

# SUPPLEMENT DATED 2 APRIL 2019 TO THE BASE PROSPECTUSES LISTED IN THE SCHEDULE

## Credit Suisse AG

### Credit Suisse International

#### pursuant to the Structured Products Programme for the issuance of

#### Notes, Certificates and Warrants

### Introduction

This supplement dated 2 April 2019 (this "**Supplement**") to each of the base prospectuses listed in the Schedule, each of which comprises a separate base prospectus in respect of Credit Suisse AG ("**CS**") and Credit Suisse International ("**CSi**", and together with CS, the "**Issuers**" and each, an "**Issuer**") (each such base prospectus, as supplemented up to the date of this Supplement, a "**Prospectus**" and, collectively, the "**Prospectuses**"), constitutes a supplement in respect of each Prospectus for the purposes of Article 13 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005 on prospectuses for securities as amended by the law of 3 July 2012, the law of 21 December 2012 and the law of 10 May 2016 (the "**Luxembourg Prospectus Law**") and has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority in Luxembourg. Terms defined in the relevant Prospectus shall have the same meanings when used in this Supplement, unless otherwise defined herein.

This Supplement is supplemental to, and should be read in conjunction with, the relevant Prospectus including any other supplements thereto.

### Purpose of this Supplement

The purpose of this Supplement is to:

- (a) amend Element B.12 of the Summary of each Prospectus, to (i) include key financial information for CS for the year ended 31 December 2018 and (ii) update the "no material adverse change in prospects" and "no significant change in financial position" statements in relation to CS;
- (b) incorporate by reference the Form 6-K Dated 22 March 2019 (as defined below) into each Prospectus in respect of each Issuer;
- (c) incorporate by reference the Form 20-F Dated 22 March 2019 (as defined below) into each Prospectus in respect of each Issuer;
- (d) amend the section headed "Risk Factors" in each Prospectus;
- (e) amend the section entitled "General Description of the Programme" in each Prospectus;
- (f) amend certain information in respect of CS in each Prospectus;
- (g) amend the section entitled "Taxation" in each Prospectus; and
- (h) amend certain information in respect of CS in the section entitled "General Information" in each Prospectus.

### Information being supplemented

#### 1. **Amendment to the Summary of each Prospectus**

Element B.12 of the Summary of each Prospectus (in each case, as supplemented up to 22 February 2019), on (a) pages 12 to 14 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (b) pages 12 to 14 of the Put and Call Securities Base Prospectus, (c) pages 12 to 15 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (d)

pages 11 to 14 of the Bonus and Participation Securities Base Prospectus, shall be deleted in its entirety and replaced with the following:

<b>"B.12</b>	<b>Selected key financial information; no material adverse change and description of significant change in financial position of the Issuer:</b>	<i>[Insert the following if the Issuer is CS:</i>			
		<b><u>CS</u></b>			
		The tables below set out summary information relating to CS which is derived from the audited condensed consolidated balance sheets of CS as of 31 December 2018 and 2017 and the related consolidated statements of operations for each of the years in the three-year period ended 31 December 2018.			
		<b>Summary information – consolidated statements of operations</b>			
		<i>In CHF million</i>	<i>Year ended 31 December (audited)</i>		
			<b>2018</b>	<b>2017</b>	<b>2016</b>
		Net revenues	20,820	20,965	20,393
		Provision for credit losses	245	210	252
		Total operating expenses	17,719	19,202	22,630
		Income/(loss) before taxes	2,856	1,553	(2,489)
		Income tax expense	1,134	2,781	400
		Net income/(loss)	1,722	(1,228)	(2,889)
		Net income/(loss) attributable to non-controlling interests	(7)	27	(6)
		Net income/(loss) attributable to shareholders	1,729	(1,255)	(2,883)
<b>Summary information – consolidated balance sheet</b>					
<i>In CHF million</i>	<i>31 December 2018</i>	<i>31 December 2017</i>			
Total assets	772,069	798,372			
Total liabilities	726,075	754,822			
Total shareholders' equity	45,296	42,670			
Non-controlling interests	698	880			

Total equity	45,994	43,550
Total liabilities and equity	772,069	798,372]
<i>[Insert the following if the Issuer is CSi:</i>		
<b>CSi</b>		
<i>In USD million</i>	<i>Year ended 31 December (audited)</i>	
	<b>2017</b>	<b>2016 (restated)<sup>(1)</sup></b>
<b>Selected consolidated income statement data</b>		
Net revenues	1,363	1,494
Total operating expenses	(1,543)	(1,721)
Loss before tax from continuing operations	(180)	(227)
Loss after tax from continuing operations	(262)	(225)
Profit before tax from discontinued operations	-	29
Profit after tax from discontinued operations	-	29
Net loss attributable to Credit Suisse International shareholders	(262)	(196)
	As of 31 December 2017 <i>(audited)</i>	As of 31 December 2016 <i>(audited)</i>
<b>Selected consolidated balance sheet data</b>		
Total assets	249,440	332,381
Total liabilities	226,962	309,673
Total shareholders' equity	22,478	22,708
<i>In USD million</i>	<i>Six months ended 30 June (unaudited)</i>	
	2018	2017 <sup>(2)</sup>

		<b>Selected consolidated income statement data</b>		
		Net revenues	1,210	580
		Total operating expenses	(1,079)	(722)
		Profit/(loss) before tax from continuing operations	131	(142)
		Profit/(loss) before tax from discontinuing operations	-	-
		Profit/(loss) before tax	131	(142)
		Net profit/(loss)	140	(141)
			<i>Six months ended 30 June 2018 (unaudited)</i>	<i>Year ended 31 December 2017<sup>(3)</sup></i>
		<b>Selected consolidated balance sheet data</b>		
		Total assets	247,165	249,440
		Total liabilities	224,546	226,962
		Total shareholders' equity	22,619	22,478
		*This key financial information is for CSi and its subsidiaries		
		<p><sup>(1)</sup> December 2016 numbers have been restated to disclose the impact of discontinued operations. 2016 numbers have been further restated due to negative interest for securities purchased/sold under resale/repurchase agreements and securities borrowing/lending transactions.</p> <p><sup>(2)</sup> CSi has initially applied IFRS 15 and IFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. The 2017 numbers have been restated to disclose the impact of discontinued operations. The numbers for the six months ended 30 June 2017 have been further restated due to negative interest for securities purchased/sold under resale/repurchase agreements and securities borrowing/lending transactions.</p> <p><sup>(3)</sup> CSi has initially applied IFRS 15 and IFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated.]</p> <p><i>[Insert for CS:</i></p> <p>There has been no material adverse change in the prospects of the Issuer and its consolidated subsidiaries since 31 December 2018.</p> <p>Not applicable; there has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since 31</p>		

		December 2018.]  [Insert for CSi:  There has been no material adverse change in the prospects of the Issuer and its consolidated subsidiaries since 31 December 2017.  Not applicable; there has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since 30 June 2018.]".
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## 2. ***Incorporation of information by reference in each Prospectus***

This Supplement incorporates by reference into each Prospectus:

- (a) the Form 6-K of Credit Suisse Group AG ("**CSG**") and CS filed with the United States Securities and Exchange Commission (the "**SEC**") on 22 March 2019 (the "**Form 6-K Dated 22 March 2019**"), which contains a media release containing proposals for the Annual General Meeting of CSG.

The table below sets out the relevant page references for the information incorporated by reference in respect of each Issuer in each Prospectus:

Section Number	Section Heading	Sub-heading	Page(s) of the PDF file
<b>Form 6-K Dated 22 March 2019</b>			
	Media Release	Whole document	1 to 9

- (b) the Form 20-F of CSG and CS filed with the SEC on 22 March 2019 (the "**Form 20-F Dated 22 March 2019**"), which contains the Credit Suisse Annual Report 2018 (the "**Group Annual Report 2018**") attached as an exhibit thereto.

The table below sets out the relevant page references for the information incorporated by reference in respect of each Issuer in each Prospectus:

Section Number	Section Heading	Sub-heading	Page(s) of the PDF file
<b>Form 20-F Dated 22 March 2019</b>			
	Form 20-F	Definitions	6
		Sources	6
		Cautionary statement regarding forward-looking information	6
		Part I	7 to 11
		Part II	11 to 12

		Part III	12 to 13
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<b>Exhibit to Form 20-F Dated 22 March 2019 (Group Annual Report 2018)</b>			
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		Controls and procedures	436
		Report of the Independent Registered Public Accounting Firm	437 to 438
VII	Parent company financial statements – Credit Suisse Group	Report of the Statutory Auditor	441 to 443
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VIII	Consolidated financial statements – Credit Suisse (Bank)	Report of the Independent Registered Public Accounting Firm	457
		Consolidated financial statements, including:	459 to 538
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		Consolidated balance sheets	460 to 461
		Consolidated statements of changes in equity	462 to 463
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		Report of the Independent Registered Public Accounting Firm	537 to 538
IX	Parent company financial statements – Credit Suisse (Bank)	Report of the Statutory Auditor	541 to 545
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		Statements of changes in equity	548
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Any information not listed in the above cross-reference tables but included in the documents referred to in the above cross-reference tables is not incorporated herein by reference for the purposes of the Prospectus Directive and is either (a) covered elsewhere in the Base Prospectus; or (b) not relevant for the investor.

**3. Amendment to the section headed "Risk Factors" in each Prospectus**

Risk factor 2(a) in the section headed "Risk Factors" in each Prospectus (in the case of the Trigger Redeemable and Phoenix Securities Base Prospectus and the Put and Call Securities Base Prospectus, as supplemented up to 31 August 2018) on (a) page 85 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (b) page 94 of the Put and Call Securities Base Prospectus, (c) page 71 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (d) page 78 of the Bonus and Participation Securities Base Prospectus, shall be amended by deleting the last paragraph therein in its entirety and replacing it with the following:

"These risk factors should be read together with (i) in respect of CS, (A) the risk factors listed under risk factor 2(b) (*Risks relating to CS*) below and (B) the risk factors on pages 46 to 55 (pages 68 to 77 of the PDF) of the Exhibit to the Form 20-F Dated 22 March 2019, and (ii) in respect of CSi, the risk factors listed under risk factor 2(c) (*Risks relating to CSi*) below. Such risk factors are risk factors that are material to the Securities in order to assess the market risk associated with them or which may affect the relevant Issuer's ability to fulfil its obligations under them."

**4. Amendment to the section entitled "General Description of the Programme in each Prospectus"**

The information in the section entitled "General Description of the Programme" in each Prospectus shall be amended by inserting, immediately following the sub-section entitled "Approval of the Base Prospectus by the CSSF" on (a) page 175 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (b) page 195 of the Put and Call Securities Base Prospectus, (c) page 166 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (d) page 171 of the Bonus and Participation Securities Base Prospectus, the following new sub-section:

**"Supplements to the Base Prospectus**

The Issuers will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of any Securities, prepare a supplement to the Base Prospectus. Investors should note that such supplement may be published during the Offer Period (as specified in the applicable Final Terms) of a Non-exempt Offer. In such circumstances, investors who have already agreed to purchase or subscribe for Securities under such Non-exempt Offer and before the date such supplement is published will have the right to withdraw their acceptances within the time period set out in such supplement. Such supplement will be available for viewing on the website of the Luxembourg Stock Exchange on [www.bourse.lu](http://www.bourse.lu) and on [www.credit-suisse.com/derivatives](http://www.credit-suisse.com/derivatives)."

#### **5. Supplemental information in respect of CS in each Prospectus**

The information in the section entitled "Credit Suisse AG" in each Prospectus (in each case, as supplemented up to 7 March 2019) shall be supplemented by:

- (a) deleting the fourth sub-paragraph under the heading "Auditors" on (i) page 612 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) page 697 of the Put and Call Securities Base Prospectus, (iii) page 564 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) page 593 of the Bonus and Participation Securities Base Prospectus in its entirety and replacing it with the following:

"Further information on CS' auditor may be found on pages 227 to 228 (pages 249 to 250 of the PDF) of the Group Annual Report 2018.";

- (b) deleting the last paragraph under the heading "Names and Addresses of Directors and Executives" on (i) page 629 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) page 714 of the Put and Call Securities Base Prospectus, (iii) page 579 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) page 609 of the Bonus and Participation Securities Base Prospectus in its entirety and replacing it with the following:

"Further information about the members of the Board of Directors and the Executive Board can be found on pages 197 to 226 (pages 219 to 248 of the PDF) of the Group Annual Report 2018 and on pages 1 to 2 (pages 3 to 4 of the PDF) and page 4 (page 6 of the PDF) in the Form 6-K Dated 22 March 2019. Details of upcoming changes and proposed appointments to the membership of the Board of Directors can be found on page 203 (page 225 of the PDF) of the Group Annual Report 2018 and under the heading "Changes to the Board of Directors" on page 2 (page 4 of the PDF) of the Form 6-K Dated 22 March 2019.";

- (c) deleting the paragraph under heading "Market Activity" on (i) page 629 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) page 714 of the Put and Call Securities Base Prospectus, (iii) page 580 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) page 609 of the Bonus and Participation Securities Base Prospectus in its entirety and replacing it with the following:

"CS may update its expectations on market activity, and any such update will be included in its quarterly or annual reports. For information on CS' principal markets and activities, please see pages 14 to 30 (pages 36 to 52 of the PDF) and pages 58 to 60 (pages 80 to 82 of the PDF) of the Group Annual Report 2018."; and

- (d) deleting the paragraph under the heading "Legal and Arbitration Proceedings" on (i) page 629 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) pages 714 to 715 of the Put and Call Securities Base Prospectus, (iii) page 580 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) page 610 of the Bonus and Participation Securities Base Prospectus in its entirety and replacing it with the following:

"Except as disclosed in the Group Annual Report 2018 under the heading "Litigation" (note 39 to the condensed consolidated financial statements of CSG on pages 389 to 399 (pages

411 to 421 of the PDF) of the Group Annual Report 2018, which is attached as an exhibit to the Form 20-F Dated 22 March 2019), there are no, and have not been during the period of 12 months ending on the date of this Supplement, any governmental, legal or arbitration proceedings which may have, or have had in the past, significant effects on the financial position or profitability of CS and its consolidated subsidiaries, and CS is not aware of any such proceedings being either pending or threatened."

**6. Amendment to the section entitled "Taxation" in each Prospectus**

The section entitled "Taxation" in each Prospectus (in each case, as supplemented up to 7 November 2018), shall be supplemented by:

- (a) deleting the paragraphs under the heading entitled "Reporting and Withholding under Foreign Account Tax Compliance Act (FATCA)" under the sub-section entitled "United States Tax Considerations for Investors" on (i) pages 637 to 638 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) pages 723 to 724 of the Put and Call Securities Base Prospectus, (iii) pages 588 to 589 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) pages 618 to 619 of the Bonus and Participation Securities Base Prospectus in their entirety and replacing them with the following:

**"Reporting and Withholding under Foreign Account Tax Compliance Act (FATCA)**

Under certain tax information reporting and withholding provisions generally referred to as "FATCA", a 30 per cent. withholding tax is imposed on "withholdable payments" and certain "passthru payments" made to (i) a "foreign financial institution" unless the financial institution complies with, among other things, certain information reporting and withholding obligations with respect to its accounts in accordance with applicable rules implementing FATCA in the financial institution's jurisdiction or in accordance with an agreement entered into between the financial institution and the IRS, and (ii) any other Holder or beneficial owner that does not comply with the Issuer's or an intermediary financial institution's request for ownership certifications and identifying information.

"**FATCA**" means sections 1471 through 1474 of the Code, any final current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code, or any U.S. or non-U.S. fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code or any other non-U.S. tax information reporting regimes. The term "withholdable payments" generally includes payments of fixed or determinable annual or periodical gains, profits, and income ("**FDAP**"), in each case, from sources within the United States (including payments on Securities treated as "dividend equivalents" under section 871(m) of the Code). "**Passthru payments**" means any withholdable payment and any "foreign passthru payment," which is currently not defined.

We and other intermediary foreign financial institutions may be required to report information to the IRS regarding the holders of the Securities and, in the case of holders or beneficial owners who (i) fail to provide the relevant information, (ii) are foreign financial institutions who are not in compliance with applicable information reporting requirements, or (iii) hold the Securities directly or indirectly through such non-compliant foreign financial institutions, we or another withholding agent may be required to withhold tax at a rate of 30 per cent on payments under the Securities. FATCA also may require withholding agents making payments to certain foreign entities that do not disclose the name, address, and taxpayer identification number of any substantial United States owners (or certify that they do not have any substantial United States owners) to withhold tax at a rate of 30 per cent. Withholding under FATCA may apply without regard to whether the beneficial owner of the payment is a U.S. person, or would otherwise be entitled to an exemption from the imposition of withholding tax pursuant to an applicable tax treaty with the United States or pursuant to U.S. domestic law. Further, particular requirements and limitations may apply to

any procedures for refunds or credit with respect to amounts withheld or remitted in respect of FATCA. We will not be required to pay any additional amounts with respect to amounts withheld in connection with FATCA.

Subject to the exceptions described below, FATCA's withholding regime applies currently to withholdable payments and with respect to foreign passthru payments, will apply no earlier than the date that is two years after the date on which final U.S. Treasury regulations defining "foreign passthru payments" are published. Notwithstanding the foregoing, the withholding provisions of FATCA discussed above generally will not apply to any obligation (other than an instrument that is treated as equity for U.S. tax purposes or that lacks a stated expiration or term) that is outstanding on 30 June 2014 (a "**grandfathered obligation**"), unless the obligation is materially modified after such date.

The discussion above reflects recently proposed U.S. Treasury regulations. The U.S. Treasury have indicated that taxpayers may rely on the proposed regulations until final regulations are issued, and the discussion above assumes that the proposed regulations will be finalised in their current form.

No assurance can be given that payments on the Securities will not be subject to withholding under FATCA. Each potential investor in Securities should consult its own tax advisor to determine how FATCA may affect an investment in the Securities in such investor's particular circumstance."; and

- (b) deleting the paragraphs under the sub-section entitled "Singapore" on (i) pages 679 to 684 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (ii) pages 761 to 766 of the Put and Call Securities Base Prospectus, (iii) pages 630 to 635 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (iv) pages 660 to 665 of the Bonus and Participation Securities Base Prospectus in their entirety and replacing them with the following:

## **"SINGAPORE**

### **Singapore Taxation of Notes and Warrants**

*The statements below are only applicable to Notes and Warrants issued by Credit Suisse AG, Singapore Branch, are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the relevant authorities in force as at the date of this Base Prospectus and are subject to any changes in such laws, guidelines or circulars, or the interpretation of such laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Base Prospectus are intended or are to be regarded as advice on the tax position of any prospective holder of the Notes or Warrants or of any person acquiring, selling, or otherwise dealing with the Notes or Warrants or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes or Warrants. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes or Warrants and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes or Warrants are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes or Warrants, including in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuer(s) nor any other person involved in the Base Prospectus accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes or Warrants.*

## **Income Tax - General**

### Individual Taxpayers

An individual is a tax resident in Singapore in a year of assessment if in the preceding year he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more or if he resides in Singapore.

Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore, subject to certain exceptions. All foreign-sourced income received in Singapore on or after 1 January 2004 by a Singapore tax resident individual (except for income received through a partnership in Singapore) is exempt from Singapore income tax.

A Singapore tax resident individual is taxed at progressive rates of up to 22 per cent. currently.

Non-resident individuals, subject to certain exceptions and conditions, are subject to Singapore income tax on income accruing in or derived from Singapore at the rate of 22 per cent. currently.

### Corporate Taxpayers

A company is tax resident in Singapore if the control and management of its business is exercised in Singapore.

Corporate taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore and, subject to certain exceptions, on foreign-sourced income received or deemed to be received in Singapore. Foreign-sourced income in the form of dividends, branch profits and service income received or deemed to be received in Singapore by Singapore tax resident companies on or after 1 June 2003 are exempt from tax if certain prescribed conditions are met including the following:

- (a) such income is subject to tax of a similar character to income tax under the law of the jurisdiction from which such income is received; and
- (b) at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 15 per cent.

Certain concessions and clarifications have also been announced by the Inland Revenue Authority of Singapore ("**IRAS**") with respect to such conditions.

Non-resident corporate taxpayers, with certain exceptions, are subject to Singapore income tax on income accruing in or derived from Singapore, and on foreign-sourced income received or deemed to be received in Singapore.

The corporate tax rate in Singapore is currently 17 per cent. In addition, three-quarters of up to the first S\$10,000, and one-half of up to the next S\$290,000, of a company's chargeable income otherwise subject to normal taxation is exempt from corporate tax for each year of assessment ("**YA**") prior to YA 2020. From YA 2020 onwards, three-quarters of up to the first S\$10,000 of a company's normal chargeable income, and one-half of up to the next S\$190,000, is exempt from corporate tax. The remaining chargeable income (after the tax exemption) will be taxed at the prevailing corporate tax rate.

New companies will also, subject to certain conditions and exceptions, be eligible for full tax exemption on their normal chargeable income of up to S\$100,000 and one-half of up to the next S\$200,000 of chargeable income a year for each of the company's first three years of

assessment prior to YA 2020. From YA 2020 onwards, three-quarters of up to the first S\$100,000 of a company's normal chargeable income, and one-half of up to the next S\$100,000, is exempt from corporate tax. The remaining chargeable income (after the tax exemption) will be taxed at the applicable corporate tax rate.

### **Withholding Tax on Interest and Other Payments on the Notes**

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act, Chapter 134 of Singapore (the "ITA"), the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17 per cent. The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived by individuals through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

### **Withholding Tax Exemption on Qualifying Payments by Specified Entities**

Pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 March 2021. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or a merchant bank approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

Qualifying Debt Securities Scheme

In addition, if more than half of the issue of a tranche of the Notes which are issued as debt securities under the Programme during the period from the date of this Base Prospectus to 31 December 2023 are distributed by Financial Sector Incentive (Bond Market), Financial Sector Incentive (Capital Market) or Financial Sector Incentive (Standard Tier) Companies (as defined in the ITA), such tranche of Notes ("**Relevant Notes**") would be qualifying debt securities ("**QDS**") under the ITA.

If the Relevant Notes are QDS:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Monetary Authority of Singapore ("**MAS**") may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost is derived from the Relevant Notes by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Notes, derived by a holder who is not resident in Singapore and who (i) does not have any permanent establishment in Singapore, or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not funds and profits of that person's operations through a permanent establishment in Singapore, are exempt from Singapore tax;
- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income from the Relevant Notes derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (c) subject to:
  - (i) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall declare and include such income in a return of income made under the ITA; and
  - (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (a) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and
- (b) even though a particular tranche of Relevant Notes are QDS, if, at any time during the tenure of such tranche of Relevant Notes, 50 per cent. or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:
  - (i) any related party of the Issuer; or
  - (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or the concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**break cost**", "**prepayment fee**" and "**redemption premium**" are defined in the ITA as follows:

"**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

"**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

"**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "break cost", "prepayment fee" and "redemption premium" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e., the Qualifying Income) is derived from the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e., the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required under the ITA to include such income in a return of income made under the ITA.



## **Dividends Paid by Singapore Tax Resident Companies**

With effect from 1 January 2008, all Singapore-resident companies are under the one-tier corporate tax system. Under this system, the tax on corporate profits is final and dividends paid by a Singapore resident company will be tax exempt in Singapore in the hands of a shareholder, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

## **Capital Gains**

Singapore imposes a tax on income but does not impose tax on gains which are considered non-income (i.e., gains which are considered to be capital in nature). There are no specific laws or regulations which deal with the characterisation of whether a gain is income or capital. Any gains derived by any person from the sale of the Notes or disposal, exercise or expiry of the Warrants which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes or Warrants who apply or who are required to apply Singapore Financial Reporting Standard ("**FRS**") 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be) for Singapore income tax purposes may be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes or Warrants, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes".

## **Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes**

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement".

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Notes or Warrants who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes or Warrants or any exercise or expiry of the Warrants.

## **Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

## **Stamp Duty**

Stamp duty is payable on the instrument of transfer of stocks or shares having a register kept in Singapore, at the rate of 0.2 per cent. computed on the amount or value of consideration. The amount or value of consideration is the actual consideration or market value of such stocks or shares, whichever is higher. The transferee is liable for stamp duty, unless there is an agreement to the contrary.

No stamp duty is payable if no instrument of transfer is executed or the instrument of transfer is executed outside Singapore. However, stamp duty would be payable if an instrument of transfer which is executed outside Singapore is received in Singapore.

Stamp duty is not applicable to electronic transfers of stocks or shares through The Central Depository (Pte) Limited."

#### **7. Amendment to the section entitled "General Information" in each Prospectus**

The section entitled "General Information" in each Prospectus (in each case, as supplemented up to 22 February 2019) shall be supplemented by deleting paragraph 7 on (a) page 707 of the Trigger Redeemable and Phoenix Securities Base Prospectus, (b) page 786 of the Put and Call Securities Base Prospectus, (c) page 658 of the Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus, and (d) page 688 of the Bonus and Participation Securities Base Prospectus in its entirety and replacing it with the following:

"7. There has been no material adverse change in the prospects of CS and its consolidated subsidiaries since 31 December 2018.

There has been no significant change in the financial position of CS and its consolidated subsidiaries since 31 December 2018.

Please see "Risk Factors" on pages 46 to 55 (pages 68 to 77 of the PDF) of the Group Annual Report 2018 and the section entitled "Risk Factors" of this Base Prospectus for the risk factors that may affect the future results of operations or financial condition of CSG and its consolidated subsidiaries."

#### **General**

The Issuers accept responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between any statement in or incorporated by reference in each Prospectus by virtue of this Supplement and any other statement in or incorporated by reference in any Prospectus, the statements in or incorporated by reference in such Prospectus by virtue of this Supplement will prevail.

In accordance with Article 13 paragraph 2 of the Luxembourg Prospectus Law, investors who have already agreed to purchase or subscribe for the Securities before this Supplement is published have the right, exercisable before the end of 4 April 2019 (within a time limit of two working days after the publication of this Supplement), to withdraw their acceptances.

This Supplement and the documents incorporated by reference by virtue of this Supplement have been filed with the CSSF and will be available on the website of the Luxembourg Stock Exchange, at [www.bourse.lu](http://www.bourse.lu).

## SCHEDULE

### LIST OF BASE PROSPECTUSES

1. Trigger Redeemable and Phoenix Securities Base Prospectus dated 20 July 2018, as supplemented by (a) a supplement dated 8 August 2018, (b) a supplement dated 31 August 2018, (c) a supplement dated 7 November 2018, (d) a supplement dated 17 December 2018, (e) a supplement dated 22 February 2019, and (e) a supplement dated 7 March 2019 (the "**Trigger Redeemable and Phoenix Securities Base Prospectus**"), relating to each Issuer pursuant to the Structured Products Programme.
2. Put and Call Securities Base Prospectus dated 13 August 2018, as supplemented by (a) a supplement dated 31 August 2018, (b) a supplement dated 7 November 2018, (c) a supplement dated 17 December 2018, (d) a supplement dated 22 February 2019, and (e) a supplement dated 7 March 2019 (the "**Put and Call Securities Base Prospectus**"), relating to each Issuer pursuant to the Structured Products Programme.
3. Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus dated 31 August 2018, as supplemented by (a) a supplement dated 7 November 2018, (b) a supplement dated 17 December 2018, (c) a supplement dated 22 February 2019, and (d) a supplement dated 7 March 2019 (the "**Reverse Convertible and Worst of Reverse Convertible Securities Base Prospectus**"), relating to each Issuer pursuant to the Structured Products Programme.
4. Bonus and Participation Securities Base Prospectus dated 7 September 2018, as supplemented by (a) a supplement dated 7 November 2018, (b) a supplement dated 17 December 2018, (c) a supplement dated 22 February 2019, and (d) a supplement dated 7 March 2019 (the "**Bonus and Participation Securities Base Prospectus**"), relating to each Issuer pursuant to the Structured Products Programme