

Julius Bär

Base Prospectus

for the issuance of Investment Products and Leveraged Products

June 17, 2021

Bank Julius Baer & Co. Ltd.

Zurich, Switzerland

which may also be acting through a designated branch

This Base Prospectus has been approved on June 17, 2021 by SIX Exchange Regulation AG as reviewing body (the "**Reviewing Body**") under the Financial Services Act ("**FinSA**").

The securities issued from time to time under this Base Prospectus do not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Therefore, they are not subject to authorization by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of Bank Julius Baer & Co. Ltd.

The securities issued from time to time under this Base Prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered, sold, traded, or delivered, directly or indirectly, within the United States by or to or for the account of a U.S. person (as defined in Regulation S pursuant to the United States Securities Act of 1933). If persons receive any payment pursuant to the Terms and Conditions, a declaration that no United States beneficial ownership exists is deemed to have been given by these persons.

Introduction to this Document

Bank Julius Baer & Co. Ltd., Zurich (Banque Julius Baer & Cie SA, Bank Julius Bär & Co. AG, Banca Julius Baer & Co. SA), a stock corporation with limited liability (*Aktiengesellschaft; société anonyme*) under the laws of Switzerland ("**BJB**"), acting through its head office and/or a designated branch (the "**Issuer**") may from time to time issue under this Base Prospectus investment products and leverage products (the "**Products**").

This document constitutes the Base Prospectus within the meaning of article 45 of the FinSA, which may be amended or supplemented from time to time, and together with the relevant Final Terms prepared for the issuance of a particular Product shall form the documentation for the issuance and contain the full legally binding terms and conditions of a particular Product.

This Base Prospectus is the successor to the base prospectus of Bank Julius Baer & Co. Ltd for the issuance of investment products and leverage products dated November 30, 2020 (the "**2020 Base Prospectus**"). This Base Prospectus succeeds the 2020 Base Prospectus as soon as the 2020 Base Prospectus becomes invalid on June 17, 2021.

Products issued under this Issuance Programme may be (i) admitted to trading on the SIX Swiss Exchange AG (the "**SIX Swiss Exchange**") and/or the BX Swiss Ltd. (the "**BX Swiss**") and/or (ii) listed and admitted to trading on any other exchange or trading venue, as specified in the relevant Final Terms.

In this Base Prospectus, the products issued hereunder are generically referred to as "Products" without expressing any views as to their particular features or legal qualification. Where appropriate and in accordance with the SSPA Swiss Derivative Map 2021 (see "www.sspa.ch/en"), Products may also be referred to more specifically as:

Capital Protection Products (SSPA Category 11)

- Capital Protection Note with Participation (SSPA Category 1100)
- Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

Yield Enhancement Products (SSPA Category 12)

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)
- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Participation Products (SSPA Category 13)

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin-Win Certificate (SSPA Category 1340)
- Airbag Certificate

Investment Products with Additional Credit Risk (SSPA Category 14)

Credit Linked Note (SSPA Category 1400)
Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Leverage Products (SSPA Category 20)

Warrant (SSPA Category 2100)
Spread Warrant (SSPA Category 2110)
Warrant with Knock-Out (SSPA Category 2200)
Mini-Future (SSPA Category 2210)
Constant Leverage Certificate (SSPA Category 2300)

In this Base Prospectus, the Capital Protection Products, Yield Enhancement Products, Participation Products and Investment Products with Additional Credit Risk are also referred to as "investment products", whereas Warrants, Spread Warrants, Warrants with Knock-Out, Mini-Futures and Constant Leverage Certificates are also referred to as "leverage products".

For further information on the Products issued under this Base Prospectus refer to section "*Description of Products*" and for information on the risk relating to the Products and the Issuer refer to sections "*Risk Factors—Risk Factors Relating to the Products*" and "*Risk Factors—Risk Factors Relating to the Issuer*".

The Products may be linked to an underlying reference asset or underlying reference assets and the settlement amount, redemption amount, interest amount, coupon amount and/or early payment amount as well as any other payment or delivery obligation under the Products may be calculated by reference to an underlying reference asset or underlying reference assets, as specified in the relevant Final Terms, such as: (a) a share or a basket of shares, (b) an index or a basket of indices, (c) a commodity or a basket of commodities, (d) a foreign exchange rate or a basket of foreign exchange rates, (e) a fund or a basket of funds, (f) a bond or a basket of bonds, (g) the credit of a specified reference entity or obligations, (h) an interest rate or a basket of interest rates, (i) a futures contract or a basket of futures contracts, (j) a reference rate or a basket of reference rates, (k) a cryptocurrency or cryptocurrencies or (l) a combination of any of the above and/or one or more other types of reference assets and/or any multiple thereof (each an "**Underlying Asset(s)**" or "**Underlying(s)**" or "**Underlying Reference Asset(s)**").

In addition, any of the aforementioned Products may be collateralized in accordance with the provisions of the SIX Swiss Exchange "Framework Agreement for Collateral-Secured Instruments" if so specified in the applicable Terms and Conditions, and such Products are referred to herein as "**Products with a COSI feature**", whereas COSI is the abbreviation for "**Collateral-Secured Instruments**".

The Products are subject to provisions which provide for various adjustments and modifications of their terms and alternative means of valuation of the Underlying Reference Asset(s) in certain circumstances, any of which provisions could be exercised by the Issuer and/or Calculation Agent in a manner which has an adverse effect on the market value and/or amount payable or deliverable in respect of such Products.

The terms and conditions of the Products are set out under Section IV "Terms and Conditions of the Products" and are composed of (a) the the Issue Specific Conditions as set out

under section IV. 1 "Issue Specific Conditions" consisting of (i) Part A "Product Specific Conditions" and (ii) Part B "Underlying Specific Conditions", as replicated and amended and supplemented in the respective Final Terms, and (b) the General Terms and Conditions as set out under section IV. 2 "General Terms and Conditions".

Important Notices

General restriction on distribution of this Base Prospectus

The distribution of this Base Prospectus and the offering or sale of the Products in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer to inform themselves about and to observe any such restriction. The publication of this Base Prospectus is not intended as an offer or solicitation for the purchase or sale of any financial instrument in any jurisdiction where such offer or solicitation would violate the laws of such jurisdiction.

No obligation to offer and sell Products

There is no obligation upon the Issuer to offer and sell all of the Products of any issue and the Issuer may at any time issue and offer fungible tranches of any Products. The Products of any issue may be offered and sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, as the case may be, subject as provided above.

Not a recommendation to invest in the Products

This Base Prospectus should not be considered as a recommendation by the Issuer to invest in the Products. The Issuer does not make any representation, express or implied, as to the performance of the Products either in absolute terms or relative to competing investments. Each potential purchaser of Products should determine for himself or herself or itself the relevance of the information contained in this Base Prospectus and the relevant Final Terms and any purchase of Products should be based upon such investigation as such potential purchaser deems necessary.

The Products are complex financial instruments. Accordingly, investments in the Products require a thorough understanding of the nature of Products. Potential investors should ensure that they have sufficient knowledge to evaluate and understand the risks and benefits of an investment in a relevant Product and to consider the suitability of the relevant Products as an investment in light of their own circumstances, investment objectives, tax position and financial condition by consulting their own professional financial, accounting, legal and tax advisors.

The information in this Base Prospectus is subject to change

Neither the delivery of this Base Prospectus nor any offer or sale of Products made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of the relevant Final Terms or that there has been no adverse change in the financial position of the Issuer since the date of the relevant Final Terms or that any other information supplied in connection with the offer or sale of Products is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Forward looking statements

This Base Prospectus (including any document incorporated by reference) includes forward-looking statements that are based on the future financial development or future financial results, as well as other statements that are not historical facts. Forward-looking statements can be identified by the use of terms such as ‘believe’, ‘expect’, ‘plan’, ‘project’, ‘estimate’, ‘anticipate’,

'intend', 'aim', 'assume', 'may', 'could', 'will' and other similar expressions. These statements are based on assumptions and expectations that the issuer considers to be realistic as of the date of this Base Prospectus, but that could subsequently prove to be incorrect. Such statements are inherently uncertain and subject to a variety of circumstances, many of which are beyond the Issuer's control. A description of some of the risks associated with the Issuer and the Products is provided in section III headed „*Risk Factors*". Should one or more of these risks materialise, or should the assumptions on which the description of the risks is based prove to be incorrect, the actual outcome and results could differ significantly from the current assessment.

Due to this uncertainty of future developments, the Issuer assumes no liability in respect to or in connection with the forward-looking statements contained herein and potential investors should not rely on forward-looking statements in any way. The issuer is under no obligation to revise or update forward-looking statements and the description of risk even if new information, future events or other circumstances have made them incorrect or misleading.

Certain Restrictions

United States

Neither the Base Prospectus nor any copy hereof may be sent, taken into or distributed in the United States or to any U.S. person or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof; the same applies to a taking of the Base Prospectus or a copy thereof into the United States or to a US person or other jurisdiction or a distribution of the Base Prospectus or a copy thereof in the United States or to a US person or other jurisdiction. The Base Prospectus may not be reproduced either in whole or in part, without the written permission of the Issuer.

Kingdom of Bahrain

In relation to investors in the Kingdom of Bahrain, securities issued in connection with the Base Prospectus and related offering documents must be in registered form and must only be marketed to existing account holders and accredited investors as defined by the Central Bank of Bahrain ("CBB") in the Kingdom of Bahrain where such investors make a minimum investment of at least USD 100,000, or any equivalent amount in other currency or such other amount as the CBB may determine. This offer does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). The Base Prospectus and related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will the Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors for an offer outside Bahrain. The CBB has not reviewed, approved or registered the Base Prospectus or related offering documents and it has not in any way considered the merits of the securities to be marketed for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this document. No offer of securities will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

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I. Summary

Introduction

*This summary constitutes a Summary of this Base Prospectus, for purposes of articles 40 para. 3 and 43 of the Financial Services Act ("**FinSA**"). This Summary is to be read and understood as an introduction to this Base Prospectus (as supplemented from time to time). The specific information on the Products and any public offer or admission to trading of the Products will be set out in the relevant Final Terms.*

Any decision by an investor to invest in the Products should not be based on this Summary but on a consideration of this Base Prospectus in its entirety, including any information incorporated by reference, and the relevant Final Terms. This Summary is therefore subject to the information contained in the remainder of this Base Prospectus and the relevant Final Terms.

Potential investors should be aware that any liabilities for this Summary under article 69 of the FinSA is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the relevant Final Terms.

<p>Information about the Issuer</p>	<p>Bank Julius Baer & Co. Ltd. (Banque Julius Baer & Cie. SA, Bank Julius Bär & Co. AG, Banca Julius Baer & Co. SA), which is incorporated and domiciled at Bahnhofstrasse 36, CH-8001 Zurich, Switzerland, as a stock corporation (<i>Aktiengesellschaft; société anonyme</i>) under Swiss law and registered with the commercial registry of the Canton of Zurich under the number CH-020.3.902.727-1 since December 31, 1974 and in the UID-Register under CHE-105.940.833. The Legal Entity Identifier of Bank Julius Baer & Co. Ltd. (LEI) is: PNWU800BLT17BBV61Y18.</p>
<p>Product Description</p>	<p>Under this Base Prospectus various types of structured products may be issued.</p> <p>The product types and product features are based on the categories and additional product features used in the SSPA Swiss Derivative Map 2021 issued by the Swiss Structured Products Association SSPA (see: www.sspa.ch/en). The product types and products features are not universal and, in different markets or jurisdictions, different products types and product features may be used for the same product.</p> <p>Each Product issued under this Base Prospectus may be linked to one or more underlying reference asset(s), which may include a share, an index, a foreign exchange rate, a commodity, an interest rate, a bond, a fund, a futures contract, a reference rate, a reference entity, a depository receipt, a cryptocurrency as well as a basket or index comprising the aforementioned (the</p>

I. Summary

	<p>"Underlying Asset(s)") or any multiple or any combination thereof as specified in the relevant terms of issue of the Products. The performance of the Products may depend to a certain degree on the performance of such Underlying Asset(s).</p>
<p>Product Types</p>	<p>The following product types may be issued under this Base Prospectus:</p> <ul style="list-style-type: none"> a) Capital Protection Products b) Yield Enhancement Products c) Participation Products d) Investment Products with Additional Credit Risk e) Leverage Products
<p>Specific Product Information</p>	<p>The specific information on the Products (including information on the offer and admission to trading) for a specific public offer or a specific admission to trading of Products will be set out in the relevant Final Terms.</p> <p>The relevant Final Terms will be filed with the Reviewing Body and published in accordance with the FinSA as soon as the Final Terms of such Products are available, but, in the case of an admission to trading, in any case no later than the first day of trading for such Products. Such Final Terms are not subject to review or approval by the Reviewing Body.</p>
<p>Approval of the Base Prospectus by the Reviewing Body</p>	<p>This Base Prospectus is dated and was approved as a base prospectus with the meaning of article 45 of the FinSA by SIX Exchange Regulation Ltd, Hardturmstrasse 201, CH-8005 Zurich, Switzerland, as reviewing body under the FinSA on June 17, 2021.</p>

II. Description of Products

A. General Information about the Products

The structured products (the "**Products**") that may be issued under this Base Prospectus are generically referred to as "Products" without expressing any views as to their particular features or legal qualification. The main categories of Products that may be issued under this Base Prospectus are set out below.

The below listed product categories and product features are based on the categories and additional product features used in the "SSPA Swiss Derivative Map 2021" issued by the Swiss Structured Products Association SSPA (see "www.sspa.ch/en"). The product categories and product features are not universal and, in different markets or jurisdictions, different products categories and product features may be used for the same product.

Each Product issued under this Base Prospectus may be linked to one or more underlying reference assets, which may be a share, an index, a foreign exchange rate, a commodity, an interest rate, a bond, a fund, a futures contract, a reference rate, a reference entity, a depository receipt, a cryptocurrency as well as a basket or index comprising the aforementioned (each an "**Underlying Asset(s)**" or "**Underlying(s)**" or "**Underlying Reference Asset(s)**") or any multiple or any combination thereof, as specified in the relevant terms of issue of the Products. The performance of the Product may depend to some degree on the performance of such Underlying Asset(s).

B. Product Categories

The main categories of Products that may be issued under this Base Prospectus are described below. The Issuer may issue other investment products and leverage products under this Base Prospectus than those listed below or to modify the below listed products. Such Products may have characteristics, which partially or significantly deviate from those of the main categories of investment products and leverage products described below.

Additional information on the Product may be included in the relevant Final Terms.

Capital Protection Products (SSPA Category 11)

Capital Protection Note with Participation (SSPA Category 1100)

Capital Protection Note with Barrier (SSPA Category 1130)

Capital Protection Note with Twin Win (SSPA Category 1135)

Capital Protection Note with Coupon (SSPA Category 1140)

Yield Enhancement Products (SSPA Category 12)

Discount Certificate (SSPA Category 1200)

Barrier Discount Certificate (SSPA Category 1210)

Reverse Convertible (SSPA Category 1220)

Barrier Reverse Convertible (SSPA Category 1230)

Conditional Coupon Reverse Convertible (SSPA Category 1255)

Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Participation Products (SSPA Category 13)

Tracker Certificate (SSPA Category 1300)

Outperformance Certificate (SSPA Category 1310)

II. Description of Products

Bonus Certificate (SSPA Category 1320)
Bonus Outperformance Certificate (SSPA Category 1330)
Twin-Win Certificate (SSPA Category 1340)

Investment Products with Additional Credit Risk (SSPA Category 14)

Credit Linked Note (SSPA Category 1400)
Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Leverage Products (SSPA Category 20)

Warrant (SSPA Category 2100)
Spread Warrant (SSPA Category 2110)
Warrant with Knock-Out (SSPA Category 2200)
Mini-Future (SSPA Category 2210)
Constant Leverage Certificate (SSPA Category 2300)

For a more detailed explanation of the Products, including calculation examples, investors should contact their relationship manager and/or professional advisor.

C. Description of Certain Product Features

Each Product issued under this Base Prospectus may provide for one or more of the following product features.

AMC	Actively Managed Certificates. These Products are based on a dynamic strategy. The composition of the underlying basket may be altered during the lifetime of the Product depending on the predefined investment guidelines (discretionary or rule based).
American barrier	In contrast to the European barrier, any day during the term of the Product is relevant for monitoring the barrier.
Asian Option	Uses the average underlying price over a number of predefined periods (monthly, quarterly, annually) rather than the price at a specific time.
Auto-callable	If, on an observation day, the price of the underlying is either on or above (bull) or on or below (bear) a previously defined barrier ("autocall trigger"), the product is redeemed prior to maturity.
Barrier	Barriers denote a threshold for the price of the Underlying Reference Asset. Outperforming or failing to reach the barrier changes the Product's repayment conditions (payoff).]
Bearish; with a bear feature	The Product benefits from falling prices of the Underlying Reference Asset(s).
Best-of	The return of the Product depends on the performance of the best performing Underlying Reference Asset(s).

II. Description of Products

Bullish; with a bull feature	The Product benefits from rising prices of the Underlying Reference Asset(s).
Callable	The Issuer has the right to cancel early, however, there is no obligation to do so.
Capped participation	The Product has a maximum yield.
Cash settlement	If a Product reaches the end of its term, the investor receives the value of the product (at the time of final fixing) in cash on the redemption date.
Conditional coupon	A scenario exists where the coupon is not repaid (coupon at risk) or an unpaid coupon can be recouped at a later date (memory coupon).
European barrier	Only the last-day closing price is relevant for monitoring the barrier.
Floor	Represents a minimum amount which is redeemed at the Product's expiry, independent of the performance of the Underlying Asset.]
Invers	The Product performs in inverse proportion to the Underlying Reference Reference Asset(s).
Knock-In/Knock-Out Event	Is an event on a relevant valuation day, which causes a breach of a relevant barrier as defined in the terms and conditions of the Product.
Lock-in	If the lock-in level is reached, the minimum repayment is a preassigned amount regardless of future development of the underlying price.
Look-back	Barrier and/or strike are set with a time delay (look-back phase).
Open-End Securities	Products without a predefined fixed maturity / term.
Partial Capital Protection	Capital protection is between 90% and 100% of the nominal value.
Participation	Specifies the proportion at which the investor profits from the performance of the underlying. This can be 1:1, disproportionately high or disproportionately low.
Physical delivery	At maturity, depending on the structure of the Product, there may be a physical delivery, i.e. a transfer of the Underlying to the investor's securities account.
Puttable	The investor has the right to return the product to the issuer on certain days during the term.

II. Description of Products

Variable Coupon	The coupon amount can vary depending on a predefined scenario.
Worst-of	The return of the Product depends on the performance of the worst performing Underlying Reference Asset(s).

The above list of product features is not exhaustive and a particular Product may have other product features as set out in the respective Final Terms.

D. Explanation of Mechanism of Certain Product Types

1. Capital Protection Products (SSPA Category 11)

Capital Protection Products are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) but (ii) cannot exclude a sharp decrease (or, in the case of Products with a bear feature, a sharp increase) of the value of the Underlying Reference Asset(s) throughout the term of such Products.

Capital Protection Products provide for a specific minimal redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date. It is set by the Issuer at the time of the issuance and it applies only at the end of the term or at maturity. The Issuer may set the level of the minimal redemption amount representing the level of capital protection below 100% of the nominal or par value of the Product (partial capital protection). Capital protection therefore does not mean that the investor is entitled to a redemption amount equal to the full nominal or par value of the Product. The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer.

The product category "Capital Protection Products" includes in particular the following product types:

1.1 Capital Protection Note with Participation (SSPA Category 1100)

Capital Protection Note with Participation are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) and its volatility to increase (or, in the case of a Product with a bear feature, the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)).

Capital Protection Notes with Participation allow investors to participate in the performance of the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, decreased), the return will exceed the minimum redemption amount of the Product.

1.2 Capital Protection Note with Barrier(SSPA Category 1130)

Capital Protection Notes with Barrier are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of a Product with a bear feature

II. Description of Products

the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)) and (iii) expect that the value of the Underlying Reference Asset(s) will not increase above (or, in case of Products with a bear feature, fall below) the specified barrier throughout the term of such Products.

Capital Protection Notes with Barrier allow investors to participate in the performance of the Underlying Reference Asset(s) up (or, in case of Products with a bear feature, down) to such barrier. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, decreased), the return will exceed the minimum redemption amount of the Product but is limited by the level of the specified barrier. In case of a breach of such barrier, the redemption amount will be reduced but be at least equal to the minimum redemption amount.

1.3 Capital Protection Note with Twin Win (SSPA Category 1135)

Capital Protection Notes with Twin Win are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to slightly increase or fall but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible and (iii) expect that the value of the Underlying Reference Asset(s) will not increase above a specified upper barrier and not fall below a specified lower barrier throughout the term of such Products.

Capital Protection Notes with Twin Win allow investors to participate in the absolute performance (positive as well as negative performance) of the Underlying Reference Asset(s) within the upper and lower barrier. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or decreased but not breached either of the barriers), the return will exceed the minimum redemption amount of the Product but is limited by the level of the upper and lower barrier, respectively. In case of a breach of a barrier, the redemption amount will be reduced but be at least be equal to the minimum redemption amount.

1.4 Capital Protection Note with Coupon (SSPA Category 1140)

Capital Protection Notes with Coupon are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of a Product with a bear feature, the value of the Underlying Reference Asset(s) to decrease) but (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)).

Capital Protection Notes with Coupon allow investors to participate in the performance of the Underlying Reference Asset(s) by receiving a periodic coupon payment. The amount of the coupon payment may be fixed or may be variable and depend on the value of the Underlying Reference Asset(s) at a specific date prior to each coupon payment date (variable coupon). In case of a variable coupon, the amount of the coupon payment increases (or, in case of Products with a bear feature, decreases) if the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, decreased). In case of a Capital Protection Product with a fixed coupon, the payment of the coupon may depend on the value of the Underlying Reference Asset(s) not

breaching a specified barrier (coupon at risk). If such barrier is breached, the investor will not be entitled to a coupon payment on the relevant coupon payment date.

2. Yield Enhancement Products (SSPA Category 12)

Yield Enhancement Products are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to remain constant or to slightly increase (or, in the case of Products with a bear feature, to slightly decrease) and (ii) volatility of the Underlying Reference Asset to decrease, in each case, throughout the term of the Product.

Yield Enhancement Products provide for a redemption amount that is limited to a maximum amount (cap) and may provide for (fixed or variable) periodic coupon payments during the term.

Yield Enhancement Products may be linked to several Underlying Reference Assets and may therefore offer a larger discount or coupon than Yield Enhancement Products linked to just one Underlying Reference Asset(s).

The product category "Yield Enhancement Products" includes in particular the following product types:

2.1 Discount Certificate (SSPA Category 1200)

Discount Certificates are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to move sideways or to slightly decrease), with falling volatility.

Discount Certificates are issued at a discount, i.e., a discount compared to a direct investment in the Underlying Reference Asset(s). The redemption amount depends on the value of the Underlying Reference Asset(s) at redemption. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) at redemption is above or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will be equal to such strike price.

2.2 Barrier Discount Certificate (SSPA Category 1210)

Barrier Discount Certificates are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) (i) to remain constant or to slightly increase (or, in the case of Products with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products.

Barrier Discount Certificates are issued at a discount, i.e., a discount compared to a direct investment in the Underlying Reference Asset(s) and provide for a conditional minimum redemption amount (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Assets at redemption is at or above (or, in case of Products

with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will be equal to such strike price.

In contrast to Discount Certificates (SSPA Category 1200), the probability of receiving the maximum redemption amount under Barrier Discount Certificates is higher due to the conditional protection provided by the barrier, although the discount at which they are issued is generally smaller and therefore the return on an investment in barrier discount certificate generally lower.

2.3 Reverse Convertible (SSPA Category 1220)

Reverse Convertibles are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to move sideways or to slightly decrease) and (ii) falling volatility.

Reverse Convertibles allow investors to benefit from an enhanced return by receiving a periodic coupon payment. The redemption amount depends on the value of the Underlying Reference Asset(s) at the end of the term of the Product. If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) at redemption is above or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will be equal to such strike price.

2.4 Barrier Reverse Convertible (SSPA Category 1230)

Barrier Reverse Convertibles are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) (i) to remain constant or to slightly increase (or, in the case of barrier reverse certificates with a bear feature, to slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products.

Barrier Reverse Convertibles allow investors to benefit from an enhanced return by receiving a periodic coupon payment and provide for a conditional minimum redemption amount at the end of the term of the Products (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Assets at redemption is at or above (or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will at least be equal to, generally, 100% of the nominal or par value of the Product.

In contrast to Reverse Convertibles (SSPA Category 1220), the probability of receiving the maximum redemption amount under Barrier Reverse Convertibles is higher due to the conditional protection provided by the barrier, although the periodic coupon payment and therefore the return on an investment in Barrier Reverse Convertibles is generally lower.

2.5 Conditional Coupon Reverse Convertible (SSPA Category 1255)

Conditional Coupon Reverse Convertibles are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase or to slightly increase (or, in the case of Products with a bear feature, to decrease or slightly decrease), with falling volatility.

Conditional Coupon Reverse Convertibles typically provide for one or more coupon payments in respect of one or more observation dates on which the value of the Underlying Reference Asset(s) is observed. If the value of the Underlying Reference Asset(s) has increased (or in the case of Products with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such observation date.

If the value of the Underlying Reference Asset(s) has increased and it exceeds (or, in case of Products with a bear feature, has decreased and falls below) a specified threshold (autocall trigger), such Products are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount equal to, generally, 100% of the nominal or par value of the Product plus a coupon.

2.6 Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Conditional Coupon Barrier Reverse Convertibles are primarily targeted at investors that expect (i) the value of the Underlying to increase or to slightly increase (or, in the case of Products with a bear feature, to decrease or slightly decrease), with falling volatility, and (ii) not to fall below (or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Product.

Conditional Coupon Barrier Reverse Convertibles typically provide for one or more coupon payments in respect of one or more observation dates on which the value of the Underlying Reference Asset(s) is observed. If the value of the Underlying Reference Asset(s) has increased (or in the case of Products with a bear feature, decreased) to a specified threshold, investors are entitled to a coupon payment in respect of such observation date.

If the value of the Underlying Reference Asset(s) has increased and exceeds (or, in case of Products with a bear feature, has decreased and falls below) a specified threshold (autocall trigger), such Products are redeemed early on the relevant autocall trigger date and investors are entitled to an early redemption amount equal to, generally, 100% of the nominal or par value of the Product plus a coupon.

Conditional Coupon Barrier Reverse Convertibles provide for a conditional minimum redemption amount at the end of the term of the Products (i.e., the redemption amount is at least equal to, generally, 100% of the nominal or par value of the Product if the specified barrier is not breached during the term of the Product).

If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) did not fall below or, in case of Products with a bear feature, rise above) the specified barrier throughout the term of the Products or, if the barrier is breached, the value of the Underlying Reference Assets at redemption is at or above (or, in case of Products with a bear feature, below) the specified strike price (typically the initial value of the Underlying Reference Asset(s)), the redemption amount will at least be equal to, generally, 100% of the nominal or par value of the Product.

3. Participation Products (SSPA Category 13)

Participation Products are primarily targeted at investors (i) that expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease), (ii) but are unwilling or unable to make an investment in the amount required for a direct investment achieving the desired participation in the development of the value of the Underlying Reference Asset(s).

"Participation Products" generally track the performance of the Underlying Asset(s) and enable investors to participate in the performance of the Underlying Asset(s). Depending on the structure of the "Participation Product", investors participate proportionate or disproportionate in the performance of the Underlying Asset(s). The profit an investor may achieve by investing in a "Participation Product" is theoretically unlimited but there is the risk of a total loss.

Participation Products can provide for a minimum redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date, provided the barrier is not reached, if applicable. If the barrier is reached or exceeded (either above or below), the investor loses the minimum redemption amount (limited capital protection). The redemption in the case of Participation Products, depending on the structure or the Underlying Reference Asset(s), may be made by payment of a cash settlement amount or the physical delivery of the relevant Underlying Reference Asset(s), adjusted in accordance with the ratio.

The product category "Participation Products" includes in particular the following product types:

3.1 Tracker Certificate (SSPA Category 1300)

Tracker Certificates are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease). Tracker Certificates allow an investor to participate in the performance of one or more Underlying Reference Assets, which can be equally or unequally weighted. The profit and loss potential of the Tracker Certificates corresponds largely to that of the Underlying Reference Assets and is not limited.

3.2 Outperformance Certificate (SSPA Category 1310)

Outperformance Certificates are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) the volatility to increase.

Outperformance Certificates allow the investor in such Products to participate in the performance of the Underlying Reference Assets. If the defined strike price is reached, the participation of the investor is increased by a participation factor resulting in a disproportionate participation in the positive performance (or, in case of an Outperformance Certificate with a bear feature, in the negative performance) of the Underlying Reference Asset(s). The loss potential of the Outperformance Certificates corresponds largely to that of the Underlying Reference Assets and there is the risk of a total loss.

3.3 Bonus Certificate (SSPA Category 1320)

Bonus Certificates are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to increase (or, in the case of Products with a bear feature, to move sideways or to decrease) and (ii) the Underlying Reference Asset(s) not to breach the defined barrier throughout the term of such Product.

Bonus Certificates allow the investor to participate in the performance of Underlying Reference Asset(s) and provide for a conditional minimum redemption amount at the end of the term of the Bonus Certificates.

If the specified barrier is not reached or breached during the term of the Bonus Certificate, the investor will receive at least the minimum redemption amount and the potential profit corresponds largely to that of the Underlying Reference Assets and is not limited.

If the barrier is reached or breached, such "Bonus Certificates" change into "Tracker Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Assets and there is the risk of a total loss.

3.4 Bonus Outperformance Certificate (SSPA Category 1330)

Bonus Outperformance Certificates are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) the Underlying Reference Asset(s) not to reach or breach the specified barrier throughout the term of such Product.

"Bonus Outperformance Certificates" allow the investor to participate in the performance of the Underlying Asset(s) and provide for a conditional minimum redemption amount at the end of the term of the "Bonus Outperformance Certificates".

If the specified barrier is not reached or breached during the term of the "Bonus Outperformance Certificate", investor will receive at least the minimum redemption amount.

Furthermore, if the defined strike price is reached, the participation of the investor is increased by a participation factor resulting in a disproportionate participation in the positive performance (or, in case of an "Bonus Outperformance Certificate" with a bear feature, in the negative performance) of the Underlying Asset(s) and the potential profit is not limited.

If the specified barrier is reached or breached during the term of the "Bonus Outperformance Certificates", such "Bonus Outperformance Certificates" change into "Outperformance Certificates", with no capital protection. The loss potential then corresponds largely to that of the Underlying Assets and there is the risk of a total loss.

Bonus Outperformance Certificates allow the investor to participate in the performance of the Underlying Reference Asset(s). If the defined strike price is reached, the participation of the investor in a Bonus Outperformance Certificate is increased by a disproportionate (and unlimited) participation factor. Such Product may provide for a limit on the achievable profits (cap). Below the strike price, the profit potential of Bonus Outperformance Certificates, corresponds largely to that of the Underlying Reference Assets, adjusted by the applicable conversion ratio and any related fees. Bonus Outperformance Certificates provide for a conditional minimum redemption amount. The level of the minimal redemption amount representing the level of capital

protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date, provided the barrier is not reached.

3.5 Twin Win Certificate (SSPA Category 1340)

Twin Win Certificates are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase or to slightly decrease (or, in the case of Products with a bear feature, to decrease or slightly increase) and (ii) the Underlying Reference Asset(s) not to breach the defined barrier throughout the term of such Product.

Twin Win Certificates allow the investor to participate in the performance of the Underlying Reference Asset(s). Profits are possible with both an increasing and slightly decreasing value of the Underlying Reference Asset(s) (or, in the case of Products with a bear feature decreasing or slightly increasing value of the Underlying Reference Asset(s)).

If the value of the Underlying Reference Asset(s) increases above the strike price, the value of the Twin Win Certificate and the profit corresponds largely to that of the Underlying Reference Assets and the potential profit is not limited. If the value of the Underlying Reference Assets is below the strike price, but the value of the Underlying Reference Asset(s) did not touch or fall below the barrier throughout the term of such Products, then the negative performance of the Underlying Reference Asset(s) are converted into corresponding profits for investors in the Twin Win Certificates.

Twin Win Certificates provide for a conditional minimum redemption amount. The level of the minimal redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Product that the investor will be entitled to at the settlement date, provided the barrier is not reached or breached.

If the barrier is reached or breached, such Twin Win Certificates change into Tracker Certificates and loss potential then corresponds largely to that of the Underlying Reference Assets and there is the risk of a total loss.

3.6 Airbag Certificate

Airbag Certificates are primarily targeted at investors that expect the value of the Underlying Asset to increase (or, in the case of Airbag Certificates with a bear feature, the value of the Underlying Asset to decrease).

Airbag Certificates allow the investor to participate in the performance of the Underlying Asset with the potential profit not being limited (unless the Airbag Certificate contains a cap) and provide for a conditional minimum redemption amount at the end of the term of the Airbag Certificate.

If the value of the Underlying Assets develops favourably (i.e., if the value of the Underlying Asset increases above the upper strike price (or, in the case of Airbag Certificates with a bear feature, decreases below the lower strike price), the redemption amount is linked to and the investors will participate in the positive performance (or, in the case of Airbag Certificates with a bear feature, in the negative performance) of the Underlying Asset.

II. Description of Products

If the value of the Underlying Asset develops unfavourably and is below the upper strike price but above the lower strike price, the investor will receive the specified minimum redemption amount.

If the value of the Underlying Asset develops unfavourably (i.e., if the value of the Underlying Asset decreases) and is below the lower strike price (or, in the case of Airbag Certificates with a bear feature, is at or increases above the upper strike price), the redemption amount is linked to and investors will participate in the negative performance of the Underlying Asset (or, in the case of Airbag Certificates with a bear feature, in the positive performance above the upper strike price).

The Investors' participation in the performance of the Underlying Asset may be increased by a participation factor resulting in an over proportionate profit or loss participation in the performance of the Underlying Asset.

4. Investment Products with Additional Credit Risk (SSPA Category 14)

Investment Products with Additional Credit Risk are also affected by the occurrence of a defined credit event in respect of a reference entity or obligation. If a credit event occurs in respect of a reference entity or obligation during the term of the Investment Products with Additional Credit Risk, they will be redeemed at a value which may be significantly below their initial value and as low as zero and investors will make a partial or total loss.

The product category " Investment Products with Additional Credit Risk " includes in particular the following product types:

4.1 Credit Linked Note (SSPA Category 1400)

Credit Linked Notes are primarily targeted at investors that expect that no credit event to occur with regard to a reference entity or reference obligation.

Generally, if during the term of a Credit Linked Note a credit event or a credit redemption event in respect of the relevant reference entity or reference entities occurs, further coupon payments and the repayment of the entire or part of the redemption amount are jeopardize as specified in the applicable terms and conditions of the respective Credit Linked Note (early redemption). In such case the amount investors receive may be significantly below its initial value and as low as zero and investors will make a partial or total loss. Therefore, in particular, the solvency of a specific reference entity is decisive.

Generally, if during the term of a Credit Linked Note no credit event or credit redemption event occurs in respect of the relevant reference entity resp. reference entities, Credit Linked Notes generally provide for a defined scheduled redemption amount equal to a certain percentage of the relevant outstanding principal amount specified in the applicable terms and conditions, which investors will receive on the defined scheduled maturity date, provided that the product is not redeemed prior to the scheduled maturity date.

4.2 Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)

Conditional Capital Protection Notes with Additional Credit Risk are primarily targeted at investors that (i) expect the value of the Underlying Reference Asset(s) to increase (or, in the case of

II. Description of Products

Products with a bear feature to decrease), (ii) consider a sharp decrease of the value of the Underlying Reference Asset(s) to be possible (or, in the case of a Product with a bear feature, a sharp increase of the value of the Underlying Reference Asset(s)) and (iii) and expect no credit event to occur with regard to a reference entity or obligation.

Conditional Capital Protection Notes with Additional Credit Risk may have one or more underlying reference entities or obligations. If during the term of the Product no credit event occurs in respect of the reference entity or obligation, the investor will participate in the performance the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed favourably (i.e., if the value of the Underlying Reference Asset(s) has increased or, in case of Products with a bear feature, decreased), the return will exceed the minimum redemption amount of the Product. Therefore, if no credit event occurs, Conditional Capital Protection Notes with Additional Credit Risk work in the same manner as the corresponding Capital Protection Product on which they are based.

If a credit event occurs in respect of the reference entity or obligation during the term of the " Conditional Capital Protection Notes with Additional Credit Risk ", the investor loses the capital protection and the " Conditional Capital Protection Notes with Additional Credit Risk " will be redeemed at a value, which may be significantly below their initial value and as low as zero and investors will incur a partial or total loss.

4.3 Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)

Yield Enhancement Certificates with Additional Credit Risk are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to move sideways or to slightly increase (or, in the case of Products with a bear feature to move sideways or to slightly decrease), with falling volatility, and (ii) no credit event to occur with regard to a reference entity or obligation.

Yield Enhancement Certificates with Additional Credit Risk may have one or more underlying reference entities or obligations. If during the term of the Product no credit event occurs in respect of the reference entity or obligation, the investor will receive a coupon or a discount and the Product will work in the same manner as the corresponding Yield Enhancement Product on which it is based. If a credit event occurs in respect of the reference entity or obligation during the term of the Product, it will be redeemed at a value, which may be significantly below its initial value and as low as zero and the investor will make a partial or total loss.

4.4 Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Participation Certificates with Additional Credit Risk are primarily targeted at investors that expect (i) the value of the Underlying Reference Asset(s) to increase (or, in the case of Products with a bear feature, to decrease) and (ii) no credit event to occur with regard to a reference entity or obligation.

Participation Certificate with Additional Credit Risk may have one or more underlying reference entities or obligations. If during the term of the Product no credit event occurs in respect of the reference entity or obligation, the investor will participate in the performance the Underlying Asset(s) in the same manner as the corresponding Participation Product on which it is based.

II. Description of Products

If a credit event occurs in respect of the reference entity or obligation during the term of the Product, it will be redeemed at a value, which may be significantly below its initial value and as low as zero and the investor will make a partial or total loss.

5. Leverage Products (SSPA Category 20)

Leverage Products are subject to a leverage effect both in the direction of profits and losses, i.e., changes in the value of the Underlying Reference Asset(s) have a disproportionate effect on the value of Leveraged Products compared to a direct investment in the Underlying Reference Asset(s). The leverage effect permits investors to use less capital compared to investing directly in the Underlying Reference Asset(s).

The product category "Leverage Products" includes in particular the following product types:

5.1 Warrant (SSPA Category 2100)

Warrants with a Call feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) and the volatility to increase. Warrants with a put feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease and volatility to increase. A warrant is therefore suitable for hedging and speculating.

The essential attribute of a Warrant is the leverage effect. The leverage effect causes the value of such Product to react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such a Product is smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged positive or negative performance relative to the Underlying Reference Asset(s).

5.2 Spread Warrant (SSPA Category 2110)

Spread Warrants with a bull feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Spread Warrants with a bear feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease.

A Spread Warrant provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the strike price, as applicable. The leverage is the result of the fact that the invested capital in such a Product is smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Reference Asset(s).

The potential yield of an investment in Spread Warrants is limited, namely by the upper cap in the case of Spread Warrants with a bull feature and by the lower cap in the case of Spread Warrants with a bear feature. This means that an investor may benefit from an increase (in the case of bull feature) or a decrease (in the case of a bear feature) of the value of the Underlying Reference Asset(s) up to a maximum value at the lower or upper cap, as applicable.

5.3 Warrant with Knock-Out (SSPA Category 2200)

II. Description of Products

Warrants with Knock-Out and a call feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Warrants with Knock-Out and a put feature are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease.

A Warrant with a Knock-Out provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the knock-out, as applicable. The leverage is the result of the fact that the invested capital in such a Product is smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Reference Asset(s). Volatility only has a minor effect on the value of a Warrant with a Knock-Out and also the loss of time value is marginal.

5.4 Mini-Future (SSPA Category 2210)

Mini Futures (long) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Mini Futures (short) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease. A Mini Future is therefore suitable for hedging and speculating.

A Mini-Future provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s) below or above the stop-loss barrier. The leverage effect is the result of the fact that the invested capital in such a Product is smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Reference Asset(s).

5.5 Constant-Leverage Certificate (SSPA Category 2300)

Constant Leverage Certificates (long) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to increase. Constant Leverage Certificates (short) are primarily targeted at investors that expect the value of the Underlying Reference Asset(s) to decrease. Constant Leverage Certificates allow investors to make long term-leveraged investments in an Underlying Reference Asset(s) for which the risk and leverage effect are kept constant.

A Constant Leverage Certificate provides for a leverage effect, meaning the value of such Product will react proportionally more strongly to changes in the value of the Underlying Reference Asset(s). The leverage effect is the result of the fact that the invested capital in such a Product is smaller than for a direct investment in the Underlying Reference Asset(s). Therefore, a smaller investment may generate a leveraged performance relative to the Underlying Reference Asset(s). Unlike other Leverage Products, the leverage effect of a Constant Leverage Certificate remains constant. A regular resetting mechanism under which the performance of the Underlying Reference Asset(s) is mirrored with a defined leverage factor (i.e., a constant leverage of, for example, 10), ensures that the leverage effect remains constant.

III. Risk Factors

A. Preliminary Remarks

An investment in Products involves substantial risks and an investment in the Products is not equivalent to investing directly in the Underlying Reference Asset(s).

The Issuer believes that the following factors (i) are material for the purpose of assessing the market risks and other risks relating to the Products and/or (ii) may affect its ability to fulfil its respective obligations in respect of the Products and. All of these factors are contingencies, which may or may not occur and the Issuer expresses no view on the likelihood of any such contingency occurring. The factors discussed below regarding the risks of acquiring or holding any Products are not exhaustive, and additional risks and uncertainties that are not presently known to the Issuer, or that the Issuer currently believes to be immaterial, could also have a material impact on the Issuer or on the Products.

B. Risk Factors Relating to the Products

Potential investors should refer to the Swiss Bankers Association's brochure „Risks Involved in Trading Financial Instruments”, as amended, which shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus, for a description of the risks associated with an investment in the Products and securities trading in general. Investors are deemed to have read and understood and, if necessary, discussed this brochure and the explanations contained therein with their professional financial, accounting, legal and tax advisors.

1. Risk Factors relating to certain Product Types

1.1 Capital Protection Products (SSPA Category 11)

Investors in Capital Protection Products should be aware that although the Products provide for either full or partial capital protection (i.e., the minimum redemption amount, which may be equal to, less than or higher than the nominal or par value of the Product, whichever is specified in the applicable terms and conditions, and may be less than the Issue Price or, if different, the price the relevant investor paid for such Products), they may still lose some or all of their investment therein (including the minimum redemption amount), in particular if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations under such Products.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment may fall below the minimum redemption amount if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(a) Capital Protection Note with Participation (SSPA Category 1100)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased), investors in Capital Protection Note with Participation will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss

III. Risk Factors

upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to prevailing interest rates and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Capital Protection Note with Barrier (SSPA Category 1130)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased, or if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Notes with Barrier will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to prevailing interest rates and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Barrier Capital Protection Certificates is capped.

(c) Capital Protection Note with Twin Win (SSPA Category 1135)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Note with Twin Win will only receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount. Such loss is limited to the minimum redemption amount, subject to the credit risk of the Issuer.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to prevailing interest rates and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Capital Protection Note with Twin Win is capped.

(d) Capital Protection Note with Coupon (SSPA Category 1140)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased, or if the value of the Underlying Reference Asset(s) has breached a relevant barrier), investors in Capital Protection Note with Coupon will only

receive the minimum redemption amount upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the minimum redemption amount.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to prevailing interest rates and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Capital Protection Notes with Coupon is capped.

1.2 Yield Enhancement Products (SSPA Category 12)

Yield Enhancement Products do not provide for a minimum redemption amount and the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return on an investment in Yield Enhancement Products is capped.

The risk associated with Yield Enhancement Products linked to several Underlying Reference Assets with a "worst-of"-structure (or, in case of Yield Enhancement Products with a bear feature, with a "best-of" structure) is typically higher and, if the value of the Underlying Reference Asset(s) at redemption develops unfavourably, investors will receive the Underlying Reference Asset(s) with the worst performance (or, in case of Yield Enhancement Products with a bear feature, the Underlying Reference Asset(s) with the best performance) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) with the worst performance (or, in case of Yield Enhancement Products with a bear feature, with the best performance) (cash settlement).

(a) Discount Certificate (SSPA Category 1200)

Discount Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased, or, in case of Products with a bear feature, increased), investors in Discount Certificates will only receive the specified number (ratio) of Underlying Reference Asset(s) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and

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hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Discount Certificates is capped.

(b) Barrier Discount Certificate (SSPA Category 1210)

Upon a breach of the specified barrier, Barrier Discount Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Barrier Discount Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products).

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Barrier Discount Certificates is capped.

(c) Reverse Convertible (SSPA Category 1220)

Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) at redemption has decreased, or, in case of Products with a bear feature, increased), investors will receive the specified

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number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement), save for the periodic coupon payments. The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payment, subject to the issuer risk.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to prevailing interest rates and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Reverse Convertibles is capped.

(d) Barrier Reverse Convertible (SSPA Category 1230)

Upon a breach of the specified barrier, Barrier Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement), save for the periodic coupon payments. The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payments, subject to the issuer risk, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products), save for the periodic coupon payments.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Barrier Reverse Convertibles is capped.

(e) Conditional Coupon Reverse Convertible (SSPA Category 1255)

Conditional Coupon Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) at redemption has decreased, or, in case of Products with a bear feature, increased), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

The timing of redemption of Conditional Coupon Reverse Convertibles is uncertain since the occurrence of an autocall trigger depends on the performance of the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) does not increase and exceed (or, in case of Products with a bear feature, fall below) the specified threshold, Conditional Coupon Reverse Convertibles will not be redeemed until the end of its term.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Conditional Coupon Reverse Convertibles is capped.

(f) Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

Upon a breach of the specified barrier, Conditional Coupon Barrier Reverse Convertibles directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor may not make a profit and an investment in such Products may result in a loss upon redemption if

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the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, save for the periodic coupon payments, if any, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products).

The timing of redemption of Conditional Coupon Barrier Reverse Convertibles is uncertain since the occurrence of an autocall trigger depends on the performance of the Underlying Reference Asset(s). If the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) does not increase and exceed (or, in case of Products with a bear feature, fall below) the specified threshold, Express-Barrier-Certificates will not be redeemed until the end of its term.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Conditional Coupon Barrier Reverse Convertibles is capped.

1.3 Participation Products (SSPA Category 13)

Participation Products may directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The risk associated with Participation Products linked to several Underlying Reference Assets with a "worst-of" structure (or, in case of Participation Products with a bear feature, with a "best-of" structure) is typically higher and, if the value of the Underlying Reference Asset(s) at redemption develops unfavourably, investors will receive the Underlying Reference Asset(s) with the worst performance (or, in case of Participation Products with a bear feature, the Underlying

Reference Asset(s) with the best performance) (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) with the worst performance (or, in case of Participation Products with a bear feature, with the best performance) (cash settlement).

(a) Tracker Certificate (SSPA Category 1300)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of Underlying Reference Asset(s) has decreased or, in the case of Products with a bear feature has increased), the investor will suffer a loss on the investment at redemption. The potential loss corresponds to the negative performance of the Underlying Reference Asset(s). If at redemption the value of the Underlying Reference Asset(s) is below (or, in case of Products with a bear feature, is above) its initial value, investors will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount determined based on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Therefore, the investor in a Tracker Certificate bears the risk of a partial or total loss at redemption.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Outperformance Certificate (SSPA Category 1310)

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of Underlying Reference Asset(s) has decreased or, in the case of Products with a bear feature has increased), the investor will suffer a loss on the investment at redemption. The potential loss corresponds to the negative performance of the Underlying Reference Assets. If at redemption the value of the Underlying Reference Asset(s) is below (or, in case of Products with a bear feature, is above) its initial value, investors will and receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount determined based on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Therefore, the investor in an Outperformance Certificate bears the risk of a partial or total loss at redemption.

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Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(c) Bonus Certificate (SSPA Category 1320)

Upon a breach of the specified barrier, Bonus Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Bonus Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products).

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(d) Bonus Outperformance Certificate (SSPA Category 1330)

Upon a breach of the specified barrier, Bonus Outperformance Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Bonus Outperformance Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount

may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products).

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(e) Twin Win Certificate (SSPA Category 1340)

Upon a breach of the specified barrier, Twin Win Certificates directly reflect the negative performance (or, in the case of Products with a bear feature, the positive performance) of the Underlying Reference Asset(s).

If, at redemption, the value of the Underlying Reference Asset(s) has developed unfavourably (i.e., if the value of the Underlying Reference Asset(s) has decreased below the specified barrier or, in case of Products with a bear feature, increased above the specified barrier), investors in Twin Win Certificates will receive the specified number (ratio) of Underlying Reference Assets (physical settlement) or a redemption amount depending on the value of the Underlying Reference Asset(s) (cash settlement) upon redemption. In such a case, an investor will not make a profit and an investment in such Products will result in a loss upon redemption if the issue price (or, if different, the price the relevant investor paid for such Products) is higher than the value of the specified number (ratio) of Underlying Reference Assets (physical settlement) or the redemption amount (cash settlement). The value of the Underlying Reference Asset(s) and hence the redemption amount may be as low as zero. Investors in such Products bear the risk of a total loss at redemption, if the specified barrier is breached during the term of the Product. Even if the barrier is not breached, the investor will make a loss if the minimum redemption amount is below the issue price (or, if different, the price the relevant investor paid for such Products).

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(f) Airbag Certificate

On the maturity date, investors in Airbag Certificates are entitled to receive a (conditional) minimum redemption amount, if the value of the Underlying Reference Asset is at or above the lower strike price.

If the value of the Underlying Reference Asset is below the lower strike price (or in the case of Airbag Certificates with a bear feature, is at or increases above the upper strike price), the investor will participate in the negative performance (or in the case of Airbag Certificates with a bear feature, the positive performance) of the Underlying Reference Asset. Therefore, an unfavourable performance of the Underlying Reference Assets could

reduce the redemption amount payable to the investors. In case of an unfavourable performance of the Underlying Asset, the investor may therefore suffer a total loss of the invested capital.

If the applicable final terms specify that a participation factor will be applied, the Airbag Certificates are in economic terms similar, but not identical to a direct investment in the Underlying Reference Asset. Investors in Airbag Certificates with a participation factor, do not participate in the relevant performance of the Underlying Reference Asset in a 1:1 ratio, but in proportion in accordance with the applicable participation factor as specified in the final terms. Accordingly, any increase or decrease in the value of the Underlying Reference Asset may result in a disproportionate change in the value of the Products and/or the redemption amount.

An investment in an Airbag Certificates, consequently, also entails a disproportionate loss exposure, if the price of the Underlying Reference Asset develops unfavourably below the lower strike price (or in case of Airbag Certificates with a bear feature, above the upper strike price). It should be noted that the higher the participation factor and consequently the leverage effect of an Airbag Certificate, the higher the involved loss exposure.

1.4 Investment Products with Additional Credit Risk (SSPA Category 14)

Investment Products with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Capital Protection Products, Yield Enhancement Products or Participation Products on which they may be based, Investment Products with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

(a) Credit Linked Note (SSPA Category 1400)

Credit Linked Notes are highly complex financial products. Credit Linked Notes are subject to the risk that a credit event occurs in relation to the reference entity. If during the term of a Credit Linked Note a credit event or a credit redemption event in respect of the relevant reference entity or reference entities occurs, further coupon payments and the repayment of the entire or part of the redemption amount are jeopardized as specified in the applicable terms and conditions of the respective Credit Linked Note (early redemption). In such case the amount investors receive may be significantly below its initial value and as low as zero and investors will make a partial or total loss. Therefore, in particular, the solvency of a specific reference entity is decisive.

Furthermore, the value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)

Conditional Capital Protection Notes with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Capital Protection Products on which they are based, Conditional Capital Protection Notes with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to the probability of the occurrence of a credit event in relation to the reference entity, changes to prevailing interest rates and the amount of time remaining to redemption, and may fall below the minimum redemption amount.

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The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(c) Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)

Yield Enhancement Certificates with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Yield Enhancement Products on which they are based, Yield Enhancement Certificates with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to the probability of the occurrence of a credit event in relation to the reference entity, changes to prevailing interest rates or expected proceeds from direct holdings of the Underlying Reference Asset(s), and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Yield Enhancement Certificates with Additional Credit Risk is capped.

(d) Participation Certificate with Additional Credit Risk (SSPA Category 1430)

Participation Certificates with Additional Credit Risk are highly complex financial products. In addition to the risks affecting the corresponding Participation Products on which they are based, Participation Certificates with Additional Credit Risk are also subject to the risk that a credit event occurs in relation to the reference entity.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, changes to the probability of the occurrence of a credit event in relation to the reference entity, changes to prevailing interest rates or expected proceeds from direct holdings of the Underlying Reference Asset(s), and the amount of time remaining to redemption, and may fall below the minimum redemption amount, if any.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

1.5 Leverage Products (SSPA Category 20)

Leverage Products generate increased risk of total loss compared to direct investment in the Underlying Reference Asset(s) and thus require continuous monitoring.

(a) Warrant (SSPA Category 2100)

The leverage effect of a Warrant can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a Warrant with a call feature, or an increasing value in the case of a Warrant with a put feature. Warrants, therefore, have an increased risk of a total loss of the invested capital.

A continuous monitoring of such Products is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a call feature) or positive (in case of a put feature) performance of the Underlying Reference Asset(s)

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within the term of the Warrant. Warrants expire worthless if the market value of the Underlying Reference Asset(s) lies below (call warrants) or above (put warrants) the strike price.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) or changes to prevailing interest rates, and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(b) Spread Warrant (SSPA Category 2110)

The leverage effect of a Spread Warrant can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a Spread Warrant with a bull feature, or an increasing value in the case of a Spread Warrant with a bear feature. Spread Warrants therefore have an increased risk of a total loss of the invested capital.

A continuous monitoring of such Product is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a bull feature) or positive (in case of a bear feature) performance of the Underlying Reference Asset(s) within the term of the Spread Warrant. Spread Warrants expire worthless if the market value of the Underlying Reference Asset(s) lies below (bull feature) or above (bear feature) the strike price.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) or changes to prevailing interest rates, and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

The potential return of an investment in Spread Warrants is capped.

(c) Warrant with Knock-Out (SSPA Category 2200)

A Warrant with Knock-Out immediately expires without value if the knock-out barrier is reached during the term of such Product. The reaching of the knock-out barrier, therefore, leads to the investor losing the entire initial investment.

The leverage effect of a Warrant with Knock-Out can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a Warrant with Knock-Out with a call feature, or an increasing value in the case of a Warrant with Knock-Out with a put feature. A Warrant with Knock-Out therefore has an increased risk of a total loss of the invested capital.

A continuous monitoring of such Products is required. Due to the limited term of such Products, the investor cannot expect a timely recovery of a negative (in case of a bull feature) or positive (in case of a bear feature) performance of the Underlying Reference Asset(s) within the term of the Warrant with Knock-Out.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) or changes to prevailing interest rates, and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(d) Mini-Future (SSPA Category 2210)

Mini-Futures do not have a fixed term, but expire immediately upon the value of the Underlying Reference Asset(s) falling below (long Mini-Futures) or reaching (short Mini-Future) the defined stop-loss barrier. Upon reaching the stop-loss barrier the residual value of the Product is redeemed. A continuous monitoring of such Product is required.

The leverage effect of a Mini-Future can also work to the disadvantage of the holder of such a Product in the case of a decreasing value of the Underlying Reference Asset, in the case of a long Mini-Future, or an increasing value in the case of a short Mini-Future. A Mini-Future therefore has an increased risk of a total loss of the invested capital.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) or changes to prevailing interest rates, and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

(e) Constant-Leverage Certificate (SSPA Category 2300)

The leverage effect of a Constant Leverage Certificate can also work to the disadvantage of the holder of such a Product, leading to losses in the case of a decreasing value of the Underlying Reference Asset(s), in the case of a long Constant Leverage Certificate, or an increasing value in the case of a short Constant Leverage Certificate. Constant Leverage Certificates therefore have an increased risk of a total loss of the invested capital. Frequent shifts in the direction of the value of the Underlying Reference Asset(s) have a negative effect on the performance of the product.

Constant Leverage Certificate provide for an early redemption if the stop-loss barrier is reached. In such a case, the Product will be redeemed at the liquidation value of the Underlying Reference Asset(s), which may be equal to zero. Therefore, a total loss of the amount invested in such Products is possible, but any such loss is limited to the amount invested and the value of the Product cannot become negative. A continuous monitoring of such Product is required.

Prior to redemption, the value of the investment may be adversely affected by factors other than the value of the Underlying Reference Asset(s), such as, in particular, expected proceeds from direct holdings of the Underlying Reference Asset(s) or changes to prevailing interest rates, and the amount of time remaining to redemption.

The value of the investment will be adversely affected and may fall to zero if the Issuer becomes insolvent or otherwise unable to fulfil all or part of its obligations.

2. Risk Factors relating to certain Product Features

2.1 Risks of Products with physical settlement

In the case of such Products, delivery of the Underlying(s) will not be made on the date of valuation of the Underlying(s), but on the Final Redemption Date (or the first Delivery Day thereafter). Accordingly, an investor in any such Products will be exposed to the risk that the value of

the Underlying(s) to be delivered will decline between the date of valuation and the time of delivery. Furthermore, if a Product is physically settled, any investor therein will be exposed to the risks relating to the Share Issuer and the Share, the Fund, ETF, Fund Administrator, Fund Manager, the Commodity or the foreign exchange rate, as applicable. In respect of Products linked to Commodities or Foreign Exchange Rates, investors should note that the physical delivery of the Commodity or the Foreign Exchange Rate, as applicable, will be effected by way of a credit entry to the appropriate foreign exchange account or precious metals account, as applicable, of the investor, thereby exposing the investor to risks related to the entity (including risks of insolvency) where such account is maintained.

If the applicable Terms and Conditions provide for a physical settlement upon redemption and the Issuer is not in a position to deliver the Underlying(s), then the Issuer is entitled to effect a cash settlement instead.

In addition, an investor in Products with physical settlement should not assume that he or she will be able to sell any Underlying(s) for a specific price after redemption of such Products (in particular, not for a price corresponding to the amount of capital such investor used to purchase such Products). Furthermore, if not sold, such Underlying(s) may decrease in value or may even become worthless and in such case, the investor runs the risk of losing all the capital used to purchase such Products (including any associated transaction costs).

Investors in such Products may also be subject to certain documentary, turnover or stamp taxes in relation to the delivery and/or disposal of such Underlying(s).

2.2 Risks of an Issuer's call option

In case of Products with an Issuer's call option, the Issuer is entitled to redeem the Products in whole but not in part prior to the Final Redemption Date. If the Issuer exercises its right to early redeem the Products, investors in such Products will not be able to participate in any performance of the Underlying(s) after the date of such early redemption and investors in such Products may incur additional transaction costs as a consequence of reinvesting proceeds received upon any early redemption and the conditions for such a reinvestment may be less favourable than the relevant investor's initial investment in the Products.

2.3 Risks related to the performance of the Worst-Performing Underlying or the Best-Performing Underlying, as the case may be

In the case of Products linked to multiple Underlyings with a "worst-of"-structure (or in case of a Products with a bear feature, with a "best-of"-structure), investors are exposed to, in the case of Products without a bear feature (i.e., with a bull feature), the negative performance of the Worst-Performing Underlying (which is the Underlying with the worst performance out of all Underlyings determined in accordance with the applicable Terms and Conditions), or, in the case of Products with a bear feature, the positive performance of (i.e., the risk of a short investment in) the Best-Performing Underlying (which is the Underlying with the best performance out of all Underlyings determined in accordance with the applicable Terms and Conditions).

2.4 Risks resulting from the correlation of multiple Underlyings

In the case of Products linked to multiple Underlyings with a "worst-of"-structure (or, in case of Products with a bear feature, with a "best-of"-structure), the level of correlation among the Underlyings indicates their interdependence with respect to their performance, and such level of correla-

tion may have a significant impact on the value of the Products. For example, if all of the Underlyings originate from the same sector and the same country, a high level of correlation may generally be assumed, which could mean that, in the case of events affecting such sector or country, the value of all Underlyings may move in the same direction at substantially the same time and/or experience a substantially similar level of volatility. In such case, such coordinated movement and/or volatility may have a more substantial impact on the value of the Products linked thereto than if such Products were linked to multiple Underlyings with a low level of correlation. Alternatively, if there is a low level of correlation among the Underlyings, any change in the performance of one of the Underlyings may have a more substantial impact on the value of the Products linked thereto than if such Products were linked to multiple Underlyings with a high level of correlation. However, an investor in Products should be aware that (i) past levels of correlation among the Underlyings may not be determinative of future levels of correlation, (ii) the values of Underlyings with a high level of correlation may nevertheless move in opposite directions and/or experience different levels of volatility, and (iii) the values of Underlyings with a low level of correlation may nevertheless move in the same direction at substantially the same time and/or experience a substantially similar level of volatility.

2.5 Risks that an unfavourable performance of a single Underlying included in the Basket may result in an unfavourable performance of the basket as a whole

Investors in Products linked to a basket should be aware that even in the case of the favourable performance of one or more Underlyings, the performance of the basket as a whole may be unfavourable if the unfavourable performance of one or more of the other Underlyings outweighs such favourable performance.

2.6 Risks of Products linked to a basket made up of a small number of Underlyings or unequally weighted Underlyings

The performance of a basket that includes a smaller number of Underlyings will generally be more greatly affected by changes in the value of any particular Underlying included therein than a Basket that includes a greater number of Underlyings.

The performance of a basket that gives greater weight to an Underlying or certain Underlyings will generally be more affected by changes in the value of such Underlying(s) than a Basket that gives equal or relatively equal weight to each Underlying.

3. Risk Factors relating to all Products

3.1 Risks in case of an insolvency of the Issuer

Products are direct, unconditional, unsecured and unsubordinated obligations of the Issuer. If the Issuer were to become insolvent, claims of investors in Products will rank equally in right of payment with all other unsecured and unsubordinated obligations of the Issuer, except such obligations given priority by law.

An investment in Products will also not be covered by any compensation or insurance scheme (such as a bank deposit protection scheme) of any government agency of Switzerland or any other jurisdiction and Products do not have the benefit of any government guarantee. Products are the obligations of the Issuer only and holders of Products must look solely to the Issuer for the performance of the Issuer's obligations under such Products.

In the event of the insolvency of the Issuer, an investor in Products may therefore lose all or some of its investment therein irrespective of any favourable development of the other value determining factors, such as the performance of the Underlying(s).

3.2 The profit potential of Products is capped

Any amounts payable in accordance with the applicable Terms and Conditions of the relevant Products will be limited to such amounts specified in the applicable Terms and Conditions. Investors in such Products will not participate in any performance of the Underlying(s) that would result in amounts exceeding the amounts payable in accordance with the applicable Terms and Conditions of the relevant Products. Therefore, an investment in such Products may lead to a lower return than if the investor had made a direct investment in the Underlying(s).

3.3 Risks related to factors that influence the market value of the Products

During the term of a Product, the market value of, and the expected return on, such Product may be influenced by many factors, some or all of which may be unpredictable or beyond the Issuer's control, and which may offset or magnify each other, including, without limitation:

- supply and demand for such Product, including inventory positions of any other market maker;
- the expected frequency and magnitude of changes in the market value of the Underlying(s) (volatility);
- economic, financial, political or regulatory events or judicial decisions that affect the Issuer, the Underlying(s) or the financial markets generally;
- interest and yield rates in the market generally;
- the time remaining until the redemption / settlement of the Products;
- the Issuer's creditworthiness, including actual or anticipated downgrades in the Issuer's credit ratings; and
- dividend payments on the Underlying(s), if any.

Some or all of these factors may have a negative impact on the price of a Product, so that investors may only be able to sell Products on the secondary market during their lifetime incurring losses of invested capital. The impact of any of the factors set forth above may enhance or offset some or all of any change resulting from another factor or factors.

In addition, certain built-in costs are likely to adversely affect the market value of Products. The price at which the Issuer will be willing to purchase Products from a holder in secondary market transactions, if at all, will likely be lower than the original Issue Price.

3.4 Risks related to investors' general appraisal of the creditworthiness of the Issuer

The perception of the Issuer's creditworthiness may be influenced by the ratings assigned to outstanding securities of the Issuer by well-recognised rating agencies. A reduction in any rating assigned to outstanding securities of the Issuer by one of these rating agencies could result in a reduction in the market value of Products. For detailed information on the risks in respect of the Issuer, investors should carefully read the risk factor section in the Registration Document.

The creditworthiness of the Issuer is generally also expected to be reflected in the credit spread on debt securities issued by it, *i.e.*, the margin payable by the Issuer to an investor as a premium

for the assumed credit risk. If the credit spread of the Issuer widens, this would result in a decrease in the market value of such Products.

Factors influencing the credit spread of the Issuer include, among other things, the creditworthiness and rating of the Issuer, probability of default of the Issuer, estimated recovery rate in liquidation and remaining term of the relevant Product. The liquidity situation, the general level of interest rates, overall economic, national and international political and financial regulatory developments, and the currency in which the relevant Product is denominated may also have a negative effect on the credit spread of the Issuer.

3.5 Risks in connection with the performance of the Underlying(s)

Each Product will represent an investment linked to the performance of one or more Underlying(s) which may be a Share, an Index, a Foreign Exchange Rate, a Commodity, an Interest Rate, a Bond, a Fund, a Futures Contract, a Reference Rate, a Reference Entity or Obligation as well as a Basket comprising the aforementioned.

Any amount payable, or other benefit to be received, under a Product will generally depend upon the performance of such Underlying(s).

The value of the Underlying(s) may be subject to sudden and large unpredictable changes over time and this degree of change is referred to as "volatility". The volatility of the Underlying(s) may be affected by, among other things, national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the market value of Products linked to such Underlying(s).

The Issuer expects that, generally, the value and volatility of the Underlying(s) on any day will affect the market value of such Product more than any other single factor.

However, a potential investor should not expect the market value of a Product in the secondary market to vary in proportion to changes in the value of the Underlying(s). The return on a Product (if any) may bear little relation to, and may be much less than, the return that the investor therein might have achieved if such investor had invested directly in the Underlying(s).

The market value of a Product is determined not only by changes in the value of the Underlying(s), but also depends upon a number of other factors. Accordingly, the market value of a Product may decline even if the value of the Underlying(s) remains constant or slightly increases (or decreases, in the case of Products with a bear feature). Investors should also note that any information about the past performance of the Underlying(s) at the time the relevant Product is issued should not be regarded as indicative of the range of, or trends in, fluctuations in the value of such Underlying(s) that may occur in the future.

Further, if the Underlying(s) perform(s) unfavourably during the lifetime of the Products, such Products might trade considerably below the Issue Price, regardless of whether the Underlying(s) is/are at, below or above, as applicable, any threshold specified in the applicable Terms and Conditions.

3.6 Risks related to potential conflicts of interest of the Issuer

The Issuer, the dealer(s) and their respective affiliates may deal with and engage generally in any kind of commercial or investment banking or other business with any Share Issuer or any of its affiliates or any other person or entities having obligations relating to any Share Issuer or any of its affiliates in the same manner as if any Products linked to Shares issued by such Share Issuer

did not exist, regardless of whether any such action might have an adverse effect on the value of such Products.

The Issuer, the dealer(s) and their respective affiliates may from time to time be engaged in transactions involving, among other things, the Underlying(s), the components of the Index or Indices linked thereto, the components of the Fund or Funds linked thereto, the components of the ETF or ETFs linked thereto or the Share Issuer(s) of the Share(s) linked thereto, which may affect the market value or liquidity of such Products and which could be deemed to be adverse to the interests of the investors in such Products.

Further, the Issuer or one of its affiliates will be the Calculation Agent with respect to each Product. In performing its duties in its capacity as Calculation Agent, the Issuer (or such affiliate) may have interests adverse to the interests of the investors in the relevant Products, which may affect such investors' return on such Products, particularly where the Calculation Agent is entitled to exercise discretion.

3.7 Risks in connection with hedging transactions by the Issuer

The Issuer may use a portion of the total proceeds from the sale of Products for transactions to hedge the risks of the Issuer relating to such Products. In such case, the Issuer or one of its affiliates may conclude transactions that correspond to the obligations of the Issuer under such Products. As a general rule, such transactions are concluded on or prior to the Issue Date/Payment Date of such Products, but may also occur thereafter. On or before any date on which the value of the Underlying(s) is determined pursuant to the Terms and Conditions applicable to the Products, the Issuer or one of its affiliates may take the steps necessary for closing out any such hedging transactions. It cannot, however, be ruled out that the value of the Underlying(s) will be influenced by such hedging transactions in individual cases. In addition, in the case of a Product whose value is based on the occurrence of a certain event in relation to the Underlying(s), entering into or closing out such hedging transactions may influence the probability of the occurrence or non-occurrence of such determining event.

Further, to the extent the Issuer is unable to conclude the above described hedging transactions, or such hedging transactions are difficult to conclude, the spread between the bid and offer prices relating to the relevant Products may be temporarily expanded or the provision of such bid and offer prices may be temporarily suspended, in each case in order to limit the economic risks to the Issuer. Consequently, holders of such Products may be unable to sell their Products or, if able to sell their Products on an exchange or on the over-the-counter market, may only be able to sell their Products at a price that is substantially lower than their actual value at the time of such sale, which may lead to losses to those holders.

3.8 Interest rate and inflation risk

An investment in Products may involve interest rate risk since the intrinsic value of a Product may be sensitive to fluctuations in interest rates.

Interest rates are determined by factors of supply and demand in the international money markets, which are in particular governed by macro-economic factors, inflation expectations, complex political factors, speculation, central bank and government intervention and other market forces. Fluctuations in short term or long-term interest rates may affect the market value of Products. Fluctuations in interest rates of the currency in which a Product or the Underlying(s) is/are denominated may also affect the market value of such Product.

The real yield on an investment in Products is reduced by inflation. Consequently, the higher the rate of inflation, the lower the real yield on a Product will be. If the inflation rate is equal to or higher than the yield under a Product, the real yield on such Product will be zero or even negative.

3.9 Risks in connection with transaction costs/charges

When Products are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of such Products. These incidental costs may significantly reduce or eliminate any profit from holding such Products.

In addition to such costs directly related to the purchase of securities (direct costs), potential investors in Products must also take into account any follow-up costs (such as custody fees). Potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of Products before investing in such Products.

3.10 Risks in connection with the secondary market in general

Products may have no established trading market when issued and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Products easily or at prices reasonably acceptable to them or may not be able to sell their Products at all. This is particularly the case for Products that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Products will generally have a more limited secondary market and experience a higher price volatility than conventional debt securities. Furthermore, there may also be less liquidity in the secondary market for Products if the Products are not listed on a regulated or unregulated market or other trading venue and, depending upon the particular structure of such Products, if such Products are exclusively offered to retail investors without any offer to institutional investors. Illiquidity may have a material adverse effect on the market value of Products.

Under normal market circumstances, the Issuer will endeavour to provide a secondary market for Products, but is under no legal obligation to do so. There will be a price difference between bid and offer prices (spread). Even where the Issuer provides a secondary market for Products, investors may still be unable to sell their Products for prices reasonably acceptable to them.

3.11 Risks in connection with a listing of Products

Products may be listed on an exchange or trading venue and Products which are listed on an exchange or trading venue may also be delisted during their term. Because other dealers or market participants are not likely to make a secondary market for listed or non-listed Products, the price at which a holder of Products may be able to trade listed or non-listed Products is likely to depend on the bid and offer prices, if any, at which the Issuer or the Calculation Agent is willing to trade such Products.

3.12 Risks in connection with discretionary rights of the Issuer and/or Calculation Agent and termination rights of the Issuer

The Issuer and/or Calculation Agent has broad discretionary authority to make various determinations and adjustments under Products, any of which, even if made in good faith and in a reasonable manner, may have an adverse effect on the market value thereof or amounts payable or other benefits to be received thereunder. Any such discretion exercised by, or any calculation

made by, the Issuer and/or Calculation Agent (in the absence of manifest error) shall be binding on the Issuer and all holders of the relevant Products.

Upon the occurrence of an Additional Adjustment Event or Extraordinary Event, the Issuer and/or Calculation Agent has the right to, among other things, modify the terms of the Products and the Issuer may exercise a right to early redeem the relevant Products. In accordance with the applicable Terms and Conditions of the Products such events principally relate to the Product, the Issuer and the Underlying(s).

Upon the occurrence of an Additional Adjustment Event or an Extraordinary Event, the Issuer and/or Calculation Agent has broad discretion to make certain modifications to the terms of the Products to account for such event, or any amount payable or other benefit to be received under the relevant Products. This may include substituting another underlying or underlyings for an Underlying, irrespective of whether such substitute underlying or underlyings are then currently used for purposes of the Products or changing the settlement terms of a Product from physical settlement to cash settlement. Any such modification made by the Issuer and/or Calculation Agent may have an adverse effect on the market value of or amount payable or other benefit to be received under the relevant Products. Such modification may be made without the consent of holders of Products.

Upon the occurrence of an Additional Adjustment Event or Extraordinary Event, the Issuer is further entitled to early terminate the Products if the Calculation Agent determines that it is unable to make any modification to the Products or any such modification would not be reasonably acceptable to the Issuer and the holders.

If in such case the Issuer exercises the early termination right, the Products will be redeemed early at an amount which will be determined by the Calculation Agent and which may be considerably lower than the Issue Price (or, if different, the price the relevant investor paid for such Product) and/or the redemption, settlement or any other amount that would otherwise have been due after the date of such early redemption will be paid.

3.13 Risks in connection with rights of ownership in the Underlying(s)

Unless otherwise provided for in the Terms and Conditions, Potential Investors should be aware that the relevant underlying(s) will not be held by the Issuer for the benefit of the investors into Products, and as such, investors into Products will not obtain any rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to any underlying referenced by such Product.

4. Risk Factors relating to certain Underlying Assets

4.1 Risks of Products linked to Share(s)

(a) Risks in connection with factors affecting the performance of the Share(s)

Factors that may affect the performance of the Share(s) may also adversely affect the market value of, and the return (if any) on, the Products linked thereto. The performance of the Share(s) is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors and Share Issuer-specific factors such as earnings position, market position, risk situation, shareholder structure and distribution policy.

(b) No claim against the Share Issuer or recourse to the Share(s)

Products linked to Share(s) do not represent a claim against or an investment in the relevant Share Issuer and investors in such Products will not have any right of recourse under such Products to such Share(s) or the relevant Share Issuer. Products linked to Shares are not in any way sponsored, endorsed, or promoted by the relevant Share Issuer and the relevant Share Issuer has no obligation to take into account the consequences of its actions on any investor in such Products. Accordingly, the relevant Share Issuer may take any actions in respect of the Share(s) without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products. The relevant Share Issuer will have no involvement in the offer and sale of Products linked to Share(s) and will have no obligation to any investor in such Products. An investment in Products linked to Share(s) does not result in any right to receive information from the relevant Share Issuer in respect of the Shares or exercise voting rights in respect of, or receive distributions on, the Share(s).

- (c) Risk that the return on the Products does not reflect the return on a direct investment in the Share(s)

An investor's return on Products linked to Share(s) may not reflect the return such investor would realise if he or she actually owned the relevant Share(s). For example, investors in Products linked to Share(s) will not receive dividends, if any, paid on such Share(s) during the term of such Products. Similarly, investors in Products linked to Share(s) will not have any voting rights in the Share(s) during the term of such Products. Accordingly, an investor in such Products may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the Share(s) directly.

- (d) No assurance that investors will be registered as shareholders in the share register of the Share Issuer(s) upon physical delivery of the Shares

At the time any Share is delivered to a holder of a Product pursuant to the terms thereof, the then valid registration rules of the Share Issuer will apply and there is a risk that such holder may not be registered as shareholder in the share register of the Share Issuer. The Issuer does not offer any assurance or guarantee that holders of Products will be accepted as shareholder in the share register of the Share Issuer(s) upon physical delivery of Share(s) under the Products.

4.2 Risks of Products linked to an Index or Indices

- (a) Risks in connection with factors affecting the performance of the Index or Indices

Factors that may affect the performance of the Index or Indices may also adversely affect the market value of, and return (if any) on, Products linked thereto. Indices are comprised of a synthetic portfolio of shares or other components and, as such, the performance of an Index is dependent upon the macroeconomic factors affecting the performance of the shares or other components that comprise such Index, which may include interest and price levels on the capital markets, currency developments, political factors and (in the case of shares) company-specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy.

- (b) Risk that the return on the Products does not reflect the return on a direct investment in the components included in the Index linked thereto

An investor's return on Products linked to an Index may not reflect the return such investor would realise if he or she actually owned the components included in such Index. For example, if the components of an Index are shares, investors in the Products linked to such Index will not receive any dividends paid on those shares and will not benefit from such dividends unless such Index

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takes such dividends into account for purposes of calculating the Index level. Similarly, investors in Products linked to an Index will not have any voting rights in the underlying shares or any other components included in such Index. Accordingly, an investor in Products linked to an Index may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the components of the relevant Index directly.

(c) Risk of change in the composition or discontinuance of the Index

A change in the composition or the discontinuance of the Index could adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of an Index (other than a proprietary index of the Issuer (risks in relation to proprietary indices of the Issuer are set out in the following paragraph)), to which a Product is linked. The relevant Licensor/Index Sponsor can add, delete or substitute the components of such Index or make methodological changes that could change the weight or method of calculation of the value of one or more components of such Index. Changing the components of an Index may affect the Index level as a newly added component may perform significantly worse or better than the component it replaces, which in turn may affect the market value of, and the payments made by the Issuer under the Products upon redemption. The relevant Licensor/Index Sponsor of any such Index may also alter, discontinue or suspend calculation or dissemination of such Index. The relevant Licensor/Index Sponsor will have no involvement in the offer and sale of Products linked to an Index and will have no obligation to any investment therein. The relevant Licensor/Index Sponsor may take any actions in respect of an Index without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products.

(d) Risks in relation to Products linked to a proprietary Index of the Issuer

Products may be linked to proprietary indices that are indices developed by the Issuer or one of its affiliates ("the **Proprietary Indices**" and each a "**Proprietary Index**") where the Issuer or its affiliates act as Index Calculation Agent or Licensor/Index Sponsor. These indices pursue a defined strategy to achieve an investment objective as described in more detail in the relevant index description. Any potential investor in Products linked to Proprietary Indices should be aware that such indices usually have only a limited operating history with no proven track record in achieving the stated investment objective in the medium or long term. Therefore, no assurance can be given that any such strategy on which a Proprietary Index is based will be successful and that such index will perform in line with or better than the relevant market benchmark or any alternative strategy that might be used to achieve the same or similar investment objectives.

The index rules of a Proprietary Index provide the Issuer or its affiliates in the capacity as Licensor/Index Sponsor and Index Calculation Agent with broad discretion to make certain calculations, determinations and amendments to the applicable index rules, from time to time, which calculations, determinations and amendments will, in the absence of manifest error, be binding upon holders of Products. The applicable Terms and Conditions and the index rules of the relevant Proprietary Index contain certain guidelines for the exercise of such discretion by the Licensor/Index Sponsor and the Index Calculation Agent in accordance with applicable laws and regulations. Before making a decision to invest in Products linked to Proprietary Indices potential investors should take into consideration that any such determination by the Licensor/Index Sponsor or the Index Calculation Agent may have an adverse effect on the market value of or amount payable or other benefit to be received under the relevant Products.

Proprietary Indices rely on the Issuer's infrastructure and electronic systems (including internal data feeds). Any breakdown or impairment to such infrastructure or electronic systems could affect the performance or continued operability of the relevant Index.

4.3 Risks of Products linked to a Commodity or Commodities

(a) Risks in connection with factors affecting the performance of the Commodity or Commodities

Factors that affect the performance of the Commodity or Commodities may adversely affect the market value of, and return (if any) on, the Products linked thereto. Commodity prices may be more volatile than other asset classes. Trading in Commodities is speculative and may be extremely volatile. Commodity prices are affected by a variety of factors that are unpredictable including, for example, warehousing, transportation and insurance costs, changes in supply and demand relationships, weather patterns and extreme weather conditions, governmental programs and policies, national and international political, military, terrorist and economic events, fiscal, monetary and exchange control programs, changes in interest and exchange rates and changes and suspensions or disruptions of market trading activities in commodities and related contracts. Commodity prices may be more volatile than other asset classes, making investments in commodities riskier than other investments.

A Commodity is either (i) a "physical" commodity, which needs to be stored and transported, and which is generally traded at a "spot" price, or (ii) a commodity contract, which is an agreement either (a) to buy or sell a set amount of an underlying physical commodity at a predetermined price and during a specified delivery period (which may be referred to as a delivery month), or (b) make and receive a cash payment based on changes in the price of the underlying physical commodity.

(b) Risks of Commodities that reference commodities contracts that are traded on unregulated or "under regulated" exchanges

Commodity contracts may be traded on regulated specialised futures exchanges (such as futures contracts). Commodity contracts may also be traded directly between market participants "over-the-counter" on trading facilities that are subject to lesser degrees of regulation or, in some cases, no substantive regulation. Accordingly, trading in such "over-the-counter" contracts may not be subject to the same provisions of, and the protections afforded to, contracts traded on regulated specialised futures exchanges, and there may therefore be additional risks related to the liquidity and price histories of the relevant contracts.

(c) Products linked to a Futures Contract on a particular Commodity may provide a different return than if they were linked to the physical Commodity or the Commodities

Products linked to a Commodity may be linked to a Futures Contract on such Commodity rather than to the Commodity itself. The price of a Futures Contract on a Commodity will generally be at a premium or at a discount to the spot price of the relevant Commodity. This discrepancy is due to such factors as (i) the need to adjust the spot price due to related expenses (*e.g.*, warehousing, transport and insurance costs) and (ii) different methods being used to evaluate general factors affecting the spot and the futures markets. In addition, and depending on the relevant Commodity, there can be significant differences in the liquidity of the spot and the futures markets. Accordingly, Products linked to a Futures Contract of a particular Commodity may provide a different return than if they were linked to the relevant Commodity itself.

(d) Risks in relation to the physical delivery of a Commodity that is a precious metal

If an investor in a Product linked to a Commodity that is a precious metal with a physical delivery feature does not maintain a precious metal account with a bank, physical delivery of such Commodity on the Final Redemption Date will not be possible and no substitute cash settlement (or

any other payment) will be made by the Issuer. Therefore, any such investor must sell such Product in order to realise his or her investment therein. See also "*—II. Specific risks of Products with certain features—Risks of Products with physical settlement*".

- (e) Additional risks of Products linked to Commodity Indices, including potential effects of "rolling"

Commodity Indices are Indices that track the performance of a basket of commodity contracts on certain Commodities. The weighting of the respective Commodities included in a Commodity Index will depend on the particular Index, and is generally described in the relevant index rules of the Index. Commodity contracts have a predetermined expiration date — *i.e.*, a date on which trading of the commodity contract ceases. Holding a commodity contract until expiration will result in delivery of the underlying physical Commodity or a cash settlement. Alternatively, "rolling" the commodity contracts means that the commodity contracts that are nearing expiration (the "near-dated commodity contracts") are sold before they expire and commodity contracts that have an expiration date further in the future (the "longer-dated commodity contracts") are purchased. Commodity Indices "roll" the component commodity contracts in order to maintain an ongoing exposure to the relevant Commodities. Specifically, as a commodity contract is required to be rolled pursuant to the relevant index rules, the relevant Commodity Index is calculated as if exposure to the commodity contract was liquidated and exposure was taken to another (generally longer-dated) commodity contract for an equivalent exposure. "Rolling" can affect the level of a Commodity Index in a number of ways, including:

- The sensitivity of the overall level of a Commodity Index to a particular commodity contract may be increased or decreased through "rolling". Where the price of a near-dated commodity contract is greater than the price of the longer-dated commodity contract (the relevant Commodity is said to be in "backwardation"), then "rolling" from the former to the latter will result in exposure to a greater number of commodity contracts. Therefore, any loss or gain on the new positions for a given movement in the prices of the commodity contracts will be greater than if the Commodity Index had synthetically held the same number of commodity contracts as before the "roll". Conversely, where the price of the near-dated commodity contract is lower than the price of the longer-dated commodity contract (the relevant Commodity is said to be in "contango"), then "rolling" will result in exposure to a smaller number of the commodity contracts. Therefore, any gain or loss on the new positions for a given movement in the prices of the commodity contracts will be less than if the Commodity Index had synthetically held the same number of commodity contracts as before the "roll".
- Whether a Commodity is in "contango" or "backwardation" can be expected to affect the Commodity Index level over time: If a Commodity is in "contango", then the price of the longer-dated commodity contract will generally be expected to (but may not) decrease over time as it nears expiry. In such event, the level of the Commodity Index can generally be expected to be negatively affected. If a Commodity is in "backwardation", then the price of the longer-dated commodity contract will generally be expected to (but may not) increase over time as it nears expiry. In such event, the level of the Commodity Index can generally be expected to be positively affected.

4.3 Risks of Products linked to Foreign Exchange Rate(s)

Factors affecting the performance of the Foreign Exchange Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto.

The performance of Foreign Exchange Rate(s) is dependent upon the supply and demand for currencies in the international foreign exchange markets, which are subject to economic factors, including inflation rates in the countries concerned, interest rate differences between the respective countries, economic forecasts, international political factors, currency convertibility and safety of making financial investments in the currency concerned, speculation and measures taken by governments and central banks. Such measures include, without limitation, imposition of regulatory controls or taxes, issuance of a new currency to replace an existing currency, alteration of the exchange rate or exchange characteristics by devaluation or revaluation of a currency or imposition of exchange controls with respect to the exchange or transfer of a specified currency that would affect exchange rates and the availability of a specified currency.

4.4 Risks of Products linked to Fund(s) and Exchange Traded Fund(s)

- (a) Risks in connection with factors affecting the performance of the Fund(s) and of the Exchange Traded Fund(s)

Factors that affect the performance of the Fund(s) and of the Exchange Trade Fund(s) may adversely affect the market value of, and the return (if any) on, the Products linked thereto. Products may be linked to (i) Exchange Traded Funds which are open-ended or other funds traded like a share on an exchange, or (ii) to traditional Funds. Both traditional Funds and Exchange Traded Funds track the performance of a portfolio of assets. As a result, the performance of a Fund or an Exchange Traded Fund is dependent upon the macroeconomic factors affecting the performance of such assets which may include, among other things, interest and price levels on the capital markets, commodity prices, currency developments, political factors and, in the case of shares, company specific factors, such as earnings position, market position, risk situation, shareholder structure and distribution policy.

- (b) Risk that the return on the Product does not reflect the return on a direct investment in the assets included in the portfolio of the Fund(s) or the Exchange Traded Fund(s) linked thereto

An investor's return on Products linked to Fund(s) or Exchange Traded Fund(s) may not reflect the return such investor would realise if he or she actually owned the relevant assets included in the portfolio(s) of the Fund(s) or Exchange Traded Fund(s). For example, if the portfolio of the Fund(s) or Exchange Traded Fund(s) includes shares or a share index, investors in the Products linked to such Fund or Exchange Traded Fund will not receive any dividends paid on such shares or the shares included in such share index and will not benefit from those dividends unless such Fund or Exchange Traded Fund takes such dividends into account for purposes of calculating the value of such Fund or Exchange Traded Fund, as applicable. Similarly, investors in Products linked to Fund(s) or Exchange Traded Fund(s) will not have any voting rights in the shares or other assets that are included in the portfolio(s) of the Fund(s) or Exchange Traded Fund(s). Accordingly, an investor in Products linked to Fund(s) or Exchange Traded Fund(s) may receive a lower payment (if any) upon redemption of such Products than such investor would have received, if he or she had directly invested in the assets included in the portfolio of such Fund(s) or Exchange Traded Fund(s).

- (c) Risks of a change in the composition or discontinuance of the Fund(s) or Exchange Traded Fund(s)

A change in the composition or discontinuance of the Fund(s) or Exchange Traded Fund(s) could adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the composition or performance of

any Fund, any Exchange Traded Fund or any index that such Fund or Exchange Traded Fund is intended to replicate. The Fund Administrator, Fund Manager or the licensor/index sponsor, as applicable, of the underlying index can add, delete or substitute the assets included in such index, respectively, or make methodological changes that could affect the value of such Fund, such Exchange Traded Fund and of such underlying index. The substitution of assets included in the portfolio of a Fund, Exchange Traded Fund or in an underlying index may affect the value of such Fund or Exchange Traded Fund, as a newly added asset may perform significantly worse or better than the asset it replaces, which in turn may affect the market value of, or payments (or other benefits to be received) under, the Products. The Fund Administrator, Fund Manager or licensor/index sponsor of any underlying index may also alter, discontinue or suspend calculation or dissemination of such Fund, such Exchange Traded Fund or such underlying index, respectively. The Fund Administrator, Fund Manager and licensor/index sponsor of such underlying index are not involved in the offer and sale of the Products and have no obligation to invest therein. The Fund Administrator, Fund Manager and licensor/index sponsor of such underlying index may take any actions in respect of such Fund, such Exchange Traded Fund or such underlying index, respectively, without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of (or amount payable under) such Products. In particular, no assurance can be given that the performance of an Exchange Traded Fund will be identical to the performance of the assets, which it intends to replicate due to many factors.

(d) Risks in relation to market price

The market price of interests in the Exchange Traded Fund that are traded on an exchange may, due to the forces of supply and demand, as well as liquidity and scale of trading spread in the secondary market, diverge from their net asset value, *i.e.*, the market price per interest in the Exchange Traded Fund could be higher or lower than its net asset value, and will fluctuate during the trading day. Such fluctuations may also affect the market value of the Products linked to the Exchange Traded Fund(s).

(e) The performance of Fund(s) and of Exchange Traded Fund(s) with a portfolio of assets that are concentrated in the shares of a particular industry or group of industries could be more volatile than the performance of Funds or Exchange Traded Funds with portfolios of more diverse assets

Investors in Products linked to Fund(s) or Exchange Traded Fund(s) with a portfolio of assets that are concentrated in the shares of a particular industry or group of industries should be aware that the performance of such Fund(s) or Exchange Traded Fund(s) could be more volatile than the performance of Funds with portfolios of more diverse assets.

4.5 Risks of Products linked to Interest Rate(s) or Reference Rate(s)

(a) Risks in connection with factors affecting the performance of the Interest Rate(s) or Reference Rate(s)

Factors that are affecting the performance of the Interest Rate(s) or Reference Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto. Interest Rates and Reference Rates are mainly dependent upon the factors of the supply and demand for credit in the money market, *i.e.*, the rates of interest paid on investments, determined by the interaction of supply of and demand for funds in the money market. The supply and demand in the money market on the other hand is dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments and political factors, or upon other factors, depending on the specific type of Interest Rate or Reference Rate.

- (b) Risks of a methodological change or discontinuance of the determination of the Interest Rate(s) or Reference Rate(s)

A methodological change or discontinuance of the determination of the Interest Rate(s) or Reference Rate(s) may adversely affect the market value of, and return (if any) on, Products linked thereto. In principle, the Issuer and the Calculation Agent have no influence on the determination of the Interest Rate(s) or Reference Rate(s). Interest Rates and Reference Rates are generally calculated by an independent organization or a governmental authority, often based on information provided by market participants. The entity publishing an Interest Rate or Reference Rate (*i.e.*, the Rate Source, as defined in the applicable Terms and Conditions) can modify the calculation method for determining such Interest Rate or Reference Rate or make other methodological changes that could affect the value of the Interest Rate or Reference Rate. The Rate Source may also alter, discontinue or suspend calculation or dissemination of such Interest Rate or Reference Rate. The Rate Source is not involved in the offer and sale of the Products and has no obligation to invest therein. The Rate Source may take any actions in respect of such Interest Rate or Reference Rate without regard to the interests of the investors in Products, and any of these actions could adversely affect the market value of such Products.

4.6 Risks of Products linked to Bond(s)

- (a) Risks in relation to the credit risk of the issuer of the Bond (the "**Bond Issuer**")

Bonds constitute debt obligations of the Bond Issuer. Products linked to Bonds are therefore linked to the credit risk of the Bond Issuer.

- (b) Risks in relation to the market price

The performance of the Bond(s) is, among others, dependent upon macroeconomic factors, such as interest and price levels on the capital markets, currency developments, political factors as well as specific factors in relation to the Bond Issuer, such as earnings position, market position, risk situation, shareholder structure and distribution policy. Accordingly, the market value of the Products and the payments under the Products can be significantly impaired.

- (c) Risks resulting from the indirect investment in the Bond(s)

Products linked to Bond(s) do not represent a claim against the relevant Bond Issuer and investors in such Products will not have any right of recourse under such Products to such Bond(s) or the relevant Bond Issuer. Products linked to Bonds are not in any way sponsored, endorsed, or promoted by the relevant Bond Issuer and the relevant Bond Issuer has no obligation to take into account the consequences of its actions on any investor in such Products. Accordingly, the relevant Bond Issuer may take any actions in respect of the Bond(s) without regard to the interests of the investors in Products linked thereto, and any of these actions could adversely affect the market value of such Products. The relevant Bond Issuer will have no involvement in the offer and sale of Products linked to Bond(s) and will have no obligation to any investor in such Products. An investment in Products linked to Bond(s) does not result in any right to receive information from the relevant Bond Issuer in respect of the Bonds or distributions on the Bond(s).

- (d) Risk that the return on the Products does not reflect the return on a direct investment in the Bond(s)

An investor's return on Products that are linked to Bond(s) may not reflect the return such investor would realise if he or she actually owned the relevant Bond(s). For example, investors in Products linked to a Bond will not receive any interest payments on such Bond during the term of such

Products. Accordingly, an investor in any such Products may receive a lower payment (if any) upon redemption of such Products than such investor would have received if he or she had invested in the Bond(s) directly

4.7 Risks of Products linked to Futures Contract(s)

There is generally a close correlation between the price movement of an underlying for the relevant Futures Contract on a spot market and on the corresponding futures market. However, Futures Contracts are generally traded at a premium or discount compared with the spot price of the underlying of the Futures Contract. This difference between the spot and futures prices, called the "basis" in futures exchange terminology, on the one hand is the result of taking into account the costs customarily arising in connection with spot transactions (warehousing, delivery, insurance, etc.) and/or the income customarily arising in connection with spot transactions (interest, dividends, etc.), and on the other hand the different methods used to evaluate general market factors affecting the spot and the futures market. Furthermore, depending on the relevant underlying, there can be significant differences in the liquidity of the spot and respective futures market. Investors therefore bear such risks in addition to the risks associated with the underlying of the Futures Contract.

4.8 Risks of Products linked to Reference Entity

(a) Risks in relation to the credit risk of the reference entity

Products with Additional Credit Risk will be subject to the risk that a credit event occurs in relation to the reference entity. The creditworthiness of the reference entity is not only expected to be significantly influenced by company-specific conditions, but also by external national and international economic developments relating to the company's industry sector and political developments. See also section 1.4.]

(b) Risks resulting from the indirect investment in the Products with Additional Credit Risk

Products with Additional Credit Risk do not represent a claim against the reference entity, and, in the event of any loss under such Product, a potential investor will have no right of recourse against the reference entity, nor shall a potential investor have any legal, beneficial or other interest whatsoever in the reference obligation. The reference entity is not involved in the issuance of such Products in any way and has no obligation to consider the interests of the potential investors. The reference entity may, and is entitled to, take actions that will adversely affect the value of such Products. Potential investors will not have any voting rights in the reference entity or rights to receive dividends from the reference entity, or any other rights (such as rights to receive interest payments) that holders of debt obligations of the reference entity may have.

(c) Risk that the return on the Products does not reflect the return on a direct investment in the reference entity or its obligations

An investment in Products with Additional Credit Risk is not comparable to a direct investment in the reference entity or in a debt obligation issued by the reference entity (including the reference obligation of the reference entity). Changes in the value of the reference entity or the reference obligation may not necessarily lead to a comparable change in the market value of such Products with Additional Credit Risk.

(d) Risks in relation with liquidity risk of the reference obligation

III. Risk Factors

The reference obligation may have no, or only a limited, trading market. The liquidity of a reference obligation will generally fluctuate with, among other things, the underlying liquidity of the loan and bond markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the entity, which issued such reference obligation. Financial markets have experienced periods of volatility and reduced liquidity that may re-occur and reduce the market value of the reference obligations.

C. Risk Factors Relating to the Issuer

The risk factors relating to the Issuer are disclosed in section 1 (page 3 to and including page 22) of the registration document of Bank Julius Baer & Co. Ltd., dated June 4, 2021 (the "**Registration Document**"). The information set out in section 1 (page 3 to and including page 22) of the Registration Document is hereby incorporated by reference into this Base Prospectus. The Registration Document (including section 1 thereof) can be obtained free of charge on the website: www.derivatives.juliusbaer.com.

IV. Terms and Conditions of the Products

Composition of the Terms and Conditions of the Products

The Terms and Conditions of the Products are composed of the following parts (together, the "**Terms and Conditions**"):

- (a) the Issue Specific Conditions as set out under IV. 1 below (the "**Issue Specific Conditions**") consisting of
 - (i) Part A: Product Specific Conditions; and
 - (ii) Part B: Underlying Specific Conditions; as well as
- (b) the General Terms and Conditions as set out under IV. 2 below (the "**General Terms and Conditions**").

The relevant Final Terms will (i) replicate and supplement the applicable optional Issue Specific Conditions and (ii) contain the applicable new issue specific information in respect of the Issue Specific Conditions. In respect of each Series of Products the Issue Specific Conditions as replicated and amended and supplemented in the respective Final Terms and the General Terms and Conditions together shall constitute the Terms and Conditions applicable to such a Series of Products (the "**Conditions**"). The Issue Specific Conditions as replicated and amended and supplemented in the respective Final Terms are to be read in conjunction with the General Terms and Conditions.

1. Issue Specific Conditions

The following Issue Specific Conditions are incorporated by reference into this Base Prospectus:

- (a) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Participation Products of Bank Julius Baer & Co. Ltd. dated June 10, 2021;
- (b) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Products with a Minimum Redemption Amount of Bank Julius Baer & Co. Ltd. dated June 9, 2021;
- (c) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Leverage Products of Bank Julius Baer & Co. Ltd. dated June 10, 2021;
- (d) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Yield Enhancement Products of Bank Julius Baer & Co. Ltd. dated June 9, 2021;
- (e) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Fixed Income Products of Bank Julius Baer & Co. Ltd. dated June 9, 2021;
- (f) the English version of the Issue Specific Conditions set out in Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Credit Linked Products / Notes of Bank Julius Baer & Co. Ltd. dated June 9, 2021.

The Issue Specific Conditions incorporated by reference will be replicated and may be amended and supplemented as necessary in the respective Final Terms.

2. General Terms and Conditions

Section 1 Repurchase of Products

The Issuer and any subsidiary or other affiliate of the Issuer may at any time purchase Products at any price in the open market or by tender or private contract. Any Products so purchased may be held or resold or surrendered for cancellation.

Section 2 Payments

The payment of any amount in respect of the Products shall be centralised with the Paying Agent/Exercise Agent and the Issuer undertakes to transfer the funds required for the servicing of the Products on the relevant due dates freely disposable to the Paying Agent/Exercise Agent. If such due date does not fall on a Business Day, the Issuer shall be obliged to effect transfer of such payments for value on the Business Day immediately following such due date.

The due and punctual receipt by the Paying Agent/Exercise Agent of the payments from the Issuer for the servicing of the Products shall release the Issuer from its obligations under the Products to the extent of such payments.

Payments due on the Products will be made without collection costs to the Holders and without any restrictions, whatever the circumstances may be, irrespective of nationality, domicile or residence of the Holders and without requiring any certification, affidavit or the fulfilment of any other formality.

All payments in relation to the Products are subject to (i) any applicable fiscal or other laws, regulations and directives, (ii) any withholding or deduction required pursuant to section 871(m) of the U.S. Internal Revenue Code of 1986 (the "IRC") and (iii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the IRC or otherwise imposed pursuant to Sections 1471 through 1474 of the IRC, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Section 3 Amendments

These Terms and Conditions may, after consultation with the Calculation Agent, be amended from time to time by the Issuer, provided that, in the opinion of the Issuer, such amendment is of a formal, minor or technical nature, is made to correct a manifest error, or is not materially prejudicial to the interest of the Holders.

Notwithstanding the above, the Issuer may amend any provision of these Terms and Conditions in the event that the Issuer reasonably believes that such amendment is necessary or appropriate as a result of a change in any law or regulation of Switzerland or in any other jurisdiction.

Any amendment made in accordance with this Section 3 shall be binding on the Holders in accordance with these Terms and Conditions. Notice of any such amendment shall be made public to the Holders in accordance with Section 6.1 of the Product Specific Conditions.

Section 4 Issuance of Additional Products

The Issuer reserves the right from time to time and without the consent of the Holders to create or issue additional tranches of products at any time, which shall be fungible with the Products (*i.e.*, identical in respect of the Terms and Conditions (other than the Issue Price and the Issue Date/Payment Date) and the security numbers) so as to be consolidated and form a single series with the Products.

Section 5 Substitution of the Issuer

The Issuer may at any time, without the consent of the Holders, substitute for itself as principal obligor under the Products any company (the "**Substitute**"), that is an Affiliate (as defined below) or another company with which it consolidates, into which it merges or to which it sells, leases, transfers or conveys all or substantially all its property, provided that:

- (i) if the Substitute is an Affiliate, the Substitute has a long-term unsecured debt rating equal to or higher than that of the Issuer given by Moody's Investors Service, Inc. (or an equivalent rating from another internationally recognised rating agency) or has the benefit of a guarantee from the Issuer or another Affiliate with such a debt rating;
- (ii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Products represent legal, valid and binding obligations of the Substitute have been taken, fulfilled and done and are in full force and effect; and
- (iii) the Issuer has given prior notice of the date of such substitution to the Holders in accordance with Section 6.1 of the Product Specific Conditions.

In the event of any substitution of the Issuer, any reference in these Terms and Conditions to the Issuer shall thenceforth be construed as a reference to the Substitute.

"**Affiliate**" means any entity controlled, directly or indirectly by the Issuer, any entity that controls, directly or indirectly, the Issuer or any entity under common control with the Issuer.

The Issuer shall also have the right upon notice to Holders in accordance with Section 6.1 of the Product Specific Conditions to change the office or branch through which it is acting for the purpose of the Products, the date of such change to be specified in such notice, provided that no change may take place prior to the giving of such notice. In the event of any such change, any reference in these Terms and Conditions to the Issuer shall henceforth be construed as Bank Julius Baer & Co. Ltd, acting through such office or branch.

Section 6 Binding Effect

Unless otherwise specified in these Terms and Conditions, any determination or calculation made by the Calculation Agent and/or the Issuer shall be made in its reasonable discretion, provided such determination or calculation is made in good faith and in a commercially reasonable manner having regard to market practices. Any such determination or calculation shall, in the absence of manifest error, be conclusive and binding on the Calculation Agent, the Issuer and the Holders.

Section 7 Liability

To the extent permitted by applicable law, the Issuer, the Paying Agent/Exercise Agent and the Calculation Agent shall not be liable to the Holders for indirect, incidental or consequential damages (whether or not such party has been advised of the possibility of such damages). In particular, the Issuer, the Paying Agent/Exercise Agent and the Calculation Agent shall not be responsible for the action of any third party having assumed the role as Paying Agent/Exercise Agent and Calculation Agent, respectively. Holders are not entitled to remedy on account on non-performance of the Products.

Section 8 Applicable Law and Jurisdiction

Section 8.1 Applicable Law

The Products shall be exclusively governed by and construed in accordance with the substantive laws of Switzerland.

Section 8.2 Jurisdiction

The exclusive place of jurisdiction for disputes between the Holders and the Issuer regarding the Products shall be the city of Zurich, Switzerland.

In addition, the city of Zurich, Switzerland, shall be the exclusive place of jurisdiction for the declaration of the annulment of the Products, if printed, and their subsequent replacement.

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V. Form of Final Terms

[Indicative] Final Terms

dated

[●]

in relation to the

Base Prospectus

for the issuance of Investment Products and Leveraged Products

of

Bank Julius Baer & Co. Ltd.

acting through its [head office][[●] Branch]

(Issuer)

[Name of Product, Product Type, Variant, any Marketing Name]

[linked to]

[●]

[ISIN: [●]]

A Product does not constitute a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Therefore, it is not subject to authorisation by the Swiss Financial Market Supervisory Authority FINMA ("FINMA") and potential investors do not benefit from the specific investor protection provided under the CISA and are exposed to the credit risk of the Issuer.

The subject of the Final Terms are [●] linked to [●] (the "Products"), which are issued by Bank Julius Baer & Co. Ltd. ("BJB" or the "Issuer").

These Final Terms must be read in conjunction with the the Base Prospectus of the Bank Julius Baer & Co. Ltd. dated June 17, 2021 (the "Base Prospectus ") and any supplement thereto in order to obtain all the relevant information.

The Base Prospectus and any supplements thereto are published in accordance with Art. 64 of the Financial Services Act ("FinSA") on www.derivatives.juliusbaer.com. The Final Terms are also published on the website www.derivatives.juliusbaer.com and will be available if the ISIN is typed in the search function.

The Products have not been and will not be registered under the United States Securities Act of 1933, as amended. They may not be offered, sold, traded, or delivered, directly or indirectly, within the United States by or to or for the account of a U.S. person (as defined in Regulation S pursuant to the United States Securities Act of 1933). If persons receive the Final Redemption Amount pursuant to the Terms and Conditions, a declaration that no United States beneficial ownership exists is deemed to have been given by these persons.

1. ISSUE SPECIFIC CONDITIONS
<i>The Issue Specific Conditions (i) replicate the applicable optional Issue Specific Conditions as set out in or incorporated by reference into the Base Prospectus and (ii) contain the applicable issue specific information in respect of the Issue Specific Conditions. The Issue Specific Conditions are to be read in conjunction with the General Terms and Conditions.</i>
Part A: Product Specific Conditions
SECTION 1 [ISSUE DETAILS]
[include as applicable]
[■]
SECTION 2 [PRODUCT TYPE]
[include as applicable]
[■]
SECTION 3 [REDEMPTION]
Section 3.1 [Final Redemption]
[include as applicable]
[■]
Section 3.2 [Early Redemption]
[include as applicable]
[■]
Section 3.3 [General Redemption Definitions]
[include as applicable]
[■]
SECTION 4 [INTEREST, PREMIUM AND PAYOUT AMOUNT]
Section 4.1 [Interest]
[include as applicable]
[■]
Section 4.2 [Premium]

[include as applicable]

[■]

Section 4.3 [Payment Amount]

[include as applicable]

[■]

SECTION 5 [ADDITIONAL ISSUE SPECIFIC DEFINITIONS]

[include as applicable]

[■]

SECTION 6 [OTHER ISSUE SPECIFIC TERMS AND CONDITIONS]

Section 6.1 [Notices]

[include as applicable]

[■]

Section 6.2 [Form]

[include as applicable]

[■]

Section 6.3 [Ranking]

[include as applicable]

[■]

Section 6.4 [Prescription]

[include as applicable]

[■]

Section 6.5 [Suspension of trading and delisting]

[include as applicable]

[■]

Section 6.6 [Language]

[include as applicable]

[■]

Part B: Underlying Specific Conditions

A. [Underlying Specific Conditions for Commodities]

[include as applicable]

B. [Underlying Specific Conditions for FX Rates]

[include as applicable]

C. [Underlying Specific Conditions for Funds]

[include as applicable]

D. [Underlying Specific Conditions for Indices]

[include as applicable]

E. [Underlying Specific Conditions for Shares and Depositary Receipts]

[include as applicable]

F. [Underlying Specific Conditions for [Interest Rates][Reference Rates]]

[include as applicable]

G. [Underlying Specific Conditions for Bonds]

[include as applicable]

H. [Underlying Specific Conditions for Futures Contracts]

[include as applicable]

2. GENERAL TERMS AND CONDITIONS

SECTION 1 [REPURCHASE OF PRODUCTS]

[include as applicable]

SECTION 2 [PAYMENTS]

[include as applicable]

SECTION 3 [AMENDMENTS]

[include as applicable]

[■]

SECTION 4 [ISSUANCE OF ADDITIONAL PRODUCTS]

[include as applicable]

[■]

SECTION 5 [SUBSTITUTION OF THE ISSUER]

[include as applicable]

[■]

SECTION 6 [BINDING EFFECT]

[include as applicable]

[■]

SECTION 7 [LIABILITY]

[include as applicable]

[■]

SECTION 8 [APPLICABLE LAW AND JURISDICTION]

Section 8.1 [Applicable Law]

[include as applicable]

[■]

Section 8.2 [Jurisdiction]

[include as applicable]

[■]

[OTHER INFORMATION]	
[Terms and Conditions of the Offer]	
[Issue Size]	[up to] [[●]Products][●]
[Offer Size]	[(may be increased/decreased at any time)]
	<i>[in the case of Products with a Subscription Period and an "up to" Issue Size insert: [It is expected that the Issuer will publish the final Issue Size after the Subscription Period has expired by making it available to Holders at the office of the Paying Agent]</i>
	<i>[insert other provision regarding publication of final Issue Size: [●]]</i>
[Subscription Period]	[●][None]
	[The Issuer reserves the right not to issue the Products without giving any reason]
<i>[insert in case of a withdrawal right pursuant to article 63 para. 5 FinSO: Withdrawal right in case of a supplement]</i>	If an obligation to prepare a supplement pursuant to article 56 para. 1 FinSA is triggered during the subscription period due to a significant new factor, subscriptions may be withdrawn within two days of publication of the supplement.]
[Description of the application process]	[●]
[Offer Period]	[●]
Succeeding Base Prospectus	The Products may (continue to) be publicly offered after the expiry date of the Base Prospectus on the basis of one or more succeeding base prospectuses (each a "Succeeding Base Prospectus"), to the extent the Succeeding Base Prospectus envisages a continuation of the public offer of the Products. In this context, this Final Terms is, in each case, to be read in conjunction with the most recent Succeeding Base Prospectus. The respective Succeeding Base Prospectus will be approved and published prior to or on the date of the expiry of the validity of the respective preceding Base Prospectus.
[Payment and delivery]	<i>[if the Products will be delivered against payment, insert: Delivery against payment within [●] Banking Days]</i>
	<i>[if the Products will be delivered free of payment, insert: Delivery free of payment]</i>

	within [●] Banking Days]
	[insert other method of payment and delivery: [●]]
<i>[insert any additional conditions of the Offering, in particular information about an early closure of the Subscription Period, information about a minimum amount of the subscription and/or details on any conditions under which the Issuer will not issue the Products</i>	
[●]]	
<i>[insert any additional information on the manner and date in which results of the offer are to be made public</i>	
[●]]	
<i>[insert if offer is targeting specific categories of investors: Categories of potential investors to which the Products are offered</i>	[Qualified investors][and][non-qualified investors][private Clients][professional Clients]]
Issue Price [/ Offer Price]	[●] (per Product)
[Fees]	
[Distribution Fee]	[up to] [●]% of the Issue Price (incl. VAT, if any), being the fee which will be allocated/paid to the internal and/or external Distributor and which is included in the Issue Price.]
Expenses/Fees Charged by the Issuer to the Holders post-issuance	[None][●]
<i>[insert any additional fees</i>	[●]]
[Placing and Underwriting]	
Lead Manager	[Bank Julius Baer & Co. Ltd., [●] Branch, [city], [country]][●]

[[Co-Lead Manager(s)] [Initiator(s)]	[•]
[Dealer(s)]	[Bank Julius Baer & Co. Ltd., [•]] [•]
[Date]	The Underwriting and Placement Arrangements are reached [insert].
[Underwriting and Placement Arrangements]	<i>[insert entities agreeing to underwrite the Products on a firm commitment basis, entities agreeing to place the Products under "best efforts" and date on which any such agreements have been or will be entered into]</i>
[Underwriting and Placement Fees]	[•]
[Admission to Trading and Dealing Arrangements]	
[Trading [and Offering] (Secondary Market)] [Liquidity / Buy Back]	[The Products will be placed directly in the secondary market on market terms.] [Under normal market conditions, [Bank Julius Baer & Co. Ltd.] [•] will endeavour to provide a secondary market[with a bid-ask spread of [•]% [and a size of [•]], but is under no legal obligation to do so.]
<i>[insert any other provisions regarding the secondary market, including market-making: [•]]</i>	
	The Products are [traded][quoted] in [units][in percentage of the Denomination] [at a full price (dirty price), including [interest][and][premium] [payout] [option premium] rights][at a clean price, <i>i.e.</i> , the trading price does not contain accrued [interest][or][premium], which is calculated separately], and are booked accordingly.
	[Indicative trading prices may be obtained on Reuters [•] and Bloomberg [•].] [•]
Listing and Admission to Trading	<i>[in the case of Products listed on the SIX Swiss Exchange:</i> Application will be made to list the Products on the SIX Swiss Exchange for trading on the SIX Swiss Exchange. It is expected that the Products will be provisionally admitted to trading on SIX Swiss Exchange as of [•].]
	<i>[in the case of Products listed on the BX Swiss:</i> Application will be made to list the Products on the BX Swiss for trading on the BX Swiss. It is expected that the Products will be provisionally admitted to trading on the BX Swiss as of [•].]
	<i>[in the case of Products listed on another exchange or trading venue:</i> Application will be made to include the Products to trading on [•]. [It is expected that the

	Products will be included to trading on [●] as of [●].]
	<i>[in the case of Products not listed]</i> : Not applicable; the Issuer has made no application for the Products to be admitted to trading or listing on any market.]
Issue Date/ Payment Date	[●], being the date on which the Products are issued and the Issue Price is paid.
[Trade Date	[●]]
Last Trading Date	<i>[insert last trading date]</i>], until [the official close of trading on [SIX Swiss Exchange] [BX Swiss] [the SIX Swiss Exchange] [BX Swiss] [<i>insert time</i>] local time], being the last date on which the Products may be traded.]
Selling Restrictions	
[include as applicable]	
[■]	
<i>[insert if Products are offered in Switzerland under an exemption from the prospectus requirement of the FinSA: Offering Restrictions]</i>	<p>The Products must not be publicly offered, directly or indirectly, in Switzerland, except pursuant to and in accordance with an exemption from the prospectus requirement of the FinSA.]</p> <p>[The offering of the Product in Switzerland is exempt from the prospectus requirement under the FinSA. Neither this Document nor the Base Prospectus constitute a prospectus as such term is understood pursuant to the FinSA for purposes of the offering of the Products.]</p>
[Consent to the use of the Prospectus]	
[Consent to use of Prospectus]	
<p>[Not applicable] [In respect of offerings in Switzerland, consent to the use of the Base Prospectus is given to the following financial intermediaries (individual consent) for offers in Switzerland: [●]].</p> <p>[Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website [of the Issuer (www.derivatives.juliusbaer.com)] <i>[insert other website: [●]].]</i></p>	
[Further, such consent is subject to and given under the condition <i>[insert condition: [●]].]</i>	
[The subsequent resale or final placement of Products by financial intermediaries in the Offer State[s] can be made [during the Offer Period] [during the period the Base Prospectus is valid]. [In case of an offer period which extends until after the expiry of the validity of the Base Prospectus, the subsequent resale and final placement of the securities through financial intermediaries can occur during the period in which a respective Succeeding Base Prospectus (as defined above) exists. In this case, the approval	

relating to the use of the Base Prospectus also applies to the use of the Succeeding Base Prospectus (as defined above).]]

Information relating to the Underlying/s

Information relating to the [Underlying] [Underlyings]

The information contained hereinafter about the [relevant] Underlying [and the Basket Components] consists of excerpts and summaries of publicly available sources[, which may have been translated into English language[, if applicable]]. The Issuer confirms that this information has been accurately reproduced and that – as far as the Issuer is able to ascertain from publicly accessible information available to it – no facts have been omitted, which would render the reproduced information[, which may have been translated into English language[, if applicable,]] inaccurate or misleading. Neither the Issuer nor the Offeror accept any other or further responsibilities in respect of this information. In particular, neither the Issuer nor the Offeror accepts any responsibility for the accuracy of the information concerning the [relevant] Underlying][and the Basket Components] or provides any guarantee that no event has occurred which might affect the accuracy or completeness of this information.

[Description of the Underlying:

[•][repeat for each Underlying or each Basket component]]

Information about the past and future performance and volatility of [the Underlying][the Underlyings][and of the Basket Components]

Information about the past and future (i.e., after the date of these Final Terms) performance and volatility of [the Underlying][the Underlyings][and of the Basket Components] [is available [free of costs] *[insert other]* [in each case] on the following website: [•]][*insert different rule: [•]*].

[in the case of an index as Underlying and/or basket constituent and if such index is provided by a legal entity or a natural person acting in association with, or on behalf of, the Issuer, insert::

The Issuer makes the following statements

- the complete set of rules of the index and information on the performance of the index are freely accessible on the website of the Issuer (www.derivatives.juliusbaer.com) or the website of the Index Sponsor; and
- the governing rules (including methodology of the index for the selection and the rebalancing of the components of the index, description of market disruption events and adjustment rules) are based on predetermined and objective criteria.]

[Additional information on

[insert the relevant information on the Underlying pursuant to item 3.3 Schedule 3 FinSO, to the extent not included above]

the Underlying]	
[Publication of post-issuance information]	
[Publication of post-issuance information]	[Except for the notices referred to in the Terms and Conditions, the Issuer does not intend to publish any post-issuance information.][<i>insert different rule, if applicable:</i> [•]]
Confirmation and Responsibility	
As of the date of these Final Terms, there has been no material adverse change, nor any event involving a prospective material adverse change, in the assets and liabilities or financial position of the Issuer since the date of its most recently published financial statements.	
The Issuer accepts responsibility for the information contained in the Final Terms. The Issuer states that the information contained in the Final Terms is, to the best of its knowledge, in accordance with facts, correct and does not omit material information, as of the date of these Final Terms	

SUMMARY

Note to Investors

This Summary is an introduction to the final terms (“**the Final Terms**” or “**this Document**”) for the financial instrument (the Product”) referred in this Document and must be read together with the Base Prospectus.

Any investment decision in relation to the Product should not be made based only on this Summary but on the information contained in the Base Prospectus and these Final Terms. Investors should, in particular, read the section "III. Risk Factors" in the Base Prospectus.

Any liability for information contained in this Summary is limited to cases where the information contained herein is misleading, inaccurate or inconsistent when read together with the Base Prospectus and the other parts of the Final Terms.

The Product is not a collective investment scheme within the meaning of the Swiss Federal Act on Collective Investment Schemes (CISA) and is not subject to the authorization or supervision by the Swiss Financial Market Supervisory Authority (FINMA). Investors are exposed to and bear the credit risk of the Issuer and the Guarantor, **if applicable**.

Key Product Information**A. Issuer**

Issuer	Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zürich, Schweiz [specify as applicable: [■]]	
	Regulatory Status	Bank Julius Baer & Co. Ltd. is a bank licensed and supervised by the Swiss Financial Market Supervisory Authority FINMA. [specify as applicable: [■]]
	Rating	[Moody’s [■]] [None] [specify as applicable: [■]]

B. Product Type and Key Terms

Product Identification	[Swiss Security Number: [■]] [BJB Number: [■]] [Ticker Symbol: [■]] [specify as applicable: [■]]
Product Type	[specify as applicable: [Instrument Type; Additional Feature]] [Categorization according to SSPA Swiss Derivative Map 2021 (www.sspa.ch): [■]]
[Underlying]	[specify as applicable: [■]]
[Trade Date]	[specify as applicable [■]]
[Issue Date / Initial Payment Date]	[specify as applicable [■]]
[Final Valuation Date]	[specify as applicable [■]]
[Maturity Date] [Settlement Date] [Reimbursement Date] [Final Payment Date] [Maturity Date / Final Payment Date]	[specify as applicable [■]]
[Settlement Currency]	[specify as applicable [■]]
[Denomination]	[specify as applicable [■]]
[Settlement Type]	[specify as applicable: [■]]
Key Offering and Trading Information	
[Offer Mode]	[specify as applicable [■] [Public offer in Switzerland][Private placement][Prospectus exempt offer in Switzerland]
[Public offering]	[specify as applicable [■]]
[Subscription Period]	[specify as applicable [■]]
[Issue Size / Nominal Amount]	[specify as applicable [■] (subject to increase)]

[Issue Price]	<i>[specify as applicable [■]]</i>
[Listing]	<i>[specify as applicable: [■]]</i>
[First Trading Date]	[Expected to be [■]]
[Last Trading Date / Time]	<i>[specify as applicable: [■]]</i>
[Selling Restrictions]	<i>[include as applicable [■]]</i>
[Distribution Fee]	<i>[specify as applicable: [■]]</i>
<i>[Additional items to be added as needed]</i>	[■]

VI. Information about the Issuer

A. Information about the Issuer incorporated by reference

The information about the Issuer is disclosed in section 2 (page 23 to and including page 42) of the Registration Document. The information set out in section 2 (page 23 to and including page 42) of the Registration Document is hereby incorporated by reference into this Base Prospectus. The Registration Document (including section 2 thereof) can be obtained free of charge on the website: www.derivatives.juliusbaer.com.

The information about the Issuer disclosed in section 2 (page 23 to and including page 42) of the Registration Document shall be supplemented by the following additional information on the Issuer.

B. Historical financial information

For the financial year ended December 31, 2020, BJB has published consolidated financial information including the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows, Notes to the consolidated financial statements and the Auditors' report (the "**BJB Consolidated Financial Statements 2020**"). The BJB Consolidated Financial Statements 2020 are hereby incorporated by reference into this Base Prospectus.

For the financial year ended 31 December 2019, BJB has published consolidated financial information including the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows, Notes to the consolidated financial statements and the Auditors' report (the "**BJB Consolidated Financial Statements 2019**"). The BJB Consolidated Financial Statements 2019 are hereby incorporated by reference into this Base Prospectus.

For the financial year ended December 31, 2020, BJB has published financial information including the Income statement, balance sheet, notes to the financial statements and the Auditors' report (the "**BJB Financial Statements 2020**"). The BJB Financial Statements 2020 are hereby incorporated by reference into this Base Prospectus.

For the financial year ended 31 December 2019, BJB has published financial information including the Income statement, balance sheet, notes to the financial statements and the Auditors' report (the "**BJB Financial Statements 2019**"). The BJB Financial Statements 2019 are hereby incorporated by reference into this Base Prospectus.

C. Information on main business prospects

There has been no material adverse change in the prospects of BJB since the date of its last published financial statements (December 31, 2020).

The first months of the year 2021 were again characterized by the impacts of the COVID-19 pandemic. Further, a number of jurisdictions ordered additional or ordered the extension of existing measures, such as lock-downs and closures of retail trade segment. Despite these developments, BJB recorded an improved profitability and increased its assets under management during the first months of the year 2021. Despite the general positive outlook for the financial year 2021, the definitive mid-and long-term impacts of the COVID-19 pandemic on the global economy,

VI. Information about the Issuer

the financial markets and the financial results of BJB for the remaining financial year 2021 currently cannot be reliably foreseen.

VII. Selling Restrictions

A. General

Except as set out in the Base Prospectus and/or the Final Terms, no action has been or will be taken that would permit a public offering of any Products or possession or distribution of any offering material in relation to any Products in any jurisdiction where action for that purpose is required. For purposes of this section "Selling Restrictions" the term "**Document**" shall comprise both of the terms Base Prospectus and Final Terms, unless the context requires otherwise.

No offers, sales, re-sales, deliveries or transfers of Products or the Underlying(s) (if any) to be delivered upon redemption of the Products, or distribution or publication of any offering material relating to Products, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer, Lead Manager or the relevant Dealer(s).

In addition and subject to any specific selling restriction contained in the applicable Terms and Conditions the following selling restrictions apply. The restrictions listed below must not be taken as definitive guidance as to whether any Products may be sold in any particular jurisdiction. Additional restrictions on offering, selling or holding of the Products may apply in the jurisdictions listed below and/or in other jurisdictions.

B. European Economic Area

In relation to each Member State of the European Economic Area (each, a "**Member State**"), a public offer of the Products may not be made in that Member State (or the United Kingdom) except in circumstances, which do not require a prospectus in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**") i.e. if the conditions set out below are met and any additional rules applicable in a Member State (or the United Kingdom) are complied with:

- (a) the Products are offered to fewer than 150 natural or legal persons who are not qualified investors as defined in the Prospectus Regulation; or
- (b) the Products are offered to qualified investors as defined in the Prospectus Regulation; or
- (c) the Products are offered in other circumstances where there is an exemption from the publication of a prospectus under the Prospectus Regulation.

This applies subject to the condition that in the case of offers of Products referred to in (a) to (c) above, the Issuer is not required to publish a prospectus under the Prospectus Regulation.

For the purposes of this provision, "public offer" in relation to the Products in a Member State means a communication in any form and by any means, which contains sufficient information about the terms of the offer and the Products to be offered to enable an investor to decide to buy or subscribe to the Products.

C. Austria

The Products have not and will not be offered to the public in Austria, except that an offer of the Products may be made to the public in Austria:

- (a) if the following conditions have been satisfied:

VII. Selling Restrictions

- (i) the Base Prospectus, including any supplements but excluding any Prospectuses, in relation to those Products issued by the Issuer, which has been approved by the Austrian Financial Market Authority (Finanzmarktaufsichtsbehörde; the "FMA") or, where appropriate, approved in another member state and notified to the FMA, all in accordance with the Prospectus Directive, has been published at least one Austrian banking business day prior to the commencement of the relevant offer; and
 - (ii) the Final Terms have been published on or prior to the date of commencement of the relevant offer and have been filed with the FMA; and
 - (iii) a notification with Oesterreichische Kontrollbank, all as prescribed by the Capital Market Act (Kapitalmarktgesetz, Federal Law Gazette No 625/1991, the "KMG" as amended), has been filed at least one Austrian banking business day prior to the commencement of the relevant offer; or
- (b) otherwise in compliance with the KMG.

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

D. Bahamas

Non-Resident Offer Disclaimer – Prospectus filing exemption:

The Products have not been and will not be registered with the Securities Commission of The Bahamas ("Securities Commission"). The Products are offered only to customers of Julius Baer Bank and Trust (Bahamas) Ltd. who are non-resident or otherwise deemed non-resident for Bahamian Exchange Control purposes. The Products are not intended for persons (natural persons or legal entities) for which an offer or purchase would contravene the laws of their state (on account of nationality or domicile/registered office of the person concerned or for other reasons). Further, the Products are offered in reliance on an exemption from the filing of a prospectus with the Securities Commission granted by the Securities Commission.

E. Bahrain

In relation to investors in the Kingdom of Bahrain, securities issued in connection with the Base Prospectus and related offering documents must be in registered form and must only be marketed to existing account holders and accredited investors as defined by the Central Bank of Bahrain ("the CBB") in the Kingdom of Bahrain where such investors make a minimum investment of at least US\$ 100,000, or any equivalent amount in other currency or such other amount as the CBB may determine. This offer does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). The Base Prospectus and related offering documents have not been and will not be registered as a base prospectus with the CBB. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will the Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors for an offer outside Bahrain. The CBB has not reviewed, approved or registered the Base Prospectus or related offering documents and

VII. Selling Restrictions

it has not in any way considered the merits of the securities to be marketed for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in the Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Document. No offer of securities will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

F. Brazil

The Products to be issued under this Document have not been offered or sold and will not be offered or sold in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation under Brazilian laws and regulations. The Products have not been and will not be registered with the CVM (Comissão de Valores Mobiliários — the Brazilian Securities Commission). Any public offering or distribution, as defined under Brazilian laws and regulations, of the Products in Brazil is not legal without prior registration under Law no. 6,385 of December 7, 1976, as amended, and Instructions No. 400 or 476, as the case may be, issued by the CVM on December 29, 2003, and on January 16, 2009 respectively, and amended from time to time. Documents relating to the Products, as well as information contained therein, may not be supplied to the public in Brazil, nor be used in connection with any offer for subscription or sale of the Products to the public in Brazil. Persons wishing to offer or acquire the Products within Brazil should consult with their own counsel as to the applicability of registration requirements or any exemption therefrom.

G. Dubai International Financial Centre ("DIFC")

The Base Prospectus has been distributed by Julius Baer (Middle East) Ltd., a legal person which has been duly licensed and regulated by the Dubai Financial Services Authority ("DFSA"). Please note that the Base Prospectus is not intended to constitute an offer, sale or delivery of securities to any person in the DIFC unless such offer is an "Exempt Offer" in accordance with the Markets Law DIFC Law No 1 of 2012 and the Markets Rules of the Rulebook of the DFSA ("DFSA Rulebook") made to or directed at only those persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA Rulebook, other than natural persons. The information in the Base Prospectus should not form the basis of a decision nor should it be distributed to, delivered to, or relied on by, any other person. The DFSA has no responsibility for the review, verification or inspection of any documents in connection with Exempt Offers. The DFSA has neither approved the Base Prospectus nor taken any steps or other action to review, verify or inspect the information set out in it and has no responsibility for it. The securities to which the Base Prospectus relates may be illiquid and/or subject to restrictions on their re-sale. Potential purchasers of the securities offered should review the Base Prospectus and the securities with due care and conduct their own due diligence on the securities. If they do not understand the contents of the Base Prospectus, they should consult an authorized financial adviser.

H. France

The Products may only be marketed or offered, directly or indirectly in the Republic of France with a minimum investment amount of EUR 100'000 or equivalent per investor. Neither this Document nor any information contained herein or any offering material relating to the Products have been or will be released, issued, distributed or caused to be released, issued or distributed

VII. Selling Restrictions

to the public in France; or used in connection with any offer for subscription or sale of the Products to the public in France. This Document has not been submitted to the clearance procedures of the Autorité des Marchés Financiers (AMF) or to the competent authority of another member state of the European Economic Area (EEA) and subsequently notified to the AMF. In the event that the Products, thus purchased or subscribed with a minimum investment amount of EUR 100'000 or equivalent per investor, are offered or resold, directly or indirectly, to the public in France, the conditions relating to public offerings set forth in Articles L. 411-1, L.411-2, L.412-1 and L. 621-8 to L.621-8-3 of the French Monetary and Financial Code and applicable regulations thereunder shall be complied with.

I. Guernsey

The Prospectus Rules 2008 (the "**Rules**") issued by the Guernsey Financial Services Commission (the "**GFSC**") do not apply to this Document and, accordingly, the Document has not been, nor is it required to be, submitted to or approved or authorised by the GFSC. This Document will not be regulated by the GFSC. The GFSC has no on-going responsibility to monitor the performance of the Products/Issuer or to protect the interests of the holders of the Products.

To the extent to which any promotion of the Products is deemed to take place in the Bailiwick of Guernsey, the Products are only being promoted from within the Bailiwick of Guernsey either:

- (a) By those persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "**POI Law**"); or
- (b) By those persons licensed to do so under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 or the Regulation of Fiduciaries, Administration Businesses and Company Directors etc. (Bailiwick of Guernsey) Law, 2002.

Promotion is not being made in any other way.

Neither the GFSC nor the States of Guernsey Policy Council take any responsibility for the financial soundness of the Issuer or for the correctness of any of the statements made or opinions expressed with regard to it.

J. Hong Kong

The Base Prospectus is distributed in Hong Kong by and on behalf of, and is attributable to, Bank Julius Baer & Co. Ltd., Hong Kong branch, which holds a full banking license issued by the Hong Kong Monetary Authority under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong SAR) and is also a registered institution under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong SAR) ("**SFO**") to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities with Central Entity number AUR302.

It has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Products other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in this Document or any other document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of the Hong Kong SAR (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and 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,

VII. Selling Restrictions

any advertisement, invitation or document relating to the Products, 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 Products which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

The content of the Base Prospectus has not been reviewed or approved by any supervisory authority. Bank Julius Baer & Co. Ltd. is incorporated in Switzerland.

K. Israel

No action has been or will be taken in Israel that would permit an offering of the Products or a distribution of this Document to the public in Israel. In particular, this Document has not been reviewed or approved by the Israel Securities Authority.

Accordingly, the Products shall only be sold in Israel to investors of the type listed in the First Schedule to Israel's Securities Law, 1968 (an "**eligible investor**"). Each investor shall be required to warrant, as a condition precedent to purchasing the Products that he is an eligible investor that he is aware of the implications of being treated as an eligible investor, and consents to such treatment. Further, each investor shall be required to warrant, as a condition precedent to purchasing the Products, that it is acquiring the Products for its own account and without intent to market, re-sell, or otherwise distribute the Products to any other person.

L. Italy

The offering of the Products has not been registered pursuant to Italian securities, legislation and, accordingly, the Offeror represents and agrees that it has not offered or sold, and will not offer or sell, any Products in the Republic of Italy in a solicitation to the public, and that sales of the Products by the Offeror in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

The Offeror represents and agrees that it will not offer, sell or delivery any Products or distribute copies of this Document or any other document relating to the Products in the Republic of Italy except:

- (a) to "**Qualified Investors**" (*investitori qualificati*), as defined under Article 34-ter, paragraph 1, letter b), of CONSOB (*Commissione Nazionale per la Società e la Borsa*) Regulation No. 11971 of 14 May 1999, as amended ("**Regulation 11971/1999**"); or
- (b) in circumstances which are exempted from the rules on offers of securities to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 ("**Financial Services Act**") and Article 34-ter, first paragraph, of Regulation 11971/1999; or
- (c) in case the Final Terms in relation to the Products specify that a Non-exempt Offer may be made in the Republic of Italy, provided that such Programme has been approved in another Relevant Member State and notified to CONSOB in accordance with the Prospectus Directive, the Financial Service Act and Regulation 11971/1999.

Any such offer, sale or delivery of the Products or distribution of copies of this Document or any other document relating to the Products in the Republic of Italy must be:

VII. Selling Restrictions

- (a) made by investment firms, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended, and Legislative Decree No. 385 of 1 September 1993, as amended ("**Italian Banking Act**");
- (b) to the extent applicable, in compliance with Article 129 of the Italian Banking Act and the relevant implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request post-offering information on the offering or issue of securities in the Italian Republic or by Italian persons outside the Italian Republic;
- (c) in compliance with any securities, tax, exchange control and any other applicable laws and regulations, including any limitation or notifications requirements which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy or any other Italian authority; and
- (d) in compliance with any other applicable laws and regulations.

Provision relating to the secondary market in the Republic of Italy

Investors should note that, in accordance with Article 100-*bis* of the Financial Services Act, where no exemption from the rules of the public offering applies under (a) and/or (b) above, the subsequent distribution of the Products on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Products being declared null and void and in the liability of the intermediary transferring the Products for any damages suffered by the investors.

M. Panama

Neither the Products, nor their offer, sale or transfer, have been registered with the Superintendence of the Securities Market of Panama (formerly the National Securities Commission). The Products are not registered with the Superintendence because, if they are offered in Panama, they will be offered (i) as part of a "private placement" or (ii) to "institutional investors" only. Under the Single Text of Decree Law 1 of July 8, 1999 (the "**Securities Law**"), a "private placement" is any offer or series of offers of securities made to no more than 25 offerees (other than institutional investors, as defined below) domiciled in Panama, which result in sales to no more than 10 of those offerees within a period of one year. The offer of securities in Panama as part of a "private placement" or only to "institutional investors" are exempt from registration under numerals 2 (Private Placement Exemption) and 3 (Institutional Investors Exemption) of Article 129 of the Securities Law. In consequence, the tax treatment established in Articles 334 to 336 of the Securities Law does not apply to them. These securities are not under the supervision of the Superintendence of the Securities Market and investors.

The following persons qualify as "**institutional investors**" and therefore any offer made to these persons is exempt from registration:

1. Banks, insurance and reinsurance companies, investment funds registered with the SSM, investment trusts managed by duly licensed trustees, retirement and pension funds regulated by Law 10 of 16 of April of 1993, and securities brokerage houses;
2. Legal entities domiciled in the Republic of Panama that (a) have been constantly involved in the management of investments for at least (2) years before the date of the offer and/or sale, (b) have assets in excess of US\$1,000,000 according to their latest audited financial

VII. Selling Restrictions

statements, and (c) their principal executives or, in their absence, the majority of their directors and officers, have at least two (2) years of continuous management of investments; and

3. Sovereign countries and states including public entities that, due to their nature, are authorized to make investments.

In order for the Institutional Investor Exemption to apply, a notice must be filed with the Superintendence within the next 15 days after the date the securities are first offered to institutional investors in Panama by means of a form provided by said entity that must be completed with basic information about the securities being offered.

Finally, this exemption will only continue to be valid, and the offer will not be subject to registration before the SSM, if, within the first year following the purchase of the security by Institutional Investors under this exemption, said Institutional Investors only offer and/or sell the acquired security (a) to other Institutional Investors, and (b) by means of a private offering. If the aforementioned offer is made, within the first year following the purchase of the security by Institutional Investors under this exemption, by means of a public offering, the security will be subject to registration before the SSM.

N. Russia

Information set forth in this Document is not an offer, advertisement or invitation to make offers, to sell, exchange or otherwise transfer the Products in the Russian Federation or to or for the benefit of any Russian person or entity and does not constitute an advertisement or offering to an unlimited number of persons of any securities in the Russian Federation within the meaning of Russian securities laws. This Document and any other documents or materials relating to the offering or the Product must not be distributed or circulated or made available in the Russian Federation, unless and to the extent otherwise permitted under Russian law.

Since neither the issuance of the Products nor a securities prospectus in respect of the Products has been, registered or is intended to be registered, with the Central Bank of the Russian Federation (the "CBR") and no decision to admit the Products to placement or public circulation in the Russian Federation has been made, or is intended to be made, by the CBR or a Russian stock exchange, the Products are not eligible for initial offering or public circulation in the Russian Federation and may not be sold or offered in the Russian Federation unless and to the extent otherwise permitted under Russian law.

This Document and information contained herein does not constitute an advertisement of the Issuer or any other kind of advertisement, in the Russian Federation.

This Document and information contained herein do not constitute an "investment consulting" as defined under Russian law.

O. Singapore

The Base Prospectus has been distributed by Bank Julius Baer & Co. Ltd., Singapore branch. As the Singapore branch has a "Unit" exemption under Section 100(2) of the Financial Advisers Act, it is exempted from many of the requirements of the Financial Advisers Act, Cap. 110 of Singapore amongst others, the requirement to disclose any interest in, or any interest in the acquisition or disposal of, any securities that may be referred to in this Document. Further details of these exemptions are available on request.

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The Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Any document or material relating to the offer or sale, or invitation for subscription or purchase, of the securities referred to herein may not be circulated or distributed, nor may such securities 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 under Section 274 of the Securities and Futures Act, Cap. 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1) of the SFA (which includes an accredited investor (as defined in the SFA) hereinafter referred to as an "**Accredited Investor**"), or any person pursuant to Section 275(1A) and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the securities referred to herein are subscribed or purchased pursuant to an offer made in reliance on an exemption under Section 275 of the SFA by:

- (1) a corporation (other than a corporation that is an Accredited Investor) 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
- (2) a trust (other than a trust the trustee of which is an Accredited Investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor;

the securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust (as the case may be) shall not be transferred within six months after that corporation or that trust has acquired those securities (pursuant to an offer made in reliance on an exemption under Section 275 of the SFA) unless that transfer:

- (a) is made only to institutional investors or relevant persons as defined in Section 275(2) of the SFA, or arises from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA (as the case may be);
- (b) no consideration is or will be given for the transfer;
- (c) the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

This Document and such other documents or materials have been made available to the recipients thereof solely on the basis that they are persons falling within the ambit of sections 274 and 275 of the SFA and may not be relied upon by any person. Recipients of this Document shall not reissue, circulate or distribute this Document or any part thereof in any manner whatsoever.

P. South Africa

The Products to be issued under this Base Prospectus have not been offered for sale or subscription or sold and will not be offered for sale or subscription or sold, directly or indirectly, within the Republic of South Africa or to any person or corporate or other entity resident in the Republic of South Africa except (a) in accordance with the exchange control regulations of the Republic of South Africa and (b) to any entity resident or within the Republic of South Africa in accordance with the Commercial Paper regulations, the Companies Act 2008, the Collective Investment

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Schemes Control Act 2002, the Financial Advisory and Intermediary Services Act 2002 and/or any other applicable laws and regulations of the Republic of South Africa in force from time to time.

Unlisted Products to be issued under this Base Prospectus will not be marketed, offered for sale or subscription or sold, directly or indirectly, within the Republic of South Africa or to any person resident in the Republic of South Africa except in accordance with the Financial Markets Act Regulations, 2018.

This Base Prospectus does not, nor does it intend to, constitute a “registered prospectus” (as that term is defined in section 95(1)(k) of the Companies Act 2008) prepared and registered under the Companies Act 2008, and accordingly no offer of Products will be made or any Products sold to any prospective investors in South Africa other than pursuant to section 96(1) of the Companies Act 2008 and provided further that such offer or sale is in compliance with the exchange control regulations of the Republic of South Africa and/or applicable laws and regulations of South Africa in force from time to time.

The dealers are not financial services providers in the Republic of South Africa and nothing in this Securities Note should be construed as constituting canvassing for, or marketing or advertising financial services by the dealers in the Republic of South Africa.

Care and diligence have been taken in the compilation of this Base Prospectus and any attachments to it. No representation or warranty, express or implied, is given by the Dealers, their directors, partners, employees, agents, representatives, shareholders or advisors or any other person, with regard to the accuracy or the completeness of the information in this Base Prospectus and its attachments.

This Base Prospectus and any attachments to it constitute objective information and nothing contained therein should be construed as constituting any form of investment advice or recommendation, guidance or proposal of a financial nature in respect of any investment in any Product.

Q. United Arab Emirates (excluding the Dubai International Financial Centre)

This offer of securities is not intended to constitute an offer, sale, promotion or advertisement or delivery of securities, no marketing of any financial products or services has been or will be made from within the United Arab Emirates (“UAE”) and no subscription to any securities or other investments may or will be consummated within the UAE, in each case other than in compliance with the laws of the UAE.

By receiving this Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Document and the securities have not been and will not be approved or licensed or consented to by or filed or registered with the UAE Central Bank, the Emirates Securities and Commodities Authority (“ESCA”), the Dubai Financial Market, the Abu Dhabi Global Market, the Abu Dhabi Securities Exchange or any other exchange, financial or securities market or authority in the United Arab Emirates. It should not be assumed that the placement agent, if any, is a licensed broker, dealer or investment advisor under the laws applicable in the UAE, or that it advises individuals resident in the UAE as to the appropriateness of investing in or purchasing or selling securities or other financial products, or otherwise received authorization or licensing from the UAE Central Bank, ESCA or any other authorities in the UAE to market or sell securities or other investments within the UAE.

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The information contained in this Document does not constitute an offer of securities for public subscription in the UAE, by way of advertisement or invitation to any natural or corporate person or class or classes of persons to purchase any securities or otherwise, in accordance with the UAE Federal Law No. 2 of 2015 Concerning Commercial Companies or otherwise and should not be construed as such. The securities may not be offered, sold, transferred or delivered directly or indirectly to the public in the UAE (including the Dubai International Financial Centre). This Document is strictly private and confidential. Bank Julius Baer & Co. Ltd. represents and warrants that the securities will not be offered, sold, transferred or delivered to the public in the UAE (including the Dubai International Financial Centre).

Nothing contained in this Document is intended to constitute investment, legal, tax, accounting or other professional advice. This Document is for information only and nothing in this Document is intended to endorse or recommend a particular course of action. Any person considering acquiring securities should consult with an appropriate professional for specific advice rendered based on their personal situation.

R. United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Products which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Products other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Products would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended (referred to in the following as the "**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Products in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Products in, from or otherwise involving the United Kingdom.

S. United States

The Products have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act. Neither the United States Securities and Exchange Commission nor any other securities regulator within the United States has approved the Base Prospectus and/or the Final

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Terms or has confirmed its resp. their correctness. The Base Prospectus and any Final Terms are not intended to be used within the United States and may not be delivered within the United States. The Offeror represents and agrees that it has not offered or sold, and will not offer or sell, the Products (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the date of issue of the relevant Products and the completion of the distribution of such Products, within the United States or to, or for the account or benefit of, U.S. persons and, it will have sent to each distributor or dealer to which it sells Products during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Products within the United States or to, or for the account or benefit of, U.S. persons. The Products may not at any time be offered, sold, traded or delivered within the United States, directly or indirectly or to U.S. persons. Until 40 days after the later of the date of issue of the relevant Products and the completion of the distribution of such Products an offer or sale of such Products within the United States may violate the registration requirements of the Securities Act.

T. Uruguay

The Products have not been registered under the Uruguayan Securities Market Law or recorded in the Uruguayan Central Bank. The Products are not available publicly in Uruguay and are offered only on a private basis. No action may be taken in Uruguay that would render any offering of the Products a public offering in Uruguay. No Uruguayan regulatory authority has approved the Products or passed on the solvency of the Issuer. In addition, any resale of the Products must be made in a manner that will not constitute a public offering in Uruguay.

VIII. Tax Description

A. Tax Warning

The following summary of certain tax considerations is of a general nature and for information purposes only and does not address every potential tax consequence of an investment in Products. Products with special features may have a different tax impact. This summary is based on treaties, laws, regulations, rulings and decisions in effect on the date of the Base Prospectus, all of which are subject to change. No investor shall rely on the following summary and each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from holding Products.

B. General

The following summary of certain tax considerations is of a general nature and for information purposes only and does not address every potential tax consequence of an investment in Products. Products with special features may have a different tax impact. This summary is based on treaties, laws, regulations, rulings and decisions in effect on the date of the Base Prospectus, all of which are subject to change. No investor shall rely on the following summary and each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from holding Products.

C. Switzerland

The following discussion is a summary of certain material Swiss tax considerations relating to (i) Products issued by the Issuer where the holder is tax resident in Switzerland or has a tax presence in Switzerland or (ii) Products where the Paying Agent, custodian or securities dealer is located in Switzerland. The discussion is based on legislation as of the date of this Base Prospectus. It does not aim to be a comprehensive description of all the Swiss tax considerations that may be relevant for a decision to invest in Products. The tax treatment for each investor depends on the particular situation. All investors are advised to consult with their professional tax advisers as to the respective Swiss tax consequences of the purchase, ownership, disposition, lapse, exercise or redemption of Products (or options embedded therein) in light of their particular circumstances.

1. Swiss Withholding Tax

(a) Bank Julius Baer & Co. Ltd. acting through a foreign designated branch

Payments on Products and repayment of principal of Products by the Issuer acting through a designated branch are not subject to Swiss withholding tax (*Verrechnungssteuer*), provided that, for so long as any Products issued by such designated branch are outstanding, (i) the Issuer is licensed in the jurisdiction of such designated branch to operate banking activities and the designated branch constitutes a permanent establishment situated and effectively managed outside Switzerland, and (ii) the designated branch receives and uses the bond related proceeds from the issuance of the Products outside Switzerland (unless their use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Products becoming subject to withholding or deduction by the Issuer for Swiss withholding tax as a consequence of the use of such proceeds in Switzerland).

(b) Bank Julius Baer & Co. Ltd. acting through its Swiss head office

Payments on Products issued by Bank Julius Baer & Co. Ltd acting through its Swiss head office, which classify as interest (including payments reflecting accrued interest) may be subject to Swiss withholding tax (*Verrechnungssteuer*). The tax is currently levied at a rate of 35%. The taxable amounts depend on the tax classification of the Product (see below "*Income Taxation—Products held by Swiss resident holders as private assets*"). Issue discounts, repayment premiums or payments reflecting accrued interest are taxable at redemption or maturity of the Product, as applicable.

A holder of a Product who, at the time a taxable payment on the Product is due, is the beneficial owner of the taxable payment, is entitled to a full refund of or a full tax credit for the Swiss withholding tax, provided that certain conditions are met, in particular, (i) in the case of a holder who is an individual resident in Switzerland and holding the Product as private asset, duly reports the gross amount of the taxable payment in his or her tax return and, (ii) in the case of a holder who is a legal entity or an individual holding the Product in a Swiss business, includes such payment as earnings in its income statement. A holder of a Product who is resident outside Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland to which such Product is attributable may be able to claim a full or partial refund of the Swiss withholding tax by virtue of the provisions of a double taxation treaty, if any, between Switzerland and the country of residence of the holder.

2. Income Taxation

2.1 Products held as private assets by a Swiss resident holder

(a) Structured Notes

If a Product classifies as a structured Product, *i.e.*, as derivative financial instrument(s) with a bond-like prefunding component embedded therein, its income taxation depends on whether (i) the embedded bond component and the embedded derivative financial instrument(s) are reported separately from each other, or, if the Product is a standard product, alternatively the values of the embedded bond component and the embedded derivative financial instrument(s) can at any time be determined analytically by using standard valuation programs, and (ii) the Product classifies as a structured product with or without a predominant one-time interest payment:

Non-transparent derivative financial instruments: If the embedded bond is not recorded separately from the embedded derivative financial instrument(s) and if the conditions for analytical determination of the values of the embedded bond and the embedded derivative financial instrument(s) set forth above do not apply, then the Product classifies as non-transparent structured note and any return over the initial investment classifies as a taxable interest payment. Non-transparent derivative financial instruments generally include a predominant one-time interest payment and are taxed in accordance with the principles set forth below under "*Transparent derivative financial instruments with a predominant one-time interest payment*".

Transparent derivative financial instruments without a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from periodic interest payments and not from a one-time-interest-payment

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such as an original issue discount or a repayment premium (see below "*Transparent derivative financial instruments with a predominant one-time interest payment*"), then a person who is an individual resident in Switzerland holding such a Product as a private asset is required to include any periodic and one-time interest payments received on the Product, converted in each case into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. Option premium received, and a gain, including in respect of interest accrued, a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Transparent derivative financial instruments with a predominant one-time interest payment: If the embedded bond is recorded separately from the embedded derivative financial instrument(s) or if the values of the embedded bond and the embedded derivative financial instrument(s) can be determined analytically as set forth above and if the yield-to-maturity predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a person who is an individual resident in Switzerland holding such a Product as a private asset, is required to include any periodic interest payments received on the Product and, in addition, any amount equal to the difference between the value of the Product at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, *i.e.*, including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Any compensation received by such a holder for the embedded derivative, *i.e.*, option premium received, and any residual gain, and a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively. However, notwithstanding the foregoing, such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Product against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(b) Bonds

Bonds without a predominant one-time interest payment: If a Product classifies as a pure bond without a predominant one-time interest payment (*i.e.*, the yield-to-maturity of which predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium), then a person who is an individual resident in Switzerland holding such a Product as a private asset is required to include any periodic and one-time interest payments received on such Product, converted into Swiss Francs at the exchange rate prevailing at the time of payment, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts) for the relevant tax period. A gain, including, *inter alia*, in respect of interest accrued or foreign exchange rate, a loss, respectively, realised on the sale of such a Product is a tax-free private capital gain, a non-tax-deductible private capital loss, respectively.

Bonds with a predominant one-time interest payment: If a Product classifies as a pure bond with a predominant one-time interest payment (the yield-to-maturity of which predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments), then a person who is an individual resident in Switzerland holding such a Product as a private asset, is required to include any periodic interest payments received on the Product and, in addition, any amount equal to the difference between the value

VIII. Tax Description

of the Product at redemption or sale, as applicable, and its value at issuance or secondary market purchase, as applicable, and converted in each case into Swiss Francs at the exchange rate prevailing at the time of sale or redemption, issuance or purchase, respectively, in his or her personal income tax return for the relevant tax period and will be taxable on any net taxable income (including such amounts, *i.e.*, including, *inter alia*, any gain in respect of interest accrued or foreign exchange rate) for the relevant tax period. Such a holder may offset any decrease in value realised by him or her within the same taxation period on sale or redemption of such a Product against any gain (including periodic interest payments) realised by him or her from other securities with a predominant one-time interest payment.

(c) Pure Derivative Financial Instruments

A capital gain realised by an individual on the sale or redemption of a Product which classifies as a pure derivative financial instrument (such as pure call and put options, pure futures, static certificates replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right and discount certificates with a maturity not exceeding twelve months) and which is held as part of the individual's private assets is a tax-free private capital gain. Conversely, a capital loss realised on the sale or redemption of such a Product cannot be set off against taxable income. Dividend equalisation payments on such a Product constitute taxable investment income.

(d) Low Exercise Price Warrants

A fully pre-funded call option with a term of not more than one year classifies as pure derivative financial instrument (see taxation treatment above "*Pure Derivative Financial Instruments*"). If the term of a call option exceeds one year and the instrument underlying the call option is pre-financed by 50 per cent or more at the time of issuance then the interest component embedded in such an instrument (*i.e.*, issue discount) constitutes taxable interest income (see taxation treatment above "*Structured Notes*").

(e) Fund-like Products

A Product which is classified as a fund-like instrument will be considered a pass-through instrument for Swiss tax purposes if dividend and interest income (less attributable costs) from, and capital gains and losses (less costs attributable) realised on, the underlying investments, are reported and distributed separately. Under such conditions, an individual holding a fund-like Product as part of his or her private assets receives taxable income (which he or she must report annually) over such portion of distributions (in case the fund is distributing the income realised on the underlying investments) or earnings credits (in case the fund is reinvesting the income realised on the underlying investment) as derive from dividends and interest (less attributable costs) on the underlying instruments. Any distributions or credits deriving from capital gains realised on the underlying investments constitute a tax-free private capital gain, and any respective loss is a non-tax-deductible private capital loss. Any gain realised within a taxation period on the sale of a fund-like Product (including accrued dividends and interest) is exempt from income taxation as a private capital gain, and, conversely, any loss realised on such a Product a non-tax-deductible capital loss.

2.2 Products held as assets of a Swiss business

Corporate entities and individuals who hold Products as part of a trade or business in Switzerland, in the case of residents abroad carried on through a permanent establishment or a fixed place of

business in Switzerland, are required to recognise any payments on, and any capital gains or losses realised on the sale or redemption of, such Products (irrespective of their classification) in their income statement for the respective taxation period and will be taxed on any net taxable earnings for such period.

The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities.

3. Capital Gains Taxation

3.1 Products held as private assets by a Swiss resident holder

A gain, a loss, respectively, realised by an individual resident in Switzerland for tax purposes upon the sale or other disposal of a Product held as part of his or her private assets is a tax-free private capital gain, or a non-tax deductible capital loss, respectively, unless such individual is classified, for income tax purposes, as a "professional securities dealer" for reasons of, *inter alia*, frequent dealing and leveraged investments in securities. If an individual is classified as "professional securities dealer" he or she will be taxed in accordance with the principles set forth above under "*Income Taxation, Products held as assets of a Swiss business*". Concerning the bifurcation of a tax-exempt capital gain component, or a non-tax deductible capital loss component, respectively, from taxable income components of a Product see the bifurcation principles set forth above with regard to the different instruments under "*Income Taxation—Products held as private assets by a Swiss resident holder*").

3.2 Products held as assets of a Swiss business

Capital gains realised on Products held as assets of a Swiss business are taxed in accordance with the taxation principles set forth above under "*Income Taxation—Products held as assets of a Swiss business*").

4. Swiss Federal Stamp Taxes

The issuance of Products on the Issue Date (primary market) is exempt from Swiss federal securities turnover tax (*Umsatzabgabe*), except that the issuance of Products which are classified as fund-like instruments may be subject to Swiss federal securities turnover tax of up to 0.3 per cent on the offering price, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

Dealings in Products (secondary market) which classify as pure derivative financial instruments (such as pure call and put options, including low exercise price options with a maturity not exceeding twelve months, pure futures with a maximal pre-financing of 25 per cent, fully-funded Products statically replicating an index or a basket of at least five shares and with a fixed maturity or an annual redemption right) are exempt from Swiss federal securities turnover tax. Dealings in other Products may be subject to Swiss federal securities turnover tax of up to 0.3 per cent on the consideration paid, however, only if a Swiss securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the transaction and, additionally, if no exemption applies.

The physical settlement of a security at exercise or redemption to the holder of the Product may be subject to Swiss federal securities turnover tax of 0.3 per cent. in case a security issued by an

issuer outside Switzerland is delivered and of 0.15 per cent. in case a security issued by a Swiss domestic issuer is delivered, however, in each case, only if a Swiss domestic securities dealer (as defined in the Swiss federal stamp tax act) is a party or an intermediary to the delivery and, additionally, if no exemption applies.

5. Gift, Inheritance and Estate Taxes

Subject to an applicable tax treaty in an international situation, transfers of Products may be subject to cantonal and/or communal inheritance tax, estate tax or gift tax if the deceased person has had his or her last domicile in Switzerland, the donor is resident in Switzerland, respectively, or in the case of a foreign deceased or resident person the transfer involves an unincorporated business in Switzerland and Products are held as part of such business. No such taxes exist at the federal level. Rates depend upon the existing relationship (*i.e.*, the relationship between the deceased and the heirs, or between the donor and the donee) and the size of the inheritance or gift. Interspousal gifts and gifts to descendants and inheritances collected by the surviving spouse and descendants are frequently exempt or taxed at low rates (up to 6 per cent). Gifts and inheritances received from unrelated persons attract rates ranging from 20 per cent to 40 per cent. The taxable base is usually the market value of the property transferred.

6. Net Worth and Capital Taxes

A holder of Products who is an individual resident in Switzerland for tax purposes or is a non-Swiss resident holding Products as part of a Swiss business operation or a Swiss permanent establishment is required to report Products as part of private wealth or as part of Swiss business assets, as the case may be, and is subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Products), in the case of a non-Swiss resident individual holding Products as part of a Swiss business operation or a Swiss permanent establishment to the extent the aggregate taxable wealth is allocable to Switzerland. Incorporated holders of Products are subject to cantonal and communal capital tax on net taxable equity, in the case of non-Swiss resident person holding Products as part of a Swiss permanent establishment, to the extent the aggregate taxable equity is allocable to Switzerland. No net worth and capital taxes are levied at the federal level.

7. Non-Swiss resident holders

A holder of a Product who is not resident in Switzerland and who during the taxation year has not engaged in a trade or business carried on through a permanent establishment or fixed place of business in Switzerland will in respect of such Product not be subject to income tax in Switzerland.

8. Automatic Exchange of Information in Tax Matters

On November 19, 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "MCAA"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the "AEOI"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "AEOI Act") entered into force on January 1, 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

VIII. Tax Description

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (*i.e.*, the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Based on such multilateral or bilateral agreements and the implementing laws of Switzerland, Switzerland exchanges data in respect of financial assets, including, as the case may be, Notes, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individual residents in a EU member state or in a treaty state.

9. Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of FATCA. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent, and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On 8 October 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct-notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities.

D. United States

Payments under the Products may be subject to U.S. withholding under the U.S. Internal Revenue Code

A 30% withholding tax or other tax is imposed under Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended, ("**Section 871(m)**") 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 Products. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. U.S. Treasury Department 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 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 determine whether dividend equivalents on the Products are subject to withholding as of the close of the relevant market(s) on the fixing date. If withholding is required, the Issuer (or the applicable Paying Agent) will withhold 30% in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts to the holders with respect to any such taxes withheld. If the terms and conditions of the Products provide that all or a portion of the dividends on U.S. underlying equity securities are reinvested in the Underlyings during the term of the Security, the terms and conditions of the Products may also provide that only 70% of a deemed dividend equivalent will be reinvested. The remaining 30% of such deemed dividend equivalent will be treated, solely for U.S. federal income tax purposes, as having been withheld from a gross dividend equivalent payment due to the investor and remitted to the U.S. Internal Revenue Service on behalf of the investor. The Issuer will withhold amounts required pursuant to section 871(m) of the U.S. Internal Revenue Code and regulations enacted

VIII. Tax Description

thereunder and pursuant to the terms of its Qualified Intermediary ("QI") Agreement with the U.S. Internal Revenue Service.

Even if the Issuer determines that a holder's Products are not specified equity-linked instruments that are subject to withholding on dividend equivalents, it is possible that a holder's Products could be deemed to be reissued for tax purposes upon the occurrence of certain events affecting the relevant Underlying or Basket Component or a holder's Products, and following such occurrence a holder's Products could be treated as specified equity-linked instruments that are subject to withholding on dividend equivalent payments. It is also possible that withholding tax or other tax under Section 871(m) could apply to the Products under these rules if a non-U.S. holder enters, or has entered, into certain other transactions in respect of the relevant Underlying or Basket Component. As described above, if withholding is required, the Issuer will withhold 30% or at rates as otherwise required pursuant to section 871(m) of the U.S. Internal Revenue Code and regulations enacted thereunder and pursuant to the terms of its QI Agreement with the U.S. Internal Revenue Service in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts to the holders with respect to any such taxes withheld.

Additionally, in the event that withholding is required, the Issuer hereby notifies each holder that for purposes of Section 871(m), that the Issuer will withhold in respect of dividend equivalents paid or deemed paid on the Products on the dividend payment date as described in U.S. Treasury Department regulations section 1.1441-2(e)(4) and 1.441-2(e)(7) and section 3.03(B) of the form of Qualified Intermediary Agreement contained in Revenue Procedure 2017-15, as applicable. Regardless of our good-faith efforts as required under applicable US tax rules and regulations to take into account that such investor would otherwise be entitled to an exemption from or reduction of withholding on such payments (e.g., a United States person for U.S. federal income tax purposes or a non-United States person eligible for an exemption from or reduction in withholding pursuant to an income tax treaty), there is the risk that withholding will be done at a higher rate and that holder will not be able to successfully claim a refund of the tax withheld in excess of the tax rate that would otherwise apply to such payments.

Each holder acknowledges and agrees that in the event that a Product references an Index as the Underlying or Basket Component, as the case may be, then regardless of whether the relevant Underlying or Basket Component is a net price return, a price return or a total return index, the payments on the Products (including any amounts deemed reinvested in the Product) will reflect the gross dividend payments paid by the issuers of the securities comprising the index less applicable withholding tax amounts in respect of such gross dividends, which in the case of U.S. source dividends, will be paid by or on behalf of the Issuer to the U.S. Internal Revenue Service in accordance with the U.S. withholding tax rules under Section 871(m).

Holders should consult with their tax advisors regarding the application of Section 871(m) and the regulations thereunder in respect of their acquisition and ownership of the Products, including a non-U.S. holder that enters, or has entered, into other transactions in respect of the relevant Underlying or Basket Component, as the case may be.

E. US-American "Foreign Account Tax Compliance Act", "FATCA"

Starting no earlier than 1 January 2019, with respect to Products issued after the date that is six months after final U.S. Treasury regulations defining the term "foreign passthru payments" are filed with the U.S. Federal Register, the Issuer or other financial institutions involved in payments under the Notes may be obliged to withhold tax in an amount of 30% made on the Product pursuant to the U.S. "Foreign Account Tax Compliance Act" or an intergovernmental agreement ("IGA") concluded by the United States with another country (such as the country of residence of the Issuer, a paying agent or an intermediary) (collectively, "FATCA") on certain payments

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made on the Products to (i) any non-U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders, investors and note holders, or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any account holder, investor or note holder (unless otherwise exempt from FATCA) that does not comply with information requests by the Issuer or other payors.

Proposed U.S. Treasury regulations were recently published that delay the effective date of withholding on payments of "foreign passthru payments" until the date that is two years after the date on which final U.S. Treasury regulations defining the term "foreign passthru payment" are filed with the U.S. Federal Register.

If a holder (including an intermediary) fails to provide the Issuer, any agent of the Issuer or other intermediaries with any correct, complete and accurate information that may be required for the Issuer (or any other intermediaries) to comply with FATCA, the Issuer, an agent of the Issuer or an intermediary may withhold amounts otherwise distributable to the holder. Information provided to the Issuer, an agent of the Issuer, or another intermediary may be reported to local tax authorities or the IRS. If an amount in respect of such withholding tax were to be deducted or withheld on the Products, none of the Issuer, any paying agent or any other person would be required to pay additional amounts as a result of the deduction or withholding of such tax.

IX. Information incorporated by Reference

The information referred to below is hereby incorporated by reference into this Base Prospectus and form an integral part of this Base Prospectus:

a.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Participation Products of Bank Julius Baer & Co. Ltd. dated June 10, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
b.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Participation Products of Bank Julius Baer & Co. Ltd. dated June 17, 2020	https://derivatives.julius-baer.com/en/services/base-prospectus
c.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Products with a Minimum Redemption Amount of Bank Julius Baer & Co. Ltd. dated June 9, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
d.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Products with Full or Partial or Conditional Capital Protection of Bank Julius Baer & Co. Ltd. dated June 17, 2020;	https://derivatives.julius-baer.com/en/services/base-prospectus
e.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Leverage Products of Bank Julius Baer & Co. Ltd. dated June 10, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
f.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Leverage Products of Bank Julius Baer & Co. Ltd. dated June 17, 2020;	https://derivatives.julius-baer.com/en/services/base-prospectus
g.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Yield Enhancement Products of Bank Julius Baer & Co. Ltd. dated June 9, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
h.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Yield Enhancement Products of Bank Julius Baer & Co. Ltd. dated June 17, 2020;	https://derivatives.julius-baer.com/en/services/base-prospectus

IX. Information incorporated by Reference

i.	Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Fixed Income Products of Bank Julius Baer & Co. Ltd. dated June 9, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
j.	Section 1 "Issue Specific Conditions" in the Securities Note for the issuance of Fixed Income Products of Bank Julius Baer & Co. Ltd. dated June 29, 2020;	https://derivatives.julius-baer.com/en/services/base-prospectus
k.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Credit Linked Products / Notes of Bank Julius Baer & Co. Ltd. dated June 9, 2021;	https://derivatives.julius-baer.com/en/services/base-prospectus
l.	Section 1 "Issue Specific Conditions" of the Securities Note for the issuance of Credit Linked Products / Notes of Bank Julius Baer & Co. Ltd. dated September 8, 2020	https://derivatives.julius-baer.com/en/services/base-prospectus
m.	BJB Consolidated Financial Statements 2020	https://www.julius-baer.com/en/media-investors/financial-information/financial-reporting/
n.	BJB Consolidated Financial Statements 2019	https://www.julius-baer.com/en/media-investors/financial-information/financial-reporting/
o.	BJB Financial Statements 2020	https://www.julius-baer.com/en/media-investors/financial-information/financial-reporting/
p.	BJB Financial Statements 2019	https://www.julius-baer.com/en/media-investors/financial-information/financial-reporting/
q.	Registration Document of the Issuer, dated June 4, 2021	https://derivatives.julius-baer.com/MediaLibrary/74903570-d15b-4abf-83eb-bcdd5aabfd85/2020%20EU

IX. Information incorporated by Reference

		%20Registrierungsformular%20der%20Bank%20Julius%20Baer%20EN_DE.pdf?v=1592839628309
r.	Swiss Bankers Association's brochure "Risks Involved in Trading Financial Instruments"	https://www.swissbanking.org/library/richtlinien/risiken-im-handel-mit-finanzinstrumenten/

All information incorporated by reference into this Base Prospectus can be obtained free of charge from the Issuer, Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland, Telephone: +41 (0) 58 888 8181, E-Mail: derivatives@juliusbaer.com. Telephone calls with the Issuer may or will be recorded and by calling the number the caller consents to this business practice.

X. Additional Information

A. Authorisation

This Base Prospectus and the issuance of Products thereunder were or will be duly authorized by the relevant bodies of Bank Julius Baer & Co. Ltd. as Issuer.

B. Consent to use this Base Prospectus

In accordance with article 36 para. 4 lit. b FinSA, the Issuer consents, to the extent and under the conditions, if any, as specified in the relevant Final Terms, to the use of this Base Prospectus and the relevant Final Terms by any financial service provider for a public offer of the Products in Switzerland.

C. Confirmation

There has been no significant change in the financial position of Bank Julius Baer & Co. Ltd. and its consolidated subsidiaries since December 31, 2020.

There has been no significant change in the financial performance of Bank Julius Baer & Co. Ltd. and its consolidated subsidiaries since December 31, 2020.

D. Continuance of Public Offer

This Base Prospectus serves as Succeeding Base Prospectus for the Products which are listed in the following "List of covered Products" by means of their ISIN.

The Final Terms of the covered Products prepared in respect of the previous base prospectus of Bank Julius Baer & Co. Ltd., Zurich (the "**Previous Base Prospectus**") for the issuance of structured products (the "**Previous Base Prospectus**") should be read, in addition to the other information contained in this Base Prospectus, together with the General Terms and Conditions in the Previous Base Prospectus and the Issue Specific Conditions of the covered Products, which are incorporated by reference into this Base Prospectus.

[List of relevant ISINs]

E. Responsibility

Bank Julius Baer & Co. Ltd., Zurich, as Issuer accepts responsibility for the information contained in this Base Prospectus and confirms that the information contained in this Base Prospectus is, to the best of its knowledge, correct and that, to the best of its knowledge, no material facts or circumstances have been omitted, as of the date of this Base Prospectus.

ADDRESS LIST

Issuer

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland

Lead Manager

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland

Calculation Agent

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland

Paying Agent

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland

SIX Swiss Exchange Ltd Listing Agent

Bank Julius Baer & Co. Ltd., Bahnhofstrasse 36, 8001 Zurich, Switzerland

Legal Advisers

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