate CHF Bond Fund and Credit Suisse (CH) Global Corporate Bond Fund are suitable for investors with a longer-term horizon who are primarily seeking a steady income. Investors must be willing to accept temporary fluctuations in the net asset value of Fund units and not be reliant on realizing their investment at a specific date.

### 1.4 Tax Regulations Relevant to the Subfunds

The umbrella fund and the subfunds have no legal personality in Switzerland. They are not subject to tax on income or capital.
The Swiss federal withholding tax deducted from the subfunds' domestic income can be reclaimed in full for the corresponding subfund by the fund management company.
Income and capital gains realized outside Switzerland may be subject to the relevant withholding tax deductions imposed by the country of investment. Insofar as is possible, these taxes will be reclaimed by the fund management company on behalf of investors resident in Switzerland under the terms of double taxation treaties or other such agreements.
Income from the subfunds is subject to Swiss federal withholding tax at 35%, regardless of whether the income is reinvested (capital growth) or distributed. Any capital gains paid on a separate coupon are not subject to withholding tax.
Investors domiciled in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.
In the case of distribution classes, distributions of income to investors domiciled outside Switzerland are made free of Swiss withholding tax, provided at least 80% of the fund stems from foreign sources. In the case of capital-growth classes, investors domiciled abroad who benefit from the affidavit process will be credited the withholding tax on presentation of the declaration of domicile. Therefore, they need to present the confirmation from a bank stating that the units in question are held at the bank in the custody account of an investor domiciled outside Switzerland, and that the distributions of income are credited to this investor's account (declaration of domicile / affidavit). No guarantee can be given that at least 80% of the fund's income will stem from foreign sources.
If withholding tax is charged to an investor domiciled outside Switzerland owing to a failure to present a declaration of domicile, under Swiss law they may submit a refund application directly to the Swiss Federal Tax Administration in Berne.
In the case of subfunds and classes which are not eligible for affidavits, clients domiciled outside Switzerland can reclaim the withholding tax under any double taxation agreement between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.
The income distributed and/or the interest realized on the sale or redemption of units is subject in Switzerland to EU savings tax.
Based on the provisions of the directive issued by the Council of the European Union in respect of the taxation of interest income, and under the terms of the agreement reached between Switzerland and the EU as part of bilateral negotiations, Switzerland is obliged to retain tax on certain interest payments made by investment funds and subfunds, in the case of both distributions of income and the sale or redemption of units of funds and subfunds, in respect of natural persons whose tax domicile is in an EU member state. This tax is retained at 20% as of July 1, 2008 and at 35%

as of July 1, 2011. Subject to explicit instructions by the recipient of the interest payment, the recipient may make a voluntary disclosure to the fiscal authorities in their tax domicile instead of being subject to this tax retention. Furthermore, both earnings and capital gains, whether distributed or reinvested, and depending on the person who holds the units either directly or indirectly, may be subject wholly or in part to a so-called paying agency tax (e.g. compensatory withholding tax, EU savings tax, or Foreign Account Tax Compliance Act).

**The tax information stated above is based on the current legal situation and practice. It is subject to changes in legislation, the decisions of the courts and the decrees and practices of the tax authorities.**

**Taxation and other tax implications for investors who hold, buy or sell fund units are defined by the tax laws and regulations in the investor’s country of domicile. Investors should consult their tax advisor for information on these matters.**

The umbrella fund and the subfunds have the following tax status regarding:

FATCA:

The umbrella fund is registered with the US tax authorities as a “registered deemed compliant collective investment vehicle (CIV)” under the Agreement between the United States of America and Switzerland for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) “IGA Switzerland/USA”.

International automatic exchange of information on tax matters: This umbrella fund and the subfunds qualify as Non-reporting Financial Institutions for the purposes of the automatic exchange of information pursuant to the Common Reporting and Due Diligence Standard (CRS) of the Organisation for Economic Co-operation and Development (OECD) relating to information on financial accounts.

## 2 Information on the Fund Management Company

### 2.1 General Information on the Fund Management Company

Credit Suisse Funds AG, Zurich, is the fund management company. It has been exclusively active in the fund business since its formation as a limited company in 1984.

The subscribed share capital of the fund management company, which is fully paid up, has stood at CHF 7 million since June 30, 1994. The share capital is divided into registered shares.

Credit Suisse Funds AG is a wholly-owned subsidiary of Credit Suisse AG, Zurich.

**Board of Directors**

– **Dr. Thomas Schmuckli**, Chair
  Relevant activities outside of the fund management company: Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg; Chair of the Board of Directors of Bossard Holding AG, Zug; Member of the Board of Directors of Patria Genossenschaft, Basel; Member of the Board of Directors of Hans Oetiker Holding AG, Horgen; Vice-Chair of the Board of Directors of Helvetia Holding AG, St. Gallen
– **Luca Diener**, Vice-Chair
  No relevant activities outside of the fund management company
– **Ruth Bültmann,** Member
  Relevant activities outside of the fund management company: Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg; Member of the Board of Directors of BLI – Banque de Luxembourg Investments S.A., Luxembourg; Chair of the Board of Directors of Eric Sturdza Management Company S.A., Luxembourg; Chair of the Board of Directors of Conventum Asset Management S.A., Luxembourg; Member of the Board of Directors of Cigogne Management S.A., Luxembourg; Member of the Board of Directors of Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A., Luxembourg; Member of the Board of Directors of Luxembourg Institute of Directors – ILA, Luxembourg; Member of the Board of Directors of Lithos Capital S.A.-SPF, Luxembourg; Member of the Board of Directors of Berlynvest S.A., Luxembourg; Member of the Board of Directors of Link Corporate Services S.A. Luxemb0urg
– **Jürg Roth**, Member
  Relevant activities outside of the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Trustees of Credit Suisse Investment Foundation, Zurich; Member of the Board of Directors of AXA Pension Solutions AG, Winterthur; Member of the Board of Trustees of the Credit Suisse Investment Foundation Pillar 2, Zurich
– **Christian Schärer**, Member
  Relevant activities outside of the fund management company: Managing Director of Credit Suisse (Switzerland) Ltd., Zurich; Member of the Board of Directors of Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg; Member of the Board of Directors of Credit Suisse (Luxembourg) S.A., Luxembourg
– **Dr. Christoph Zaborowski**, Member
  Relevant activities outside of the fund management company: Chair of the Board of Directors of REFL Invest AG, Zurich; Chair of the Board of Directors of Deal Estate AG, Lucerne; Chair of the Board of Directors of BS2 AG, Schlieren; Vice Chair of the Investment Committee of the Steiner Investment Foundation, Zurich; Member of the Investment Committee of FG Wohninvest Germany S.C.S. SICAV-SIF, Luxembourg; Member of the Real Estate Committee of the Pension Fund of Lonza, Basel; Member of the Supervisory Board of Fundamenta Group Deutschland AG, Munich
– **Patrick Marti**, Member
  Relevant activities outside of the fund management company: Managing Director, Credit Suisse (Switzerland) Ltd.

**Executive Board**

– **Thomas Schärer**, CEO
  No relevant activities outside of the fund management company
– **Patrick Tschumper**, Deputy CEO and Head of Fund Solutions
  Relevant activities outside of the fund management company: Member of the Board of Directors of Credit Suisse Asset Management (Switzerland) Ltd., Zurich; Member of the Board of Directors of MultiConcept Fund Management S.A., Luxembourg
– **Thomas Federer**, Member, Performance & Risk Management
  No relevant activities outside of the fund management company
– **Hans Christoph Nickl**, Member, COO
  No relevant activities outside of the fund management company
– **Thomas Vonaesch**, Member, Real Estate Fund Management
  No relevant activities outside of the fund management company
– **Gabriele Wyss**, Member, Compliance
  No relevant activities outside of the fund management company
– **Michael Dinkel**, Member, Fund Services
  No relevant activities outside of the fund management company
– **Gilbert Eyb**, Member, Legal
  No relevant activities outside of the fund management company

All information concerning the relevant activities of the Board of Directors and members of the Executive Board outside the fund management company refers to the date of the prospectus.

As of December 31, 2018, the fund management company manages a total of 281 collective investment schemes in Switzerland (including subfunds); it had assets under management totaling CHF 210,207 million.

The fund management company Credit Suisse Funds AG is registered with the US tax authorities as a “registered deemed compliant FFI” under the Agreement between the United States of America and Switzerland for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) “IGA Switzerland/USA”.

Address:
Credit Suisse Funds AG
Uetlibergstrasse 231
CH-8045 Zurich

Website:
www.credit-suisse.com

### 2.2 Delegation of Investment Decisions

Investment decisions have been delegated to Credit Suisse Asset Management (Switzerland) Ltd., Zurich, as asset manager.

Credit Suisse Asset Management (Switzerland) Ltd. is an approved asset manager of collective investment schemes and subject to supervision by the Swiss Financial Market Supervisory Authority FINMA. The employees of Credit Suisse Asset Management (Switzerland) Ltd., a subsidiary of Credit Suisse AG and Credit Suisse (Switzerland) Ltd., have many years of experience in the fields of asset management and investment advice for domestic and international private and institutional clients.

The precise duties involved are set out in an asset management agreement between Credit Suisse Funds AG and Credit Suisse Asset Management (Switzerland) Ltd.

### 2.3 Delegation of Other Specific Tasks

The fund management company has delegated certain fund administration duties to the following group companies of Credit Suisse Group AG:

– Credit Suisse AG, Switzerland: specific tasks such as providing legal and compliance advice, facility management and the Management Information System (MIS).
– Credit Suisse (Switzerland) Ltd., Switzerland: specific duties in relation to the provision of compliance advice, human resources, collateral management, IT services and first line of defense support (FLDS).
– Credit Suisse Asset Management (Switzerland) Ltd., Switzerland: real estate administration (including fund and real estate accounting, and estate management), currency hedging transactions.
– Credit Suisse Services Ltd., Switzerland: specific tasks in relation to the provision of compliance advice, managing the fund management company's finances and tax advice.
– Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg: specific tasks in relation to fund accounting and support with monitoring the investment regulations.
– Credit Suisse (Poland) Sp.z.o.o., Poland: specific tasks in relation to fund accounting, information management (including product master data, price publications, fact sheet production, KIID production and report preparation), legal reporting (preparation of the annual report) and other support tasks.

Precise details of how the remit is to be fulfilled are laid down in an agreement between the fund management company and the aforementioned group companies. Further specific tasks may be delegated to the aforementioned group companies.

### 2.4 Exercising of Membership and Creditors' Rights

The fund management company exercises the membership and creditors' rights associated with the investments of the subfunds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide the investors with information on exercising of membership and creditors' rights.
In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party.
In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the portfolio manager, the company or from proxy advisors and other third parties, or on information it learns from the press.
The fund management company is free to waive the exercise of membership and creditors' rights.

## 3 Information on the Custodian Bank

The custodian bank is Credit Suisse (Switzerland) Ltd., Paradeplatz 8, 8001 Zurich. The bank was incorporated in Zurich in April 2015 with the legal form of a joint-stock company. In the fourth quarter of 2016, Credit Suisse (Switzerland) Ltd. acquired the majority of the business of Credit Suisse AG belonging to the Swiss Universal Bank division. Credit Suisse (Switzerland) Ltd. is a wholly owned subsidiary of Credit Suisse AG, Zurich.
Credit Suisse (Switzerland) Ltd. offers a comprehensive range of banking services and products for private, business and institutional clients domiciled in Switzerland and for certain international clients.
The custodian bank may delegate the safekeeping of the subfunds' assets to third-party custodians and collective securities depositaries in Switzerland and abroad, provided this is in the interests of efficient safekeeping. In relation to financial instruments, the fund's assets may only be held in safekeeping by regulated third-party custodians and collective securities depositaries. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and collective securities depositaries is not possible, in particular due to mandatory legal provisions. The use of third-party custodians and collective securities depositaries means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. Moreover, if the third-party custodians and collective securities depositaries are not regulated, they are unlikely to meet the requirements placed on Swiss banks in organizational terms. The tasks of the custodian bank under delegation of safekeeping to an agent shall comply with § 4 prov. 6 of the Fund Contract. The custodian bank is responsible for the losses caused by a third-party custodian or collective securities depositary, unless it can prove that it applied the degree of due diligence with regard to the selection, instruction and monitoring required in the given circumstances.
The custodian bank is registered with the US tax authorities as a "participating foreign financial institution (pFFI)" pursuant to the Agreement Between Switzerland and the United States of America for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) "Swiss/US IGA" and section 1471-1474 of the US Internal Revenue Code including related decrees.

## 4 Information on Third Parties

### 4.1 Paying Agents

The paying agent is the following bank:

– Credit Suisse (Switzerland) Ltd., Paradeplatz 8, 8001 Zurich, and all its branches in Switzerland.

### 4.2 Distributors

The following institution has been appointed as selling agent for the subfunds:

– Credit Suisse AG, Paradeplatz 8, 8001 Zurich, and all its branches in Switzerland

The fund management company is entitled to appoint additional distributors within the meaning of the Collective Investment Schemes Act of June 23, 2006.

### 4.3 Auditor

KPMG AG, Zurich, has been appointed as the auditor.

## 5 Further Information

### 5.1 Key Data

| | |
|---|---|
| Swiss securities numbers: | cf. table at the end of the prospectus |
| ISIN numbers: | cf. table at the end of the prospectus |
| Listing: | none (applies to all subfunds) |
| Financial year: | October 1 to September 30. In the case of the subfund Credit Suisse (CH) Global Corporate Bond Fund, an extended accounting year runs from May 1, 2017 to September 30, 2018 following the transfer to CS Fund 2. |
| Term: | unlimited |
| Accounting currency: | cf. table at the end of the prospectus |
| Units: | book-entry form |
| Appropriation of income: | Income will be distributed within four months of the end of the accounting year or of reinvestment, as the case may be. |

### 5.2 Terms for the Issue and Redemption of Subfund Units

Subfund units will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas (including Christmas Eve), New Year (including December 31), August 1, etc.), or on days when the stock exchanges and markets in the main investment countries of a subfund are closed, or under the exceptional circumstances defined under § 17 prov. 4 of the fund contract.
In the event of subscription, any investor can request the contribution of assets to the fund in place of a payment in cash ("contribution in kind"); in the event of redemption, any investor can request that assets are transferred to him in place of a payout in cash ("redemption in kind"). Requests must be submitted together with the subscription/redemption order. The fund management company is not obliged to allow contributions/redemptions in kind. The fund management company alone decides on contributions or redemptions in kind and approves this type of transaction only if execution of the transaction complies fully with the investment policy of the umbrella fund or subfund and does not impinge upon the interests of the other investors. Details of contributions and redemptions in kind are set out in § 18 of the fund contract.
At present and for the foreseeable future, the fund management company does not generally permit payments and withdrawals by the transfer of

assets in kind. As a rule, any payment or withdrawal by the transfer of assets in kind must have a minimum transaction volume of CHF 5 million.
Subscription and redemption orders received by the custodian bank by the time stated in the table at the end of the prospectus on a given bank working day (order day) will be settled on the next bank working day (valuation day) on the basis of the net asset value calculated on this day. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). It will be calculated based on closing prices on the valuation day.
The value of the fund assets will not be calculated on days when the stock exchanges/markets in the fund’s main investment countries are closed (e.g. bank and stock exchange holidays). To the extent that payment is made by the transfer of assets in kind (cf. § 18 of the fund contract), this applies likewise to the valuation of such assets.
The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund’s assets as valued at the market value attributable to the given unit class, minus any of this subfund’s liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. In each case it is rounded up or down to the next smallest unit of the subfund’s accounting currency.
In accordance with § 16 (7) of the fund contract, the net asset value applicable to the issue and redemption of units of these subfunds is calculated according to the “swinging single pricing” method (hereinafter: “SSP method”).
With the SSP method, the incidental costs relating to the purchase and sale of investments that arise from subscriptions and redemptions (such as standard brokerage charges, commissions, taxes and duties), as well the cost of verifying and maintaining quality standards in relation to physical assets, are taken into account when calculating the net asset value. The net capital flows resulting from subscriptions and redemptions give rise to the volume required for the portfolio adjustment. The incidental costs generated by subscriptions and redemptions on the trading day are to be borne by those investors who apply for subscriptions or redemptions on the days in question. If subscriptions exceed redemptions on a particular valuation day, the fund management company adds the related incidental costs to the net asset value calculated (this corresponds to the “modified net asset value”). If redemptions exceed subscriptions on a particular valuation day, the fund management company adds the related incidental costs to the net asset value calculated (this corresponds to the “modified net asset value”). The premium or discount applicable to the net asset value on subscription or redemption of units in respect of incidental costs (“swing factor”) is applied to an average value extending back over a maximum of one year.
The issue price of the units of a particular class corresponds to the modified net asset value of this class calculated on the valuation day, plus the issuing commission. The issuing commission is defined in the table at the end of the prospectus.
The redemption price of the units of a particular class corresponds to the modified net asset value of that class calculated on the valuation day, less the redemption commission. The redemption commission is defined in the table at the end of the prospectus.
Incidental costs for the purchase and sale of investments (such as standard brokerage charges, commissions, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred on average by a subfund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), is charged in accordance with the SSP method described above. These incidental costs will not be charged if the fund management permits a payment or withdrawal by the transfer of assets in kind instead of cash pursuant to § 18.
The issue and redemption prices are rounded up or down to the next smallest unit of the accounting currency.
Payment will be made one bank working day after the valuation day (value date 1 day) for all subfunds.
Units will not take the form of actual certificates but will exist purely as book entries. The investors are not entitled to demand delivery of a unit certificate in registered or bearer form.
The fund management company and the custodian bank may, within the scope of their sales activities, refuse purchase applications, as well as suspend or limit the sale, distribution or transfer of units to individuals or corporate bodies in particular countries or areas.

### 5.3 Fees and Incidental Costs

Details on the fees and incidental costs for each subfund are set out in the table at the end of the prospectus.
The management commission charged by the fund management company is used as follows:

a. Management fee component (§ 20 prov. 1 (a) of the fund contract): The management fee is used to cover the administration, asset management and distribution. Not covered by the management fee are the services as stipulated in section b below.
b. Servicing fee component (§ 20 prov. 1 (b) of the fund contract): The servicing fee is used for services in connection with the calculation of the net asset value, as well as currency hedging for the currency-hedged unit classes (FX hedging).

Furthermore, the fees and incidental costs listed under § 20 of the fund contract may also be charged to the subfunds.
Services provided by third parties to which tasks have been delegated by the fund management company pursuant to Prov. 2.2 and 2.3 are paid for using the management commission.
The custodian bank fee (§ 20 prov. 2 of the fund contract) is used to cover tasks provided by the custodian bank, such as the safekeeping of fund assets, handling of payment transactions and performance of the other tasks listed in § 4.
Information on the rates actually charged per subfund can be found in the annual and semi-annual reports.

**Payment of Trailer Fees and Rebates**

The fund management company and its agents as well as the custodian bank may pay, from the management fee, trailer fees as remuneration for the marketing of fund units in or from Switzerland. This remuneration covers the following services in particular:

– storing and distributing marketing and legal documents;
– forwarding or making available the legally prescribed publications and other publications;
– performing the due diligence tasks delegated by CS FUNDS in areas such as establishing client needs and sales restrictions;
– examining and answering specific inquiries from investors regarding the investment product or provider;
– relationship management;
– training client advisors in the area of collective investment schemes;
– appointing and monitoring other sales agents;
– commissioning a firm of auditors to verify compliance with specific obligations of sales agents, especially the provisions applicable to sales agents of the Swiss Funds & Asset Management Association SFAMA
– etc.

Trailer fees are not regarded as rebates even if they are ultimately forwarded to investors either entirely or in part.
The recipients of the trailer fees guarantee transparent disclosure and will inform investors – spontaneously and free of charge – of the size of the fee they have received for their sales activities.
On request, the recipients of the trailer fees will disclose the amounts they have actually received for the sale of the collective investment scheme units of these investors.
The fund management company and its agents may pay rebates directly to investors from a fee or cost charged to the fund with the purpose of reducing the said fee or cost. Rebates are permitted provided that

– they are paid from fees that were charged to the fund assets and therefore are not charged additionally to the fund assets;
– they are granted on the basis of objective criteria;
– they are granted to all investors who meet the objective criteria within the same timeframe and to the same extent.

Rebates are granted upon fulfillment of the following requirements:

– the minimum investment in a collective investment scheme or range of collective investment schemes;
– the amount of fees generated by the investors;
– the expected investment period;
– the willingness of the investor to provide support in the launch phase of a fund.

**Total Expense Ratio**

The coefficient of the total costs charged to the subfunds’ assets on an ongoing basis (total expense ratio, TER) was: cf. table at the end of the prospectus.

**Investments in Related Collective Investment Schemes**

In the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a substantial direct or indirect stake of the capital or votes ("related target funds"), no issuing and redemption commissions are charged.

**Fee-Sharing Agreements and Non-Pecuniary Payments ("Commission Sharing Agreements and Soft Commissions")**

Commission sharing agreements exist in the case of CS Fund 2. However, the fund management company has not concluded any fee splitting agreements or any trailer fee agreements taking the form of so-called soft commissions.

### 5.4 Publication of Official Notices by the Umbrella Fund and Subfunds

Further information on the Fund may be found in the latest annual or semi-annual report. In addition, the latest information can be found on the internet at www.credit-suisse.com.

The prospectus with integrated fund contract, the Key Investor Information Document and the latest annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all selling agents.

In the event of a change to the fund contract, a change in the fund management company or the custodian bank or the dissolution of the subfunds, the corresponding notice will be published by the fund management company on the electronic Swiss Fund Data platform (www.swissfunddata.ch).

Prices or net asset values (modified net asset value calculated by application of the SSP method) of all unit classes for each subfund are published daily on the electronic Swiss Fund Data platform (www.swissfunddata.ch) and possibly also in other Swiss and international newspapers and electronic media.

### 5.5 Information Regarding Distribution Abroad

The fund management company may at any time apply for the fund to be admitted for distribution in other countries.

### 5.6 Sales Restrictions

With respect to the issue and redemption of units of these subfunds outside Switzerland, the regulations regarding investment funds and taxes in the country in question apply.

Units of this collective investment scheme may not be offered, sold or delivered within the United States of America and its territories.

Units of this collective investment scheme may not be offered, sold or delivered to citizens and/or residents of the United States of America and/or persons or entities whose income and/or revenue, irrespective of source, is subject to US income tax, including those deemed to be US persons under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act, as amended.

### 5.7 Detailed Regulations

All further information on the umbrella fund and subfunds, such as the method used for the valuation of the subfunds' assets, a list of all fees and incidental costs charged to the investor and the subfunds, and the appropriation of net income, can be found in detail in the fund contract.

### 5.8 Sustainable Finance, ESG and Sustainability Risk

Sustainable finance is the general term describing the appropriate consideration of environmental, social and governance criteria ("ESG criteria") in investment decisions. Although there is no comprehensive list or generally recognized definition of the issues or factors falling under the "ESG" concept, the following applies to the ESG investments of the subfunds:

1. Environmental ("E"): Taking into account the quality and functioning of the natural environment and natural systems, e.g. air, water and soil quality, CO2 and climate, clean water, environmental performance and biodiversity, CO2 emissions and climate change, energy efficiency, scarcity of natural resources and waste management. Environmental criteria can be assessed based on key indicators for resource efficiency, e.g. energy consumption, use of renewables, commodity consumption, volume of waste, emissions, greenhouse gas emissions, water consumption, land use as well as impact on biodiversity and the circular economy.
2. Social ("S"): Taking into account criteria relating to the rights, well-being and interests of people and communities, e.g. human rights, working conditions and standards, education, gender equality and the ban on child and forced labor.
3. Governance ("G"): Criteria concerning the proper management of companies and other investment-receiving entities such as the independence and supervision of the board of directors, the use of best practices and transparency, management remuneration, shareholder rights, management structure, anti-corruption measures and dealing with whistleblowers.

The above list is not exhaustive and may change over time as the asset manager seeks to incorporate ESG factors and sustainability risks into the investment decisions. Sustainability risk is an ESG event or situation that, if it occurs, can affect the value of an investment.

Investors should be aware of the possibility that a certain proportion of the investments of the subfunds specified in section 1.2 above may not meet the ESG criteria. Although the asset manager pursues a sustainable investment process, investors should be aware that neither the fund management company nor any affiliated company of the Credit Suisse Group AG can guarantee that the investment instruments acquired by the subfunds will comply with the process for sustainable investment at all times and in full.

If an investment no longer meets the ESG criteria as of a particular point in time, the asset manager can at its own discretion choose whether to liquidate the investment or not. The attention of investors is expressly drawn to the fact that the ESG criteria do not constitute investment restrictions within the meaning of the above section 1.2.2 and section C of the fund contract; nor do they form part of the investment policy pursuant to section 1.2.1 above and § 8 of the fund contract.

Additional information on the Credit Suisse approach to sustainable finance and relevant ESG criteria, which may change over time, is available at www.credit-suisse.com/esg.

| Subfund | Unit classes | Security number | ISIN number | Accounting currency of the subfund | Max. issuing / redemption commission charged to investors [1] | Max. management fee[16] | Max. servicing fee[17] | Max. management commission charged to the subfund [2] | Max. custody bank fee charged to the subfund | Max. premium or discount applicable to the net asset value as per the SSP method (swing factor) [6] | Valuation date (days as of subscription/ redemption | Value date (days as of valuation) | Deadline for daily subscription and redemption of fund units (CET) | Min. investment / min. holding | Delegation of investment decisions for subfunds | Total Expense Ratio (TER) 30.09.15 | 30.09.16 | 30.09.17 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Credit Suisse (CH) Convert International Bond Fund** | A CHF[8] | 1930836 | CH0019308367 | **USD** | 5.0% / 2.0% | 1.40% | 0.10% | 1.50% | 0.05%[14] | 2% | 1 | 1 | 1 p.m. | – | Credit Suisse Asset Management (Switzerland) Ltd., Zurich | 1.27% | 1.27% | 1.27% |
| | A USD[8] | 277151 | CH0002771514 | | | 1.40% | 0.10% | 1.50% | | | | | | – | | 1.27% | 1.27% | 1.27% |
| | AH CHF[8] | 13850209 | CH0138502098 | | | 1.40% | 0.15% | 1.55% | | | | | | – | | – | 1.26% | 1.27% |
| | AH USD[8] | – | – | | | 1.40% | 0.15% | 1.55% | | | | | | – | | – | – | – |
| | DA CHF[10] | – | – | | | - | - | 0.20%[13] | | | | | | | | – | – | – |
| | DA USD[10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | DAH CHF[10] | 13850213 | CH0138502130 | | | - | - | 0.20%[13] | | | | | | – | | 0.22% | 0.22% | 0.22% |
| | DAH USD[10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | EA CHF[8,9] | – | – | | | 1.00% | 0.10% | 1.10% | | | | | | – | | – | – | – |
| | EA USD[8,9] | – | – | | | 1.00% | 0.10% | 1.10% | | | | | | – | | – | – | – |
| | EAH CHF[8,9] | – | – | | | 1.00% | 0.15% | 1.15% | | | | | | – | | – | – | – |
| | EAH USD[8,9] | – | – | | | 1.00% | 0.15% | 1.15% | | | | | | – | | – | – | – |
| | IA CHF[8] | – | – | | | 0.70% | 0.10% | 0.80% | | | | | | [5] | | – | – | – |
| | IA USD[8] | 13850200 | CH0138502007 | | | 0.70% | 0.10% | 0.80% | | | | | | [3] | | 0.77% | 0.77% | 0.77% |
| | IAH CHF[8] | – | – | | | 0.70% | 0.15% | 0.85% | | | | | | [5] | | – | – | – |
| | IAH USD[8] | – | – | | | 0.70% | 0.15% | 0.85% | | | | | | [3] | | – | – | – |
| | UA CHF[12] | 26422898 | CH0264228989 | | | 1.05% | 0.10% | 1.15% | | | | | | – | | – | – | 0.77% |
| | UA USD[12] | 26422897 | CH0264228971 | | | 1.05% | 0.10% | 1.15% | | | | | | – | | 0.77% | 0.77% | 0.77% |
| | UAH CHF[12] | 26422904 | CH0264229045 | | | 1.05% | 0.15% | 1.20% | | | | | | – | | 0.75% | 0.76% | 0.77% |
| | UAH USD | – | – | | | 1.05% | 0.15% | 1.20% | | | | | | – | | – | – | – |
| **Credit Suisse (CH) Sustainable International Bond Fund** | A USD[8] | 277177 | CH0002771779 | **USD** | 5.0% / 2.0% | 1.40% | 0.10% | 1.50% | 0.05%[14] | 2% | 1 | 1 | 3 p.m. | – | Credit Suisse Asset Management (Switzerland) Ltd., Zurich | 1.05% | 1.08% | 0.92% |
| | AH CHF[8] | – | – | | | 1.40% | 0.15% | 1.55% | | | | | | – | | – | – | – |
| | DA USD[10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | EA USD[8,9] | – | – | | | 1.00% | 0.10% | 1.10% | | | | | | – | | – | – | – |
| | IA USD[8] | – | – | | | 0.70% | 0.10% | 0.80% | | | | | | [3] | | – | – | – |
| | IAH CHF[8] | – | – | | | 0.70% | 0.15% | 0.85% | | | | | | [5] | | – | – | – |
| | UA USD[12] | 26422910 | CH0264229102 | | | 1.05% | 0.10% | 1.15% | | | | | | – | | 0.69% | 0.74% | 0.59% |
| | UA CHF[12] | – | – | | | 1.05% | 0.10% | 1.15% | | | | | | – | | – | – | – |
| **Credit Suisse (CH) Corporate CHF Bond Fund** | A[8] | 277020 | CH0002770201 | **CHF** | 5.0% / 2.0% | 1.40% | 0.10% | 1.50% | 0.05%[14] | 2% | 1 | 1 | 3 p.m. | – | Credit Suisse Asset Management (Switzerland) Ltd., Zurich | 1.01% | 1.01% | 1.01% |
| | DA[10] | – | – | | | - | - | 0.2%[13] | | | | | | – | | – | – | – |
| | EA[8,9] | 23723966 | CH0237239667 | | | 1.00% | 0.10% | 1.10% | | | | | | – | | 0.41% | 0.41% | 0.41% |
| | IA[8] | 20191423 | CH0201914238 | | | 0.70% | 0.10% | 0.80% | | | | | | [5] | | 0.46% | 0.46% | 0.46% |
| | UA[12] | 26422906 | CH0264229060 | | | 1.05% | 0.10% | 1.15% | | | | | | – | | 0.66% | 0.66% | 0.66% |

| Subfund | Unit classes | Security number | ISIN number | Accounting currency of the subfund | Max. issuing / redemption commission charged to investors [1] | Max. management fee[16] | Max. servicing fee[17] | Max. management commission charged to the subfund [2] | Max. custody bank fee charged to the subfund | Max. premium or discount applicable to the net asset value as per the SSP method (swing factor) [6] | Valuation date (days as of subscription/ redemption | Value date (days as of valuation) | Deadline for daily subscription and redemption of fund units (CET) | Min. investment / min. holding | Delegation of investment decisions for subfunds | Total Expense Ratio (TER) 30.09.15 | 30.09.16 | 30.09.17 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | A CHF [8] | – | – | | | 1.40% | 0.10% | 1.50% | | | | | | – | | – | – | – |
| | AH CHF [8] | 39364170 | CH0393641706 | | | 1.40% | 0.15% | 1.55% | | | | | | – | | – | – | – |
| | AH EUR [8] | 41217488 | CH0412174887 | | | 1.40% | 0.15% | 1.55% | | | | | | – | | – | – | – |
| | DA CHF [10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | DAH CHF [10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | DAH EUR [10] | 41401045 | CH0414010451 | | | - | - | 0.20% | | | | | | – | | – | – | – |
| | DA DUR CHF [10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | DAH DUR CHF [10] | – | – | | | - | - | 0.20%[13] | | | | | | – | | – | – | – |
| | EA CHF [8) 9] | – | – | | | 1.00% | 0.10% | 1.10% | | | | | | – | | – | – | – |
| | EAH CHF [8) 9] | – | – | | | 1.00% | 0.15% | 1.15% | | | | | | – | | – | – | – |
| **Credit Suisse (CH) Global Corporate Bond Fund** | EA DUR CHF [8) 9] | – | – | **CHF** | 5.0% / 2.0% | 1.00% | 0.10% | 1.10% | 0.05%[14)15] | 2% | 1 | 1 | 4.30 p.m. | – | Credit Suisse Asset Management (Switzerland) Ltd., Zurich | – | – | – |
| | EAH DUR CHF[8) 9] | – | – | | | 1.00% | 0.15% | 1.15% | | | | | | – | | – | – | – |
| | IA CHF [8] | – | – | | | 0.70% | 0.10% | 0.80% | | | | | | [5] | | – | – | – |
| | IAH CHF [8] | – | – | | | 0.70% | 0.15% | 0.85% | | | | | | [5] | | – | – | – |
| | UA CHF [12] | – | – | | | 1.05% | 0.10% | 1.15% | | | | | | – | | – | – | – |
| | UAH CHF [12] | – | – | | | 1.05% | 0.15% | 1.20% | | | | | | – | | – | – | – |
| | UAH EUR [12] | 41217489 | CH0412174895 | | | 1.05% | 0.15% | 1.20% | | | | | | – | | – | – | – |
| | ZA CHF [11] | 12648038 | CH0126480380 | | | - | - | 0.00% [15] | | | | | | – | | 0.00% | 0.00% | 0.00% |
| | ZAH CHF [11] | 12648039 | CH0126480398 | | | - | - | 0.00% [15] | | | | | | – | | 0.00% | 0.00% | 0.00% |
| | ZA DUR CHF [11] | – | – | | | - | - | 0.00% [15] | | | | | | – | | – | – | – |
| | ZAH DUR CHF [11] | 21698345 | CH0216983459 | | | - | - | 0.00% [15] | | | | | | – | | 0.00% | 0.00% | 0.00% |

1) Fees and incidental costs charged to the investor (excerpt from § 19 of the fund contract): issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad; redemption commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad.

2) Fees and incidental costs charged to the subfunds' assets (excerpt from § 20 of the fund contract): management commission payable to the management company for the management, administration and sale of the subfunds. The costs and commissions set out in § 20 of the fund contract may additionally be charged to the subfund. In the case of classes DA (all currencies) and DAH (all currencies), a flat-rate fee is charged.

3) Minimum initial investment per investor for class IA, IA USD and IAH USD units: USD 500,000 / minimum holding of class IA, IA USD and IAH USD units per investor: USD 500,000.

4) Minimum initial investment per investor for class IA, IA EUR and IAH EUR units: EUR 500,000 / minimum holding of class IA, IA EUR and IAH EUR units per investor: EUR 500,000.

5) Minimum initial investment per investor for class IA, IA CHF and IAH CHF units: CHF 500,000 / minimum holding of class IA, IA CHF and IAH CHF units per investor: CHF 500,000.

6) Fees and incidental costs charged to the investor (excerpt from § 20 of the fund contract): The maximum adjustment of the net asset value (swing factor) is stated in §16 prov. 7 of the fund contract.

7) In the case of units in classes AH CHF, AH EUR, AH GBP, AH USD, DAH CHF, DAH EUR, DAH USD, DAH DUR CHF, EAH CHF, EAH EUR, EAH USD, EAH DUR CHF, IAH CHF, IAH EUR, IAH USD, IAH25 CHF, IAH25 EUR, IAH25 USD, UAH CHF, UAH EUR, UAH GBP, UAH USD, ZAH CHF and ZAH DUR CHF, risk exposure in terms of the investment currency is hedged against the respective reference currency for the class in accordance with § 6 prov. 4 of the fund contract to the greatest possible extent where economically worthwhile.

8) With these unit classes, the units may be managed by SIX SIS AG as external custodian (deliverability). In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.

9) In accordance with § 6 prov. 4 of the fund contract, the circle of eligible investors is confined to qualified investors pursuant to Art. 10 paras. 3 and 3ter CISA..

10) The following types of mandate are not eligible for this unit class: Private Mandates, AsianOpportunities, Emerging Market Debt, DynamicAllocation, MyChoice, Premium, GPM Flessibili, GPF Flessibili, Classic Mandates Index, Corporate Bond Strategie, Absolute Return Strategie, Global Equity, Mandate PEA, Mandate Life Insurance, and the Credit Suisse Investment Foundations.

11) Purchases of this class must be explicitly provided for in the asset management agreement, in a similar written agreement, or in the cooperation agreement.

12) Units of these classes may only be acquired by investors, who subscribe units of this class via a financial intermediary domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a financial intermediary which explicitly provides for the acquisition of trailer fee-free classes.

13) For the administration, asset management and distribution as well as all custodian bank duties such as safekeeping of fund assets, handling of payment transactions and performance of the other tasks listed in § 4, the fund management company shall charge the individual subfunds (in each case on only a pro rata basis for the DA classes (all currencies) and DAH classes (all currencies)) an annual flat-rate commission not exceeding 0.2% of the net asset value of the subfund, to be charged to the fund's assets every time the net asset value is calculated and in each case paid out at the beginning of each month on the basis of the subfunds' average net assets in the preceding month (flat-rate management commission).
Fees and incidental expenses specified in § 20 prov. 3 a) to d) and h) to j) of the fund contract, which may be charged directly to the subfund's assets, do not necessarily need to be included in the flat-rate fee.

14) No custodian bank fee as defined in § 20 prov. 2 is charged for the DA or DAH classes (all currencies), or for the ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF classes.

15) ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF classes: no management or custodian bank fee as defined in § 20 prov. 2 of the fund contract is charged for these classes. Costs incurred by the management of these classes are payable to the fund management company on the basis of a separate contractual agreement as specified in § 6 prov. 4 of the fund contract. Fees and incidental expenses specified in § 20 prov. 3 a) to d) and h) to j) of the fund contract, which are charged directly to the subfund's assets, do not necessarily need to be included.

16) Fees and incidental costs charged to the subfunds (excerpt from § 20 prov. 1 of the fund contract): For the administration (exclusively of the services listed in § 20 para. 1 (b)), asset management and distribution of the subfunds, the fund management company shall charge to the subfunds' assets the annual commission (management fee) listed in the table.

17) Fees and incidental costs charged to the subfunds (excerpt from § 20 prov. 1 of the fund contract):): For services in connection with the calculation of net assets values as well as currency hedging for currency-hedged unit classes (FX hedging),the fund management company shall charge to the subfunds' assets the annual commission (servicing fee) listed in the table.

## Part 2: Fund Contract

### I. Basic Principles

#### § 1 Name of the Fund; Name and Registered Office of the Fund Management Company, Custodian Bank and Asset Manager

1. A contractual umbrella fund of the type "Other Funds for Traditional Investments" has been established under the name of CS Fund 2 ("umbrella fund") in accordance with Art. 25 et seq. in conjunction with Art. 68 et seq. and Art. 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of June 23, 2006 (CISA). The umbrella fund currently comprises the following subfunds:
   a) **Credit Suisse (CH) Convert International Bond Fund**
   b) **Credit Suisse (CH) Sustainable International Bond Fund**
   c) **Credit Suisse (CH) Corporate CHF Bond Fund**
   d) **Credit Suisse (CH) Global Corporate Bond Fund**
2. The fund management company is Credit Suisse Funds AG, Zurich.
3. The custodian bank is Credit Suisse (Switzerland) Ltd., Zurich.
4. The asset manager is Credit Suisse Asset Management (Switzerland) Ltd., Zurich.

### II. Rights and Obligations of the Parties to the Contract

#### § 2 The Fund Contract

The legal relationship between the investor on the one hand and the fund management company and the custodian bank on the other shall be governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

#### § 3 The Fund Management Company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the assets and their valuation. It calculates the net asset value of the subfunds and determines the issue and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and subfunds.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on the umbrella fund and subfunds. They disclose all fees and expenses charged directly or indirectly to the investors and their use; they provide the investors with full, truthful and comprehensible information about compensation for the distribution of collective investment schemes in the form of commission, brokerage fees and other pecuniary benefits.
3. The fund management company can delegate investment decisions as well as specific tasks for all subfunds or for individual subfunds, provided this is in the interests of efficient management. It shall commission only persons who are qualified to execute the task properly, and shall ensure the provision of instructions as well as monitoring and controlling in respect of the tasks. The investment decisions may only be delegated to asset managers subject to a recognized supervisory body. Where foreign laws require an agreement on cooperation and the exchange of information with the foreign supervisory bodies, the fund management company may only delegate the investment decisions to an asset manager abroad if such agreement exists between FINMA and the relevant foreign supervisory authorities in relation to the investment decisions concerned. The fund management company shall be liable for the actions of its agents as if they were its own actions.
4. The fund management company may, with the consent of the custodian bank, submit a change to the present fund contract to the supervisory authority for approval (cf. § 27), and may also establish further subfunds with the approval of the supervisory authority.
5. The fund management company can merge the individual subfunds with other subfunds or with other investment funds pursuant to the provisions set down under § 25 and can dissolve the individual subfunds pursuant to the provisions set down under § 26.
6. The fund management company is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

#### § 4 The Custodian Bank

1. The custodian bank is responsible for the safekeeping of assets of the subfunds. It handles the issue and redemption of fund units as well as payments on behalf of the subfunds.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They ensure the provision of transparent financial statements and provide appropriate information on the umbrella fund and subfunds. They disclose all fees and expenses charged directly or indirectly to the investors and their use; they provide the investors with full, truthful and comprehensible information about compensation for the distribution of collective investment schemes in the form of commission, brokerage fees and other pecuniary benefits.
3. The custodian bank is responsible for account and safekeeping account management on behalf of the subfunds, but does not have independent access to their assets.
4. The custodian bank ensures that in the case of transactions relating to the assets of the subfunds the counter-value is transferred thereto within the usual time limits. It notifies the fund management company if the counter-value is not refunded within the usual time limit and where possible requests reimbursement for the asset item concerned from the counterparty.
5. The custodian bank keeps the required records and accounts in such a manner that it is at all times able to distinguish between the assets held in safe custody of the individual funds. In relation to assets that cannot be placed in safe custody, the custodian bank verifies ownership of the fund management company and keeps a record thereof.
6. The custodian bank may delegate the safekeeping of the assets of the subfunds to third-party custodians and collective securities depositaries in Switzerland or abroad, provided this is in the interests of efficient management. It shall verify and monitor whether the third-party custodian or collective securities depositary it has commissioned:
   a) possesses an appropriate organizational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
   b) is subject to regular external audits, thereby ensuring that it possesses the financial instruments;
   c) the assets received from the custodian bank are kept in safe custody in such a manner that by means of regular portfolio comparisons they can at all times be clearly identified as belonging to the subfunds' assets;
   d) complies with the provisions applicable to the custodian bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

   The custodian bank is liable for damage caused by the agent if it cannot prove that it applied the degree of due diligence with regard to the selection, instruction and monitoring required in the given circumstances. The prospectus contains information about the risks associated with the transfer of safekeeping to third-party custodians and collective securities depositaries.

   In relation to financial instruments, any transfer as referred to in the above paragraph may only be to regulated third-party custodians or collective securities depositaries. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and collective securities depositaries is not possible, in particular due to mandatory legal provisions or to the investment product's modalities. Investors must be informed in the prospectus of safekeeping by unregulated third-party custodians or collective securities depositaries.
7. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks whether the calculation of the net asset value and of the issue and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract, and whether the income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments which

the fund management company makes in accordance with the investment regulations.

8. The custodian bank is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.
9. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which the subfunds invest, unless this task has been delegated to it.

**§ 5 The Investor**

1. There are no restrictions on investor eligibility.
   Restrictions as defined in §6 prov. 4 are possible for individual classes.
2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of a participation in the assets and income of a subfund of the umbrella fund. In place of the cash payment, a contribution in kind may be made at the investor's request and with the consent of the fund management company in accordance with the provisions of §18. The investor's claim is evidenced in the form of fund units.
3. Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities that are attributable to an individual subfund will be borne solely by the said subfund.
4. Investors are obliged only to remit payment for the units of the subfund they subscribe. They shall not be held personally liable for the liabilities of the umbrella fund or the subfund.
5. Investors may request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership and creditors' rights or on risk management or payments/withdrawals by transfers of assets in kind (§ 18), they must be given such information by the fund management company at any time. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report.
6. The investors may as a rule terminate the fund contract at any time and demand that their share in the corresponding subfund be paid out in cash. In place of the cash payout, a redemption in kind may be made at the investor's request and with the consent of the fund management company in accordance with the provisions of § 18.
7. If requested to do so, investors are obliged to provide the fund management company, the custodian bank and their agents with proof that they comply with or continue to comply with the provisions laid down in the law or the fund contract in respect of participation in a subfund or in a unit class. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately once they no longer meet these prerequisites.
8. The fund management company in conjunction with the custodian bank must make an enforced redemption of the units of an investor at the current redemption price if:
   a) this is necessary to safeguard the reputation of the financial market, specifically to combat money laundering;
   b) the investor no longer meets the statutory or contractual requirements for participation in a subfund.
9. The fund management company in conjunction with the custodian bank can also make an enforced redemption of the units of an investor at the current redemption price if:
   a) the participation of the investor in a subfund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund or a subfund in Switzerland or abroad;
   b) investors have acquired or hold their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;
   c) there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the subfunds' assets (market timing).
10. If a fraction of a unit has arisen in the overall portfolio of an investor as a result of a split or merger performed in the interest of the investors, it may subsequently be redeemed by the fund management company on a cut-off date to be determined, in the form of a pro-rata amount of the net asset value of the subfund concerned. Redemption must be exclusive of commission and fees. If the fund management company intends to make use of this right, investors must be informed of such a decision at least one week prior to redemption by means of a single notice in the medium of publication designated by the umbrella fund or subfunds, while the supervisory authorities and auditor must be notified in advance.

**§ 6 Units and Unit Classes**

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each subfund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the undivided assets of the subfund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or due to class-specific earnings, and the various classes of a subfund may therefore have different net asset values per unit. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in the medium of publication. Only mergers shall be deemed a change to the fund contract pursuant to § 27.
3. The various unit classes of the subfunds may differ from one another in terms of their cost structure, reference currency, currency hedging, reduction of interest rate risk (“duration risk”), policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.
   Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the subfund's assets.
4. Unit classes with the following designations can currently be introduced for the subfunds: **A, A CHF, A EUR, A USD, AH CHF, AH EUR, AH GBP, AH USD, DA, DA CHF, DA EUR, DA USD, DAH CHF, DAH EUR, DAH USD, DA DUR CHF, DAH DUR CHF, EA, EA CHF, EA EUR, EA USD, EAH CHF, EAH EUR, EAH USD, EA DUR CHF, EAH DUR CHF, IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR, IAH USD, IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH 25 CHF, IAH25 EUR, IAH25 USD, UA, UA CHF, UA EUR, UA USD, UAH CHF, UAH EUR, UAH GBP, UAH USD, ZA CHF, ZAH CHF, ZA DUR CHF** and **ZAH DUR CHF**. Detailed information concerning subscription and redemption of units in the individual classes, together with the commissions and charges incurred as a result, is set out in the table at the end of the prospectus.
   Class **A, A CHF, A EUR, A USD, AH CHF, AH EUR, AH GBP** and **AH USD** units are distribution units. There are no provisions concerning a minimum investment or minimum holding. Class A units are issued and redeemed in the subfund's accounting currency. Class A CHF and AH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class A EUR and AH EUR units are issued and redeemed in euros (EUR), the reference currency. Class A USD and AH USD units are issued and redeemed in US dollars (USD), the reference currency. Class AH GBP units are issued and redeemed in pounds sterling (GBP), the reference currency. In the case of class A, A CHF, A EUR and A USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the AH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH GBP unit class is hedged against the pound sterling (GBP) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the AH USD unit class is hedged against the US dollar

(USD) to the greatest possible extent where economically worthwhile.

Class **DA, DA CHF, DA EUR, DA USD, DAH CHF, DAH EUR, DAH USD, DA DUR CHF** and **DAH DUR CHF** units are distribution units and may only be held by investors who have signed an asset management or similar written agreement with the fund management company, Credit Suisse AG, Zurich, Credit Suisse (Switzerland) Ltd., Zurich, or Credit Suisse Asset Management (Switzerland) Ltd., Zurich, or who invest through a financial intermediary that has signed a cooperation agreement with one of the above-mentioned parties. The following types of mandate are not eligible for this class: Private Mandates, AsianOpportunities, Emerging Market Debt, DynamicAllocation, MyChoice, Premium, GPM Flessibili, GPF Flessibili, Classic Mandates Index, Corporate Bond Strategie, Absolute Return Strategie, Global Equity, Mandate PEA, Mandate Life Insurance, and the Credit Suisse Invest investment solutions. Class DA units are issued and redeemed in the relevant subfund’s accounting currency. Class DA CHF, DAH CHF, DA DUR CHF and DAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class DA EUR and DAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class DA USD and DAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of class DA, DA CHF, DA EUR and DA USD, the currency risks (risk exposure in terms of the investment currencies) are not hedged. Risk exposure in terms of the investment currency of the DAH CHF and DAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the DAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the DAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. Class DA DUR CHF and DAH DUR CHF units are characterized by the fact that the duration of these classes is reduced through use of suitable OTC derivatives (in particular interest rate swaps). The corresponding entries must be made in a safekeeping account at the custodian bank.

**Class EA, EA CHF, EA EUR, EA USD, EAH CHF, EAH EUR, EAH USD, EA DUR CHF** and **EAH DUR CHF** units are distribution units that may only be acquired by qualified investors, who are defined as follows:

– regulated financial intermediaries such as banks, securities dealers, fund management companies and asset managers of collective investment schemes, and central banks;
– regulated insurance institutions;
– public corporations and pension institutions with a professional treasury management;
– companies with a professional treasury unit;

and investors who have concluded an asset management agreement in writing with a financial intermediary pursuant to Art. 10 para. 3 (a) CISA (as defined above) or an independent asset manager pursuant to Art. 3 para. 2 (c) CISA.

Class EA units are issued and redeemed in the relevant subfund’s accounting currency. Class EA CHF, EAH CHF, EA DUR CHF and EAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class EA EUR and EAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class EA USD and EAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of class EA, EA CHF, EA EUR and EA USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the EAH CHF and EAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the EAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the EAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. Class EA DUR CHF and EAH DUR CHF units are characterized by the fact that the duration of these classes is reduced through use of suitable OTC derivatives (in particular interest rate swaps).

Class **IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR** and **IAH USD** units are distribution units. The minimum initial investment for class IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD units and the minimum number of class IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class IA units are issued and redeemed in the relevant subfund’s accounting currency. Class IA CHF and IAH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class IA EUR and IAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class IA USD and IAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes IA, IA CHF, IA EUR and IA USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the IAH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile.

Class **IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR** and **IAH25 USD** units are distribution units. The minimum initial investment for class IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD units per investor (minimum investment) and the minimum number of class IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Classes IA25, IA25 CHF, IA25 EUR, IA25 USD, IAH25 CHF, IAH25 EUR and IAH25 USD differ from classes IA, IA CHF, IA EUR, IA USD, IAH CHF, IAH EUR and IAH USD in terms of the higher minimum investment and higher minimum holding. Class IA25 units are issued and redeemed in the relevant subfund’s accounting currency. Class IA25 CHF and IAH25 CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class IA25 EUR and IAH25 EUR units are issued and redeemed in euros (EUR), the reference currency. Class IA25 USD and IAH25 USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes IA25, IA25 CHF, IA25 EUR and IA25 USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the IAH25 CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH25 EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the IAH25 USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile.

Class **UA, UA CHF, UA EUR, UA USD, UAH CHF, UAH EUR, UAH GBP** and **UAH USD** units are distribution units that may only be acquired by investors who subscribe units of this class via a financial intermediary domiciled in the United Kingdom or the Netherlands, or who have concluded a written agreement with a financial intermediary which explicitly provides for the acquisition of trailer fee-free classes. Class UA units are issued and redeemed in the relevant subfund’s accounting currency. Class UA CHF and UAH CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Class UA EUR and UAH EUR units are issued and redeemed in euros (EUR), the reference currency. Class UAH GBP units are issued and redeemed in pounds sterling (GBP), the reference currency. Class UA USD and UAH USD units are issued and redeemed in US dollars (USD), the reference currency. In the case of classes UA, UA CHF, UA EUR and UA USD, the currency risks (risk exposure in terms of the investment currency) are not hedged. Risk exposure in terms of the investment currency of the UAH CHF unit class is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH EUR unit class is hedged against the euro (EUR) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH GBP unit class is hedged against the pound sterling (GBP) to the greatest possible extent where economically worthwhile. Risk exposure in terms of the investment currency of the UAH USD unit class is hedged against the US dollar (USD) to the greatest possible extent where economically worthwhile. The corresponding entries must be made in a safekeeping account at the custodian bank.

Class **ZA CHF, ZAH CHF, ZA DUR CHF** and **ZAH DUR CHF** units are distribution units for which no management commission is charged. They may only be acquired by investors pursuant to Art. 10 para. 3 and 3ter CISA that have signed an asset management or other similar written agreement with the fund management company, Credit Suisse AG, Zurich, Credit Suisse (Switzerland) Ltd., Zurich, or Credit Suisse Asset Management (Switzerland) Ltd., Zurich, or that invest via a financial intermediary that has concluded a cooperation agreement with one of the above-mentioned parties. Purchases of class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units must be explicitly provided for in the asset management agreement, in a similar written agreement, or in the cooperation agreement. Compensation for the fund management company, asset management and custodian bank is charged through the aforementioned agreements. Costs incurred by the management of the class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units are payable on the basis of a separate contractual agreement. Class ZA CHF, ZAH CHF, ZA DUR CHF and ZAH DUR CHF units are issued and redeemed in Swiss francs (CHF), the reference currency. Risk exposure in terms of the investment currency of the ZAH CHF and ZAH DUR CHF unit classes is hedged against the Swiss franc (CHF) to the greatest possible extent where economically worthwhile. Class ZA DUR CHF and ZAH DUR CHF units are characterized by the fact that the duration of these classes is reduced through use of suitable OTC derivatives (in particular interest rate swaps). The corresponding entries must be made in a safekeeping account at the custodian bank.

5. If the fund management company accepts subscriptions of units by Credit Suisse AG group companies (in its own name), it is possible – in connection with the activation of subfunds/unit classes – to waive compliance with the limits specified at the end of the prospectus (minimum initial investment/minimum holdings) or the need for a written contract.
6. Units will not take the form of actual certificates but will exist as book entries. The investors are not entitled to demand delivery of a unit certificate in registered or bearer form. In general, the units must be kept as book entries in a safekeeping account held with the custodian bank. Unit classes whose units may be held with SIX SIS Ltd as external custodian (deliverability) are shown in the table at the end of the prospectus. In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.
7. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17 or switched into units of another unit class whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company shall, in cooperation with the custodian bank, make an enforced switch into another unit class of the same subfund or, should this not be possible, enforce the redemption of the units in question pursuant to § 5 prov. 8.

## III. Investment Policy Guidelines

## A Investment Principles

### § 7 Compliance with Investment Regulations

1. In selecting individual investments of each subfund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the assets of the individual subfunds at market value and must be complied with at all times. The individual subfunds must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded due to a change in the delta, this is to be rectified within three bank working days at the latest, taking due account of the investors' interests.

### § 8 Investment Policy

1. Within the framework of the specific investment policy of each subfund pursuant to prov. 2, the fund management company may invest the assets of the individual subfunds in the following investments. The risks involved in these investments must be disclosed in the prospectus.
   a) Securities issued on a large scale and non-certificated rights with a like function which are traded on a stock exchange or another regulated market open to the public and which embody participation rights and claims or the right to purchase such securities and rights by subscription or exchange, i.e. notably warrants.
   Investments in securities from new issues are only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or another regulated market open to the public within a year after their acquisition, these securities must be sold within one month or included under the restriction set down in prov. 1 section h).
   b) Derivatives, if (i) the underlying securities are securities pursuant to section a), derivatives pursuant to section b), units in collective investment schemes pursuant to section c), money market instruments pursuant to section d), or financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Derivatives are either traded on a stock exchange or another regulated market open to the public, or are traded OTC.
   OTC transactions are only permitted if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.
   c) Structured products, if (i) the underlying securities are securities pursuant to a), derivatives pursuant to b), structured products pursuant to c), units in other collective investment schemes pursuant to d), money market instruments pursuant to e), financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Structured products are either traded on a stock exchange or other regulated market open to the public, or are traded OTC. OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.
   d) Units of other collective investment schemes (target funds), provided that (i) their documents restrict investments for their part in other target funds to a total of 10%; (ii) these target funds are subject to provisions equivalent to those pertaining to securities funds or other funds for traditional investments in respect of the purpose, organization, investment policy, investor

protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of fund units and the content of the semi-annual and annual reports; and (iii) these target funds are authorized as collective investment schemes in their country of domicile and are subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and that international legal assistance is ensured.
Subject to the provisions of § 20, the fund manager may invest in units in other subfunds or other collective investment schemes (related target funds) that are managed directly or indirectly by the fund manager or by a company with which it is linked by way of a common management structure or control, or by way of a substantial direct or indirect stake of the capital or votes.

e) Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments which are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 Collective Investment Schemes Ordinance (CISO).
f) Sight or term deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank is subject to supervision in this country which is equivalent to the supervision in Switzerland.
g) Private equity investments, i.e. equity stakes in companies not listed on a stock exchange.
h) Investments other than those specified in a) to g) above up to a total of 10% of the assets of an individual subfund. The following are not permitted: (i) investments in precious metals, precious metals certificates, commodities and commodity certificates, and (ii) genuine short-selling of investments of any kind.

2. Investment Policies of the Individual Subfunds:

**Credit Suisse (CH) Convert International Bond Fund**

a) The fund management company shall, after deduction of the liquid assets, invest at least two-thirds of the subfund’s assets in:
   – convertible bonds, convertible notes, warrant bonds and similar securities with conversion rights or options issued by public, private and semi-private issuers domiciled anywhere in the world, and which may be denominated in any freely convertible currency;
   – derivatives (including warrants) on these investments.
b) Subject to the provisions defined under c), the fund management company may, after deduction of the liquid assets, also invest up to one third of total Fund assets in:
   – bonds, notes and other fixed- or variable-interest debt instruments and rights (including asset-backed securities and mortgage-backed securities) issued in any convertible currency by private, semi-private and public-law borrowers worldwide. Asset-backed securities (ABS) and mortgage-backed securities (MBS) are debt securities issued by a special purpose vehicle (SPV) with the aim of refinancing in the context of a spin-off of a company’s assets. Such securities are protected by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). As they have a different type of structure to conventional bonds (corporate bonds, government bonds), these transactions may differ with regard to counterparty or interest risks, for instance.
   – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide, in all freely convertible currencies, as well as warrants and similar rights on these investments;
   – money market instruments issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 d) above;
   – units in other collective investment schemes (target funds) within the meaning of prov. 1 c) above;
   – structured products issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 e) above;
   – private equity investments;
   – derivatives (including warrants) within the meaning of prov. 1 b) above on the above investments.
c) The fund management company must also comply with the following investment restrictions, which refer to the total fund assets after the deduction of liquid assets:
   – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) and warrants up to a maximum of 10% in total;
   – asset-backed securities (ABS) and mortgage-backed securities (MBS) up to maximum of 20%. For each issuer purchases of senior as well as of subordinated tranches (except for equity tranches) are permitted up to a maximum of 3%. At the time of purchase, the investment must have an investment grade rating (at least Baa3 or BBB-) and the minimum transaction size is USD 100 million or the equivalent. Investments in ABS/MBS for which Credit Suisse AG group companies were the originator are permitted up to a maximum of 10%. Investments may be in either synthetic or true sale structures. Investments in the following types of ABS/MBS are not permitted: Collateralized Debt Obligations Squared (CDO-squared); Subprime MBS; Alt-A MBS; Home Equity Loan ABS (HEL); Credit Linked Notes (CLN); Constant Proportion Debt Obligations (CPDO);
   – units in other collective investment schemes up to a maximum of 10%.
   – private equity investments up to maximum of 5%.

**Credit Suisse (CH) Sustainable International Bond Fund**

a) The fund management company shall, after deduction of the liquid assets, invest at least two-thirds of the subfund’s assets in:
   – bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by sustainable private, semi-private and public-law borrowers, including asset-backed securities and mortgage-backed securities, in any freely convertible currency; asset-backed securities (ABS) and mortgage-backed securities (MBS) are debt securities issued by a special purpose vehicle (SPV) with the aim of refinancing in the context of a spin-off of a company’s assets. Such securities are protected by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). As they have a different type of structure to conventional bonds (corporate bonds, government bonds), these transactions may differ with regard to counterparty or interest risks, for instance.
   – derivatives (including warrants) on these investments.
b) Subject to the provisions in c) below, the fund management company may, after deduction of the liquid assets, also invest up to one third of the subfund’s assets in:
   – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide, in all freely convertible currencies, as well as warrants and similar rights on these investments;
   – convertible bonds, convertible notes and warrant bonds in all freely convertible currencies issued by private, semi-private and public-law borrowers worldwide;
   – money market instruments issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 d) above;
   – units in other collective investment schemes (target funds) within the meaning of prov. 1 c) above;
   – structured products issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 e) above;

  – derivatives (including warrants) within the meaning of prov. 1 b) above on the above investments.

c) The fund management company must also comply with the following investment restrictions, which refer to the total fund assets after the deduction of liquid assets:
  – convertible bonds, convertible notes and warrant bonds up to maximum of 25%;
  – asset-backed securities (ABS) and mortgage-backed securities (MBS) up to maximum of 20%. For each issuer purchases of senior as well as of subordinated tranches (except for equity tranches) are permitted up to a maximum of 3%. At the time of purchase, the investment must have an investment grade rating (at least Baa3 or BBB-) and the minimum transaction size is USD 100 million or the equivalent. Investments in ABS/MBS for which Credit Suisse AG group companies were the originator are permitted up to a maximum of 10%. Investments may be in either synthetic or true sale structures. Investments in the following types of ABS/MBS are not permitted: Collateralized Debt Obligations Squared (CDO-squared); Subprime MBS; Alt-A MBS; Home Equity Loan ABS (HEL); Credit Linked Notes (CLN); Constant Proportion Debt Obligations (CPDO);
  – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) and warrants up to 10% in total;
  – units in other collective investment schemes up to a maximum of 10%.

**Credit Suisse (CH) Corporate CHF Bond Fund**

a) The fund management company shall, after deduction of the liquid assets, invest the majority (i.e. more than 50.00%) of the subfund's assets in:
  – Swiss franc-denominated bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by private and semi-private borrowers;
  – derivatives (including warrants) on these investments.

b) Subject to the provisions in c) below, the fund management company may, after deduction of the liquid assets, also invest less than 50.00% of the subfund's assets in:
  – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide, in all freely convertible currencies, as well as warrants and similar rights on these investments;
  – bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights (including asset-backed securities and mortgage-backed securities) issued in any freely convertible currency by private, semi-private and public-law borrowers worldwide;
  – asset-backed securities (ABS) and mortgage-backed securities (MBS) are debt securities issued by a special purpose vehicle (SPV) with the aim of refinancing in the context of a spin-off of a company's assets. Such securities are protected by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). As they have a different type of structure to conventional bonds (corporate bonds, government bonds), these transactions may differ with regard to counterparty or interest risks, for instance;
  – money market instruments issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 d) above;
  – units in other collective investment schemes (target funds) within the meaning of prov. 1 c) above;
  – structured products issued by borrowers worldwide and in all freely convertible currencies within the meaning of prov. 1 e) above;
  – derivatives (including warrants) within the meaning of prov. 1 b) above on the above investments.

c) The fund management company must also comply with the following investment restrictions, which refer to the total fund assets after the deduction of liquid assets:
  – convertible bonds, convertible notes and warrant bonds up to maximum of 25%;
  – asset-backed securities (ABS) and mortgage-backed securities (MBS) up to maximum of 20%. For each issuer purchases of senior as well as of subordinated tranches (except for equity tranches) are permitted up to a maximum of 3%. At the time of purchase, the investment must have an investment grade rating (at least Baa3 or BBB-) and the minimum transaction size is USD 100 million or the equivalent. Investments in ABS/MBS for which Credit Suisse AG group companies were the originator are permitted up to a maximum of 10%. Investments may be in either synthetic or true sale structures. Investments in the following types of ABS/MBS are not permitted: Collateralized Debt Obligations Squared (CDO-squared); Subprime MBS; Alt-A MBS; Home Equity Loan ABS (HEL); Credit Linked Notes (CLN); Constant Proportion Debt Obligations (CPDO);
  – equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) and warrants up to 10% in total;
  – units in other collective investment schemes up to a maximum of 10%.

**Credit Suisse (CH) Global Corporate Bond Fund**

a) Subject to the provisions in c) below, the fund management company shall, after deduction of the liquid assets, invest at least two-thirds of the subfund's total assets in:
  – bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by private borrowers worldwide and denominated in any currency;
  – derivatives (including warrants) on these investments.

b) Subject to the provisions in c) below, the fund management company may, after deduction of the liquid assets, also invest up to one third of the subfund's total assets in:
  – bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights (including asset-backed securities and mortgage-backed securities) issued in any freely convertible currency by private, semi-private and public-law borrowers worldwide;
    Asset-backed securities (ABS) and mortgage-backed securities (MBS) are debt securities issued by a special purpose vehicle (SPV) with the aim of refinancing in the context of a spin-off of a company's assets. Such securities are protected by an asset pool (mortgages in the case of MBS and various types of assets in the case of ABS). As their structure differs from that of conventional bonds (corporate bonds, government bonds), these transactions may differ with regard to counterparty or interest risks, for instance.
  – equities and other equity-type securities (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
  – money market instruments of issuers worldwide and in any currency;
  – units of other collective investment schemes that according to their documents invest their assets in accordance with the guidelines of this subfund;
  – derivatives (including warrants) on these investments;
  – structured products, such as certificates on the investments specified in a) and b), issued by issuers worldwide and denominated in any currency.

c) The fund management company must also comply with the following investment restrictions, which refer to the subfund assets after the deduction of liquid assets:
  – convertible bonds, convertible notes and warrant bonds: max. 25%;
  – asset-backed securities (ABS) and mortgage-backed securities (MBS): max. 20%. For each issuer purchases of senior as well as of subordinated tranches (except for equity tranches) are

permitted up to a maximum of 3%. At the time of purchase, the investment must have an investment grade rating (at least Baa3 or BBB-) and the minimum transaction size is USD 100 million or the equivalent. Investments in ABS/MBS for which Credit Suisse AG group companies were the originator are permitted up to a maximum of 10%. Investments may be in either synthetic or true sale structures. Investments in the following types of ABS/MBS are not permitted: Collateralized Debt Obligations Squared (CDO-squared); Subprime MBS; Alt-A MBS; Home Equity Loan ABS (HEL); Credit Linked Notes (CLN); Constant Proportion Debt Obligations (CPDO);
– equities and equity-type securities and rights (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) and derivatives (including warrants) on these investments: max. 10% in total;
– other collective investment schemes: max. 10% in total.

**§ 9 Liquid Assets**
The fund management company may also hold liquid assets for each subfund in an appropriate amount in the accounting currency of the subfund concerned and in any other currency in which investments for the subfund concerned are permitted. Liquid assets comprise bank deposits as well as claims from repurchase agreements at sight or on demand with maturities up to twelve months.

## B Investment Techniques and Instruments

**§ 10 Securities Lending**
1. The fund management company may lend all types of securities which are traded on an exchange or a regulated market open to the public for the account of the subfunds. However, it may not lend securities acquired under a reverse repo transaction.
2. The fund management company may lend securities and rights in its own name and for its own account to a borrower (principal) or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis (agent) or directly (finder).
3. The fund management company shall only carry out securities lending transactions with first-class regulated borrowers and intermediaries which are specialized in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognized central counterparties and central securities depositaries that guarantee the proper execution of the security lending transactions.
4. If the fund management company must observe a notice period, which may not be more than seven bank working days, before it can legally repossess the loaned securities, it may not lend more than 50% of the eligible holding of a particular security per subfund. However, if the borrower or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities lent on the same or next bank working day, the fund management company may lend its entire holdings of a particular instrument type eligible for lending.
5. The fund management company shall conclude an agreement with the borrower or intermediary whereby the latter shall pledge or transfer collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Art. 51 of the FINMA Ordinance on Collective Investment Schemes (CISO-FINMA). The value of such collateral must be appropriate and must equal at least 100% of the market value of the securities lent at any given time. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or on another regulated market open to the public, and must be valued at least once a day on all trading days. When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral by country, market, and issuer; appropriate issuer diversification is deemed to have been achieved as long as the collateral of a single issuer does not correspond to more than 20% of the net asset value of a subfund. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved. Furthermore, the fund management company and its agents must be able to demand, at any time, right and power of disposal with respect to the collateral received in the event of default on the part of the counterparty, and without the involvement or approval of the counterparty. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company's behalf, provided the collateral's ownership is not transferred to the fund management company and the depositary is independent of the counterparty.
6. The borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the securities lending period, as well as for the assertion of other proprietary rights and for the contractually agreed return of securities of the same type, quantity and quality.
7. The custodian bank shall ensure that the securities lending transactions are handled in a secure manner in line with the agreements and, in particular, shall monitor compliance with the requirements relating to collateral. For the duration of the lending transactions it shall also be responsible for the administrative duties assigned to it under the safe custody regulations and for asserting all rights associated with the loaned securities, provided these have not been ceded under the terms of an applicable framework agreement.
8. The prospectus contains further information on the collateral strategy.

**§ 11 Securities Repurchase Agreements**
1. The fund management company may enter into securities repurchase agreements (“repos”) for the account of the subfunds. Repos can be concluded as either repos or reverse repos.
   A repo is a legally binding transaction whereby one party (the borrower or repo seller) undertakes to temporarily transfer ownership of specific securities to another (the lender or repo buyer) against remuneration and in which the lender undertakes to return to the borrower securities of the same type, quantity and quality at the end of the repo term together with any income earned during such term. The price risk associated with the securities shall be borne by the borrower for the duration of the repo transaction.
   From the perspective of the counterparty (lender), a repo is a reverse repo. By means of a reverse repo, the fund management company acquires securities for investment purposes and at the same time agrees to return securities and rights of the same type, quantity and quality and to transfer all income received during the term of the reverse repurchase agreement.
2. The fund management company may conduct repurchase agreements in its own name and on its own account with a counterparty (principal), or may instruct an intermediary to conclude repurchase agreements with a counterparty either indirectly in a fiduciary capacity (agent) or directly (finder).
3. The fund management company shall conduct repurchase agreements only with first-class regulated counterparties and intermediaries specializing in transactions of this type, such as banks, brokers and insurance companies or approved and recognized central counterparties and central securities depositaries that guarantee the proper execution of the repurchase agreements.
4. The custodian bank shall ensure that the repurchase agreements are conducted in a secure manner and that the contractual terms are complied with. It shall ensure that fluctuations in the value of the securities used in the repo transactions are compensated in cash or securities (mark to market) on a daily basis. It is also responsible for the administrative duties assigned to it under the custody account regulations and for asserting all rights pertaining to the securities used in the repo transactions, provided these have not been ceded under the terms of an applicable framework agreement.
5. For repo transactions, the fund management company may use all types of securities which are traded on an exchange or other regulated market open to the public. By contrast, it may not use securities and rights acquired under a reverse repo for repo transactions.
6. If the fund management company must observe a notice period, which may not be more than seven bank working days, before it can legally repossess the loaned securities, it may not lend more than 50% of the eligible holding of a particular security per subfund. However, if the counterparty or the intermediary provides the fund management company with a contractual assurance that the latter

may legally repossess on the same or next bank working day the securities used in the repo transaction, then the entire holdings of a particular security eligible for repo transactions may be used.

7. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 13, unless the money received is used to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.
8. The fund management company may only accept collateral in the context of a reverse repo if it meets the requirements set out under Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or on another regulated market open to the public, and must be valued at least once a day on all trading days. When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of collateral by country, market, and issuer; appropriate issuer diversification is deemed to have been achieved as long as the collateral of a single issuer does not correspond to more than 20% of the net asset value of a subfund. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved. Furthermore, the fund management company and its agents must be able to demand, at any time, right and power of disposal with respect to the collateral received in the event of default on the part of the counterparty, and without the involvement or approval of the counterparty. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company’s behalf, provided the collateral’s ownership is not transferred to the fund management company and the depositary is independent of the counterparty.
9. Claims arising from reverse repos are deemed to be liquid assets pursuant to § 9 and not extending a loan pursuant to § 13.
10. The prospectus contains further information on the collateral strategy.

**§ 12 Derivatives**

1. The fund management company may use derivatives. It shall ensure that, even under extreme market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in the fund contract, the prospectus and the key investor information document, and that it does not change the investment character of the subfunds. Furthermore, the underlyings of the derivatives must be permitted as investments for the subfund concerned according to the present fund contract. In connection with collective investment schemes, derivatives can only be used to hedge currency risks. Derivative instruments are permitted for the hedging of market, interest rate and credit risks in relation to collective investment schemes, provided the risks are clearly identifiable and measurable.

   **Commitment Approach I:**
2. Commitment Approach I shall be applied for the assessment of risk in the case of the subfunds
   - **Credit Suisse (CH) Convert International Bond Fund**
   - **Credit Suisse (CH) Global Corporate Bond Fund**

   Taking account of the cover required under this paragraph, the use of derivatives therefore does not result in a leverage effect on the subfunds’ assets, nor does it correspond to short selling.
   The provisions of this paragraph apply to the individual subfunds.
3. Only basic types of derivative may be used. These comprise:
   a) Call or put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign.
   b) Credit default swaps (CDS).
   c) Swaps whose payments are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner.
   d) Future and forward transactions whose value is linearly dependent on the value of the underlying.
4. The financial effect of the derivatives is similar to either a sale (exposure-reducing derivative) or a purchase (exposure-increasing derivative) of an underlying security.
5. a) In the case of exposure-reducing derivatives, the arising obligations subject to b) and d) must be covered at all times by the underlyings of the derivative.
   b) Cover with investments other than the underlyings shall be permitted in the case of exposure-reducing derivatives that relate to an index which is
      – calculated by an independent external office;
      – representative of the investments serving as cover;
      – sufficiently well correlated with these investments.

      In the case of CDS on indices, the correlation refers to the sensitivity in credit spread movements. Where CDS on different indices are used simultaneously, the correlation may be based on multiple CDS.
   c) The fund management company must have unrestricted access to these underlyings or investments at all times. Underlyings or investments may be used to cover several exposure-reducing derivative positions at the same time if they are subject to a market risk, credit risk or currency risk and are based on the same underlyings.
   d) An exposure-reducing derivative can be weighted by the delta in the calculation of the corresponding underlyings.
6. In the case of exposure-increasing derivatives, the underlying equivalents must at all times be covered by near-money assets. In the case of futures, forwards and swaps, the underlying equivalent is determined by taking the product of the number of contracts and the contract value. In the case of options, it is determined by taking the product of the number of contracts, the contract value and the delta (provided one has been calculated). Near-money assets can be used to cover several exposure-increasing derivative positions at the same time, provided these are subject to a market risk or credit risk and are based on the same underlyings.
7. The fund management company must take into account the following rules when netting derivative positions:
   a) Counter positions in derivatives relating to the same underlying as well as counter positions in derivatives and investments relating to the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded for the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process, and the eligible amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.
   b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, in addition to the rules of lit. a above, any netting must also fulfill hedging prerequisites, i.e. derivatives transactions may not be based on an investment strategy designed to generate a profit. In addition, the derivative must lead to a demonstrable reduction of risk, the risks of the derivative must be balanced out, derivatives, underlyings or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must be effective even under extraordinary market conditions.
   c) Derivatives that are used purely to hedge foreign currency risks and do not involve any leverage effect or additional market risks may be netted when calculating overall derivatives exposure, without being subject to the requirements of lit. b.
   d) Covered hedging transactions involving interest rate derivatives are permissible. Convertible bonds need not be taken into account when calculating the overall exposure to derivatives.
8. The fund management company may use both standardized and non-standardized derivatives. It may conclude transactions in derivative financial instruments on an exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
9. a) The fund management company may conclude OTC transactions only with regulated financial intermediaries specialized in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must have a high credit rating.
   b) It must be possible to reliably and verifiably value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.

c) If no market price is available for an OTC derivative, it must be possible to determine the price using an appropriate valuation model that is recognized in practice, based on the market value of the underlyings on which the derivative is based Before concluding a contract for such a derivative, specific offers should in principle be obtained from at least two potential counterparties, following which the contract should be concluded with the counterparty providing the most favorable offer in terms of price. Deviations from this principle are permissible for reasons of risk diversification or if other aspects of the contract such as the credit rating or range of services offered by the counterparty make another offer appear more advantageous for investors overall. Moreover, in exceptional situations the requirement to obtain offers from at least two potential counterparties may be waived if this is deemed to be in the best interests of investors. The reasons for this and the conclusion of the contract and its pricing shall be clearly documented.

d) The fund management company and its agents may only accept collateral in the context of an OTC transaction if it meets the requirements set out under Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or on another regulated market open to the public, and must be valued at least once a day on all trading days. When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral by country, market, and issuer; appropriate issuer diversification is deemed to have been achieved as long as the collateral of a single issuer does not correspond to more than 20% of the net asset value of a subfund. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved. Furthermore, the fund management company and its agents must be able to demand, at any time, right and power of disposal with respect to the collateral received in the event of default on the part of the counterparty, and without the involvement or approval of the counterparty. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company's behalf, provided the collateral's ownership is not transferred to the fund management company and the depositary is independent of the counterparty.

10. In respect of compliance with the statutory and contractual investment restrictions (maximum and minimum limits), derivatives shall be taken into account in accordance with the legislation on collective investment schemes.

11. The prospectus contains further information on:
    - the importance of derivatives as part of the investment strategy;
    - the effect of the use of derivatives on the risk profile of the subfunds;
    - the counterparty risks of derivatives;
    - the credit derivatives.
    - the collateral strategy.

**Commitment Approach II:**

12. Commitment Approach II shall be applied for the assessment of risk in the case of the subfunds
    - **Credit Suisse (CH) Sustainable International Bond Fund**
    - **Credit Suisse (CH) Corporate CHF Bond Fund**

    The overall exposure of a subfund associated with derivatives may not exceed 100% of its net assets and the overall exposure may not exceed a total of 200% of its net assets. When taking into account the possibility of temporary borrowing amounting to no more than 25% of its net assets pursuant to § 13 prov. 2, the overall exposure of the subfund concerned may not exceed 225% of its net assets. Overall exposure is calculated in accordance with Art. 35 CISO-FINMA.

    The provisions of this paragraph are applicable to the individual subfunds.

13. The fund management company may in particular use basic forms of derivatives such as call or put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign, credit default swaps (CDS), swaps whose payments are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner, as well as future and forward transactions whose value is linearly dependent on the value of the underlying. It may also use combinations of basic forms of derivatives as well as derivatives whose economic mode of operation cannot be described by a basic form of derivative or a combination of basic forms of derivatives (exotic derivatives).

14. a) Counter positions in derivatives of the same underlying as well as counter positions in derivatives and investments relating to the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded for the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process, and the eligible amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.

    b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, in addition to the rules of lit. a above, any netting must also fulfill hedging prerequisites, i.e. derivatives transactions may not be based on an investment strategy designed to generate a profit. In addition, the derivative must lead to a demonstrable reduction of risk, the risks of the derivative must be balanced out, derivatives, underlyings or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must be effective even under extraordinary market conditions.

    c) Where it is mainly interest rate derivatives that are used, the amount that counts toward overall exposure arising from derivatives can be calculated using internationally recognized duration netting rules provided that the rules lead to a correct calculation of the risk profile of the investment fund, that the main risks are taken into account, that the use of these rules does not lead to an unwarranted leverage effect, that no interest arbitrage strategies are pursued and that the leverage effect of the investment fund is not increased either by the use of these rules or by investing in short-term positions.

    d) Derivatives that are used purely to hedge foreign currency risks and do not involve any leverage effect or additional market risks may be netted when calculating overall derivatives exposure, without being subject to the requirements of lit. b.

    e) Payment obligations in respect of derivatives must at all times be covered by near-money assets, debt securities and rights or equities that are traded on an exchange or other regulated market open to the public, in accordance with collective investment schemes legislation. These near-money assets and investments can be used to cover several derivative positions at the same time, provided these are subject to a market, interest rate, currency or credit risk and are based on the same underlyings.

    f) Where the fund management company's use of a derivative means that it assumes a commitment to effect the physical delivery of an underlying, the derivative must be covered by the corresponding underlyings or by other investments, provided that the investments and the underlyings exhibit a high correlation, that the investments and the underlyings are highly liquid and, should delivery be requested, that they can be bought or sold at any time. The fund management company must have unrestricted access to these underlyings or investments at all times. Underlyings can be used as cover for several derivative positions at the same time, provided these are subject to a market risk, interest rate risk, credit risk or currency risk and are based on the same underlyings.

15. The fund management company may use both standardized and non-standardized derivatives. It may conclude transactions in derivative financial instruments on an exchange or another regulated market open to the public or in OTC (over-the-counter) trading.

16. a) The fund management company may conclude OTC transactions only with regulated financial intermediaries

specialized in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must have a high credit rating.

b) It must be possible to reliably and verifiably value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.

c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time using an appropriate valuation model which is recognized in practice, based on the market value of the underlyings on the derivative is based. Before concluding a contract for such a derivative, specific offers should in principle be obtained from at least two potential counterparties, following which the contract should be concluded with the counterparty providing the most favorable offer in terms of price. Deviations from this principle are permissible for reasons of risk diversification or if other aspects of the contract such as the credit rating or range of services offered by the counterparty make another offer appear more advantageous for investors overall. Moreover, in exceptional situations the requirement to obtain offers from at least two potential counterparties may be waived if this is deemed to be in the best interests of investors. The reasons for this and the conclusion of the contract and its pricing shall be clearly documented.

d) The fund management company and its agents may only accept collateral in the context of an OTC transaction if it meets the requirements set out under Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or on another regulated market open to the public, and must be valued at least once a day on all trading days. When managing the collateral, the fund management company and its agents must fulfill the obligations and requirements set out under Art. 52 CISO-FINMA. In particular, they must ensure appropriate diversification of the collateral by country, market, and issuer; appropriate issuer diversification is deemed to have been achieved as long as the collateral of a single issuer does not correspond to more than 20% of the net asset value of a subfund. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved. Furthermore, the fund management company and its agents must be able to demand, at any time, right and power of disposal with respect to the collateral received in the event of default on the part of the counterparty, and without the involvement or approval of the counterparty. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held by a supervised third-party depositary on the fund management company’s behalf, provided the collateral’s ownership is not transferred to the fund management company and the depositary is independent of the counterparty.

17. In respect of compliance with the statutory and contractual investment restrictions (maximum and minimum limits), derivatives shall be taken into account in accordance with the legislation on collective investment schemes.
18. Derivative instruments also entail the risk that the subfunds may incur a loss because another party participating in the derivative (usually a “counterparty”) fails to meet its obligations.
19. The Sales Prospectus contains further information on:
    - the importance of derivatives as part of the investment strategy;
    - the effect of the use of derivatives on the risk profile of the subfunds;
    - the counterparty risks of derivatives;
    - the increased volatility and increased overall exposure (leverage effect) resulting from the use of derivatives;
    - the credit derivatives.
    - the collateral strategy.

**§ 13 Taking Up and Extending Loans**

1. The fund management company may not grant loans for the subfunds’ account.
   Securities lending transactions pursuant to § 10 and securities repurchase agreements taking the form of reverse repos pursuant to § 11 are not deemed to be loans within the meaning of this clause.
2. The fund management company may for each subfund borrow the equivalent of up to 10% of net assets on a temporary basis.
   Securities repurchase agreements as repos pursuant to § 11 are deemed to be borrowing within the meaning of this clause unless the funds obtained are used as part of an arbitrage transaction for the acquisition of securities of the same type, quality, credit rating and maturity in connection with a reverse repo.

**§ 14 Encumbrance of the Subfunds’ Assets**

1. No more than 25% of any subfund’s net assets may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the subfund concerned.
2. The subfunds’ assets may not be encumbered with guarantees.
   An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this clause.

## C Investment Restrictions

**§ 15 Risk Diversification**

1. The regulations on risk diversification pursuant to § 15 shall include the following:
   a) investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;
   b) liquid assets as per § 9;
   c) claims against counterparties arising from OTC transactions.
   The regulations on risk distribution apply to each subfund individually.
2. Companies which are classified as a group under international accounting rules shall be regarded as one issuer.
3. Including derivatives and structured products, the fund management company may invest a maximum of 20% of a subfund’s assets (a maximum of 10% of the subfund’s assets in the case of Credit Suisse (CH) Global Corporate Bond Fund) in securities and money market instruments of the same issuer. The total value of the securities and money market instruments of issuers in which more than 10% of a subfund’s assets are invested (more than 5% of the subfund’s assets in the case of Credit Suisse (CH) Global Corporate Bond Fund) may not exceed 60% of the assets of the corresponding subfund (40% of the subfund’s assets in the case of Credit Suisse (CH) Global Corporate Bond Fund). The provisions set out in provs. 4 and 5 shall, however, apply.
4. The fund management company may invest up to 20% of the assets of a subfund in sight and term deposits with the same bank. The liquidity as per § 9 and the credit balances on bank accounts as per § 8 are included in this limit.
5. The fund management company may not invest more than 5% of the assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the European Union or another country in which it is subject to supervision equivalent to that in Switzerland, this limit shall be increased to 10% of the assets of the subfund concerned.
   Where claims arising from OTC transactions are hedged through collateral in the form of liquid assets as defined in Arts. 50–55 CISO-FINMA, these claims are not taken into account in the calculation of the counterparty risk.
6. Investments, deposits and claims pursuant to provs. 3 to 5 above and issued by the same issuer/borrower may not in total exceed 20% of a subfund’s assets, with the exception of the higher limits pursuant to provs. 12 and 13 below.
7. Investments pursuant to prov. 3 above of the same group of companies may not in total exceed 20% of the assets of a subfund; with the exception of the higher limits pursuant to provs. 12 and 13 below.
8. The fund management company may not acquire equity securities which in total represent more than 10% of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company, unless special authorization is granted by the supervisory authority.
9. The fund management company may acquire for the assets of a subfund up to a maximum of 10% of the non-voting equity and debt

instruments and/or money market instruments of the same issuer as well as a maximum of 25% of the units of other collective investment schemes.

These restrictions do not apply if the gross amount of the debt instruments, the money market instruments or the units of other collective investment schemes cannot be calculated at the time of the acquisition.

10. The fund management company may invest a maximum of 10% of the assets of a subfund in units of the same target fund.
11. The restrictions in provs. 8 and 9 above do not apply to securities and money market instruments which are issued or guaranteed by a state or a public-law entity in an OECD country or by international organizations with public-law characteristics to which Switzerland or a European Union member state belong.
12. The limit in prov. 3 above is increased from 20% (10% in the case of the subfund Credit Suisse (CH) Global Corporate Bond Fund) to 45% if the securities or money market instruments are issued or guaranteed by an OECD country, by a public-law entity from the OECD, or by an international public-law organization to which Switzerland or a member state of the European Union belongs. The individual limits specified in provs. 3 and 5, however, must not be cumulated with the aforementioned 45% limit.
13. The limit in prov. 3 above is increased from 20% (10% in the case of the subfund Credit Suisse (CH) Global Corporate Bond Fund) to 100% if the securities or money market instruments are issued or guaranteed by an OECD country, by a public-law entity from the OECD, or by an international public-law organization to which Switzerland or a member state of the European Union belongs. In this case, the subfund must invest in securities or money market instruments from at least six different issues; no more than 30% of the assets of the subfund concerned may be invested in securities or money market instruments from the same issue.

    The following are authorized issuers and/or guarantors within the meaning of this provision: OECD countries, the European Union (EU), the Council of Europe, the International Bank for Reconstruction and Development (the World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.

## IV. Calculation of the Net Asset Value and Issue and Redemption of Units

### § 16 Calculation of the Net Asset Value

1. The net asset value of each subfund and the share of assets attributable to the individual classes are calculated in the accounting currency of the subfund concerned at the market value as of the end of the financial year and for each day on which units are issued or redeemed. The subfund's assets will not be calculated on days when the stock exchanges/markets in the main investment countries of a subfund are closed (e.g. bank and stock exchange holidays).
2. Securities traded on a stock exchange or another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price/net asset value. If they are regularly traded on an exchange or another regulated market open to the public, the fund management company may calculate their value in accordance with prov. 2.
4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: The valuation price of such investments is successively adjusted in line with the repayment price, taking the net purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).
5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in market conditions and credit ratings, the valuation principles for term deposits at banks will be adjusted in line with the new conditions.
6. The net asset value of a unit of a given class of a subfund is determined by the proportion of this subfund's assets as valued at the market value attributable to the given unit class, minus any of this subfund's liabilities that are attributed to the given unit class, divided by the number of units of the given class in circulation. In each case it is rounded up or down to the next smallest unit of the accounting currency.
7. If, on a given valuation day, the aggregate subscriptions and redemptions for the units of a subfund result in a net inflow or outflow of assets, the net asset value of the subfund concerned is increased or reduced accordingly ("swinging single pricing"). The maximum adjustment is 2% of the net asset value. The incidental costs (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred on average when investing amounts paid in or redeeming units returned are taken into account. The adjustment results in an increase in the net asset value if the net movement brings about a rise in the number of units in the subfund. The adjustment results in a decrease in the net asset value if the net movement brings about a fall in the number of units in the subfund. The net asset value calculated based on the swinging single pricing method is thus a modified net asset value as per the first clause in this section.

    The premium or discount applicable to the net asset value on subscription or redemption of units is applied to an average value extending back over a period defined in the prospectus.
8. The share of the market value of the net assets of a subfund (the subfund's assets minus liabilities) attributable to the respective unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the subfund concerned for each unit class. The share is recalculated when one of the following events occurs:
    a) when units are issued and redeemed;
    b) on the pertinent date for distributions and reinvestments, provided that (i) such distributions and reinvestments are only made for individual unit classes (distribution and capital-growth classes) or provided that (ii) the distributions and reinvestments of the various unit classes differ when expressed as a percentage of the respective net asset values, or provided that (iii) different commission or costs are charged on the distributions and reinvestments of the various unit classes when expressed as a percentage of the distribution or reinvestments;
    c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes are different when expressed as a percentage of the respective net asset value, especially if (i) different commission rates are applied for the various unit classes or if (ii) class-specific costs are charged;
    d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of a subfund.

### § 17 Issue and Redemption of Units

1. Subscription and redemption orders for units are accepted up to a certain cut-off time specified in the prospectus on the day the orders are placed. The definitive price of the units for the issues and redemptions is determined at the earliest on the bank working day following the day the order is placed (valuation day). This is referred to as "forward pricing". Details are set out in the prospectus.
2. The issue and redemption price of units is based on the net asset value per unit on the valuation day calculated on the basis of the closing prices pursuant to § 16. The issue and redemption price of units is based on the net asset value per unit calculated on the

valuation day on the basis of the closing prices from the previous day as defined under § 16. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 19 and in the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 19.
Incidental costs for the purchase and sale of investments (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred on average by a subfund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), is charged in accordance with the swinging single pricing method (cf. § 16 prov. 7 of the fund contract). These incidental costs will not be charged if the fund management permits payments and withdrawals by a transfer of assets in kind instead of cash pursuant to § 18.

3. The fund management company may suspend the issue of units at any time, and may reject applications for the subscription or switching of units.
4. The fund management company may temporarily and by way of exception defer repayment in respect of units of a subfund in the interests of all investors:
   a) if a market which is the basis for the valuation of a significant proportion of the assets of the subfund concerned is closed, or if trading on such a market is restricted or suspended;
   b) in the event of a political, economic, military, monetary or other emergency;
   c) if, owing to exchange controls or restrictions on other asset transfers, the subfund can no longer transact its business;
   d) in the event of large-scale redemptions of subfund units that could significantly affect the interests of the remaining investors.
5. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions.
6. The issue of units shall be suspended for as long as the redemption of the subfund’s units is delayed on the grounds referred to under prov. 4 a) to c).

### § 18 Payments and Withdrawals by Transfers of Assets in Kind instead of Cash

In the event of subscription, any investor can request the contribution of assets to the fund in place of a payment in cash (“contribution in kind”); in the event of redemption, any investor can request that assets are transferred to him in place of a payout in cash (“redemption in kind”). Requests must be submitted together with the subscription/redemption order. The fund management company is not obliged to allow contributions/redemptions in kind.
The fund management company alone decides on contributions or redemptions in kind and approves this type of transaction only if execution of the transaction complies fully with the investment policy of the umbrella fund or subfund and does not impinge upon the interests of the other investors.
The costs arising in connection with contributions or redemptions in kind must not be charged to the fund’s assets.
In relation to contributions and redemptions in kind, the fund management company prepares a report containing information about the individual assets transferred, the market value of such assets on the transfer date, the number of units issued or redeemed in return, and any settlement of fractions in cash. In relation to each contribution or redemption in kind, the custodian bank monitors the fund management company’s compliance with its duty of loyalty as well as the valuation of the assets transferred and units issued or redeemed on the respective valuation date. The custodian bank shall immediately inform the auditor of any reservations or objections. Contributions and redemptions in kind must be identified in the annual report.
The fund management company may make such transactions dependent on a minimum volume and on further requirements in respect of the investments, or may cease to offer such transactions from time to time as a matter of principle and at its own discretion.

## V. Fees and Incidental Costs

### § 19 Fees and Incidental Costs Charged to the Investor

1. When units are issued, investors may be charged an issuing commission payable to the fund management company, the custodian bank and/or distributors within Switzerland or abroad. This commission may not in total exceed 5% of the net asset value of the subfund concerned. The currently applicable maximum rate is stated in the prospectus.
2. When units are redeemed, investors may be charged a redemption commission payable to the fund management company, the custodian bank and/or selling agents within Switzerland or abroad. This commission may not in total exceed 2% of the net asset value of the subfund concerned. The currently applicable maximum rate is stated in the prospectus.
3. Incidental costs for the purchase and sale of investments (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred on average by a subfund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), is charged in accordance with the swinging single pricing method (cf. § 16 prov. 7 of the fund contract). These incidental costs will not be charged if the fund management permits a payment or withdrawal by the transfer of assets in kind instead of cash pursuant to § 18.
4. In the case of switches within this umbrella fund from one subfund to another, a reduced issue commission of up to 2.5% and a reduced redemption commission of up to 1% will be levied. Switches between different subfunds are free of charge in some cases, as specified in the table below.
5. A maximum of 50% of the issuing and redemption commission is charged for switches between different unit classes within a subfund.
6. For the distribution of liquidation proceeds in the event of a subfund’s dissolution, investors may be charged a commission of 0.5% of the net asset value of their units.

**Table pursuant to § 19 prov. 4:**
At the moment there are no plans to offer switches between subfunds that are exempt from issuing and redemption charges.

### § 20 Fees and Incidental Costs Charged to the Fund’s Assets

1. The management commission charged by the fund management company is made up the following components:
   a) For the administration, asset management and distribution of the subfunds, the fund management company shall charge to the subfunds’ assets an annual commission (**management fee**) as stated below based on the net asset value of the subfund. This management fee shall be charged to the assets of the respective subfund on a pro rata basis each time the net asset value is calculated and paid at the beginning of each month on the basis of the subfunds’ average net assets in the preceding month. Not covered by the management fee are the services as stipulated in b) below.

   For services in connection with the calculation of net asset values as well as currency hedging for currency-hedged unit classes (FX hedging), the fund management company shall charge to the subfunds‘ assets an annual commission (**servicing fee**) as stated below based on the net asset value of the subfund. This servicing fee shall be charged to the assets of the respective subfund on a pro rata basis each time the net asset value is calculated and paid at the beginning of each month on the basis of the subfunds’ average net assets in the previous month.
   The sum of the management fee and the servicing fee constitutes the fund management company’s management commission and may not exceed the maximum rates stipulated below.
   The maximum rates of the management fee, servicing fee and management commission vary according to unit class as follows:

| **Unit classes** (all currencies) | **Manage-ment fee component /p.a.** | **Servicing fee component/ p.a.** | **Total manage-ment commission/p.a.** |
|---|---|---|---|
| A | max. 1.40% | max. 0.10% | max. 1.50% |
| AH | max. 1.40% | max. 0.15% | max. 1.55% |
| EA | max. 1.00% | max. 0.10% | max. 1.10% |
| EAH | max. 1.00% | max. 0.15% | max. 1.15% |
| EA DUR | max. 1.00% | max. 0.10% | max. 1.10% |
| EAH DUR | max. 1.00% | max. 0.15% | max. 1.15% |
| IA | max. 0.70% | max. 0.10% | max. 0.80% |
| IAH | max. 0.70% | max. 0.15% | max. 0.85% |
| UA | max. 1.05% | max. 0.10% | max. 1.15% |
| UAH | max. 1.05% | max. 0.15% | max. 1.20% |

The rate of the management commission actually charged per subfund shall be stated in the annual and semi-annual reports.

**DA and DAH classes (all currencies)**
For the administration, asset management and distribution as well as all tasks performed by the custodian bank (such as safekeeping of the fund assets, the handling of payment transactions and other tasks listed under § 4) the fund management company shall charge the subfunds (pro rata for class DA and DAH (all currencies) only) by way of a deviation from the aforementioned information pertaining to the management commission an annual flat-rate fee not exceeding 0.20% of the net asset value of the respective subfund, to be charged to the assets of the respective subfund on a pro rata basis every time the net asset value is calculated. This fee shall be charged to the respective subfund at the beginning of each month on the basis of the subfund's average net assets in the preceding month (all-in fee)..

Fees and incidental costs as per prov. 3 a)–d) and h)–j) below charged to the assets of the subfunds directly are not necessarily included in this all-in fee. The following prov. 2 does not apply to class DA and DAH (all currencies).

Information on the rates of management commission and all-in fee actually applied for each subfund can be found in the respective annual and semi-annual reports.
**ZA CHF, ZAH CHF, ZA DUR CHF** and **ZAH DUR CHF** classes
No direct commission is charged – this is paid separately in accordance with § 6 prov. 4.

2. For the safekeeping of the assets of the individual subfunds, the handling of the subfunds' payment transactions and performance of the other tasks of the custodian bank listed under § 4, the custodian bank shall charge the subfunds an annual commission (custodian bank commission) not exceeding 0.05% of the net asset value of the subfunds, to be charged to the assets of the respective subfund on a pro rata basis every time the net asset value is calculated. This custodian bank fee shall be charged to the respective subfund at the beginning of each month on the basis of the subfund's average net assets in the preceding month. For the DA classes (all currencies) and DAH classes (all currencies), an all-in fee is applied and no separate custodian bank fee is charged.
   The rate of the custodian bank fee actually charged per subfund shall be stated in the annual and semi-annual reports.
3. Furthermore, the fund management company and the custodian bank shall be entitled to reimbursement of the following costs incurred in the course of executing the fund contract:
   a) fees charged by the supervisory authority for establishing, amending, liquidating and merging the umbrella fund or any subfunds;
   b) annual fees charged by the supervisory authority;
   c) fees charged by the auditor for annual auditing as well as certification in connection with establishing, amending, liquidating and merging of the umbrella fund or subfunds;
   d) fees paid to legal and tax consultants in connection with establishing, amending, liquidating or merging the umbrella fund or subfunds, as well as acting in the interests of the umbrella fund or subfunds and its/their investors;
   e) costs for the publication of the net asset value of the umbrella fund and its subfunds, as well as all costs for the issuing of notices to the investors including translation costs, where such costs are not ascribed to an error on the part of the fund management company;
   f) cost of printing legal documents as well as the annual and semi-annual reports of the umbrella fund or subfunds;
   g) costs incurred by registering the umbrella fund or subfunds with a foreign supervisory authority, specifically the commission levied by the foreign supervisory authority, translation costs and compensation for the representative or paying agent abroad;
   h) costs in connection with the exercising of voting rights or creditors' rights by the umbrella fund or subfunds, including fees for external consultants;
   i) costs and fees in connection with intellectual property or usage rights registered in the name of the umbrella fund or the subfunds;
   j) all costs incurred as a result of extraordinary steps taken by the fund management company, the asset manager of collective investment schemes or the custodian bank to safeguard the interests of the investors.
4. The subfunds shall bear all incidental costs (such as standard brokerage charges, commission, taxes and duties) incurred in the management of the subfunds' assets, as well as the cost of verifying and maintaining quality standards in relation to physical assets. These costs will be offset directly against the stated acquisition or saleable value of the respective investments.
5. In accordance with the provisions of the prospectus, the fund management company and its agents may pay trailer fees as compensation for sales and distribution activities in relation to the fund units as well as rebates in order to reduce the fees and costs charged to the subfunds and incurred by the investors.
6. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake ("related target funds"), no issuing or redemption commissions of the related target funds may be charged to the umbrella fund and subfunds.
7. Fees may be charged only to the subfund for which the specific service is performed. Costs that cannot be unequivocally allocated to a subfund shall be charged to the individual subfunds on a pro rata basis in relation to their share of the fund's assets.

## VI. Financial Statements and Audits

### § 21 Financial Statements

1. The accounting currencies of the individual subfunds are
   – Credit Suisse (CH) Convert International Bond Fund USD
   – Credit Suisse (CH) Sustainable International Bond Fund USD
   – Credit Suisse (CH) Corporate CHF Bond Fund CHF
   – Credit Suisse (CH) Global Corporate Bond Fund CHF
2. The accounting year shall run from October 1 until September 30 of the following year.
3. The fund management company shall publish an audited annual report for the umbrella fund and subfunds respectively within four months of the end of the financial year.
4. The fund management company shall publish a semi-annual report for the umbrella fund and subfunds respectively within two months following the end of the first half of the financial year.
5. The investor's right to obtain information under § 5 prov. 5 is reserved.

### § 22 Audits

The auditors shall each year examine whether the fund management company and the custodian bank have acted in compliance with the statutory and contractual provisions and the code of conduct of the Swiss Funds & Asset Management Association SFAMA. The annual report shall contain a short report by the auditors on the published annual financial statements.

## VII. Appropriation of Net Income

### § 23

1. The net income of the capital-growth unit classes of a subfund will be added yearly to the corresponding subfund for reinvestment subject to any taxes and duties levied on such reinvestment and to any extraordinary distributions to investors of the net income from the capital-growth unit classes of the subfunds in the respective accounting currency of the unit class.
   For each unit class, the net income of the distribution asset classes of a subfund will be distributed to the investors annually within four months of the end of the financial year in the corresponding currency of account of the unit class.
   Up to 30% of the net income of a distribution unit class of a subfund may be carried forward to the new account.
   With both capital growth and distribution unit classes, moreover, the fund management company may pay interim distributions out of the fund's earnings.

If the net income in a financial year including income carried forward from previous financial years is less than 1% of the net assets and less than CHF 1, USD 1, EUR 1 or JPY 100 per unit, depending on the currency of account, a reinvestment or a distribution may be waived and the entire net income may be carried forward to the new account.

2. Capital gains realized on the sale of assets and rights can be distributed by the fund management company or retained for the purpose of reinvestment.

## VIII. Publication of Official Notices by the Umbrella Fund and Subfunds

**§ 24**

1. The medium of publication of the umbrella fund and subfunds is the print or electronic medium specified in the prospectus. Notification of any change in the medium of publication shall be published in the medium of publication.
2. The following information shall in particular be published in the medium of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, dissolution or merger of unit classes, as well as the liquidation of individual subfunds. Amendments that are required by law that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall publish both the issue and the redemption prices or the net asset value (or a modified net asset value by application of swinging single pricing as per § 16 prov. 7) together with a footnote “excluding commissions” in the medium of publication specified in the prospectus and other Swiss and international newspapers as applicable. The prices shall be published at least twice per month. The weeks and weekdays on which publications are made shall be specified in the prospectus.
4. The prospectus, including the fund contract, the Key Investor Information Document and the current annual and semi-annual reports, may be obtained free of charge from the management company, the custodian bank and from all selling agents.

## IX. Restructuring and Dissolution

**§ 25 Mergers**

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or other investment funds by transferring – as of the time of the merger – the assets and liabilities of the subfund(s) or fund(s) being acquired to the acquiring subfund or fund. The investors of the subfund(s) or fund(s) being acquired shall receive the corresponding number of units in the acquiring subfund or fund. The subfund(s) or fund(s) being acquired is/are terminated without liquidation when the merger takes place, and the fund contract of the acquiring subfund or fund shall also apply for the subfund(s) or fund(s) being acquired.
2. Funds and subfunds may be merged only if:
   a) provision for this is made in the relevant fund contracts;
   b) they are managed by the same fund management company;
   c) the relevant fund contracts are basically identical in terms of the following provisions:
      – the investment policy, investment techniques, risk diversification, as well as the risks associated with the investment;
      – the appropriation of net income and capital gains from the sale of assets and rights;
      – the type, amount and calculation of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of the investments (such as standard brokerage fees, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, that may be charged to the assets of the funds or subfunds or to the investors;
      – the redemption conditions;
      – the duration of the contract and the conditions of dissolution;
   d) the assets of the funds concerned are valued, the exchange ratio is calculated, and the assets and liabilities are acquired on the same day;
   e) no costs shall arise as a result for either the subfunds/funds or the investors. The provisions set out in § 20 prov. 3a), c) and d) shall, however, apply.
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the subfunds or funds involved.
4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain information on the reasons for the merger, the investment policies of the of the funds or subfunds involved and any differences between the acquiring fund or subfund and the fund(s) or subfund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds or subfunds, as well as a statement from the statutory auditors.
5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 24 prov. 2 and the proposed merger and its timing together with the merger schedule at least two months before the planned date of merger in the medium of publication of the subfunds or funds involved. In this notice, it must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days of the publication of the notice, or request redemption of their units in cash or submit an application for redemption in kind in accordance with § 18.
6. The auditors must check directly that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
7. The fund management company shall inform the supervisory authority of the conclusion of the merger and shall publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the medium of publication of the funds or subfunds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring fund or subfund and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the fund(s) or subfund(s) being acquired.

**§ 26 Duration of the Subfunds and Dissolution**

1. The subfunds have been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve some or all of the subfunds by terminating the fund contract without notice.
3. Individual subfunds may be dissolved by order of the supervisory authority, in particular if at the latest one year after the expiry of the subscription period (launch) or a longer extended period approved by the supervisory authority at the request of the fund management company and the custodian bank, the subfund does not have net assets of at least 5 million Swiss francs (or the equivalent).
4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the medium of publication.
5. Once the fund contract has been terminated, the fund management company may liquidate the subfund concerned forthwith. If the supervisory authority has ordered the dissolution of a subfund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in installments. Prior to the final payment, the fund management company must obtain authorization from the supervisory authority.

## X. Changes to the Fund Contract

**§ 27**

If changes are made to the present fund contract, or if the merger of unit classes or a change of the fund management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days after the publication. In the publication, the fund management company informs investors of changes to the fund contract that are covered by FINMA’s verification and ascertainment of compliance with the law. In the event of a change to the fund contract (including the merger of unit classes) the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 24 prov. 2 that have been exempted from the duty to publish with the approval of the supervisory authority.

## XI. Applicable Law and Place of Jurisdiction

**§ 28**

1. The umbrella fund and the individual subfunds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of June 23, 2006, the Ordinance on Collective Investment Schemes of November 22, 2006 and the Ordinance of the Swiss Financial Market Supervisory Authority on Collective Investment Schemes of December 21, 2006.
   The court of jurisdiction is the court at the fund management company’s registered office.
2. For the interpretation of the fund contract, the German-language version shall be binding.
3. The present fund contract is effective as of June 1, 2019.
4. The present fund contract replaces the fund contract dated June 9, 2018.
5. When approving the fund contract, FINMA exclusively examines the provisions pursuant to Article 35a (1) a–g CISO and establishes that they comply with the law.

The fund management company and the custodian bank are domiciled in Zurich.

Date of approval of the fund contract by the Swiss Financial Market Supervisory Authority FINMA: May 29, 2019.