

AMC - The Great Visionaries (I)

in USD – 10 Years

Termsheet - Main characteristics

I. PREAMBLE

PROFESSIONALS ONLY

This Certificate may only be offered in accordance with the Selling Restrictions as set out below.

This document (Indicative Terms) will not be filed with a Swiss reviewing body or any other competent authority according to article 45 of the Swiss Federal Act on Financial Services (FinSA).

This Certificate does not represent a participation in any of the collective investment schemes pursuant to article 7 et seq. of the Swiss Federal Act on Collective Investment Schemes (CISA) and thus does not require an authorisation of the Swiss Financial Market Supervisory Authority (FINMA). Therefore, investors in this Certificate are not eligible for the specific investor protection under the CISA. Moreover, investors in this Certificate bear the issuer risk. Furthermore, this Certificate does not benefit from any depositor protection under article 37a of the Swiss Federal Act on Banks and Savings Banks (Banking Act) or other forms of deposit insurance under any other law as might be applicable to this Certificate.

This is a structured product which may involve derivatives. Prospective purchasers of this Certificate should ensure that they understand the nature of the Certificate and the extent of their exposure to risks and that they consider the suitability of the Certificate as an investment in the light of their own circumstances and financial condition. This Certificate involves a high degree of risk, including the risk of it expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their investment.

This Certificate is linked to a notional dynamic portfolio, which is actively advised in the sole discretion of the Reference Portfolio Sub-Advisor pursuant to the Reference Portfolio Description Document (Annex 1).

Terms in upper cases which are not defined herein have the meaning given to them in the Certificate Documentation.

Please contact Kepler Cheuvreux Investment Solutions for subscriptions at kcs.amc@keplercheuvreux.com
+41 22 994 13 75

II. CERTIFICATE CHARACTERISTICS

Description of the Certificates	: This Certificate (each a " Certificate " and collectively the " Certificates ") allows for participation in the performance of the Reference Portfolio, which is calculated net of relevant costs and fees, as further described below.
Reference Portfolio	: The The Great Visionaries (I) Portfolio (the "Reference Portfolio") is a USD (the "Reference Portfolio Currency") denominated reference portfolio, created, advised on, and maintained by the Reference Portfolio Advisor on the basis of advice from the Reference Portfolio Sub-Advisor in accordance with the provision in the description of the Reference Portfolio (the "Reference Portfolio Description") in Annex 1. The Reference Portfolio aims to replicate the performance of: (i) A cash position denominated in the Reference Portfolio Currency (the "Cash Position"), combined with (each of the below referred to as a "Constituent" and together the "Constituents"), (ii) long only positions in stocks (each a "Stock Constituent") comprised in the Stock Investment Universe, (iii) long only positions in exchange-traded funds (ETFs) (each an "ETF Constituent") comprised in the ETF Investment Universe, (iv) long and/or short positions in various future contracts (each a "Future Constituent") comprised in the Future Investment Universe, (v) long and/or short positions in various FX forward contracts (each an "FX Forward Constituent") comprised in the FX Investment Universe, The Cash Position together with the Constituents shall be referred to as the "Reference Portfolio Components". The performance of the Reference Portfolio will be net of the relevant fees and costs described herein.

The notional value of the Reference Portfolio on the Pricing Date is the Initial Reference Portfolio Level.

Whilst the Reference Portfolio Level and the Redemption Amount is linked to the value of the Reference Portfolio Components, the Issuer may or may not invest the proceeds of the issuance of the Portfolio Certificates in any Reference Portfolio Component at any time for the purposes of hedging its obligations under this Certificate. In the event the Issuer elects to invest the proceeds in any Reference Portfolio Component for the purpose of hedging its obligations under this Certificate, the holders of the Certificates will not have any direct interest or beneficial ownership in any Reference Portfolio Component at any time. Therefore, the holders of the Certificates do not have any voting rights in respect of any Reference Portfolio Component.

Security Numbers	:	ISIN: CH1328159566 / WKN: US8MWT / Valor: 132815956
Further Issue	:	The Issuer may, from time to time without the consent of the holders of the Certificates, issue further certificates having the same terms and conditions as the Certificates so as to form a single series and be fungible with the Certificates.
Issue Size	:	Up to 100,000 Units (with reopening clause)
Denomination	:	USD 100
Issue Price	:	USD 100 per Unit (unit quotation)
Quoting Type	:	Secondary market prices are quoted in unit price and dirty
Deleverage Event	:	A Deleverage Event will occur if, on any Weekday, the Reference Portfolio Level is equal to or lower than the Deleverage Trigger, as determined by the Calculation Agent in its sole discretion. Following a Deleverage Event, any leverage threshold (as defined in Annex 1 – Reference Portfolio Description under Section 3.1. “Portfolio Investment Restrictions”) will automatically and immediately be changed to 0%. Consequently, the Reference Portfolio will no longer allow for exposure to any Constituent other than the Cash Position for the remaining term of the Product.
Deleverage Trigger	:	50.00% of Initial Reference Portfolio Level
Initial Reference Portfolio Level	:	100.00
Settlement Currency	:	USD
Settlement	:	Cash Settlement
Currency Treatment	:	The Reference Portfolio may be exposed to Constituents denominated in currencies other than the Settlement Currency. The resulting currency exchange risks may be partially hedged through the use of FX forward contracts, at the discretion of the Reference Portfolio Advisor.
Dividend Treatment	:	In respect of any Constituents which are, or include, U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax imposed by Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended. For long positions in Stock Constituents, a notional amount reflecting net dividends of such Constituents will be reinvested into the respective Constituent on the ex-dividend date of that Constituent. Where the declaration date of a dividend for a Stock Constituent is after the ex-dividend date of the respective Constituent, a notional amount reflecting the estimated net dividend shall be used as determined by the Calculation Agent in its sole and reasonable discretion.

Should an event arise where the declared or otherwise expected dividend for a Constituent is revised following the ex-dividend date of such Constituent, the Calculation Agent shall:

- 1) make no adjustment to the net dividend that was initially reflected in the Reference Portfolio on the relevant ex-dividend date where the dividend paying Stock Constituent is incorporated in South Korea, Japan or Russia, provided that where the confirmed dividend is zero (0), then only in this case shall the Calculation Agent retain the right to adjust the dividend initially reflected in the Reference Portfolio following the ex-dividend date; or
- 2) make an adjustment to the net dividend that was initially reflected in the Reference Portfolio on the relevant ex-dividend date where the dividend paying Stock Constituent is incorporated in any other country.

Where an adjustment to the net dividend is made following the relevant ex-dividend date in accordance with the provisions above, the Calculation Agent retains the sole discretion to adjust the historical Reference Portfolio Level(s) to reflect any update, revision, subsequent declaration, or suspension which the Calculated Agent determines is material.

Dates

Launch Date : 28 February 2024

Pricing Date ("Pricing") : 28 February 2024

Issue Date / Payment Date : 06 March 2024

Last trading Day : 28 February 2034

Expiration Date (« Expiry ») : 28 March 2034 (subject to Market Disruption Events provisions, Early Termination by the Issuer, Automatic Early Termination and Unwind Disruption provisions), extendable once at the option of the Issuer for an additional 10 years period (from the initial scheduled Expiration Date stated above), with a notice period of not less than 180 calendar days prior to the scheduled Expiration Date.

With respect to the initial scheduled Expiration Date, and in case of an extension of the term, the investor may no later than 90 calendar days prior to the initial scheduled Expiration Date request in writing from the Issuer that part or all of investment in the Certificates shall be redeemed on the Redemption Date following the scheduled Expiration Date.

If the initial scheduled or extended Expiration Date is not a Constituents Business Day, then such Expiration Date shall be the first following day that is a Constituents Business Day, unless the Calculation Agent determines, in its sole and reasonable discretion, that the Expiration Date shall remain as scheduled.

Redemption Date : The 5th Business Day following the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (in any case subject to Market Disruption Event provisions).

Redemption

Redemption Amount : Each Certificate entitles the investor to receive on the Redemption Date an amount in the Settlement Currency, as calculated by the Calculation Agent, according to the following formula:

$$\text{Denomination} \times \max \left(0 ; \frac{\text{Final Reference Portfolio Level}}{\text{Initial Reference Portfolio Level}} \right)$$

Where:

"Final Reference Portfolio Level" means the Reference Portfolio Level as determined by the Calculation Agent on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date (as applicable) and subject to Unwind Disruption, as the sum of:

- i) the notional unwind proceeds as converted into the Settlement Currency where applicable, using the prevailing currency exchange rate, as determined by the Calculation Agent in its sole and reasonable discretion, that would be realized by a notional investor (in the same position as the Issuer) when selling and/or unwinding the prevailing Constituents comprising the Reference Portfolio; and

- ii) the value of the Cash Position minus any accrued but not yet deducted Rebalance Fee, RPL Fees and Performance Fees.

In the event that a notional investor (in the same position as the Issuer) would be unable to unwind its positions in the Constituents by or on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date due to the occurrence of a Market Disruption Event, market closure or otherwise, as determined by the Calculation Agent in its sole and reasonable discretion (such event an “**Unwind Disruption**”), the Issuer reserves the right to postpone the Expiration Date, the Early Termination Date or the Automatic Early Termination Date.

In the event that a notional investor (in the same position as the Issuer) may be required to unwind its positions in all Constituents over multiple days due to the occurrence of a Market Disruption Event, market closure or otherwise, then the final Expiration Date, the final Early Termination Date or the final Automatic Early Termination Date (as applicable) shall be the date on which the last Constituent may be unwound.

Please note that the Redemption Amount may be less than the initially invested capital.

Early Termination by Issuer	:	The Issuer is entitled to terminate the Portfolio Certificates early each calendar quarter (i.e. as of each 31 March, 30 June, 30 September and 31 December of each year) (the “ Early Termination Date ”) in full subject to at least 30 Business Days prior notice being given to the investors (provided in each case if such day is not a Business Day, then the immediately following Business Day shall be the Early Termination Date). The first possible Early Termination Date will be 30 June 2024. There is no early termination right for the investor in the Portfolio Certificates.
Automatic Early Termination	:	Should the Reference Portfolio Advisor cease to be or to act as the Reference Portfolio Advisor the Certificate will automatically terminate (the “ Automatic Early Termination ”) on the Weekday immediately following the date on which such event occurs (the “ Automatic Early Termination Date ”), unless the Calculation Agent determines, in its sole discretion, that the Automatic Early Termination Date shall occur on the day on which such event occurs. No notice period shall apply in that case
Reference Portfolio Level	:	Except on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the Calculation Agent shall calculate the Reference Portfolio Level in its sole and reasonable discretion in respect of each week day, subject to a Market Disruption Event (each a “Reference Portfolio Calculation Date”). The Reference Portfolio Level in respect of each Reference Portfolio Calculation Date is the sum of (i) the closing price or value of each Constituent on such Reference Portfolio Calculation Date (taking into account the number of units of each Constituent in respect of which the Reference Portfolio has exposure), and (ii) the value of the Cash Position, all of the above as determined by the Calculation Agent in its sole and reasonable discretion. For the avoidance of doubt, the value of Excess Return Index Constituents, for the purposes determining the Reference Portfolio Level, shall be equal to zero (resulting from the mark-to-market performance of Excess Return Index Constituents, being reflected in the Cash Position, as described in Annex 1). In respect of the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the Reference Portfolio Level shall be determined by the Calculation Agent in accordance with the provisions under “Redemption Amount” above.

Fees

RPL Fees	:	A total equivalent to 0.80% per annum fees will be deducted from the Reference Portfolio Level. The RPL Fees are split in 0.25% p.a. as Issuer fees, 0.35% p.a. as advisory fees and 0.20% p.a. as distribution fees.
Reference Portfolio Advisor Performance Fee (High Water Mark)	:	A fee, as defined below, levied on the positive daily performance of the Reference Portfolio, as calculated by the Calculation Agent. On any Business Day, the Reference Portfolio Advisor Performance Fee will be applied as a percentage number to the positive difference, if any, between the Gross Reference Portfolio Level in respect of the current Business Day, as calculated by the Calculation Agent and as described below, to the High Water Mark Level (“HWM”) on the Business Day immediately preceding the current Business Day, as calculated by the Calculation Agent and as further described below. The product of the Performance Fee and this difference is deducted from the

Gross Reference Portfolio Level in respect of the current Business Day to provide the Reference Portfolio Level in respect of the current Business Day:

$$RPL_t = GRPL_t - \text{Max} [PF \times (GRPL_t - HWM_{t-1}) ; 0]$$

Where:

"PF": The Performance Fee of 10.00%;

"RPL_t": The Reference Portfolio Level in respect of Business Day "t";

"GRPL_t": The Gross Reference Portfolio Level on each week day "t" is the Reference Portfolio Level as of the immediately preceding week day "t-1", adjusted for the performance of the Reference Portfolio on week day "t", net of the Reference Portfolio Fee and Adjustment Fee (if applicable) for such week day "t", and before the application or deduction of the Reference Portfolio Advisor Performance Fee for such week day, if any, as described above; and

"HWM_t": The HWM on the Pricing Date shall be 100.00% of the Initial Reference Portfolio Level. On each subsequent Business Day "t", the HWM Level shall be the greater of the HWM Level on the immediately preceding Business Day "t-1" and the Gross Reference Portfolio Level in respect of the current Business Day.

Portfolio Certificates bought in the secondary market will reflect the current High Water Mark Level. As such, if the current High Water Mark Level is above the current Reference Portfolio Level, such Portfolio Certificates will not accrue the Reference Portfolio Advisor Performance Fee until the Reference Portfolio Level is above the current High Water Mark Level.

The Reference Portfolio Advisor Performance Fee shall be accrued within, and deducted from, the Cash Position.

Rebalance Fee	: A Rebalance Fee is levied for each Rebalancing, as defined in Annex 1, made in the Reference Portfolio and represents a percentage of the volume notionally acquired or unwound in a Constituent. Unwind costs to determine the Final Reference Portfolio Level shall constitute Rebalance Fees.
	In respect of each Constituent, the Rebalance Fee is equal to:
	- Stock Constituents: 0.05% - ETF Constituents 0.05% - Futures Constituents: 0.03% - FX Forward Constituents 0.03% - Synthetic Currency Account Constituents: 0.03%
	The Rebalance Fee shall be accrued within, and deducted from, the Cash Position.
	The Rebalance Fees fully remain with the Issuer.

Detailed information on all Fees is available from Kepler Cheuvreux on request.

General Information

Issuer	: UBS AG, Zurich and Basel, Switzerland
Issuer Rating	: Aa3 Moody's / A+ S&P's / A+ Fitch This is the long term credit rating of the Issuer and it does not represent ratings of the Portfolio Certificates. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.
Issuer Supervisory Authority	: Swiss Financial Market Supervisory Authority (FINMA). London Branch additionally Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA). Jersey Branch additionally Jersey Financial Services Commission (JFSC).
Lead Manager	: UBS AG, Zurich
Calculation Agent	: UBS AG, London Branch
Paying Agent	: UBS Switzerland AG

Listing	:	None
Distributor	:	Kepler Cheuvreux (Suisse) SA
Reference Portfolio Advisor	:	Kepler Cheuvreux (Suisse) SA Please note that the Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Portfolio Certificates, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. If this is the case, investors may contact the Reference Portfolio Advisor in order to assess how such potential conflicts are mitigated.
Reference Portfolio Advisor Supervisory Authority	:	The Reference Portfolio Advisor is supervised by FINMA.
Reference Portfolio Sub-Advisor	:	Starvest Capital Sarl The Reference Portfolio Advisor has concluded with the Reference Portfolio Sub-Advisor, a sub-advisory agreement according to which all decisions regarding the Reference Portfolio will be initiated by the Reference Portfolio Sub-Advisor. Investors should note that the Reference Portfolio Sub-Advisor has not entered into a sort of contractual relationship with the Issuer for the purpose of the Certificates.
Business Days	:	Any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Zurich.
Weekday	:	Any day other than a Saturday or Sunday.
Constituent Business Day	:	Any day on which (i) in respect of a Constituent, the Exchange and Related Exchange for that Constituent are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular Weekday closing time and (ii) the Calculation Agent is open for business.
Constituents Business Day	:	Any day on which (i) in respect of all Constituents, all Exchanges and Related Exchanges are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular Weekday closing time and (ii) the Calculation Agent is open for business.
Exchange Business Day	:	In respect of an Exchange or Related Exchange, each day on which such Exchange or Related Exchange is open for its regular trading session.
Exchange	:	The primary exchange, if applicable, on which the Constituents are listed and publicly quoted and traded, as determined by the Calculation Agent from time to time.
Related Exchange	:	Means the principal exchange (if any) on which options or futures contracts relating to the Constituents are traded or quoted, as determined by the Calculation Agent.
Secondary Market	:	The Issuer intends under normal market conditions to provide prices and make a market for the Certificates. However, the price publication on Bloomberg and Telekurs as well as the execution of the secondary market orders will be provided by Kepler Cheuvreux, on the basis of prices provided by the Issuer, and in its sole discretion and on a reasonable effort basis. Investors should therefore contact Kepler Cheuvreux for any execution of secondary market transactions. There can be no assurance as to the price at which Kepler Cheuvreux would offer to execute secondary market orders. Under normal market conditions, the bid-ask spread of Kepler Cheuvreux will be 1.00%. Furthermore, under some circumstances, the secondary market may be limited and subject to wider bid offer spreads (see Liquidity Risk).
Minimum Investment	:	1 Unit(s) (subject to Selling Restrictions)

Minimum Trading Lot	: 1 Unit(s)
Clearing	: SIX SIS, Euroclear, Clearstream (registered as intermediated securities with SIX SIS AG, in Switzerland)
Form of deed	: Uncertificated Securitates
Status	: Unsecured / Unsubordinated
Governing Law / Jurisdiction	: Switzerland / Zurich
Certificate	: One USD denominated Certificate (the " Unit ") is equivalent to one (1) " Certificate ". " Certificates " wherever used herein shall be construed to mean integral multiples of the same, subject to the issue size.

Adjustments and Market Disruption Events

Adjustments to the composition of the Reference Portfolio	: Notwithstanding the Market Disruption Events provisions below, if, at any time, an event occurs in relation to a Constituent which the Calculation Agent determines requires an adjustment(s) to be made to the composition of the Reference Portfolio, then the Calculation Agent shall (i) determine which adjustment(s) are to be made to the Constituent with a view to account for the effect of the relevant event and to preserve the prevailing composition of the Reference Portfolio immediately prior to the occurrence of such event and (ii) determine the date on which such adjustment(s) shall take effect.
Market Disruption Events	: - A Market Disruption Event means, in relation to a Constituent (or an Eligible Constituent in respect of a Rebalance only), the occurrence or existence on any calendar day (other than a Saturday or Sunday) or on any number of consecutive calendar days (other than a Saturday or Sunday) any one or more of the following events: (i) a limitation, suspension, or disruption of trading in one or more of the Constituents (or component of any Constituent) imposed by the Exchange or the Related Exchange; (ii) the closing or settlement price for any Constituent (of component of any Constituent) is a "limit price", which means that the closing or settlement price for such Constituent for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable rules of the Exchange or the Related Exchange; (iii) failure by the Exchange, the Related Exchange or other price source as applicable to announce or publish the closing or settlement price in respect of any Constituent (or component of any Constituent) (iv) the Exchange or the Related Exchange fails to open for trading during its regular trading session; (v) the closure on any Exchange Business Day of any Exchange or Related Exchange in respect of a Constituent (or component of any Constituent), prior to its Scheduled Closing Time; (vi) any event (other than an early closure as described above) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for any Constituent (or any Eligible Constituent in respect of a Rebalancing only or component thereof); (vii) an FX Disruption Event has occurred; if in the determination of the Issuer or Calculation Agent, any such event is material.
Consequences of a Market Disruption Event	: - The consequences of a Market Disruption Event are as follows: (A) In the event that the Calculation Agent determines that a Constituents Business Day is a Disrupted Day with respect to a Constituent (or an Eligible Constituent in respect of a Rebalancing only) selected by the Reference Portfolio Advisor based on the Reference Portfolio Sub-Advisor advice for the purposes of a Rebalancing, then such Constituent shall not be notionally sold or purchased on the intended effective date of the relevant Rebalancing.

- (B) In the event that the Calculation Agent determines that any Reference Portfolio Calculation Date is a Disrupted Day with respect to any Constituent, then for the purposes of determining the Reference Portfolio Level as at such Reference Portfolio Calculation Date, (a) the price of each Constituent not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange and (b) the price of each Constituent affected by the occurrence of such Disrupted Day shall be determined by the Calculation Agent in its good faith estimate of the fair market value (which may be zero) of such Constituent as of such Reference Portfolio Calculation Date.
- (C) If the Calculation Agent determines that the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, is a Disrupted Day in respect of any Constituent, such date shall be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, for those Constituents which are not affected by the occurrence of a Disrupted Day while the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, for any Constituent that is affected by the occurrence of a Disrupted Day shall be postponed to the following Constituents Business Day with respect to such Constituent. If in respect such Constituent the Disruption Day is persisting for up to 8 (eight) Constituents Business Days immediately following the date scheduled to be the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, the price of such Constituent shall be determined by the Calculation Agent by reference to its good faith estimate of the value for such Constituent on that eighth Constituents Business Day.
- (D) On the occurrence of an FX Disruption Event, the value of any Constituent not denominated in the Settlement Currency shall be determined by the Calculation Agent in its sole and reasonable discretion and the Calculation Agent shall have the right to adjust the value of the Reference Portfolio to account for such FX Disruption Event.

Disrupted Day : Any day on which the Calculation Agent determines that, in relation to a Constituent or Eligible Constituent, a Market Disruption Event has occurred.

FX Disruption Event : An FX Disruption Event means (i) an event that generally makes it illegal, impossible, impractical or inadvisable to convert 1 (one) unit of the currency in which any non-USD denominated Constituent is denominated (the "**Denomination Currency**") into the Settlement Currency, or an event that generally makes it impossible to deliver the Settlement Currency from accounts in which they are held to accounts outside of the jurisdiction of the Denomination Currency; (ii) the general unavailability to exchange the Settlement Currency at a spot rate (applicable to the purchase of the Settlement Currency for the Denomination Currency) in any legal currency exchange market in the principal financial centre for the Denomination Currency, if, in the determination of the Calculation Agent, the occurrence of any such events is material; or (iii) the government of a relevant Constituent gives public notice of its intention to impose any capital controls which the Calculation Agent determines in good faith are likely to materially affect the Issuer's ability to hedge its position under the Certificate.

Price Source Disruption Event : It may become impossible to obtain the price or level of one or more Constituents during the lifetime of the Certificate and/or on the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, due to one or more of the price sources normally used in the relevant market for the Constituents being unavailable because an unscheduled bank closure is declared on short notice in the relevant country or due to the occurrence of any other disruption (each a "**Price Source Disruption Event**"). The Calculation Agent will determine in its sole and reasonable discretion whether a Price Source Disruption Event has occurred.

A Price Source Disruption Event may lead to (i) a postponement of the Expiration Date, the Early Termination Date or the Automatic Early Termination Date, as applicable, and therefore of the Redemption Amount, (ii) to the use of an alternative source for the relevant Constituent level and/or (iii) to the unilateral determination of the applicable Constituent level by the Calculation Agent.

Such postponement, use of alternative price source and/or determination of the applicable Constituent level by the Calculation Agent may affect, materially or otherwise, the Redemption Amount which the investor will receive.

Reference Rate Adjustment Event : A Reference Rate Adjustment Event is deemed to have occurred if a Reference Rate Component (i) has ceased to be, or will cease to be, available, (ii) is one which a relevant regulatory supervisor has determined is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such rate is intended to measure, or (iii) is no longer suitable for the purpose of determining the Reference Rate taking

into account the accrual rate or cost of financing incurred or charged by the Issuer, in each case as determined by the Calculation Agent in its sole discretion.

Tax Treatment Switzerland

Swiss Federal Stamp Duty : The Certificate does not qualify as a taxable security (TK 24/3).

Swiss Federal Income Tax : For private investors resident in Switzerland this Certificate is treated analogous to a share in a reinvesting collective investment vehicle. The taxable income per share will be determined and will be reported to the Swiss Federal Tax Administration annually for publication in the list of tax values (Kursliste).

Closing date (for Swiss tax purposes): January 1, for the first time January 1, 2024.

Swiss Withholding Tax : The Certificate is not subject to the Swiss Withholding Tax.

The tax information only provides a general overview over the Swiss tax consequences linked to this Certificate based on the tax laws and the practice of the tax administration at the time of issue. Tax laws and the practice of tax administrations may change, possibly with retroactive effect.

Significant Risks for Investors

Investors in this Certificate should be experienced investors and familiar with both derivative products and the financial markets. Potential investors should understand the risks associated with an investment in the Certificate and shall only reach an investment decision after careful considerations with their legal, tax, financial and other advisors of (i) the suitability of an investment in the Certificate in the light of their own particular financial, fiscal and other circumstances (ii) the information set out in this document and (iii) the Underlying(s).

In addition to the market risk with regard to the development of the Certificates, each investor bears the general risk that the financial situation of the Issuer could deteriorate ("**Issuer Risk**"). The Certificates constitute immediate, unsecured and unsubordinated obligations of the Issuer, which, particularly in case of insolvency of the Issuer, rank *pari passu* with each and all other current and future unsecured and unsubordinated obligations of the Issuer, with the exception of those that have priority due to mandatory statutory provisions. The general assessment of the Issuer's creditworthiness may affect the value of the Certificates. This assessment generally depends on the ratings assigned to the Issuer or its affiliated companies by rating agencies such as Moody's, Fitch and Standard & Poor's. The Issuer Rating indicated in this document reflects the situation at the time of issuance and may be subject to change. The actual Issuer Rating at any given time can be seen on the Issuer's website (www.ubs.com) under "Investor Relations".

In addition to the risk factors below, further risk factors are set out in the UBS Swiss Base Prospectus for the Issuance of Securities.

Risks & Additional Information

Capital Protection (at Expiry) : None

Risk Potential in comparison to a direct investment in the Reference Portfolio : The risk potential is similar to a direct investment in the assets contained in the notional Reference Portfolio.

Issuer Call right : Yes; additionally, an Automatic Early Termination may occur.

Deleverage Event : Applicable

Investors should be aware that upon the occurrence of a Deleverage Event, the Reference Portfolio and therefore the Product will no longer allow for any exposure to any Constituents. **As a result, the Product will track the Reference Portfolio wherein no exposure to the Constituents will be allowed for the remaining term of the Product.**

Currency Risk : As the Settlement Currency is different from the currency in which some or all assets contained in the notional Reference Portfolio are denominated, the value of this Certificate is exposed to the corresponding currency exchange rates.

Extraordinary Termination Risk : The Issuer may terminate and redeem the Certificate prior to the Expiration Date in accordance with the Certificate Documentation. In case of such extraordinary termination, the Issuer shall pay to the investors an extraordinary termination amount as determined by the Calculation Agent which is equivalent to the market value of the Certificate, less any costs. Potential investors should note that the extraordinary termination amount may deviate from and may be considerably below the amount which would be payable pursuant to the final redemption provisions on the date that would have otherwise been the scheduled Redemption Date if such termination did not occur. Investors are not entitled to request any further payments after the termination of the Certificate.

Risks specific to exchange traded funds : Regarding the performance of exchange traded funds (ETFs), investors should also note the following risks specific to ETFs:

- (i) market risk: Investment aim of most ETFs is to track the performance of indices, market sectors, or groups of assets such as stocks, bonds or commodities. Investors are subject to risk of loss and volatility associated with the underlying index/assets. The net asset value (NAV) of the ETF will change with changes in the market value of the underlying securities or other assets it holds and such changes may be amplified or inverse in the case of leveraged or inverse ETFs.
- (ii) tracking error risk: The performance of the ETFs may deviate from the underlying index, market sectors or assets. This may be due to the impact of fees and expenses incurred to the ETFs, currency differences, the replication strategy of the ETF, and/or the failure of such strategy.
- (iii) counterparty risk: If the ETF uses a synthetic replication strategy by entering into swaps or other derivatives transactions to gain exposure to the index or assets it tracks, investors are exposed to the risk that such counterparties may default on their obligations which may expose the ETF to greater losses than if the ETF invested only in conventional securities. There is always a risk that the market value of any collateral held by such ETF has deteriorated and is substantially below the amount secured by such collateral and thus, resulting in significant loss to the ETF.
- (iv) foreign exchange risk: Assets and securities of an ETF may be denominated in a currency that differs from the currency in which the ETF's NAV and/or the Product is denominated. Accordingly, any fluctuation in the relevant currency exchange rates will affect the value of the underlying securities and assets of the ETF as well as the NAV of the ETF, which in turn may affect the market value of the Product.
- (v) liquidity risk: The ETF may be less liquid than the underlying securities it tracks and as a result, an investor could be exposed to greater liquidity risk in the event of early termination than if the Product is linked directly to the underlying securities.
- (vi) trading at discount or premium: An ETF may be traded at discount or premium to its NAV and such price discrepancy is caused by supply and demand factors. This may arise during the periods of high market volatility and in particular, where index/market that the ETF tracks is subject to direct investment restrictions.

Similar risks to a direct investment in futures contracts : The Products aim inter alia to replicate, directly and/or indirectly, the performance of long and/or short positions in selected futures. Consequently, an investment in the Products, to a certain extent, is subject to market risks similar to direct investment in such a futures contract. Futures prices can differ substantially from the spot price of the underlying financial instrument (e.g. shares, indices, interest rates, currencies) or underlying commodity and precious metal (e.g. oil, wheat, sugar, gold, silver). Investors must be aware of the fact that the futures price and, accordingly, the value of the Products does not always move in the same direction or at the same rate as the spot price of such underlying. Therefore, the value of the Products can fall substantially even if the spot price of the relevant underlying of the futures contract remains stable or rises.

Contango and backwardation:

The prices of the longer-term and the shorter-term futures contract can differ even if all other contract specifications are the same. If the prices of longer-term futures contracts are higher than the price of the shorter-term futures contract to be exchanged (so-called contango), the number of futures contracts held is reduced with the roll-over. Conversely, if the prices of short-term futures are higher (so-called backwardation), the number of futures contracts held is increased with the roll-over (without taking into account roll-over expenses). In addition, expenses for the roll-over itself are incurred. This may result in a negative effect for the value of the Products and the redemption.

Illiquidity Risk in Secondary Market : Potential investors therefore should not rely on the ability to sell this Certificate at a specific time or at a specific price. Potential investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Certificate. In special market situations, the spread between the bid and offer prices in the secondary market may be temporarily expanded. Hence, investors might sell at a price considerably lower than the actual price of the Certificate at the time of its sale. By selling the Certificate in the secondary market investors may receive less than the capital invested.

Potential investors also understand that no active or liquid market is expected to exist to enable sales of the Certificate between or among holders. Furthermore, no third party is expected to quote prices. In addition, the price of the Certificate may be dependent upon information known only to Kepler Cheuvreux. As such, potential Investors should understand that they may be unable to transfer the securities for value without the cooperation of Kepler Cheuvreux, which may not be provided.

In case of a secondary market transaction, there is a possibility that costs, including taxes, related to or in connection with the Certificate may arise for investors that are not paid by Kepler Cheuvreux, the Issuer or imposed by the Issuer or Kepler Cheuvreux.

Risk relating to leverage : Investors should be aware that the inclusion of leverage will amplify gains or losses. Leverage has the effect of increasing the volatility of an investment. Investors should be aware this Product may have a gross exposure (equal to the sum of the Exposures) that may be greater than the Denomination of the Product.

Illiquidity Risk in Secondary Market : The Issuer or the Lead Manager, as applicable, intends, under normal market conditions, to provide bid and/or offer prices for this Product on a regular basis. However, the Issuer or the Lead Manager, as applicable, makes no firm commitment to provide liquidity by means of bid and/or offer prices for this Product, and assumes no legal obligation to quote any such prices or with respect to the level or determination of such prices.

Potential investors therefore should not rely on the ability to sell this Product at a specific time or at a specific price. Potential investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Product. In special market situations, where the Issuer is completely unable to enter into hedging transactions, or where such transactions are very difficult to enter into, the spread between the bid and offer prices in the secondary market may be temporarily expanded, in order to limit the economic risks of the Issuer. Hence, investors might sell at a price considerably lower than the actual price of the Product at the time of its sale. By selling the Product in the secondary market investors may receive less than the capital invested.

Potential investors also understand that no active or liquid market is expected to exist to enable sales of the Product between or among holders. Furthermore, no third party is expected to quote prices or otherwise make a market for this Product. In addition, the price of the Product may be dependent upon information known only to the Issuer and/or Lead Manager. As such, potential Investors should understand that they may be unable to transfer the securities for value without the cooperation of the Issuer and/or Lead Manager, which may not be provided.

In case of a secondary market transaction, there is a possibility that costs, including taxes, related to or in connection with the Product may arise for investors that are not paid by the Issuer or imposed by the Issuer.

Market Disruption risk : Investors are exposed to Market Disruption Events (such as trading disruption, exchange disruption and early closure of the relevant exchange), which could have an impact on the redemption amount through delay in payment, change in value or suspension of trading in the Certificate in the secondary market.

Calculation Agent's Discretion : The Calculation Agent has a broad discretionary authority to make various determinations and adjustments under the Certificates, any of which may have an adverse effect on the value and/or the amounts payable under the Certificates. Prospective investors should be aware that any determinations made by the Calculation Agent may have an impact on the value and financial return of the Certificates. Where the Calculation Agent is required to make a determination it may do so without taking into account the interests of the holders of the Certificate.

Risk relating to Reference Portfolio Advisor's Discretion : The performance of the Certificate is largely dependent on the skill and decisions made by the Reference Portfolio Sub-Advisor, communicated to the Reference Portfolio Advisor. Decisions made by the Reference Portfolio Sub-Advisor may not always be profitable and therefore may have a material adverse impact on the value of this Certificate. Moreover, past performance

of other certificates managed by the Reference Portfolio Sub-Advisor does not guarantee future positive performance of this Certificate.

The Issuer does not guarantee the quality, experience, track record or performance of the Reference Portfolio Advisor and the Reference Portfolio Sub-Advisor. The Issuer is not in any manner responsible or liable for any loss resulting from the performance of the Reference Portfolio Advisor and the Reference Portfolio Sub-Advisor. The Issuer does not imply its endorsement or recommendation of the Reference Portfolio Advisor and of the Reference Portfolio Sub-Advisor and the Certificate.

One or more key individuals employed by the Reference Portfolio Sub-Advisor play a key role in the delivery of services provided to the Reference Portfolio Advisor, and accordingly the unexpected departure or absence of such individual(s) may materially affect the Reference Portfolio Sub-Advisor's ability to deliver such services, including in respect of the services it provides in connection with this Certificate.

Withholding Tax

: Investors in this Certificate should note that any payment under this Certificate may be subject to withholding tax (such as, inter alia, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). **Any payments due under this Certificate are net of such tax.**

Regarding 871(m) investors should note that a 30% withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2020.

The Issuer will treat the Certificates as specified equity-linked instruments that are subject to withholding on dividend equivalents. The Issuer will withhold 30% in respect of dividend equivalents paid or deemed paid on the Certificates and will not pay any additional amounts with respect to any such taxes withheld. In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax as referenced under the section "Dividend Treatment" above. The Issuer hereby notifies each holder that for purposes of Section 871(m), the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Certificates on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and Revenue Procedure 2017-15 §3.03(B), as applicable. Investors in the Certificates should consult their own tax advisors regarding the application of the

withholding tax to their Certificates and the availability of any reduction in tax pursuant to an income tax treaty. No assurance can be given that investors in the Certificates will be able to successfully claim a reduction in tax pursuant to an income tax treaty.

Please refer to the Certificate Documentation for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.

Certificate Documentation

This document ("**Indicative Terms**") is an informative document (not a solicitation document) ~~a marketing material~~ and contains the non-binding indicative terms for the Certificate. The final terms issued by the Issuer ("**Final Terms**") contains the final terms for the Certificates. This document and the Final Terms have not been prepared in accordance with the Swiss Federal Act on Financial Services (**FinSA**) pursuant to article 35 et seq. FinSA. In this regard, but not limited to, article 69 FinSA shall not apply to the defined information within this document accordingly. The Indicative Terms contain indicative terms and conditions subject to change. The Final Terms will be made available on the Issue Date.

The Final Terms together with the 'UBS Swiss Base Prospectus for the Issuance of Securities', stipulated in English and as amended from time to time, ("**Base Prospectus**") shall form the entire documentation for this Certificate ("**Certificate Documentation**"), and accordingly the Indicative Terms and the Final Terms should always be read together with the Base Prospectus and any supplements thereto. Definitions used in the Indicative Terms or the Final Terms, but not defined herein shall have the meaning given to them in the Base Prospectus.

The Certificate Documentation and if available the Key Information Document, can be obtained free of charge via e-mail (kcs.amc@keplercheuvreux.com). Notices in connection with this Certificate shall be validly given by publication as described in the Base Prospectus. Furthermore, for clients outside of the United Kingdom, any changes with regard to the terms of this Certificate shall be communicated by e-mail by kcs.amc@keplercheuvreux.com.

Upon the replacement of the Base Prospectus by a successor version of the Base Prospectus the Indicative Terms and the Final Terms are to be read together with the latest valid successor version of the Base Prospectus (each, a "**Successor Base Prospectus**") which has succeeded either (i) the Base Prospectus, or (ii) if one or more Successor Base Prospectuses to the Base Prospectus have already

been published, the most recently published Successor Base Prospectus, and the term "Certificate Documentation" shall be interpreted accordingly.

The Issuer consents to the use of the Base Prospectus (including any Successor Base Prospectus) together with the relevant Final Terms in connection with a public offer of the Certificates by any financial intermediary that is authorised to make such offers.

Important Information

The information herein is communicated by Kepler-Cheuvreux ("KECH"). UBS AG, acting as the Issuer for the Certificates and/or its affiliates ("UBS"), have neither reviewed nor approved this material and assume no liability for the content of it.

KECH or UBS may from time to time, as principal or agent, have positions in, or may buy or sell, or make a market in any securities, currencies, financial instruments or other assets underlying the Certificate to which this document relates. KECHE or UBS may provide investment banking and/or other services to and/or have officers who serve as directors of the companies referred to in this document. UBS' trading and/or hedging activities related to this Certificate may have an impact on the price of the underlying asset(s) and may affect the likelihood that any relevant barrier(s) is/are crossed. KECHE and UBS has policies and procedures designed to minimise the risk that officers and employees are influenced by any conflicting interest or duty and that confidential information is improperly disclosed or made available.

Structured transactions are complex and may involve a high risk of loss. Prior to entering into a transaction, investors should consult with their own legal, regulatory, tax, financial and accounting advisors to the extent they consider it necessary, and make their own investment, hedging and trading decisions (including decisions regarding the suitability of this transaction) based upon their own judgement and advice from those advisers they consider necessary. Save as otherwise expressly agreed in writing, KECHE or UBS are not acting as the investor's financial adviser or fiduciary in any transaction.

This document should not be construed as an offer, personal recommendation or solicitation to conclude a transaction and should not be treated as giving investment advice. The terms of any investment in the Certificate to which this document relates will be exclusively subject to the detailed provisions, including risk considerations, contained in the Certificate Documentation.

KECH or UBS make no representation or warranty relating to any information herein which is derived from independent sources. This document shall not be copied or reproduced without KECHE prior written permission.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Certificates described herein, save where explicitly stated in the Certificate Documentation for further information. The Certificates must be sold in accordance with all applicable selling restrictions in the jurisdictions in which they are sold.

There is a possibility that costs, including taxes, related to transactions in connection with this Certificate may arise for investors that are not paid by UBS or imposed by it. Please refer to the Certificate Documentation for further information.

III. IMPORTANT INFORMATION

Selling Restrictions

Any Certificates purchased by any person for resale may not be offered in any jurisdiction in circumstances which would result in the Issuer being obliged to register any further documentation relating to this Certificate in such jurisdiction. The restrictions listed below must not be taken as definitive guidance as to whether this Certificate can be sold in a jurisdiction. Additional restrictions on offering, selling or holding of this Certificate may apply in other jurisdictions. Investors in this Certificate should seek specific advice before on-selling this Certificate

European Economic Area

In relation to each Member State of the European Economic Area (each, a "**Member State**"), an offer of the Certificates to the public in a Member State may only be made in accordance with the following exemptions as set out in the Regulation (EU) 2017/1129 (as may be amended or replaced from time to time) (the "**Prospectus Regulation**"):

- (a) Qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) Fewer than 150 offerees: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation);
- (c) An offer of Certificates addressed to investors who acquire Certificates for a total consideration of at least EUR 100,000 per investor, for each separate offer; and/or
- (d) Other exempt offers: at any time in any other circumstances falling within Article 1 (4) of the Prospectus Regulation, provided that no such offer of Certificates referred to in (a) to (d) above shall require the publication of a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "offer of Securities to the public" in relation to any Certificates in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe the Certificates.

The aforementioned restrictions shall not apply for jurisdictions specified in the section "Public Offering" under "General Information" above.

Switzerland

Switzerland – The offering of the Certificates in Switzerland is exempt from the requirement to prepare and publish a prospectus pursuant to the Swiss Federal Act on Financial Services (**FinSA**). No part of the Certificate Documentation or the Indicative Terms has been reviewed or approved by or filed with a review body pursuant to article 52 FinSA. The Certificates may only be offered, sold or otherwise made available to professional clients as defined in article 4 para. 3 and article 5 of FinSA.

United Kingdom

An offer of the Certificates to the public in the United Kingdom may only be made in accordance with the following exemptions as set out in the UK Prospectus Regulation and/or FSMA (as applicable):

- (a) Qualified investors: at any time to any person which is a qualified investor as defined in the UK Prospectus Regulation;
- (b) Fewer than 150 offerees: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation);
- (c) Other exempt offers: at any time in any other circumstances falling within section 86 of the FSMA, provided that no such offer of Securities referred to in (a) to (c) above shall require the publication of a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of the forgoing provisions, the expression an "offer of Securities to the public" in relation to any Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities; the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended) (the "EUWA"); and "FSMA" means the Financial Services and Markets Act 2000.

Hong Kong

Each purchaser has represented and agreed that it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

This is a structured product which involves derivatives. Do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in the Certificate, you may clarify with the intermediary or seek independent professional advice.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Certificates may not be circulated or distributed, nor may the Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore as modified and/or amended from time to time (the "SFA")), (ii) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to section 275(1),) of the SFA, or any person pursuant to Section 275(1A),) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Certificates are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Certificates pursuant to an offer made under Section 275 of the SFA except:
 - (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
 - (2) where no consideration is or will be given for the transfer;
 - (3) where the transfer is by operation of law;
 - (4) as specified in Section 276(7) of the SFA; or
 - (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Pursuant to section 309B(1)(c) of the SFA, the Issuer hereby notifies the relevant persons (as defined in the SFA) that the Certificates are classified as "capital markets certificates other than prescribed capital markets certificates" (as defined in the SFA and the Securities and Futures (Capital Markets Certificates) Regulations 2018) and "Specified Investment Certificates" (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Certificates and MAS Notice FAA-N16: Notice on Recommendations on Investment Certificates).

DIFC (Dubai)

This document relates to an Exempt Offer in accordance with the Markets Rules of the Dubai Financial Services Authority ("DFSA"). This document is intended for distribution only to persons of a type specified in those Rules. It must not be delivered to, or relied on, by any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The Certificates to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Certificates offered should conduct their own due diligence on the Certificates. If investors do not understand the contents of this document you should consult an authorised financial adviser.

South Africa

The Certificates may not be offered or sold in South Africa except, in accordance with the Companies Act, the Banks Act, 1990, the Exchange Control Regulations and/or any other applicable laws or regulations of South Africa in force from time to time. In particular, without limitation, the Certificate Documentation does not, nor is it intended to, constitute a registered prospectus (as that term is defined in the Companies Act). The Certificates will not be offered for subscription to any single addressee acting as principal for an amount of less than ZAR 1,000,000

USA

The Certificates have not been and will not be registered under the United States Securities Act of 1933, as amended ("Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons, as defined in the clause (ii) in the below paragraph. Unless otherwise defined herein, terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Upon the purchase of the Certificate, each investor or holder of the Certificate is deemed to represent to the Issuer that: i) it understands that the Certificates have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons; ii) it is not a "United States person," as that term is defined under section 7701(a)(30) of the United States Internal Revenue Code of 1986; and iii) it, or any subsequent purchaser or transferee of the Certificates, will not reoffer, resell or pledge, the Certificates or otherwise transfer any interest therein to a United States person, as defined in clause (ii) above. For the purposes of this clause (ii) a United States person shall include pass-thru entities with at least one owner that meets the definition of United States person under section 7701(a)(30) of the United States Internal Revenue Code of 1986.

Risk Factors

Investors need to read and understand the risk factors below in addition to the risk factors section of the UBS Swiss Base Prospectus for the Issuance of Securities. Investors need to read and understand

Investing in the Certificate involves substantial risks, including without limitation, principal, interest rate, currency, credit, political, liquidity and market risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Certificate. The description of risks and special considerations below does not purport to be exhaustive and prospective investors should consider all the information set forth in the Base Prospectus in addition to the risk factors set out below.

Each of the Guarantor (if any), the Issuer and KECH disclaim any responsibility to update prospective investors in relation to such risks subsequent to the date hereof. Prospective purchasers of the Certificate should ensure that they understand the nature of the Certificate and the extent of their exposure to risks and should reach an investment decision after careful consideration with their tax, accounting and legal advisers of the suitability of the Certificate in light of their particular financial circumstances, financial condition and investment objectives. Investment in the Certificate may not be suitable for all investors. The Issuer reserves the right not to issue the Certificate in its sole and absolute discretion.

Investors should also refer to "Risk Factors" set out in the Documentation.

Credit Risk of the Issuer and Guarantor (if any)

As the Certificate constitute obligations of the Issuer and Guarantor (if any), investors are exposed to their credit risk during the life of the Certificate. The Issuer's and the Guarantor's credit ratings are an assessment of their ability to pay their obligations. Consequently, real or anticipated changes in the Issuer's or the Guarantor's (if any), credit rating and/or fluctuations in the prevailing credit spread of their issued debt may affect the trading value of the Certificate. However, because the return on the Certificate is dependent upon factors

in addition to the Issuer's and the Guarantor's (if any), ability to pay their obligations under the Certificate, an improvement in the Issuer's or the Guarantor's (if any), credit ratings will not reduce the other investment risks related to the Certificate.

No assurance can be given as to what the financial condition of the Issuer and the Guarantor (if any), will be at any time during the term of the Certificate or the Maturity Date. The Guarantor (if any), could incur losses in future periods as a result of various factors including increased market volatility or decreased market liquidity, which may adversely impact the valuation of its trading and investment positions as more fully described in the Base Prospectus.

If the Issuer or Guarantor (if any), were to become insolvent, your investment would be at risk and you could lose all or some of the money you initially invested. The Certificate are not backed, guaranteed or protected by any financial protection or compensation scheme. For the avoidance of doubt, the Issuer will use the proceeds of this Certificate issuance for its general corporate purposes as described in the Base Prospectus.

The Certificates may not be a suitable investment for all investors

The Certificates may not be a suitable investment for all investors. Each potential investor in the Certificates must determine the suitability of that investment in light of its own circumstances.

The Certificates are complex financial instruments. A potential investor should not invest in the Certificates which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how such Certificates will perform under changing conditions, the resulting effects on the value of the Certificate, and the impact this investment will have on the potential investor's overall investment portfolio.

Neither the Issuer, the Guarantor (if any), nor KECH is responsible for the legality and/or suitability of the purchase of the Certificates by a prospective investor (whether it is acquiring the Certificates as principal or in a fiduciary capacity) or for compliance by that prospective purchaser with any law, regulation, rule, directive or policy applicable to it. A prospective investor may not rely on the Issuer, the Guarantor (if any), or Kepler Cheuvreux when making determination in relation to these matters.

Early Redemption of the Certificates may affect the return on the Certificate and result in substantial losses to holders

The Certificates may be redeemed prior to the Maturity Date upon certain circumstances as described herein, including as a result of an Adjustment Event, Tax Redemption Event or an election by the Issuer or the Holders' to redeem the Certificates prior to the Maturity Date. Upon any early redemption of the Certificates, the redemption amount shall be calculated in accordance with the Prospectus or as otherwise specified in the Final Terms. The redemption amount may be substantially less in value than the Nominal of the Certificates and may in certain circumstances, be equal to zero. Accordingly, the Certificates are only suitable as an investment from investors who are able to understand the financial risks associated with any early redemption and willing to withstand the consequences it may have on their initial investment, in particular the risk to incur a substantive loss.

Value of the Certificate prior to the Maturity Date

The value of the Certificate will be affected by many factors including, but not limited to, the complexity and volatility of the Underlying, time remaining to the Maturity Date, interest rates, and dividend yield. Furthermore, value of the Notes may be particularly affected by the credit risk of the Issuer and Guarantor (if any), and Liquidity Risk as described below. The effect of one factor may offset the increase in the value of the Certificate caused by another factor and the effect of one factor may exacerbate the decrease in the value of the Certificate caused by another factor.

An investor may lose some or all of its investment if it seeks to sell the relevant Certificate prior to their scheduled settlement/maturity and the sale price of the Certificate in the secondary market is less than the investor's initial investment

Value of the Certificate on the Maturity Date

The return on the Certificate will be determined by the Calculation Agent in its sole and absolute discretion and consequently, such determination may not reflect the return the investor would realise if they actually owned the Underlying or the components thereof.

An investor will not be a beneficial owner of the Constituent and will not be entitled to any voting rights or other control rights to which holders of the Constituent thereof would be entitled.

If capital of the Certificate is not guaranteed: Redemption price may vary according to the price of the Reference Portfolio on the last valuation date and can result in investors sustaining a total loss of the purchase price of the Certificate if the price of the Reference Portfolio does not move in the anticipated direction. This risk is unrelated to the financial creditworthiness of the Issuer and Guarantor (if any),.

If capital of the Certificate is protected (in whole or part): the relevant portion of principal of the Certificate will, to the extent specified in the Final Terms, not be at risk of loss as a result of any fluctuations in value of the Reference Portfolio to which the Certificates are linked. The Certificate will only be expected to provide the return on the relevant portion of principal upon their maturity. The amount of interest or other non-principal amount payable in respect of the Certificate may be dependent on the performance of the Reference Portfolio to which the Certificate are linked and is not protected as described in relation to principal. Holders may receive no return on their investment during its term.

No provision of advice

Neither the Issuer, the Guarantor (if any), nor KECH is or shall be deemed to be a source of advice, information or analysis with respect to any Underlying. In particular, neither this Indicative Term Sheet, the Final Terms nor the Prospectus constitutes an investment advice or recommendation to subscribe in the Certificate.

Each investor shall be deemed (i) to acknowledge its understanding and acceptance of the matters set out herein, (ii) to have made its own examination and assessment of the Certificate or the Reference Portfolio, (iii) not to have relied on any representation of the Issuer, the Guarantor (if any), or KECH regarding the Certificate and (iv) not to have received any information from the Issuer, the Guarantor (if any), or KECH regarding the Certificate or the Reference Portfolio.

Each investor in the Certificate should determine for itself the relevance and adequacy of the information contained in, or referred to in, this Indicative Terms, the Final Terms and the Prospectus and its purchase of Certificate should be based upon such investigation as it deems necessary. All information herein and under the Certificate is derived from publicly available information and neither the Issuer, the Guarantor (if any), nor KECH has separately and independently verified and will separately and independently verify any such information. Neither the Issuer, the Guarantor (if any), nor KECH undertakes to review the performance or value of the Reference Portfolio during the life of the Certificate or to advise any investor or prospective investor in the Certificate of any information coming to the attention of the Issuer and/or the Guarantor (if any),. Neither the Issuer, the Guarantor (if any), nor KECH makes any representation, warranty, or guarantee (express or implied) regarding (i) the accuracy, completeness or adequacy of the information relating to any Certificate or (ii) the performance thereof.

Each investor in the Certificate shall be deemed to acknowledge its understanding and acceptance on the date on which it purchases the Certificate that it is acting for its own account, and it has made its own independent decisions to purchase the Certificate and as to whether such a purchase or holding is appropriate or proper for it based upon its own judgment and upon advice from such advisers as it has deemed necessary; that it is not relying on any communication (written or oral) of the Issuer, the Guarantor (if any), or KECH as investment advice or as a recommendation to purchase the Certificate or a direct or indirect interest (including by way of participation) in the Certificate; and that it is capable of assessing the (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of purchasing or holding the Certificate (or a direct or indirect interest (including by way of participation) in the Certificate). Neither the Issuer, the Guarantor (if any), and not KECH thereof is acting as a fiduciary for or an adviser to it in respect of the Certificate or any direct or indirect interest (including by way of participation) in the Certificate.

Fees

Fees and Commissions will be payable in relation to these Certificate. Detail of those fee and commissions are available to you upon request.

Annex 1 – Reference Portfolio Description Document

1. General information about the Reference Portfolio

As described in the "**Description of the Certificate**" of this document, the **Reference Portfolio** is a notional reference portfolio (denominated in the Reference Portfolio Currency), actively created, advised on, and maintained by the **Reference Portfolio Advisor**, based on advice from the Reference Portfolio Sub-Advisor.

The Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor has created the Reference Portfolio by selecting the initial Constituents (the "**Initial Constituents**") on the Pricing Date. The Initial Constituents are listed in Section 4 of the Annex below.

The Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor is responsible for adjusting the composition of the Reference Portfolio from time to time thereafter (any such adjustment a "**Rebalancing**") in accordance with Section 5 below. Certain limitations apply as to the composition of the Reference Portfolio from time to time as described in such section and as well in Section 3 of the Annex below.

The level of the Reference Portfolio (the "**Reference Portfolio Level**") is calculated in the Reference Portfolio Currency, net of fees and costs associated with the creation, maintenance and rebalancing of the Reference Portfolio, as described Sections "**Description of the Certificate**" and "**Fees**" of this document.

2. Reference Portfolio Investment Universe

The Reference Portfolio, whose composition may vary from time to time, is actively advised by the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor and represents a notional investment in the Reference Portfolio Components. The Reference Portfolio Sub-Advisor may advise the choice of any securities, assets, exposures or contracts that are part of the Investment Universes described below for inclusion in the notional Reference Portfolio (with such securities, assets, exposures or contracts becoming "Constituents" after inclusion in the Reference Portfolio) in its sole and reasonable discretion pursuant and subject to the provisions contained in this document. The Calculation Agent may retain the right to reject the inclusion of any Eligible Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 3 ("**Investment Restrictions**") or Section 5 ("**Rebalancing of the Reference Portfolio**").

The universes below shall together be referred to as the "**Investment Universes**". In respect of the Investment Universes, all securities, assets, exposures or contracts which are eligible for inclusion in the Reference Portfolio shall collectively be referred to as "**Eligible Constituents**".

2.1 Stock Constituents

The Reference Portfolio may reference as Stock Constituents long only positions in stocks from the universe described below (the "**Stock Investment Universe**").

Only Developed Market (as defined in the most recent MSCI Global Investable Market Indexes Methodology) worldwide stocks which have a minimum market capitalisation of USD 1,000,000,000 (converted into USD, where applicable, at the then prevailing exchange rate, as determined by the Calculation Agent) may be incorporated as Stock Constituents in the Reference Portfolio, subject to the Issuer's ability to access and offer such stocks, as determined by the Calculation Agent in its sole discretion.

The Reference Portfolio may also include stocks which are American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs) (except for ADRs and GDRs whose parent company is in, or country of incorporation is, Russia), subject to the Issuer's ability to access and offer such stocks at a commercially reasonable cost to the Issuer, as determined by the Calculation Agent in its sole discretion.

In respect of the dividend treatment of Stock Constituents, refer to the section "**Product Details**".

2.2 Future Constituents

The Reference Portfolio may reference as Futures Constituents long and/or short positions in equity, index futures markets from the universe described below (the "**Futures Investment Universe**").

Only futures markets linked to a benchmark equity indices, a Developed Market (as defined in the most recent MSCI Global Investable Market Indexes Methodology) equity index may be incorporated as long and/or short Futures Constituents in the Reference Portfolio, subject to the Issuer's ability to access and offer such futures markets at a commercially reasonable cost to the Issuer, as determined by the Calculation Agent in its sole discretion.

In the absence of other instructions from the Reference Portfolio Advisor, a Futures Constituent will be closed out automatically no earlier than 3 Constituent Business Days before the earlier of the last trading day or first notice day of the respective Futures Constituent. Such automatic close out shall count as a Rebalancing. Futures Constituents will be cash settled.

For the avoidance of doubt, the first notice day of a Futures Constituent is the first day on which an exchange may assign or notify physical delivery of the underlying of the Futures Constituent to the relevant parties and the last trading day is the last day a Futures Constituent may be traded on such exchange, in all cases as determined by the Calculation Agent.

2.3 ETF Constituents

The Reference Portfolio may reference as ETF Constituents long only positions in certain ETFs from the universe described below (the "ETF Investment Universe").

Only ETFs that are physically replicated, exposed to Developed Market (as defined in the most recent MSCI Global Investable Market Indexes Methodology) worldwide stocks or benchmark indices and with assets under management greater or equal to USD 100 million may be incorporated as long only ETF Constituents in the Reference Portfolio, subject to the Issuer's ability to access and offer such ETF at a commercially reasonable cost to the Issuer, as determined by the Calculation Agent in its sole discretion.

In respect of the dividend treatment of ETF Constituents, refer to the section ("Product Details").

2.4 FX Forward Constituents

The Reference Portfolio may reference as FX Forward Constituents long and/or short positions in certain FX forwards from the universe described below (the "FX Forward Investment Universe").

Only FX Forwards exposed to G10 currencies may be incorporated as FX Constituents in the Reference Portfolio.

In the absence of other instructions from the Reference Portfolio Advisor, FX Forward Constituents will be closed out automatically on the expiration date of the FX forwards and their performances will be taken into account at the Reference Portfolio Level by converting them into the Settlement Currency at the then prevailing currency exchange rate, as determined by the Calculation Agent. Such automatic close out shall not count as a Rebalancing.

2.5 Synthetic Currency Account Constituents

The Reference Portfolio may reference as Synthetic Currency Account Constituents positive or negative notional cash balances from the universe described below (the "Synthetic Currency Account Investment Universe").

	Constituent	Currency	Account Reference Rate	Account Spread
1	EUR Synthetic Currency Account	EUR	EUR Forward Implied 1 Week Rate (Bloomberg Page: EUR1W Curncy) (the "Account Relevant Screen Page") plus the Account Spread	In respect of positive notional cash balances, 0.00% In respect of negative notional cash balances, 0.40%
2	CHF Synthetic Currency Account	CHF	CHF Forward Implied 1 Week Rate (Bloomberg Page: CHF1W Curncy) (the "Account Relevant Screen Page") plus the Account Spread	In respect of positive notional cash balances, 0.00% In respect of negative notional cash balances, 0.40%

The inclusion of Synthetic Currency Account Constituents allows for the execution of notional FX spot transactions to convert between the currencies of various Synthetic Currency Account Constituents. A Synthetic Currency Account Constituent represents a notional holding of a cash account denominated in a specific currency and accruing interest at the prevailing reference rate (the "Account Reference Rate") as shown above, which for the avoidance of doubt will be inclusive different spreads applied for positive and negative notional cash balances (each an "Account Spread"). The Account Reference Rate is observed on every Weekday.

Each component of the Account Reference Rate is referred to as an Account Reference Rate Component, including any spread that is applied. Each Account Reference Rate Component, with the exception of the Account Spread, corresponds to an Account Relevant Screen Page from which such Account Reference Rate Component is sourced, as shown above.

Upon the occurrence of an Account Reference Rate Adjustment Event, the Calculation Agent may make adjustments in its sole discretion to (i) any or all of the Account Reference Rate Components (including for the avoidance of doubt, the Spread), and (ii) the then prevailing formula for determining the Account Reference Rate, and shall determine the effective date of such adjustment(s).

The value of the Synthetic Currency Account Constituents will also be positively or negatively affected by an increase or decrease due to the performance of Futures Constituents. On each Weekday, the performance of such Futures Constituents, positive or negative, will be transferred to or from the Synthetic Currency Account Constituents. Such transfer to or from the Synthetic Currency Account Constituents is intended to reflect the mark-to-market performance of the Futures Constituents.

Should the Reference Portfolio Advisor allocate to Futures Constituents and/or Excess Return Index Constituents which are not denominated in currencies represented by the Synthetic Currency Account Constituents above, then the Synthetic Currency Account Investment Universe shall be extended to accommodate such currencies at the point in time that such allocation is in effect. Therefore, additional Synthetic Currency Accounts constituents may be included in the Reference Portfolio as of a later date to represent a notional cash balance denominated in other currencies. At the time of such inclusion, the Reference Portfolio Advisor will be informed of the relevant Account Reference Rate.

2.6 Cash Position

The Reference Portfolio will also contain a Cash Position as a Reference Portfolio Component, which represents a notional holding of a cash account denominated in the Reference Portfolio Currency and accruing interest at the prevailing reference rate (the "Reference Rate"), which can be negative from time to time.

The Reference Rate is observed on every Weekday and shall be equal to the United States SOFR Secured Overnight Financing Rate (Bloomberg page: SOFRRATE <Index>) (the "Relevant Screen Page") plus a spread (the "Spread") (each a "Reference Rate Component").

In respect of a positive Cash Position, the Spread shall be 0.00% and in respect of a negative Cash Position, the Spread shall be 0.40%.

Upon the occurrence of a Reference Rate Adjustment Event, the Calculation Agent may make adjustments in its sole discretion to (i) any or all of the Reference Rate Components (including for the avoidance of doubt, the Spread), and (ii) the then prevailing formula for determining the Reference Rate, and shall determine the effective date of such adjustment(s).

The value of the Cash Position will thereafter be negatively or positively affected by any fee or any other distribution as described in the section "Fees".

The value of the Cash Position will also be positively or negatively affected by an increase or decrease due to the performance of Futures Constituents. On each Weekday, the performance of such Constituents, positive or negative, will be transferred to or from the Cash Position. Such transfer to or from the Cash Position is intended to reflect the mark-to-market performance of the Constituent.

3. Investment Restriction

Constituents may be selected by the **Reference Portfolio Advisor** based on advice from the Reference Portfolio Sub-Advisor for notional purchase or, as the case may be, sale or unwind in accordance with the investment restrictions (the "**Investment Restrictions**") described below. Unless otherwise stated, any restriction shall apply at all times during the lifetime of the Certificate

3.1 Portfolio Investment Restrictions

- 3.1.1 The sum of the Exposures of all Constituents, is capped at a maximum of 100% (the "**Leverage Threshold**").
- 3.1.2 Subject to non-occurrence of a Deleverage Event, the sum of the absolute values of the Exposures of all Constituents, excluding FX Forward Constituents, is capped at a maximum of 200% (the "Gross Leverage Threshold").
- 3.1.3 Should a Deleverage Event occur, the Gross Leverage Threshold is capped at a maximum of 100% for the remaining lifetime of the Product.
- 3.1.4 The sum of the Exposures of all Constituents, excluding FX Forward Constituents, in respect of which the Reference Portfolio has a long position is capped at a maximum of 100% (the "Long Leverage Threshold").
- 3.1.5 Subject to the non-occurrence of a Deleverage Event, the sum of the absolute values of the Exposures of all Constituents, excluding FX Forward Constituents, in respect of which the Reference Portfolio has a short position is capped at a maximum of 100% (the "Short Leverage Threshold").
- 3.1.6 Should a Deleverage Event occur, the Short Leverage Threshold is capped at a maximum of 0% for the remaining lifetime of the Product.
- 3.1.7 Subject to the non-occurrence of a Deleverage Event, a value at risk ("VaR") limit of 30% of the Reference Portfolio Level (the "VaR Limit") must be maintained, including for the avoidance of doubt when a Rebalancing occurs (taking into account the Eligible Constituents to which the Reference Portfolio shall acquire exposure, or the existing Constituents to which the Portfolio shall increase or decrease exposure in respect of such Rebalancing). The VaR shall be the worst of the 99% confidence level over a 2 week period time horizon (calculated by scaling the 1 day VaR) between the 1 year, 2 year and 3 year and Monte Carlo VaR, as specified by the Calculation Agent in its sole discretion.

3.2 Constituent Investment Restrictions

- 3.2.1 The Weight of the Cash Position shall be greater than -5%.
- 3.2.2 The Weight of the Cash Position shall, on average throughout a calendar year, be smaller than 50%.
- 3.2.3 The absolute value of the Exposure of each Stock Constituent is capped at a maximum of 10%.
- 3.2.4 The Exposure of any single ETF Constituent is capped at 20%.
- 3.2.5 absolute value of the Currency Exposure of each Stock and/or ETF Constituent shall not exceed 20% of its 30 day average daily trading volume, determined by the Calculation Agent in its sole discretion.
- 3.2.6 The aggregate absolute value of the Exposure of Stock Constituents within a sector (such sector classification as determined by the Calculation Agent but with reference to industry standards) shall not exceed 50%.
- 3.2.7 The Exposure of Futures Constituents referencing the same underlying, when aggregated across all futures contract maturities, is capped at 20%.
- 3.2.8 The absolute value of the Holdings of each ETF Constituent is capped at a maximum of 5% of the assets under management of such Constituent, as determined by the Calculation Agent in its sole discretion (the "**Concentration Threshold**").

For the avoidance of doubt: The responsibility and legal duty that the Reference Portfolio complies with the above guidelines is solely with the Reference Portfolio Sub-Advisor. The Issuer, Lead Manager or Calculation Agent are not obliged to monitor adherence to the above guidelines, or to inform any parties of any failure by the Reference Portfolio Sub-Advisor to adhere to the above guidelines.

3.3 Consequences of Investment Restrictions Breaches

In case any of the above Investment Restrictions are breached at any time during the life of the Certificate, the Issuer has the right, but is not obliged, to notionally unwind Constituents at its sole and reasonable discretion until no such breach exists. In respect of such notional unwind, a notional credit or debit, as the case may be, shall be made to the Cash Position corresponding to the Notional Net Disposal Value of such Constituents with effect from the date of the notional unwind.

3.4 Additional Definitions

"Weight" means, with respect to the Pricing Date or any week day and pertaining to any Reference Portfolio Component, the notional value of such Reference Portfolio Component divided by the Reference Portfolio Level, as determined by the Calculation Agent in its sole and reasonable discretion.

"Exposure" means, with respect to the Pricing Date or any week day and pertaining to any Constituent, the notional exposure in the Reference Portfolio Currency of such Constituent, as converted into the Reference Portfolio Currency, where such Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing currency exchange rate, divided by the Reference Portfolio Level, both as determined by the Calculation Agent in its reasonable discretion.

"Currency Exposure" means, with respect to the Pricing Date or any Weekday and pertaining to a Constituent, the number of units of such Constituent (for the avoidance of doubt, per Portfolio Certificate), times the value of such Constituent times the prevailing number of outstanding Portfolio Certificates, all as determined by the Calculation Agent in its sole and reasonable discretion.

4. Initial Composition of the Reference Portfolio

The Reference Portfolio was created on the Pricing Date with an initial value equal to the Initial Reference Portfolio Level. On the Pricing Date, the Constituents were as set out below

Bloomberg Ticker	Reference Portfolio Component	Weight
[...]	[...]	[...]

The current composition of the Reference Portfolio (including the respective Weights) may be requested free of charge at any time via e-mail at kcs.amc@keplercheuvreux.com

5. Rebalancing of the Reference Portfolio

- 5.1** A Rebalancing may be initiated by the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor on any Business Day following the Pricing Date, effective as soon as reasonably practicable, as determined by the Calculation Agent in its sole and reasonable discretion (such day, a **"Reference Portfolio Adjustment Date"**), subject to the non-occurrence of a Market Disruption Event.

The number of Rebalancings in any such 12-month period shall be less than 250.

For the avoidance of doubt, a single Rebalancing may comprise of a change to more than one Constituent, and therefore a change in the position of multiple Constituents which were the result of a single Rebalancing instruction by the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor shall be considered as one Rebalancing.

- 5.2** On any Business Day, the Reference Portfolio sub-Advisor may, as it deems appropriate in its sole and reasonable discretion, advise the Reference Portfolio Advisor to give notice to the Calculation Agent of its intention to initiate a Rebalancing on such day (a **"Rebalancing Notice"**), and effective on the Reference Portfolio Adjustment Date.

Save as the Calculation Agent or Lead Manager may otherwise agree, a Rebalancing Notice shall not be effective if, at the time of such Rebalancing Notice is received, a Rebalancing in respect of any Rebalancing Notice received earlier on such Business Day has not yet been completed or otherwise rejected. For the purposes hereof, a Rebalancing is deemed completed upon notification by the Calculation Agent or Lead Manager to the Reference Portfolio Advisor, with respect to the relevant Rebalancing, of the relevant Notional Net Acquisition Value of each Constituent notionally included in the Reference Portfolio, the Notional Net Disposal Value(s) of each Constituent notionally removed from the Reference Portfolio and the Exposure of each applicable Constituent notionally comprised in the Reference Portfolio following the relevant Rebalancing.

- 5.3** Should the Calculation Agent or Lead Manager determine that a Rebalancing shall be effective over multiple days (for example in the scenario where some Constituents or Eligible Constituents, as the case may be, referenced in a Rebalancing may be notionally acquired or unwound on a Constituents Business Day and other Constituents or Eligible Constituents, as the case may be, referenced in the same Rebalancing may be notionally acquired or unwound on a subsequent (immediately following or otherwise) Constituents Business Day), then despite the effective date covering multiple Constituents Business Days, it shall be treated as a single Rebalancing.

- 5.4** The Calculation Agent or Lead Manager will determine the exact number of units for each Constituent based on prevailing market conditions, including currency exchange rates when relevant, in its sole and reasonable discretion. Such number may deviate from the target Exposure recommended by the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor.

- 5.5** On each Reference Portfolio Adjustment Date, notional debits and credits to the Cash Position shall be made as follows:

- (i) In respect of the notional acquisition of exposure to a Constituent, a notional debit or credit, as the case may be, shall be made to the Cash Position corresponding to the Notional Net Acquisition Value of such Constituent, with effect from the date of the notional acquisition of exposure to such Constituent; and
- (ii) In respect of the notional unwind of exposure to a Constituent, a notional debit or credit, as the case may be shall be made to the Cash Position corresponding to the Notional Net Disposal Value of such Constituent, with effect from the date of the notional unwind of exposure to such Constituent.

For the avoidance of doubt, if the notional acquisition or unwind of exposure to a Constituent results in the notional credit or debit to the Cash Position and such Constituent is not denominated in the Reference Portfolio Currency, then the Calculation Agent or Lead Manager will apply the prevailing currency exchange rate, as determined in its sole and reasonable discretion determine the value of the notional credit or debit to the Cash Position.

5.6 The Calculation Agent or Lead Manager is entitled but has no legal duty to refuse the notional acquisition or unwind of exposure to any Constituent and to require the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor to initiate a Rebalancing in certain circumstances, as follows:

5.6.1 The Reference Portfolio Sub-Advisor has selected a security, asset, exposure or contract for inclusion in the notional Reference Portfolio which is not part of the respective Investment Universes;

5.6.2 The Reference Portfolio is, or following the relevant Rebalancing would, breach any of the Investment Restrictions or any other rule or provision contained herein;

5.6.3 A Market Disruption Event (which includes a FX Disruption Event) has occurred in respect of the relevant Constituent on the relevant Reference Portfolio Adjustment Date;

5.6.4 The Calculation Agent determines that a Hedging Disruption has occurred in relation to the Constituent. In this paragraph, "**Hedging Disruption**" is deemed to have occurred if it would not be reasonably practicable or it would otherwise be undesirable, for any reason, for a notional investor (in the same position as the Issuer) to (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of such notional investor are needed by such notional investor in order to provide protection against price risk or other risks with regard to obligations under the Certificates, or (ii) realise, reclaim or pass on proceeds from such transactions or assets (respectively) under conditions which are economically substantially equal to those on the issue date of the Certificates, as determined by the Calculation Agent, in its reasonable discretion. Such reasons may include, but are not limited to (a) any material illiquidity in the market for any Constituent or Eligible Constituent, (b) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority), or (c) the general unavailability of market participants who would agree to enter into any such hedging transaction on commercially reasonable terms or at all; and

5.6.5 The Calculation Agent or Lead Manager determines that it would not be reasonably practicable for a notional investor in the same position as the Issuer to make purchases and/or sales of the Constituent(s), as the case may be, due to compliance, regulatory, reporting or reputational constraints, take-over considerations, internal restrictions or lack of internal approval.

In the event that the Calculation Agent or Lead Manager requires the Reference Portfolio to initiate a Rebalancing such that the Reference Portfolio complies with the foregoing, the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor shall, as soon as is reasonably practicable and without undue delay, initiate a Rebalancing such that the Reference Portfolio complies with the foregoing as at the immediately following Reference Portfolio Adjustment Date. Neither the Reference Portfolio Advisor nor the Reference Portfolio Sub-Advisor have no right to object to such Rebalancing required by the Calculation Agent or Lead Manager.

Notwithstanding the entitlements of the Calculation Agent or Lead Manager under this paragraph, the sole responsibility and legal duty to advise the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor advised by the Reference Portfolio Sub-Advisor. The Reference Portfolio Advisor and the Portfolio Sub-Advisor have entered into an advisory agreement under which the Portfolio Sub-Advisor is the sole decision-maker and the Reference Portfolio Advisor has no obligation to ensure that the Basket Allocator's advice complies with the guidelines.

5.7 As soon as is reasonably practicable after receipt of an effective Rebalancing Notice on a Reference Portfolio Adjustment Date, and subject to any rejection, the Calculation Agent or Lead Manager shall notify the Reference Portfolio Advisor of (a) the Notional Net Acquisition Value and/or Notional Net Disposal Value applicable to each Constituent that is subject to the Rebalancing and (b) the Exposure of each Constituent comprised in the Reference Portfolio as a result of the Rebalancing. Upon receipt by the Reference Portfolio Advisor of such notice from the Calculation Agent or Lead Manager, the Rebalancing shall be binding and conclusive on the Reference Portfolio Advisor in the absence of manifest error.

For the avoidance of doubt, a proposed Rebalancing shall be effective only if and to the extent that the Calculation Agent or Lead Manager, on the Reference Portfolio Adjustment Date on which the relevant Rebalancing Notice is given, notifies to the Reference Portfolio Advisor the information mentioned in (a) and (b) above. Should a proposed Rebalancing not be fully effective on a Reference Portfolio Adjustment Date, subject to clause 5.3, the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor will be required to deliver one or more further Rebalancing Notices in accordance with the provisions hereof to execute the remainder of the initially proposed Rebalancing.

5.8 In this Section:

- (i) "**Notional Net Acquisition Value**" means, in relation to an Eligible Constituent, the notional price (net of any applicable Rebalance Fee) at which the Calculation Agent determines that a notional investor would be able to notionally acquire exposure to such Constituent (where applicable, on the relevant Exchange) at the execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency where such Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing currency exchange rate, each as determined by the Calculation Agent in its sole and reasonable discretion; and
- (ii) "**Notional Net Disposal Value**" means, in relation to a Constituent, the notional price (net of any applicable Rebalance Fee) at which the Calculation Agent determines that a notional investor would be able to notionally unwind exposure to

such Constituent (where applicable, on the relevant Exchange) at the execution time on the relevant Reference Portfolio Adjustment Date, as converted into Reference Portfolio Currency, where such Constituent is not denominated in the Reference Portfolio Currency, at the then prevailing currency exchange rate, each as determined by the Calculation Agent in its sole and reasonable discretion.

6. Adjustments of the Reference Portfolio

- 6.1** If, at any time, any event occurs in relation to any Constituent which the Calculation Agent or Lead Manager determines requires an adjustment(s) to be made to the composition of the Reference Portfolio, then the Calculation Agent or Lead Manager shall (i) determine which adjustment(s) are to be made to the Reference Portfolio with a view to account for the effect of the relevant event and to preserve the prevailing composition of the Reference Portfolio immediately prior to the occurrence of such event and (ii) determine the date on which such adjustment(s) shall take effect.

Notwithstanding the entitlements of the Calculation Agent or Lead Manager under this paragraph, the sole responsibility and legal duty to advise the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor based on advice from the Reference Portfolio Sub-Advisor.