CREDIT SUISSE

Disciplinary Procedures Policy

Valid for United Kingdom

PLEASE NOTE: This policy applies to employees of Credit Suisse Securities (Europe) Limited, Credit Suisse International, Credit Suisse Services (Guernsey) Limited, **Credit Suisse Asset Management (UK) Holding Limited and Credit Suisse (UK) Limited** and employees of other Credit Suisse Group companies, who are seconded or assigned to Credit Suisse Securities (Europe) Limited or Credit Suisse International, **Credit Suisse Asset Management (UK) Holding Limited and Credit Suisse (UK) Limited** and who have been informed that this policy applies to them. It also applies to personnel seconded or assigned to London from elsewhere and UK based employees working at an overseas location. If you are unsure whether this policy applies to you, please contact your Human Resources Business Partner.

Introduction

The Company expects all its employees to maintain a high standard of both personal and professional behaviour.

Disciplinary Procedure

Purpose and Status

This disciplinary procedure is designed to ensure that employees are dealt with fairly and consistently in disciplinary and other related matters affecting their work.

This procedure is intended only as a statement of the Company's policy and management guidelines. It does not form part of your contract of employment or otherwise have contractual effect.

Stages of Procedure

Minor incidents of misconduct will be dealt with informally by an employee's line manager, but where the matter is more serious, this procedure will be followed. There are four stages to the procedure. The Company reserves the right to initiate the procedure at any stage (including Stage 4 – Dismissal), or to jump stages, depending on the circumstances of the case or the position held by the employee or his or her grade.

In particular, where an employee is deemed to have fallen below the standards required for a person at his/her grade or position, the Company reserves the right to initiate the procedure at stages 3 or 4.

Stage 1 - Verbal Warning

In a case of minor acts of misconduct, the employee will be given a verbal warning. The employee

will be advised of the reasons for the warning, the improvements required and the timescale for those improvements. It will also inform the employee of the consequences of repetition or failure to improve conduct to acceptable standards. A brief note of the verbal warning will be kept on the employee's Human Resources file. The warning shall remain in force for 12 months or a longer period of time which will be specified in the warning. The Company reserves the right to extend the duration of, or remove, the warning depending on the employee's conduct.

Stage 2 - Written Warning

In the event of more serious or further misconduct, the employee will be given a written warning. This will give details of the complaint, the improvements required and the timescale for those improvements. It will also inform the employee of the consequences of repetition or failure to improve conduct to acceptable standards. A copy of this written warning will be kept on the employee's Human Resources file. The warning shall remain in force for 12 months or a longer period of time which will be specified in the written warning. The Company reserves the right to extend the duration of, or remove, the warning depending on the employee's conduct.

Stage 3 - Final Written Warning

In the event of more serious or further misconduct, or if the misconduct is sufficiently serious to warrant only one written warning, but insufficiently serious to justify dismissal, a final written warning will be given to the employee. This will give details of the complaint, the improvements required and the timescale for those improvements. It will also warn that any further misconduct will render the employee liable to dismissal. A copy of the final written warning will be kept on the employee's Human Resources file. The warning shall remain in force for 12 months or a longer period of time which will be specified in the written warning. The Company reserves the right to extend the duration of, or remove, the warning, depending on the employee's conduct or performance.

Stage 4 - Dismissal

If conduct remains unsatisfactory and the employee still fails to reach the prescribed standards, dismissal will normally result. The Company may, however, consider other disciplinary action. If the employee is dismissed, he/she will be provided, as soon as reasonably practicable, with written confirmation of the dismissal and the date on which employment terminated or will terminate.

Other Action

At any stage in this procedure, the Company may consider taking other action, in addition to or instead of a warning or dismissal. Examples include (but are not limited to) demotion, transfer, loss of seniority or salary increment, an adjustment of or freeze on salary increases and/or the payment of a bonus under the discretionary bonus schemes operated by the Company. For the avoidance of doubt, this may include a nil award or no salary increase.

Summary Dismissal

The Company will be entitled to dismiss an employee without notice in the event of serious misconduct or some other fundamental breach of any Company rule (including the requirements of the Company's Compliance policies or the FSA Rulebook) or of the contract of employment. Examples of conduct which may render an employee liable to summary dismissal include, but are not limited to, the following:

- Assault, attempted assault or threatening behaviour

- Theft or attempted theft of either the Company's or another employee's property
- Wilful damage to, or unauthorised removal from the Company's premises of the Company's or another employee's property
- Falsification of any record
- Behaviour under the influence of drink or drugs which adversely affects others at the Company
- Insulting or indecent behaviour
- Wilfully endangering the life of any person on the Company's premises
- Harassment or bullying of, or unlawful discrimination against, another employee, an independent contractor engaged by the Company or clients of the Company
- Refusal to carry out a reasonable instruction given by an appropriate person in the Company
- Misuse of the Company's computer system, e-mail or the Internet or introduction of unauthorised computer software into the workplace
- The removal of confidential information and/or it's unauthorised communication to a third party, whether relating to the Company or any of its customers/clients
- Conduct which, in the opinion of the Company, could adversely affect the Company's reputation
- Raising concerns about purported workplace malpractice maliciously or in bad faith
- Breach of the rules of those bodies regulating the Company's business or any other relevant body or professional organisation
- Failure to meet or comply with the requirements set out in the Company's Compliance policies
- Failure to co-operate fully and honestly with internal Legal and Compliance or other investigations or formal investigations carried out by those bodies regulating the Company's business
- Failure to comply with the Company's rules on publicity which are set out in the Company's Compliance policies which includes the unauthorised release of information or documents to the media
- Securing for personal benefit or that of any third party any business from the Company's clients or other business contacts including identifying, for the purposes of recruitment by a third party, the Company's employees or contractors

Operation of the Procedure

No disciplinary action will be taken against an employee until the matter has been investigated and

considered by management. Employees may be suspended on full pay while investigations are carried out. During any period of suspension, the employee must comply with any request by the Company not to attend the Company's premises and must provide information and co-operate to assist any investigation carried out by the Company or the bodies that regulate it. Suspension is not itself a disciplinary penalty but is intended to enable the Company to investigate properly any allegations made against an employee.

Disciplinary action under the procedure will normally be taken by the employee's line manager unless the line manager has been involved in previous disciplinary action or investigations. The manager will seek assistance from the Human Resources Department at all stages of the procedure. The manager may adjourn a disciplinary meeting in order to consider the case and any representations made by the employee before making a decision.

The employee will receive advance notice of a disciplinary meeting and will be informed of the nature of the complaint. The employee will be warned of the possible penalties which may be imposed if the allegations are found to be proven. At each stage of the procedure the employee will have an opportunity to explain the alleged misconduct. The employee is entitled to ask questions, present evidence and call relevant witnesses during any disciplinary hearing.

The employee may be accompanied at the disciplinary meeting by a work colleague or appropriate trade union representative. It is the employee's responsibility to secure the attendance of the companion. The companion shall have the right to decline to attend. The right does not extend to being accompanied by a person who is not employed by the Company (other than an appropriate trade union representative) and would not therefore include a legal adviser or family member. The companion is allowed to address the hearing, to sum up and put the employee's case and to respond to views expressed at the hearing. However, the companion does not have the right to answer questions on the employee's behalf.

Appeals

An employee who wishes to appeal against a disciplinary decision should inform the EMEA Head of Human Resources in writing within ten working days of being informed of the Company's decision, setting out the full grounds of appeal. Any appeal received outside this timescale will not be considered other than in exceptional circumstances. The appeal will be decided by a manager who has had no previous involvement in the matter. The Company reserves the right to have a member of its Human Resources or Legal and Compliance departments involved in any appeal in order to advise and (where appropriate) assist.

The appeal is intended to provide the employee with an opportunity to state his/her case and to comment on any new evidence. If the employee agrees, the Company may determine an appeal on the basis of documents alone, including any additional representations or submissions which the employee wishes to make.

Following the appeal and any adjournment which the Company deems necessary, the employee will be informed of the decision, which will be final. Where appropriate, the Company will confirm to the employee in writing the results of the appeal and outline the reasons for the decision reached.

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